SUPREME COURT
SECOND DIVISION

PHILIPPINE LABOR ALLIANCE COUNCIL (PLAC),
***Petitioner*,**

-versus-

G.R. No. L-41288
January 31, 1977

BUREAU OF LABOR RELATIONS, FEDERATION OF FREE WORKERS-ORION CHAPTER, GERARDO ROSANA and ORION MANILA, INC.
***Respondents*.**
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D E C I S I O N

FERNANDO, *J.*:

BARREDO, J., concurring:

It would be to frustrate the hopes that inspired the present Labor Code[1] to minimize judicial participation in the solution of employer-employee disputes resort to the courts would remain unabated. Nevertheless, in view of the certiorari jurisdiction of this Tribunal,[2] a grave abuse of discretion may be alleged as a grievance thus calling for remedial action. So petitioner Philippine Labor Alliance Council did hope to achieve in this certiorari and prohibition proceeding

against respondent Bureau of Labor Relations.[3] It would indict an Order[4] for a certification election by respondent Bureau as tainted by a jurisdictional infirmity in view of what is contended to be an existing duly certified collective bargaining contract between it and private respondent Orion Manila, Inc., the employer. It would thus ignore the withdrawal in the same order of such certification based on a finding that there was a failure on the part of the majority of the employees in the bargaining unit to ratify the collective contract, renewed nine months before the termination of the previous agreement. Apparently, the difficulty confronting it was due to the disaffiliation of many of its members. The order complained of recognized that there was such a sentiment on the part of sizable number of employees in the collective bargaining unit, thus making patent the desirability of conducting a certification election. That was the method to determine the exclusive bargaining representative followed even under the previous labor legislation.[5] It would thus appear rather obvious that the attempt to impute arbitrariness to respondent Bureau cannot be attended with success. The petition must be dismissed.

It was a detailed narration of facts set forth in the petition, starting with the allegation that there was a renewal of the collective bargaining agreement with a union shop clause on March 9, 1974 between petitioner union and respondent company to last for another period of three (3) years incorporating therein new economic benefits to expire on December 31, 1977.[6] The claim was that at that time it was the only bargaining agent of the respondent company unchallenged by any labor organization.[7] Then came the assertion that on May 27 1974, with due notice to all the members of the petitioner union, and with more than 1,500 of them present, such collective bargaining agreement was ratified by a unanimous vote.[8] It was then so certified by the former National Labor Relations Commission on June 4, 1974.[9] It was further alleged that at the time of such certification, there was no pending request for union recognition by any other labor organization with management.[10] Thereafter, on June 20, 1974, respondent Federation of Free Workers, setting forth that its members represent more than 60% out of 1,500 members, more or less, rank-and-file employees of respondent company, sought a certification election.[11] Petitioner union, as could be expected, opposed such a move as in its view the

collective bargaining agreement entered into with the respondent company had been certified.[12] It was sustained, the Secretary of Labor to whom an appeal was taken concurring with the former National Labor Relations Commission affirming the dismissal of such petition for certification, on the ground of the existence of a certified collective bargaining agreement.[13] That did not end the dispute, as respondent Federation on January 15, 1975, filed a complaint with the respondent Bureau of Labor Relations, the present Labor Code having become effective, alleging that some employees, numbering 848 in all, in a resolution attached to the complaint disaffiliated from petitioner union and affiliated with it, characterizing the certified agreement as having been entered into allegedly to thwart such disaffiliation and seeking a declaration of the nullity thereof.[14] After both petitioner union and respondent Federation of Free Workers had filed their pleadings,[15] the Med-Arbiter, on March 20, 1975, dismissed the complaint.[16] There was a motion for reconsideration, then an opposition.[17] On April 8, 1975, respondent Bureau of Labor Relations issued an order setting aside the certification of the collective bargaining agreement and ordering a certification election within 20 days from receipt of the order, upon the following declaration: "In the instant case, it is not disputed that the collective bargaining agreement certified by the National Labor Relations Commission was not ratified by the majority of the employees within the bargaining unit. This is defective. It is blatant non-observance of the basic requirement necessary to certification. With respect to the complaint of the confirmation of disaffiliation of the members of respondent Philippine Labor Alliance Council, the same should be resolved in the most expedient and simple method of determining the exclusive bargaining representative — the holding of a certification election."[18] There was a motion for reconsideration as well as a verified urgent petition filed with the Secretary of Labor by respondent Company, but the order was affirmed on July 31, 1975, the motion to consider being denied.[19]

