Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

MINETTE BAPTISTA, BANNIE EDSEL SAN MIGUEL, and MA. FE DAYON,
Petitioners,

- versus -

ROSARIO VILLANUEVA, JANETTE ROLDAN, DANILO OLAYVAR, ONOFRE ESTRELLA, CATALINO LEDDA, MANOLO GUBANGCO, GILBERT ORIBIANA, CONSTANCIO SANTIAGO, RUTH BAYQUEN, RUBY CASTAÑEDA, ALFRED LANDAS, JR., ROSELYN GARCES, EUGENE CRUZ, MENANDRO SAMSON, FEDERICO MUÑOZ and SALVADOR DIWA,
Respondents.

G.R. No. 194709

Present:

VELASCO, JR., *J., Chairperson,*
PERALTA,
ABAD,
MENDOZA, and
LEONEN, *JJ.*

Promulgated:

JUL 31 2013

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DECISION

MENDOZA, *J.*:

This Petition for Review on *Certiorari*[1] under Rule 45 of the 1997 Rules of Civil Procedure filed by Minette Baptista, Bannie Edsel San Miguel and Ma. Fe Dayon *(petitioners)* assails the March 9, 2010 Decision[2] and the

[1] *Rollo*, pp. 13-59.
[2] Id. at 61-69. Penned by Associate Justice Arcangelita M. Romilla-Lontok, with Associate Justice Portia Aliño-Hormachuelos and Associate Justice Mario V. Lopez, concurring.

December 1, 2010 Resolution[3] of the Court of Appeals *(CA)* in CA-G.R. SP No. 105027, which affirmed the March 31, 2008 Decision[4] of the National Labor Relations Commission *(NLRC)* dismissing the complaint for Unfair Labor Practice *(ULP)* filed against the named respondents.

The Facts

Petitioners were former union members of Radio Philippines Network Employees Union *(RPNEU)*, a legitimate labor organization and the sole and exclusive bargaining agent of the rank and file employees of Radio Philippines Network *(RPN)*, a government-sequestered corporation involved in commercial radio and television broadcasting affairs, while the respondents were the union's elected officers and members.

On April 26, 2005, on suspicion of union mismanagement, petitioners, together with some other union members, filed a complaint for impeachment of their union president, Reynato Siozon, before the executive board of RPN, which was eventually abandoned. They later re-lodged the impeachment complaint, this time, against all the union officers and members of RPNEU before the Department of Labor and Employment *(DOLE)*. They likewise filed various petitions for audit covering the period from 2000 to 2004.[5]

Thereafter, two (2) written complaints, dated May 26, 2005 and May 27, 2005, were filed against petitioners and several others for alleged violation of the union's Constitution and By-Laws.[6] Months later, on September 19, 2005, a different group of union members filed a third complaint against petitioners and 12 others,[7] before the Chairman of RPNEU's Committee on Grievance and Investigation *(the Committee)* citing as grounds the "commission of an act which violates RPNEU Constitution and By-Laws, specifically, Article IX, Section 2.2 for joining or forming a union outside the sixty (60) days period and Article IX, Section 2.5 for urging or advocating that a member start an action in any court of justice or external investigative body against the Union or its officer without first exhausting all internal remedies open to him or available in accordance with the CBL."[8] These complaints were, later on, consolidated.[9]

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[3] Id. at 71-75.
[4] Id. at 257-b to 257-j.
[5] Id. at 77.
[6] Id. at 76.
[7] Id.
[8] Id. at 59.
[9] Id. at 77.

