

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
FIRST DIVISION**

**RIZAL WORKERS UNION,
*Petitioner,***

-versus-

**G.R. No. 82759
June 8, 1990**

**HON. PURA FERRER CALLEJA, in her
capacity as Director of the Bureau of
Labor Relations, and the
CONFEDERATION OF FILIPINO
WORKERS,**

Respondents.

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DECISION

NARVASA, J.:

This Petition for Certiorari and Prohibition seeks to set aside the decision of the respondent Director of the Bureau of Labor Relations annulling the result of a certification election held among the workers of the La Campana Fabrica de Tabacos, Inc. (La Campana).

The records show that the Confederation of Filipino Workers (CFW) had challenged the incumbency of present petitioner Rizal Workers Union (RWU) as the collective bargaining agent of the rank-and-file employees of La Campana and had, within the freedom period,

petitioned the Bureau of Labor Relations for a certification election. The petition, initially denied for allegedly lacking the support of at least 20% of the membership of the bargaining unit, 1 was subsequently granted, and the certification election was held on September 5, 1987 under the supervision of representatives of the Department of Labor and Employment headed by Adelaida C. Gregorio. RWU won over CFW by a 3-to-1 margin, the tally sheets showing the following voting results: for RWU, 304 votes; for CFW, 102 votes; No union,^[1] vote; Spoiled Ballots, 7; Total, 414. Accordingly, and the supervision team having certified in the election minutes that the election had been “free, clean, honest, peaceful and orderly,”^[2] RWU was proclaimed the winner.

The defeated union (CFW) signed the minutes under protest and thereafter filed a formal protest^[3] with the Bureau of Labor Relations, seeking annulment of the election results for these alleged irregularities:

- a) Company owners stayed inside the polling place campaigning for RWU and harassing voters sympathetic to CFW;
- b) Management prevented 200 workers from leaving the plant on the eve of the election;
- c) Many persons, not workers of the company, were allowed to vote using employee identification cards;
- d) Management distributed free T-shirts and money on the eve of the election to induce the recipients to vote for RWU;
- e) Workers identified with the CFW were barred from the company premises.^[4]

These claims were subsequently amplified in a supplemental protest which made mention of at least one instance of an outsider who had been caught attempting to vote with the use of an employee's identification card and of 115 employees not being able to vote. It was further alleged that the frauds were deliberately calculated to ensure the victory of RWU because it was a company union, as was evident

from the fact that despite its 33-year incumbency during which no less than eleven (11) collective bargaining agreements were executed with the company, the workers' wages had remained very low.

In an order dated November 12, 1987,^[5] Med-Arbitrator Manases T. Cruz dismissed the protest for lack of merit and declared the election results final and RWU the certified exclusive bargaining agent of all the rank-and-file workers of La Campana. He found no substantial evidence to support the protestant's charges of fraud and gave credit to the Election Minutes attesting to the integrity of the election.

On appeal, however, to the respondent Director of Labor Relations, the decision was reversed and another, dated February 12, 1988,^[6] was rendered annulling the certification election and ordering that another election be held. In her decision, said respondent accorded full credence to the allegations made in the protest, found these to have been sufficiently proven by the protestant's evidence consisting of a "Kapasyahan/Resolusyon" dated September 24, 1987^[7] and signed by some 100 workers (111 according to the respondent Director; 109 by the Med-Arbitrator's court), and a sworn statement purportedly executed by one Eric Gamueda.^[8] According to the first of said documents: (1) before the election about 200 workers were detained in their work stations and thereby prevented from voting; (2) early in the morning of the election, management distributed free T-shirts to workers who were then taken to the elections booths to vote; (3) construction men, not company employees, working in a building within the company premises were issued employee identification cards enabling them to vote in the election. The sworn statement is allegedly to the effect that the declarant (Eric Gamueda) was one of those construction workers who was issued a La Campana employees' identification card so that he could vote in the election. Respondent Director also faulted the petitioner for opposing the protest by mere general averment without categorically refuting the charges of fraud.