From the very petition with its annexes, it is undisputed that there was a finding in the challenged order by respondent Bureau of Labor Relations of the non-ratification by the majority of the employees of the certified collective bargaining agreement, thus calling for its decertification. It is also noteworthy that in the comment of respondent labor union, considered as its answer, the allegation that

there was such a ratification was specifically denied. It cannot be taken as having proven. There is nothing in the exhaustive memorandum of petitioner either that would justify the imputation that respondent Bureau, in ordering decertification of the collective bargaining agreement with petitioner to be followed by a certification election, committed a transgression of the present Labor Code, much less one of such grievous character as to taint its actuation with a jurisdictional infirmity. It is quite apparent therefore that with due recognition of the ability and scholarship evident in the pleadings of Attorney Fortunato Gupit, Jr. for the petitioner, the attempt to invoke our *certiorari* jurisdiction cannot succeed.[20] So it was noted at the outset.

1. It is indisputable that the present controversy would not have arisen if there were no mass disaffiliation from petitioning union. Such a phenomenon is nothing new in the Philippine labor movement.[21] Nor is it open to any legal objection. It is implicit in the freedom of association explicitly ordained by the Constitution.[22] There is then the incontrovertible right of any individual to join an organization of his choice. That option belongs to him. A workingman is not to be denied that liberty.[23] He may be, as a matter of fact, more in need of it if the institution of collective bargaining as an aspect of industrial democracy is to succeed. No obstacle that may possible thwart the desirable objective of militancy in labor's struggle for better terms and conditions is then to be placed on his way. Once the fact of disaffiliation has been demonstrated beyond doubt, as in this case, a certification election is the most expeditious way of determining which labor organization is to be the exclusive bargaining representative. It is as simple as that. There is relevance to this excerpt from a recent decision, Philippine Association of Free Labor Unions vs. Bureau of Labor Relations:[24] "Petitioner thus appears to be woefully lacking in awareness of the significance of a certification election for the collective bargaining process. It is the fairest and most effective way of determining which labor organization can truly represent the working force. It is a fundamental postulate that the will of the majority, if given expression in an honest election with freedom on the part of

the voters to make their choice, is controlling. No better device can assure the institution of industrial democracy with the two parties to a business enterprise, management and labor, establishing a regime of self-rule. As was pointed out by Chief Justice Castro in Rivera vs. San Miguel Brewery Corporation, Inc., 'a collective bargaining agreement is the law of the plant.' To the same effect is this explicit pronouncement in Mactan Workers Union vs. Aboitiz: 'The terms and conditions of a collective bargaining contract constitute the law between the parties.' What could be aptly stressed then, as was done in Compania Maritima vs. Compania Maritima Labor Union, is 'the primacy to which the decision reached by the employees themselves is entitled.' Further, it was therein stated: 'That is in the soundest tradition of industrial democracy. For collective bargaining implies that instead of a unilateral imposition by management, the terms and conditions of employment should be the subject of negotiation between it and labor. Thus the two parties indispensable to the economy are supposed to take care of their respective interests. Moreover, the very notion of industrial self-rule negates the assumption that what is good for either party should be left to the will of the other. On the contrary, there is an awareness that labor can be trusted to promote its welfare through the bargaining process. To it then must be left the choice of its agent for such purpose.' To paraphrase an observation of the recently-retired Chief Justice Makalintal in Seno vs. Mendoza, it is essential that there be an agreement to govern the relations between labor marked by confusion, with resulting breaches of the law by either party. There is, it would appear, a decidedly unsympathetic approach to the institution of collective bargaining at war with what has so often and so consistently decided by this Tribunal."[25]

2. A different conclusion could have been reached had there been no decertification. The contract-bar rule could then be invoked by petitioner. It is, as pointed out by Justice Fernandez in Confederation of Citizens Labor Unions vs. National Labor Relations Commission,[26] "a principle in labor law that a collective bargaining agreement of

reasonable duration is, in the interest of the stability of industrial relations, a bar to certification elections."[27] Even then, as was pointed out in the just-cited Philippine Association of Free Labor Unions decision, it "is not to be applied with rigidity. The element of flexibility in its operation cannot be ignored."[28] In this controversy, however, such a principle is not applicable. The collective bargaining agreement entered into by petitioner with management on March 9, 1974 was decertified in the challenged order of April 8, 1975.[29] The power to decertify by respondent Bureau is not disputed. It was the exercise thereof that is now assailed. If done arbitrarily, there is valid ground for complaint. The due process clause is a guarantee against any actuation of that sort. It stands for fairness and justice. That standard was not ignored. It suffices to read the petition to disprove any allegation of such failing, whether in its procedural or substantive aspect. Petitioner was heard by respondent Bureau before the order of decertification was issued on April 8, 1975. The denial of its motion for reconsideration came also after it had an opportunity to present its side. Procedural due process was thus observed. Nor was there any denial of substantive due process in the sense of such decertification being an act of arbitrariness and caprice.