Thereafter, petitioners received a memorandum notice from Jeric Salinas, Chairman of the Committee, requesting them to answer the complaint and attend a hearing scheduled on October 3, 2005.[10] Petitioners and their group, through an exchange of communications with the Committee, denied the charges imputed against them and contested the procedure adopted by the Committee in its investigation. On November 9, 2005, the Committee submitted their recommendation of expulsion from the union to RPNEU's Board of Directors.[11] On December 21, 2005, the RPNEU's Board of Directors affirmed the recommendation of expulsion of petitoners and the 12 others from union membership in a Board Resolution No. 018-2005.[12] Through a Memorandum,[13] dated December 27, 2005, petitioners were served an expulsion notice from the union, which was set to take effect on December 29, 2005. On January 2, 2006, petitioners with the 12 others wrote to RPNEU's President and Board of Directors that their expulsion from the union was an *ultra vires* act because the Committee failed to observe the basic elements of due process because they were not given the chance to physically confront and examine their complainants.[14]

In a letter, dated January 24, 2006, RPNEU's officers informed their company of the expulsion of petitioners and the 12 others from the union and requested the management to serve them notices of termination from employment in compliance with their CBA's union security clause.[15] On February 17, 2006, RPN HRD Manager, Lourdes Angeles, informed petitioners and the 12 others of the termination of their employment effective March 20, 2006, enforcing Article II, Section 2[16] also known as the union security clause of their current CBA.[17]

Aggrieved, petitioners filed three (3) separate complaints for ULP against the respondents, which were later consolidated,[18] questioning the legality of their expulsion from the union and their subsequent termination from employment.

In a decision,[19] dated April 30, 2007, the Labor Arbiter *(LA)* ruled in favor of the petitioners and adjudged the respondents guilty of ULP pursuant to Article 249 (a) and (b) of the Labor Code. The LA clarified that only the union officers of RPNEU could be held responsible for ULP, so they exonerated six (6) of the original defendants who were mere union members.

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[10] Id. at 60.
[11] Id. at 94-98.
[12] Id. at 92-93.
[13] Id. at 91.
[14] Id. at 99-100.
[15] Id. at 119-122.
[16] All covered employees not otherwise disqualified herein shall become and remain members in good standing of the UNION. Any employee whose membership in the UNION is terminated shall likewise be deemed terminated from the COMPANY.
[17] *Rollo*, pp. 148-162.
[18] Id. at 18.
[19] Id. at 203-213.

The LA also ordered the reinstatement of petitioners as *bonafide* members of RPNEU. The decretal portion reads:

> WHEREFORE, premises above considered, a decision is being issued declaring union officers Ruth Bayquen, Ruby Castañeda, Alfred Landas, Roce Garces, Board of Directors Federico Muñoz, Janette Roldan, Rosario Villanueva, Menandro Samson, Salvador Diwa and Eugene Cruz guilty of unfair labor practice for violating Article 249, paragraph A and B of the Labor Code. Respondents are also ordered to cease and de[sist] from further committing unfair labor practice and order the reinstatement of the complainants as bonafide members of the union.
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> The other claims are hereby denied for lack of factual and legal basis.
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> SO ORDERED.[20]

Undaunted, the respondents appealed the LA decision to the NLRC.

In its Decision,[21] dated March 31, 2008, the NLRC *vacated* and *set aside* the LA decision and dismissed the complaint for ULP for lack of merit. The NLRC found that petitioners filed a suit calling for the impeachment of the officers and members of the Executive Board of RPNEU without first resorting to internal remedies available under its own Constitution and By-Laws. The NLRC likewise decreed that the LA's order of reinstatement was improper because the legality of the membership expulsion was not raised in the proceedings and, hence, beyond the jurisdiction of the LA.[22] The *fallo* of the NLRC decision reads:

> WHEREFORE, the partial appeal filed by the respondents is GRANTED. The decision, dated 30 April 2007 is VACATED and SET ASIDE. The complaint is dismissed for lack of merit.
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> SO ORDERED.[23]

Petitioners filed for a motion for reconsideration, but the NLRC denied it in its Resolution,[24] dated May 30, 2008.