Having twice filed for reconsideration and been rebuffed both times, RWU finally instituted the present petition, impugning the respondent Director's decision as rendered with grave abuse of discretion in that the factual conclusions made therein are without

support in the evidence and rest on nothing more substantial than the protestant's bare allegations.

In a motion to intervene accompanied by a petition-in-intervention,^[9] La Campana took up the cudgels for the petitioner, denied having intervened in the election or connived with the petitioner in any cheating, and echoed the charge that the Director's decision was tainted with grave abuse of discretion for want of substantial evidentiary basis.

It being well-settled rule that the findings of fact of quasi-judicial agencies of the Department of Labor and Employment are binding on this Court if supported by substantial evidence,^[10] all that is necessary in order to resolve this case is to determine whether or not evidence of such character exists or has been presented which would justify the decision of the respondent Director. From even a perfunctory assessment, it becomes apparent that the "evidence" upon which said decision is professedly based does not come up to that standard of substantiality.

Neither the "Kapasyahan/Resolusyon" nor the Gamueda statement was identified by their purported authors or signatories. None of the one hundred or more employees who supposedly signed that manifesto was presented at the hearing to claim authorship or, howsoever routinely, affirm that what is narrated therein had in fact transpired. The same is true of the statement attributed to Eric Gamueda. As far as the protest was concerned, therefore, both documents were nothing but mere scraps of paper without evidentiary value and, indeed, were not even admissible against herein petitioner, deprived as it was of the right and opportunity to confront their authors and examine them about the truth of their declarations.^[11]

It is of course also sound and settled rule that administrative agencies performing quasi-judicial functions are unfettered by the rigid technicalities of procedure observed in the courts of law, ¹² and this so that disputes brought before such bodies may be resolved in the most expeditious and inexpensive manner possible. But what is involved here transcends mere procedural technicality and concerns the more paramount principles and requirements of due process,

which may not be sacrificed to speed or expediency. Such a primary, made inherent in the judicial process by constitutional fiat, is implicitly recognized in Art. 221 of the Labor Code, as amended, which in part provides:

“Art. 221. Technical rules not binding and prior resort to amicable settlement. — In any proceeding before the Commission or any of the Labor Arbiters, the rules of evidence prevailing in courts of law or equity shall not be controlling, and it is the spirit and intention of this code that the Commission and its members and the Labor Arbiters shall use every and all reasonable means to ascertain the facts in each case speedily and objectively, without regard to technicalities of law or procedure, all in the interest of due process.”

The clear message of the law is that even in the disposition of labor cases, due process must never be subordinated to expediency or dispatch. Upon this principle, the unidentified documents relied upon by the respondent Director must be seen and taken for what they are, mere inadmissible hearsay. They cannot, by any stretch of reasoning, be deemed substantial evidence of the election frauds complained of. And as this Court held in *Ang Tibay vs. CIR*:^[13]

“The assurance of a desirable flexibility in administrative procedure does not go so far as to justify orders without a basis in evidence having rational probative force. Mere uncorroborated hearsay or rumor does not constitute substantial evidence.”

But even given the benefit of every doubt as to their admissibility, said statements still fail to qualify as credible or persuasive evidence of the alleged frauds. The “Resolusyon/Kapasyahan,” for one, is so sketchy in content that it gives the impression of being no more than a collection of general allegations presented ready-made to people who signed it without really knowing or caring about whether they were true or not. It states, for example, that more than 200 employees were not allowed to vote. But that figure must have been plucked out of thin air because there are repeated references in the record^[14] which the respondent union (CFW) has never seriously disputed that the voters list agreed upon by the parties showed only

495 eligible voters out of which number 414 in fact voted, as shown by the official tally, thus leaving only 81 who failed to vote for one reason or another. The existence of an agreed voters list against which the identity of every prospective voter could be checked also renders quite implausible the insinuation made in said statements that anyone who presented himself at the polling place with an employee's identification card would be allowed to vote without question. The election minutes record that in the one instance where a voter's status as an employee was questioned by a CFW representative, although his name appeared in the voters list and he presented an identification card, his ballot was ordered segregated by the DOLE supervision team when he failed to produce his residence certificate, which decision however did not satisfy the CFW representatives, who walked out of the proceedings.^[15]