In the order of April 8, 1975, it was specifically pointed out: "In the instant case, it is not disputed that the collective bargaining agreement certified by the National Labor Relations Commission was not ratified by the majority of the employees within the bargaining unit. This is defective. It is blatant non-observance of the basic requirement necessary to certification. To allow it to remain uncorrected would allow circumvention of what the law specifically ordained. We cannot countenance irregularities of the highest order to exist in our very own eyes to be perpetuated. With respect to the complaint of the confirmation of disaffiliation of the members of respondent Philippine Labor Alliance Council, the same should be resolved in the most expedient and simple method of determining the exclusive bargaining representative — the holding of a certification election."[30] In

the order denying the motion for reconsideration dated July 31, 1975, it was first noted: "On January 20, 1975, FFW and 848 Orion employees filed with the Bureau a petition for the annulment of the 1974 collective bargaining agreement and for the confirmation of the disaffiliation of the 848 employees from PLAC and their affiliation with FFW. The petition alleged among other, that the new agreement was concluded about ten months before the expiry date of the old purposely to defeat the right of the covered employees to choose their bargaining representative at the proper time appointed by law. It appears, indeed, that there was no urgency for the premature renegotiations considering that the new agreement provides for a 50-centavo salary increase effective yet on January 1, 1976."[31] Then, there was further clarification of the decision reached as to the holding of a certification election being the appropriate mode of solving the dispute: "With the decertification of the collective agreement, the representation issue comes back to the fore. Petitioner wants this resolved by ruling on the affiliation and disaffiliation of the union. The Bureau holds, however, that certification election can better resolve the issue. Parenthetically, it should be stated that a certification election can still be held even if the collective agreement were certified, considering the peculiar facts of the case. Good policy and equity demand that when an agreement is renegotiated before the appointed 60-day period, its certification must still give way to any representation issue that may be raised within 60-day period so that the right of employees to choose a bargaining unit agent and the right of unions to be chosen shall be preserved."[32]

3. There is, finally, another insuperable obstacle to the success of this petition. There is no need for a citation of authorities to show how well-settled and firmly-rooted is the doctrine of the well-nigh conclusive respect for the findings of facts of administrative tribunals, leaving to the judiciary, in the ultimate analysis, this Tribunal, to set forth the correct legal norm applicable to the controversy. With specific reference to the agencies at present dealing with labor relations, there is this excerpt from Justice Aquino's opinion in Antipolo

> Highway Lines, Inc. vs. Inciong:[33] "A dispassionate scrutiny of the proceedings in the NLRC does not sustain petitioners' view that they were denied due process and that the NLRC committed a grave abuse of discretion. (See Maglasang vs. Ople, L-38813, April 29, 1975 per Justice Fernando). We found no justification for setting aside the factual findings of the NLRC, which like those of any other administrative agency, are generally binding on the courts (Timbancaya vs. Vicente, 62 O.G. 9424, 9 SCRA 852)."[34]

WHEREFORE, this petition for certiorari and prohibition is dismissed. The restraining order issued by this Court in its resolution of September 8, 1975 is hereby lifted. No costs.

Antonio, Aquino and Concepcion, Jr., *JJ.*, concur.

SEPARATE OPINIONS

BARREDO, J., concurring:

Concurs, with the observation that nothing herein modifies the general rule that while a bargaining wish may be changed, the effectivity and enforceability with a valid collective bargaining contract cannot be affected thereby.

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[1] Presidential Decree No. 442 (1974).
[2] Cf. San Miguel Corporation vs. Secretary of Labor, L-39195, May 16, 1975, 64 SCRA 56.
[3] The private respondents are Federation of Free Workers-Orion Chapter, Gerardo Rosana and Orion Manila, Inc.
[4] Petition, Annex S.
[5] Cf. Republic Act No. 875 (1953).
[6] Petition, par. 2.
[7] Ibid, par. 3.
[8] Ibid, par. 4.