The CA, in its March 9, 2010 Decision, *sustained* the NLRC decision. The CA stated that the termination of employment by virtue of a union security clause was recognized in our jurisdiction. It explained that the said practice fortified the union and averted disunity in the bargaining unit within

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[20] Id. at 64.
[21] Id. at 257-b to 257-j.
[22] Id. at 257-i.
[23] Id. at 257-i.
[24] Id. at 257-j to 257-n.

the duration of the CBA. The CA declared that petitioners were accorded due process before they were removed from office. In fact, petitioners were given the opportunity to explain their case and they actually availed of said opportunity by submitting letters containing their arguments.[25]

Petitioners moved for reconsideration, but the CA likewise denied the same in its December 1, 2010 Resolution,[26] The CA expounded:

> Anent petitioners' charge of ULP against respondents, the records are barren of proof to sustain such charge. What remains apparent is that petitioners were expelled from the union due to their violation of Section 2.5 of Article IX of the CBL which punishes the act of "[u]rging or advocating that a member start an action in any court of justice or external investigative body against the Union or any of its officer, without first exhausting all [in]ternal remedies open to him or available in accordance with the Constitution and By-Laws of Union." As petitioners' expulsion was pursuant to the union's CBL, We absolve respondents of the charges of ULP absent any substantial evidence to sustain it.
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> The importance of a union's constitution and bylaws cannot be overemphasized. They embody a covenant between a union and its members and constitute the fundamental law governing the member's rights and obligations. As such, the union's constitution and bylaws should be upheld, as long as they are not contrary to law, good morals or public policy. In *Diamonon v. Department of Labor and Employment*, the High Court affirmed the validity and importance of the provision in the CBL of exhaustion of administrative remedies, viz:
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> > When the Constitution and by-laws of both unions dictated the remedy for intra-union dispute, such as petitioner's complaint against private respondents for unauthorized or illegal disbursement of union funds, this should be resorted to before recourse can be made to the appropriate administrative or judicial body, not only to give the grievance machinery or appeals' body of the union the opportunity to decide the matter by itself, but also to prevent unnecessary and premature resort to administrative or judicial bodies. Thus, a party with an administrative remedy must not merely initiate the prescribed administrative procedure to obtain relief, but also pursue it to its appropriate conclusion before seeking judicial intervention.[27]

Thus, petitioners advance the following

GROUNDS/ARGUMENTS IN SUPPORT OF THE PETITION

1. WITH DUE RESPECT, THE HONORABLE COURT OF APPEALS MISERABLY FAILED TO APPRECIATE THE REAL ISSUE IN THIS CASE.

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[25] Id. at 65-66.
[26] Id. at 71-75.
[27] Id. at 74-75.

> **2. WITH DUE RESPECT, THE DECISION AND RESOLUTION ARRIVED AT BY THE HONORABLE COURT OF APPEALS ARE NOT IN ACCORD WITH LAW AND APPLICABLE JURISPRUDENCE, THEREBY GRAVELY ABUSING ITS DISCRETION AMOUNTING TO LACK OR IN EXCESS OF JURISDICTION.**[28]

Petitioners submit that the respondents committed ULP under Article 289 (a) and (b) of the Labor Code.[29] They insist that they were denied substantive and procedural due process of law when they were expelled from the RPNEU.

The petition is bereft of merit.

The primary concept of ULP is embodied in Article 247 of the Labor Code, which provides:

> Article 247. *Concept of unfair labor practice and procedure for prosecution thereof.*—Unfair labor practices violate the constitutional right of workers and employees to self-organization, are inimical to the legitimate interests of both labor and management, including their right to bargain collectively and otherwise deal with each other in an atmosphere of freedom and mutual respect, disrupt industrial peace and hinder the promotion of healthy and stable labor-management relations.

