

EDUARDO CRUZ, MOISES MACASO, ROY GALLINERA, PERCIVAL CRUZ, BUBBY VALERIO, ROY PAMITTAN, MANOLO ORBETA & MARIANO VILLA, VS. THE HON. PURA FERRER-CALLEJA, IN HER CAPACITY AS DIREC...

G.R. No. 87332. August 13, 1990

Ponente: GRINO-AQUINO, J.

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GRINO-AQUINO, J.:

The only issue raised by the petition for certiorari in this case is whether the respondent, Pura Ferrer-Calleja, Director of the Bureau of Labor Relations, gravely abused her discretion in nullifying the resolution of the Board of Administrators of the Allied Bank Employees Union which extended for one year the term of office of the union officers which should have expired on February 10, 1987 and postponed to February 10, 1988 the holding of the election.

In 1984, the Allied Bank Employees Union (ABEU), which was then a mere chapter of the National Union of Bank Employees (NUBE), elected its officers, whose term of office would expire on February 10, 1987.

Before the expiration of the old CBA between the ABEU and Allied Bank on June 30, 1984, the ABEU negotiated for a new CBA. However, because the Union and the Bank could not agree on major economic proposals, a bargaining deadlock ensued.

ABEU filed a Notice of Strike on November 26, 1984. Labor Minister Blas Ople assumed jurisdiction over the labor dispute on December 19, 1984.

In defiance of the Minister's return-to-work order, the Union declared a strike on January 3, 1985 and established picketlines at the Bank's Head Office and Binondo Branch.

On January 31, 1985, Minister Ople issued an Order resolving the deadlock issues in the collective bargaining and in effect drew up a new CBA for the parties. The 3-year term of the new CBA would expire on January 31, 1988. The Union asked for reconsideration, and on February 11, 1985, continued its strike. Two hundred seventy (270) striking officers and employees of ABEU (among them were the private respondents) were dismissed by the Bank for abandonment of work and commission of illegal acts.

On March 4, 1985, the Bank filed in the Arbitration Branch, NCR, NLRC, a petition to declare the strike illegal.

Upon receipt of the Resolution dated March 7, 1985 modifying Minister Ople's order dated January 31, 1985, the ABEU on March 8, 1985 lifted its picketlines and announced its intention to return to work. However, the Bank refused to admit the strikers.

On March 19, 1985, a referendum was conducted by the ABEU to ratify the 1985-1988 CBA incorporating the additional benefits awarded in the March 7, 1985 resolution. A majority voted for ratification.

On July 15, 1985, the Bank filed a motion praying for the issuance of an order directing the Union to hold a general membership meeting for the purpose of designating union representatives who would sign the CBA inasmuch as the Union's officers had already been dismissed by the Bank.

On November 11, 1985, the NUBE issued a special resolution creating an ABEU Interim Board tasked to sign the new CBA with the Bank in lieu of the union officers who had been dismissed by the Bank*.

In January, 1987, the Interim Board commenced negotiations with the Bank for a one-year extension of the CBA which was expiring on January 31, 1988. A drive for the extension of the CBA began in March 1987 for the referendum would take place on June 23, 1987. However, the Interim Board also submitted to the referendum the matter of extending for one year the term of office of the Interim Board, in effect, postponing for one year the election of the regular officers of the Union. The overwhelming majority of the union members voted yes in the referendum. The postponement of the election did not sit well with the ousted officers led by private respondent Rolando Ocampo. On June 23, 1987, they filed in the Office of Labor Secretary Franklin Drilon a letter-petition against the postponement of the election of the officers of the Union and to nullify the one-year extension of the CBA.

After the referendum result was announced on July 3, 1987, the Bank granted a P600 "signing bonus" to all the employees. Private respondents and other employees stationed in the Strata Pasig, Metro Manila, collected the signing bonus but, in protest, they deposited it in the Equitable Banking Corporation, payable to Allied Bank through Secretary Drilon.

The Office of the Secretary of Labor forwarded the letter-petition of respondent Rolando Ocampo to the National Capital Region, DOLE, Manila, which subsequently treated it as a formal petition, docketed as Case No. NCR-OP-M-8-611-87.

