

Title:

Philippine Association of Free Labor Unions (PAFLU) vs. Bureau of Labor Relations, et al., G.R. No. L-42115, June 6, 1967

Facts:

The Philippine Association of Free Labor Unions (PAFLU) contested the certification of the National Federation of Free Labor Unions (NAFLU) as the exclusive bargaining agent of the employees of Philippine Blooming Mills, Inc. based on the results of a certification election held on February 27, 1976. NAFLU received 429 votes while PAFLU received 414 votes. Four votes were cast for neither union, and there were seventeen spoiled ballots. PAFLU appealed the certification on the grounds that the spoiled ballots should have been counted in determining the majority, citing an earlier decision in *Allied Workers Association of the Philippines v. Court of Industrial Relations*. PAFLU argued that if the spoiled ballots were considered, their total votes would increase, possibly changing the outcome.

Procedural Posture:

1. **Certification by Labor Relations Director:** Carmelo C. Noriel, Director of Labor Relations, certified NAFLU as the exclusive bargaining agent.
2. **Appeal to Bureau of Labor Relations:** PAFLU appealed the certification, raising the issue of the spoiled ballots.
3. **Certification Upheld:** Director Noriel upheld the certification of NAFLU, relying on current rules stipulating that only valid votes count.
4. **Petition for Certiorari:** PAFLU filed a petition for certiorari before the Supreme Court, claiming grave abuse of discretion in the decision.

Issues:

1. Whether the spoiled ballots should be counted in determining the valid votes cast in a certification election.
2. Whether the rules and regulations under the current Labor Code, which stipulate that only valid votes are counted, should be applied over the doctrine from the Industrial Peace Act period.
3. Whether there was a grave abuse of discretion on the part of the respondent Director of Labor Relations in certifying NAFLU as the exclusive bargaining agent.

Court's Decision:

Issue 1: The Supreme Court held that spoiled ballots should not be counted in determining the valid votes cast, as per the rules and regulations implementing the current

Labor Code.

****Issue 2:**** The Court opined that the applicable rules and regulations under the current Labor Code govern the certification election process. The earlier doctrine from the Allied Workers Association case, which required spoiled ballots to be counted, was no longer applicable since it arose under the Industrial Peace Act, which has been superseded by the Labor Code.

****Issue 3:**** The Court found no grave abuse of discretion by the respondent Director. The director acted within the bounds of the current Labor Code and its implementing regulations, which clearly direct that only valid votes are to be counted. The certification of NAFLU was thus appropriate since it received the majority of valid votes cast.

****Doctrine:****

The decision reaffirmed that under the Labor Code of the Philippines, only valid votes are counted in determining the majority in a certification election. It also emphasized the legislative intent and policy behind the current rules: to streamline the election process and ensure industrial peace and stability.

Class Notes:

- ****Key Elements/Concepts:****
- ****Certification Election:**** Contest to validate the exclusive bargaining agent among different unions.
- ****Valid Votes:**** Votes considered in determining the majority; excludes spoiled ballots as per current Labor Code.
- ****Grave Abuse of Discretion:**** A legal standard for reviewing decisions of administrative bodies.
- ****Superseding Legislation:**** Understanding the effect of new laws on prior legal doctrines.

****Relevant Legal Provisions:****

- ****Rule 6, Section 8(f)**** of the Rules and Regulations Implementing the Labor Code: “The union which obtained the majority of the valid votes cast by the eligible voters shall be certified as the sole and exclusive bargaining agent of all the workers in the appropriate unit.”
- ****Art. 256 of the Labor Code:**** Governs the process for certification of unions.

Historical Background:

During the 1970s, the Philippines was undergoing significant labor reforms under President Ferdinand Marcos. The Labor Code, effective November 1, 1974, sought to modernize and streamline labor relations in response to increasing industrialization. The transition from the Industrial Peace Act to the Labor Code aimed to provide clearer guidelines and stability in labor management relations, ensuring that industrialization efforts were not hampered by prolonged labor disputes. This shift reflects broader state efforts to align local labor practices with global standards, facilitating smoother operations in industries crucial to national development.