In essence, ULP relates to the commission of acts that transgress the workers' right to organize. As specified in Articles 248 and 249 of the Labor Code, the prohibited acts must necessarily relate to the workers' right to self-organization and to the observance of a CBA.[30] Absent the said vital elements, the acts complained, although seemingly unjust, would not constitute ULP.[31]

In the case at bench, petitioners claim that the respondents, as union officers, are guilty of ULP for violating paragraphs (a) and (b) of Article 249 of the Labor Code, to wit:

> ART. 249. UNFAIR LABOR PRACTICES OF LABOR ORGANIZATIONS.- It shall be unfair labor practice for a labor organization, its officers, agents or representatives:

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[28] Id. at 29.
[29] Id. at 466.
[30] *Tunay na Pagkakaisa ng Manggagawa sa Asia Brewery v. Asia Brewery, Inc.*, G.R. No. 162025, August 3, 2010, 626 SCRA 376, 388.
[31] *General Santos Coca-Cola Plant Free Workers Union-Tupas v. Coca-Cola Bottlers Phils., Inc. (General Santos City)*, G.R. No. 178647, February 13, 2009, 579 SCRA 414, 419, citing *Philcom Employees Union v. Philippine Global Communication*, 527 Phil. 540, 557 (2006).

> (a) To restrain or coerce employees in the exercise of their rights to self-organization. However, a labor organization shall have the right to prescribe its own rules with respect to the acquisition or retention of membership:
>
> (b) To cause or attempt to cause an employer to discriminate against an employee, including discrimination against an employee with respect to whom membership in such organization has been denied or to terminate an employee on any ground other than the usual terms and conditions under which membership or continuation of membership is made available to other members;

Petitioners posit that the procedure that should have been followed by the respondents in resolving the charges against them was Article XVII, Settlement of Internal Disputes of their Constitution and By-Laws, specifically, Section 2[32] thereof, requiring members to put their grievance in writing to be submitted to their union president, who shall strive to have the parties settle their differences amicably. Petitioners maintain that any form of grievance would be referred only to the committee upon failure of the parties to settle amicably.[33]

The Court is not persuaded.

Based on RPNEU's Constitution and By-Laws, the charges against petitioners were not mere internal squabbles, but violations that demand proper investigation because, if proven, would constitute grounds for their expulsion from the union. As such, Article X, Investigation Procedures and Appeal Process of RPNEU's Constitution and By-Laws, which reads -

> SECTION 1. Charge against any member or officer of the Union shall be submitted to the Board of Directors (BOD) in writing, which shall refer the same, if necessary, to the committee on Grievance and Investigation. The Committee shall hear any charge and subsequently, forward its finding and recommendation to the BOD. The BOD has the power to approv[e] or nullify the recommendation of the Committee on Grievance and Investigation based on the merit of the appeal.

was correctly applied under the circumstances.

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[32] SECTION 2. Any grievance shall be made in writing and submitted to the President three (3) days from the day the incident happened who shall the[n] call the members involved and shall undertake to have the parties settle their differences amicably.

[33] SECTION 3. In the event of failure to settle the grievance amicably, the President shall refer the matter to the Grievance Committee, which shall investigate the grievance, observing procedural due process in the investigation.

Besides, any supposed procedural flaw in the proceedings before the Committee was deemed cured when petitioners were given the opportunity to be heard. Due process, as a constitutional precept, is satisfied when a person was notified of the charge against him and was given an opportunity to explain or defend himself. In administrative proceedings, the filing of charges and giving reasonable opportunity for the person so charged to answer the accusations against him constitute the minimum requirements of due process.[34] The essence of due process is simply to be heard, or as applied to administrative proceedings, an opportunity to explain one's side, or an opportunity to seek a reconsideration of the action or ruling complained of.[35] It cannot be denied that petitioners were properly notified of the charges filed against them and were equally afforded the opportunity to present their side.

Next, petitioners point out that they were not given the opportunity to personally face and confront their accusers, which were violative of their right to examine the complainants and the supposed charges against them.[36]

Petitioners' contention is without merit. Mere absence of a one-on-one confrontation between the petitioners and their complainants does not automatically affect the validity of the proceedings before the Committee. Not all cases necessitate a trial-type hearing.[37] As in this case, what is indispensable is that a party be given the right to explain one's side, which was adequately afforded to the petitioners.