After the hearing of the petition and the submission of the parties' position papers, the Med-Arbiter, on January 4, 1988, issued an order directing the Union to call a general membership meeting where the manner of conducting the election could be discussed before fixing the date of the election. The order declared null and void the one-year extension of the CBA from February 1, 1988 to January 31, 1989.

Petitioners filed a motion for reconsideration (which was treated as an appeal) of the order of the Med-Arbiter. In a resolution dated January 6, 1988, the Interim Board appointed a Comelec which, on January 8, 1988, issued a resolution setting the election of officers on February 10, 1988.

On motion of Ocampo, et al, the Bureau of Labor Relations issued on February 9, 1988, a temporary restraining order enjoining petitioners, including the Union's Comelec, from proceeding with the election on February 10, 1988. However, despite the restraining order, the Union held the election on February 10, 1988 as scheduled. Petitioners were declared the winners in the election.

The private respondents filed a motion to cite respondents (petitioners herein) for contempt.

On March 2, 1989, the public respondent, Director Pura Calleja of the BLR, issued a resolution whose dispositive portion reads as follows:

"WHEREFORE, premises considered, the election conducted in Allied Bank Employees Union on February 10, 1988 is hereby declared null and void.

"Another election is hereby ordered conducted in accordance with the express tenor of the Med-Arbiter's Order dated 4 January 1988, that a general membership meeting shall first be held where the mechanics of the election shall be fully threshed out.

"In the meantime, the officers who were elected on 10 February 1988 and whose election to office we now declare null and void are hereby temporarily charged with the safekeeping of the union funds subject to accounting before the new set of officers which shall be elected in accordance with this Order.

"The respondent Bank is likewise enjoined to observe absolute neutrality during these activities, they being purely an internal affair of the union." (p. 7, Rollo.)

The issues raised in this petition for certiorari are as follows:

a) Whether or not the public respondent erred in declaring null and void the election held on February 10, 1988; and

b) Whether or not the extension of the CBA was valid.

There is no merit in the petitioners' contention that the public respondent gravely abused her discretion in annulling the February 10, 1988 election of officers. The public respondent correctly noted that in ordering the postponement of the election for one year (in effect extending their term of office for one year), the ABEU Interim Board "overstepped its bounds" for it was constituted and authorized only "to sign for and in behalf of the union the Collective Bargaining Agreement with the Bank and administer the CBA and the operation of the union." (p. 27, Rollo.)

"Instead of calling a regular election of officers of ABEU on 11 February 1987, as mandated by the Union's Constitution and by-laws, respondents submitted in a 'referendum' the extension of their term of office for yet another year, from 11 February 1987 to 10 February 1988.

"From the very inception the referendum process initiated by the Interim Board was improper. The results therefrom are therefore; invalid. It may be true, that the task of administering the operation of the union was given to the ABEU-Interim Board at the time it was constituted, to fill in the vacuum in the local union's leadership during that time. Nonetheless said task could not be exercised beyond the regular term of the regular officers. Stated simply, the exercise of said task is only coterminous with the term of the regular officers, in whose shoes, the members of the ABEU-Interim Board merely stepped into.

"When the term of the union's regular officers expired on February 11, 1987 the election of officers should have been held, in accordance with the provision of the union constitution and by laws. With the expiration of the term of the regular officers, the term of the ABEU-Interim Board, expired too. In calling the referendum therefore, the ABEU-Interim Board clearly overstepped its bounds." (pp. 27--28, Rollo.)

The second issue regarding the validity of the one-year extension of the CBA, as observed by the BLR has become moot and academic. The public respondent's view that the one-year extension was also null and void is not quite correct for the extension was approved by the Union in a referendum which was properly supervised by the Department of Labor. It was accepted by the Bank which gave a "signing bonus" to the employees who voted for it. Since the holding of the referendum was within the authority of the Interim Board "to administer the CBA and operate the union," and the extension was acceptable to both of the parties to the agreement, and did not violate any law, it is valid and binding on them.

WHEREFORE, the instant petition for certiorari is dismissed for lack of merit. No costs.

SO ORDERED.

Narvasa, (Chairman), Cruz, Gancayco, and Medialdea, JJ., concur.

* Other respondents not named in the rollo.

* In a separate case, they were ordered reinstated by Labor Minister Augusto Sanchez. His order was upheld by this Court on September 29, 1986.

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