

****Title:****

Pagkakaisa ng mga Manggagawa sa Triumph International-United Lumber and General Workers of the Philippines (PMTI-ULGWP) vs. Pura Ferrer-Calleja, Director of the Bureau of Labor Relations, and Confederation of Filipino Workers (CFW), Progressive Employees Union (PEU-TIPI)

****Facts:****

1. ****Existing Representation:**** PMTI-ULGWP was the recognized collective bargaining agent of the rank-and-file employees of Triumph International Philippines, Inc.
2. ****Certification Election Request:**** On November 25, 1987, PEU-TIPI filed a petition for certification election with the Department of Labor and Employment (DOLE).
3. ****Motions to Dismiss:**** Triumph International filed a motion to dismiss on January 30, 1988, arguing that PEU-TIPI could not lawfully represent managerial employees and that the petition was barred by an existing collective bargaining agreement (CBA). PMTI-ULGWP filed a similar opposition on February 18, 1988.
4. ****Med-Arbiters Decision:**** On April 13, 1988, the Med-Arbiters granted the petition for certification election.
5. ****Appeal:**** Triumph International appealed the Med-Arbiters decision. On August 24, 1988, the public respondent affirmed the Med-Arbiters order but made modifications, including giving the employees the option to join the existing bargaining unit.
6. ****Motion for Reconsideration:**** Triumph International filed a motion for reconsideration on September 5, 1988, which was denied on October 28, 1988.

****Issues:****

1. ****Managerial Employee Status:**** Whether the employees sought to be represented by PEU-TIPI were managerial employees, hence prohibited from joining any labor organization as per Article 245 of the Labor Code.
2. ****Contract-Bar Rule:**** Whether the petition for certification election was barred by an existing valid CBA between the petitioner and Triumph International.

****Courts Decision:****

1. ****Managerial Employee Status:****
 - The Court upheld the findings of the public respondent that the employees were not managerial but rank-and-file. The public respondents investigation revealed that these

employees did not have the authority to lay down and execute management policies, nor did they have the power to hire, transfer, suspend, or discipline employees.

- Court agreed that the employees sought to be represented by PEU-TIPI were merely executors of pre-established policies and lacked significant managerial discretion. Their recommendatory powers were subject to review by higher managerial authorities, indicating they were not managerial employees.

2. **Contract-Bar Rule:**

- The Court emphasized that a valid CBA was in effect until September 24, 1989, rendering the petition for certification election premature as per the Labor Code's implementing rules which prohibit certification elections outside the 60-day period prior to the expiry of an existing CBA.

- Consequently, the petition for certification election filed by PEU-TIPI on November 25, 1987, was ruled to be barred by the existing CBA.

Doctrine:

- **One-Union, One-Company Policy:** The ruling reinforced the policy discouraging the proliferation of multiple unions within a single employer unit.

- **Managerial Employee Definition:** The Court reiterated that the classification of an employee as managerial depends on whether they have discretionary authority in management actions without routine oversight.

Class Notes:

1. **Managerial vs. Rank-and-File Employees (Article 212 (k), Labor Code):**

- **Managerial Employee:** Has the authority to lay down and execute management policies or recommend such actions.

- **Rank-and-File Employee:** Any employee not fitting the managerial definition.

2. **Contract-Bar Rule:**

- Certification elections cannot be held outside the 60-day period before an existing CBA's expiration (Rule V, Section 3, Book V, Implementing Rules and Regulations).

3. **Grave Abuse of Discretion:** Respect substantial evidence findings of quasi-judicial bodies unless grave abuse is proven.

Historical Background:

This case arises from ongoing efforts to clarify labor relations in the Philippines, particularly concerning the classification of employees and the enforcement of the one-union, one-

company policy. During the 1980s, labor relations in the Philippines were characterized by significant changes aimed at balancing worker rights with industrial peace. The decision consolidates principles laid out in the Labor Code and ensures that managerial powers are clearly distinguished from those of rank-and-file employees, reaffirming protections for rank-and-file workers within established unions.