

**Title:** Philippine Airlines, Inc. vs. Alberto Santos, Jr., Houdiel Magadia, Gilbert Antonio, Regino Duran, Philippine Airlines Employees Association, and the National Labor Relations Commission

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**Facts:**

- Employees and Responsibilities:** Individual respondents, Alberto Santos, Jr., Houdiel Magadia, Gilbert Antonio, and Regino Duran, were Port Stewards of Catering Sub-Department, Passenger Services Department at Philippine Airlines (PAL). Their duties included preparing meal orders, setting up standard equipment, skiing, binning, and inventorying commissary supplies and equipment.
- Salary Deductions:** Various deductions were made from their salaries due to losses of inventoried items charged for mishandling company properties.
- August 21, 1984:** The employees, represented by their union, formally complained about these deductions to Mr. Reynaldo Abad, Manager for Catering, but received no action.
- November 4, 1984:** A formal grievance was filed according to the grievance machinery Step 1 of the Collective Bargaining Agreement (CBA).
- November 21, 1984:** The grievance was submitted to Mr. Abad's office, but he was on vacation leave.
- December 5, 1984:** The grievants wrote a letter to Mr. Abad's office, assuming the grievance was resolved in their favor as per CBA's 5-day rule.
- December 7, 1984:** Upon Mr. Abad's return, he scheduled a meeting for December 12 to discuss the grievance.
- Non-performance:** Subsequently, respondents refused to conduct inventory work on certain dates. (e.g., Santos on December 7, 10, 12; Antonio on December 10; Duran and Magadia on December 10, 12).
- December 12, 1984:** In the grievance meeting, Abad denied their petition and confirmed inventory as part of their duty. Salary deductions for losses were also justified by Abad.

10. **January 3, 1985:** Abad's memo required the respondents to explain their failure to conduct inventory.
11. **Employees' Explanation:** They replied citing CBA's provision deeming the grievance resolved in their favor due to non-action within 5 days.
12. **Penalties Imposed:** When Abad found their explanation unsatisfactory, suspensions were imposed ranging from 7 to 30 days.
13. **Union Actions:** PALEA filed another grievance to lift or defer the suspensions. The suspensions were sustained except for Santos, which was reduced.
14. **Complaint for Illegal Suspension:** The union demanded reimbursement for salaries during the suspension period. A complaint was filed before the NLRC Arbitration Branch.
15. **Labor Arbiter Decision:** Arbiter Ceferina J. Diosana dismissed the complaint on March 17, 1986.
16. **NLRC Appeal:** The employees appealed, and the NLRC reversed the Arbiter's decision on December 11, 1986, declaring the suspensions illegal and directing salary payments.
17. **PAL's Petition for Certiorari:** PAL filed a petition for certiorari with the Supreme Court contending the NLRC decision.

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**Issues:**

1. **Whether NLRC acted with grave abuse of discretion in ruling the suspensions illegal.**
2. **Interpretation of Section 2, Article IV of the CBA regarding the 5-day period for resolving grievances and its implications.**

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**Court's Decision:**

1. **Jurisdiction and Grave Abuse of Discretion:**
  - The Court did not find evidence that the NLRC unlawfully neglected its duties or acted

outside its jurisdiction. Judicial review in labor cases is limited to issues of jurisdiction and grave abuse of discretion.

2. **Interpretation of the CBA Provisions:**

- The grievance was indeed presented to Abad's secretary in his absence. The CBA clearly stipulates an automatic resolution in favor of employees if the division head does not act within the 5-day period.
- The Court ruled that delaying resolution by reasons such as officer's leave would unduly prejudice employees. Petitioner PAL failed to assign an interim officer, thus violating the CBA's clear mandate.

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**Doctrine:**

- **Automatic Grievance Resolution:** If a division head fails to respond to a grievance within the specified period in the CBA (5 days in this case), the grievance is deemed resolved in favor of the complaining party.
- **Managerial Responsibility During Absences:** Employers must ensure that mechanisms are in place to manage grievances even when key officials are on leave.

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**Class Notes:**

- **CBA Compliance:** Strict adherence to the timelines and procedures stipulated in a Collective Bargaining Agreement (CBA) is mandatory. Failure to comply may result in automatic rulings in favor of the aggrieved party.
- **Delegation of Duties:** Employers must have contingency measures to handle grievances and other urgent matters in the absence of key personnel.
- **Grave Abuse of Discretion:** Judicial review of NLRC decisions is confined to questions of jurisdiction or abuse of discretion, not sufficiency of evidence.

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**Historical Background:**

- **Labor Protections:** The case exemplifies the protective stance the Philippine judiciary and labor laws take toward workers, guided by social justice principles enshrined in the

Philippine Constitution.

- **Collective Bargaining:** It underscores the importance of CBAs in safeguarding labor rights and ensuring balanced employer-employee relationships.

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This comprehensive analysis of **Philippine Airlines, Inc. vs. Alberto Santos, Jr., et al.** underscores the importance of adherence to CBA provisions and reinforces labor protection mandates within the Philippine legal framework.