[9] Ibid, par. 5.
[10] Ibid, par. 6.
[11] Ibid, par. 7.
[12] Ibid, par. 7.
[13] Ibid, par. 9-12.
[14] Ibid, par. 13.
[15] Ibid, pars. 14-18.
[16] Ibid, par. 19.
[17] Ibid, pars. 20-21.
[18] Ibid, par. 22.
[19] Ibid, pars. 23-27.
[20] For that matter, the pleadings filed by Attorney F. F. Bonifacio, Jr. for respondent labor Union and those submitted by Assistant Solicitor-General Reynato S. Puno, assisted by Solicitor Romeo C. de la Cruz are equally illuminating.
[21] Cf. Binalbagan-Isabela Sugar Co., Inc. vs. Philippine Association of Free Labor Unions, L-18782, Aug. 29, 1963, 8 SCRA 100; Itogon-Suyoc Mines Inc. vs. Baldo, L-17739, Dec. 24, 1964, 12 SCRA 599; Citizens Labor Union-CCLU vs. Court of Industrial Relations, L-24320, Nov. 12, 1966, 18 SCRA 624; Lakas ng Manggagawang Makabayan vs. Court of Industrial Relations, L-32178, Dec. 28, 1970, 36 SCRA 600; Philippine Association of Free Labor Unions (PAFLU) vs. Court of Industrial Relations, L-33781, Oct. 31, 1972, 47 SCRA 390; Federation of Free Workers vs. Paredes, L-36466, Nov. 26, 1973, 54 SCRA 75; Liberty Cotton Mills Workers Union vs. Liberty Cotton Mills, Inc., L-33987, Sept. 4, 1975, 66 SCRA 512.
[22] According to Article IV, Section 1 of the Constitution: “The right to form associations or societies for purposes not contrary to law shall not be abridged.” The very same language was used in Article III, Section 1, par. 6 of the 1935 Constitution.
[23] Cf. Freeman Shirt Manufacturing Co. vs. Court of Industrial Relations; 110 Phil. 962 (1961); Elegance Inc. vs. Court of Industrial Relations, L-24096, April 20, 1971, 38 SCRA 382; Caltex Filipino Managers and Supervisors Association vs. Court of Industrial Relations, L-36023, April 11, 1972, 44 SCRA 350; Victoriano vs. Elizalde Rope Workers Unions, L-25246, Sept. 12, 1974, 59 SCRA 54; Basa vs. Federacion Obrera, L-27113, Nov. 19, 1974, 51 SCRA 93; United Employees Union of Gelmart Industries vs. Noriel, L-40810, Oct. 3, 1975, 67 SCRA 261; Philippine Association of Free Labor Unions vs. Bureau of Labor Relations, L-42115, Jan. 27, 1976, 69 SCRA 132; U.E. Automotive Employees and Workers Union vs. Noriel, L-44350, Nov. 25, 1976.
[24] L-42115, January 27, 1976, 69 SCRA 132.
[25] Ibid, 139-140. The Rivera decision, L-26197, July 20, 1968, is reported in 24 SCRA 86, at 91; Mactan Workers Union, L-30241, June 30, 1972, in 45 SCRA 577, at 581; Compania Maritima vs. Compania Maritima Labor Union, L-29504, Feb. 29, 1972, in 43 SCRA 464; Seno vs. Mendoza, L-20565, Nov. 29, 1967, in 21 SCRA 1124.
[26] L-38955-56, October 31, 1974, 60 SCRA 450.

[27] Ibid, 457.
[28] 69 SCRA 132, 138.
[29] Annex S of Petition.
[30] Ibid, 3.
[31] Annex X of Petition, 2.
[32] Ibid, 3.
[33] L-38532, June 27, 1975, 64 SCRA 441.
[34] Ibid, 447. Cf. Confederation of Citizens Labor Unions (CCLU) vs. National Labor Relations Commission, L-38955-56, Oct. 31, 1974, 60 SCRA 450; Firestone Filipinas Employees Association vs. Firestone Tire and Rubber Company of the Philippines, L-37952, Dec. 10, 1974, 61 SCRA 339; Firestone Pilipinas Employees Association vs. Firestone Tire and Rubber Company of the Philippines, L-37952, Feb. 25, 1975, 62 SCRA 529; San Miguel Corporation vs. Secretary of Labor, L-39195, May 16, 1975, 64 SCRA 56; Jacqueline Industries vs. National Labor Relations Commission, L-37034, Aug. 29, 1975, 66 SCRA 397.