It results that the only relevant and competent evidence regarding the conduct of the certification election is the election minutes accomplished and signed by the DOLE supervision team, and according to which the election proceeded in a "free, clean, honest, peaceful and orderly manner." Based on said evidence, it is the Med-Arbiter's decision according it faith and credit that should be upheld, in preference to that of the respondent Director which, in ignoring said minutes and relying on mere unproven allegations of fraud, was rendered with manifest grave abuse of discretion.

The role played by La Campana in the disputed election as well as in these proceedings has not escaped the Court's attention. Although the charges of its active intervention and electioneering have not been substantiated, the record shows that it sat with parties and the DOLE representatives during the election proceedings.^[16] This Court has time and again ruled that the employer is not a party in a certification election, which activity is the sole concern of the workers. The only instance in which an employer may involve itself in that process is where it is obliged to file a petition for certification election by reason of its workers' request to bargain collectively, pursuant to Article 258 of the Labor Code. Even then, the employer's involvement ceases, and it becomes a neutral bystander, after the order for a certification election issues.^[17] It was entirely improper for La Campana to be present at all during the proceedings, even as an observer, let alone

sit in and participate therein through a representative, as the minutes show it did.

WHEREFORE, certiorari is **GRANTED**. The questioned decision of the public respondent is **ANNULLED** and **SET ASIDE**. The Med-Arbiter's order of November 12, 1987 declaring final the result of the certification election of September 5, 1987 and certifying petitioner Rizal Workers' Union as the sole and exclusive bargaining agent of all rank-and-file workers of La Campana Fabrica de Tabacos, Inc. is **REINSTATED** and **AFFIRMED**. This Court's restraining order of April 27, 1988 18 against the execution or implementation of the respondent Director's order of February 12, 1988 subject of the petition is made permanent. La Campana Fabrica de Tabacos, Inc. is **ADMONISHED** for its improper participation and involvement in its workers' certification election of September 5, 1987 and **WARNED** against repetition thereof. Costs against the private respondents.

SO ORDERED.

Cruz, Gancayco and Medialdea, JJ., concur.
Griño-Aquino, J., is on official leave.

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- [1] Rollo, pp. 22-26.
[2] Annex "D," Petition; Rollo, pp. 39-40.
[3] NCR-DD-M-61446-87.
[4] Rollo, pp. 95-96.
[5] Rollo, pp. 73-79.
[6] Rollo, pp. 101-107.
[7] Rollo, pp. 45-52.
[8] Rollo, p. 43; also referred to in respondent Director's Decision, Rollo, p. 98.
[9] Rollo, pp. 209-243.
[10] Mamerto vs. Inciong, 118 SCRA 265; Producers Bank vs. NLRC, 165 SCRA 281; Llobrera vs. NLRC, 162 SCRA 788; San Miguel Corporation vs. NLRC, 128 SCRA 180; Kapisanan ng Maggagawa sa Camara Shoes vs. Camara Shoes et al., 111 SCRA 477.
[11] People vs. Santos, 139 SCRA 583.
[12] Ang Tibay vs. CIR, 69 Phil. 635.
[13] Supra; Footnote 12.
[14] Rollo, pp. 6, 22, 24, 29, 130, 231 and 255; the election minutes (Annex "D," Petition, supra) signed by CFW also record that only 540 official ballots were prepared which, considering that said number must have included

some allowance for spoilage, indirectly confirms that only 495 voters were registered.

[15] Rollo, p. 39.

[16] Rollo, p. 74. Annex "D" Petition, supra.

[17] Consolidated Farms, Inc. vs. Noriel, 84 SCRA 469; Trade Unions of the Philippines and Allied Services (TUPAS) vs. Trabajano, 120 SCRA 64.

[18] Rollo, pp. 207-208.