It is well-settled that workers' and employers' organizations shall have the right to draw up their constitutions and rules to elect their representatives in full freedom, to organize their administration and activities and to formulate their programs.[38] In this case, RPNEU's Constitution and By-Laws expressly mandate that before a party is allowed to seek the intervention of the court, it is a pre-condition that he should have availed of all the internal remedies within the organization. Petitioners were found to have violated the provisions of the union's Constitution and By-Laws when they filed petitions for impeachment against their union officers and for audit before the DOLE without first exhausting all internal remedies available within their organization. This act is a ground for expulsion from union membership. Thus, petitioners' expulsion from the union was not a deliberate attempt to curtail or restrict their right to organize, but was triggered by the commission of an act, expressly sanctioned by Section 2.5 of Article IX of the union's Constitution and By-Laws.

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[34] *Cayago v. Lina*, 489 Phil. 735, 750-751 (2005).
[35] *Libres v. NLRC*, 367 Phil. 181, 190 (1999).
[36] *Rollo*, p. 490.
[37] *Mariveles Shipyard Corp. v. Court of Appeals*, 461 Phil. 249, 265 (2003); *Columbus Philippines Bus Corp. v. National Labor Relations Commission*, 417 Phil. 81, 98 (2001).
[38] Article 3, ILO Convention No. 87.

For a charge of ULP against a labor organization to prosper, the *onus probandi* rests upon the party alleging it to prove or substantiate such claims by the requisite quantum of evidence.[39] In labor cases, as in other administrative proceedings, substantial evidence or such relevant evidence as a reasonable mind might accept as sufficient to support a conclusion is required.[40] Moreover, it is indubitable that all the prohibited acts constituting unfair labor practice should materially relate to the workers' right to self-organization.[41]

Unfortunately, petitioners failed to discharge the burden required to prove the charge of ULP against the respondents. Aside from their self-serving allegations, petitioners were not able to establish how they were restrained or coerced by their union in a way that curtailed their right to self-organization. The records likewise failed to sufficiently show that the respondents unduly persuaded management into discriminating against petitioners other than to bring to its attention their expulsion from the union, which in turn, resulted in the implementation of their CBA's union security clause. As earlier stated, petitioners had the burden of adducing substantial evidence to support its allegations of ULP,[42] which burden they failed to discharge. In fact, both the NLRC and the CA found that petitioners were unable to prove their charge of ULP against the respondents.

It is axiomatic that absent any clear showing of abuse, arbitrariness or capriciousness, the findings of fact by the NLRC, especially when affirmed by the CA, as in this case, are binding and conclusive upon the Court.[43] Having found none, the Court finds no cogent reason to deviate from the challenged decision.

WHEREFORE, the petition is **DENIED**. The March 9, 2010 Decision and the December 1, 2010 Resolution of the Court of Appeals in CA-G.R. SP No. 105027 are **AFFIRMED**.

SO ORDERED.

JOSE CATRAL MENDOZA
Associate Justice

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[39] *UST Faculty Union v. University of Santo Tomas*, G.R. No. 180892, April 7, 2009, 584 SCRA 648, 662.
[40] *Standard Chartered Bank Employees Union (NUBE) v. Confesor*, 476 Phil. 346, 367 (2004).
[41] *Great Pacific Life Employees Union v. Great Pacific Life Assurance Corporation*, 362 Phil. 452, 464 (1999).
[42] *Tiu v. National Labor Relations Commission*, 343 Phil. 478, 485 (1997).
[43] *Acevedo v. Advanstar Company, Inc.* 511 Phil. 279, 287 (2005).

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

DIOSDADO M. PERALTA
Associate Justice

ROBERTO A. ABAD
Associate Justice

MARVIC MARIO VICTOR F. LEONEN
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice