Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

DE LA SALLE UNIVERSITY, Petitioner,	**G.R. No. 169254**
	Present:
- *versus* -	LEONARDO-DE CASTRO,[*] Acting Chairperson, BERSAMIN, DEL CASTILLO, VILLARAMA, JR., and PERLAS-BERNABE,[**] *JJ.*
DE LA SALLE UNIVERSITY EMPLOYEES ASSOCIATION (DLSUEA-NAFTEU), Respondent.	Promulgated: 23 AUG 2012

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D E C I S I O N

LEONARDO-DE CASTRO, *J.*:

Before this Court is a petition for review on *certiorari* under Rule 45 of the Rules of Court assailing the March 4, 2005 Decision[1] and August 5,

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[*] Per Special Order No. 1226 dated May 30, 2012.

[**] Per Special Order No. 1227 dated May 30, 2012.

[1] *Rollo* (G.R. No. 169252), pp. 46-55; penned by Associate Justice Arcangelita M. Romilla-Lontok with Associate Justices Rodrigo V. Cosico and Danilo B. Pine, concurring.

2005 Resolution[2] of the Court of Appeals in CA-G.R. SP No. 82472, entitled *De La Salle University versus the Honorable Secretary of Labor and De La Salle University Employees Association* (*DLSUEA-NAFTEU*), which affirmed the November 17, 2003 Decision[3] and January 20, 2004 Order[4] of the Secretary of Labor in OS-AJ-0033-2003 (NCMB-NCR-NS-08-246-03). These decisions and resolutions consistently found petitioner guilty of unfair labor practice for failure to bargain collectively with respondent.

This petition involves one of the three notices of strike filed by respondent De La Salle University Employees Association (DLSUEA-NAFTEU) against petitioner De La Salle University due to its refusal to bargain collectively with it in light of the intra-union dispute between respondent's two opposing factions. The following narration of facts will first discuss the circumstances surrounding the said intra-union conflict between the rival factions of respondent union and, thereafter, recite the cases relating to the aforementioned conflict, from the complaint for unfair labor practice to the subsequent notices of strike, and to the assumption of jurisdiction by the Secretary of Labor.

Petition for Election of Union Officers

On May 30, 2000, some of respondent's members headed by Belen Aliazas (the Aliazas faction) filed a petition for the election of union officers in the Bureau of Labor Relations (BLR).[5] They alleged therein that there has been no election for respondent's officers since 1992 in supposed violation of the respondent union's constitution and by-laws which provided

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2 Id. at 74-75.
3 Id. at 119-125; signed by Acting Secretary Manuel G. Imson.
4 Id. at 127-133; signed by Secretary Patricia A. Sto. Tomas.
5 Id. at 241; docketed as BLR-A-TR-41-5-8-01 (NLRC-OD-005-006-LRD).

for an election of officers every three years.[6] It would appear that respondent's members repeatedly voted to approve the hold-over of the previously elected officers led by Baylon R. Bañez (Bañez faction) and to defer the elections to expedite the negotiations of the economic terms covering the last two years of the 1995-2000 collective bargaining agreement (CBA)[7] pursuant to Article 253-A of the Labor Code.[8]

On March 19, 2001, BLR Regional Director Alex E. Maraan issued a Decision ordering the conduct of an election of union officers to be presided by the Labor Relations Division of the Department of Labor and Employment-National Capital Region (DOLE-NCR).[9] He noted therein that the members of the Bañez faction were not elected by the general membership but were appointed by the Executive Board to their positions since 1985.[10]

The Bañez faction appealed the said March 19, 2001 Decision of the BLR Regional Director.

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6 Petitioner contends that the non-holding of elections was also contrary to Article 241(c) of the Labor Code.

7 *Rollo* (G.R. No. 169252), pp. 241-242.

8 LABOR CODE, Article 253-A. *Terms of a Collective Bargaining Agreement*. - Any Collective Bargaining Agreement [CBA] that the parties may enter into shall, insofar as the representations aspect is concerned, be for a term of five (5) years. No petition questioning the majority status of the incumbent bargaining agent shall be entertained and no certification election shall be conducted by the Department of Labor and Employment outside of the sixty-day period immediately before the date of expiry of such five-year term of the [CBA]. All other provisions of the [CBA] shall be renegotiated not later than three (3) years after its execution. Any agreement of such other provisions of the [CBA] entered into within six (6) months from the date of expiry of the term of such other provisions as fixed in such [CBA], shall retroact to the day immediately following such date. If any such agreement is entered into beyond six months, the parties shall agree on the duration of retroactivity thereof. In case of a deadlock in the renegotiation of the [CBA], the parties may exercise their rights under this Code.

9 *Rollo* (G.R. No. 169252), pp. 218-224. The decretal portion stated:

WHEREFORE, in view of the foregoing, the petition for the conduct of an election of officers among the members of [respondent] is hereby GRANTED. Let the election of officers be conducted not later than 30 days from receipt of this order subject to pre-election conference to be presided by the Labor Relations Division to discuss/thresh out the mechanics of election.

10 Id. at 219-220.

While the appeal was pending, the Aliazas faction filed a Very Urgent Motion for Intervention in the BLR. They alleged therein that the Bañez faction, in complete disregard of the March 19, 2001 Decision, scheduled a "regular" election of union officers without notice to or participation of the DOLE-NCR.[11]

In an Order dated July 6, 2001, BLR Director IV Hans Leo J. Cacdac granted the motion for intervention.[12] He held that the unilateral act of setting the date of election on July 9, 2001 and the disqualification of the Aliazas faction by the DLSUEA-COMELEC supported the intervening faction's fear of biased elections.[13]

Thereafter, in a Resolution dated May 23, 2002, BLR Director Cacdac dismissed the appeal of the Bañez faction. The salient portions thereof stated:

> The exercise of a union member's basic liberty to choose the union leadership is guaranteed in Article X of [respondent's] constitution and by-laws. Section 4 mandates the conduct of a regular election of officers on the first Saturday of July and on the same date every three years thereafter.
>
> In unequivocal terms, Article 241(c) of the Labor Code states that "[t]he members shall directly elect their officers, including those of the national union or federation, to which they or their union is affiliated, by secret ballot at intervals of five (5) years."
>
> [**The Bañez faction**] **admitted that no elections were conducted in 1992 and 1998**, **when the terms of office of the officers expired**. This Office emphasizes that even the decision to dispense with the elections

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11 Id. at 226.

12 Id. at 226-227. The decretal portion stated:

> WHEREFORE, without necessarily resolving the merits of the appeal and considering the urgency of the issues raised by [the Aliazas faction] and the limited time x x x the motion is hereby GRANTED. Consequently, [the Bañez faction] and/or the members of the DLSUEA-COMELEC x x x are hereby directed to cease and desist from conducting the x x x election of DLSUEA officers on July 9, 2001 until further orders from this office.

13 Id. at 227.

and allow the hold-over officers to continue should have been subjected to a secret ballot under Article 241(d) which states:

> The members shall determine by secret ballot, after due deliberation, any question of major policy affecting the entire membership of the organization, unless the nature of the organization or force majeure renders such secret ballot impractical, in which case the board of directors of the organization may make the decision in behalf of the general membership.

With the clear and open admission that no election transpired even after the expiration of the union officers' terms of office, the call for the conduct of elections by the Regional Director was valid and should be sustained.[14] (Emphases supplied.)

Subsequently, in a memorandum dated May 16, 2003, BLR Director Cacdac stated that there was no void in the union leadership as the March 19, 2001 Decision of Regional Director Maraan did not automatically terminate the Bañez faction's tenure in office. He explained therein that "[a]s duly-elected officers of [respondent], their leadership is not deemed terminated by the expiration of their terms of office, for they shall continue their functions and enjoy the rights and privileges pertaining to their respective positions in a hold-over capacity, until their successors shall have been elected and qualified."[15]

On August 28, 2003, an election of union officers under the supervision of the DOLE was conducted. The Bañez faction emerged as the winner thereof.[16] The Aliazas faction contested the election results.

On October 29, 2003, the Bañez faction was formally proclaimed as the winner in the August 28, 2003 election of union officers.[17]

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14 Id. at 241-246.

15 Id. at 416.

16 Id. at 345-346; Minutes of the Election of Officers at the De La Salle University Employees Association with Case No. NCR-OD-0005-006-LRD on August 28, 2003.

17 Id. at 124; Resolution issued by Regional Director Ciriaco N. Lagunzad.

The Complaint for Unfair Labor Practices and Three Notices of Strike

On March 20, 2001, despite the brewing conflict between the Aliazas and Bañez factions, petitioner entered into a five-year CBA covering the period from June 1, 2000 to May 31, 2005.[18]

On August 7, 2001, the Aliazas faction wrote a letter to petitioner requesting it to place in escrow the union dues and other fees deducted from the salaries of employees pending the resolution of the intra-union conflict. We quote the pertinent portion of the letter here:

> The [BLR], in its March 19, 2001 [decision], declared that the hold-over capacity as president of Mr. Baylon Bañez, as well as that of the other officers [of respondent] has been extinguished. It was likewise stated in the [decision] that "to further defer the holding of a local election is whimsical, capricious and is a violation of the union members' rights under Article 241 and [is] punishable by expulsion."
>
> This being so, we would like to request [petitioner] to please put on escrow all union dues/agency fees and whatever money considerations deducted from salaries of the concerned co-academic personnel until such time that an election of union officials has been scheduled and subsequent elections has been held. We fully understand that putting the collection on escrow means the continuance of our monthly deductions but the same will not be remitted to [respondent's] funds.[19]

Petitioner acceded to the request of the Aliazas faction and informed the Bañez faction of such fact in a letter dated August 16, 2001. Petitioner explained:

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18 *Rollo* (G.R. No. 168477), pp. 46-47.

19 Records, p. 26.

> It is evident that the intra-union dispute between the incumbent set of officers of your Union on one hand and a sizeable number of its members on the other hand has reached serious levels. By virtue of the 19 March 2001 Decision and the 06 July 2001 Order of the Department of Labor and Employment (DOLE), the hold-over authority of your incumbent set of officers has been considered extinguished and an election of new union officers, to be conducted and supervised by the DOLE, has been directed to be held. **Until the result of this election [come] out and a declaration by the DOLE of the validly elected officers is made, a void in the Union leadership exists**.
>
> In light of these circumstances, the University has no other alternative but to temporarily do the following:
>
> 1. Establish a savings account for the Union where all the collected union dues and agency fees will be deposited and held in trust; and
>
> 2. Discontinue normal relations with any group within the Union including the incumbent set of officers.
>
> We are informing you of this decision of [petitioner] not only for your guidance but also for the apparent reason that [it] does not want itself to be unnecessarily involved in your intra-union dispute. This is the only way [petitioner] can maintain neutrality on this matter of grave concern.[20] (Emphasis supplied.)

In view of the foregoing decision of petitioner, respondent filed a complaint for unfair labor practice in the National Labor Relations Commission (NLRC) on August 21, 2001.[21] It alleged that petitioner committed a violation of Article 248(a) and (g) of the Labor Code which provides:

> Article 248. *Unfair labor practices of employers*. It shall be unlawful for an employer to commit any of the following unfair labor practice:
>
> (a) To interfere with, restrain or coerce employees in the exercise of their right to self-organization.
>
> x x x x

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20 Id. at 24; Letter dated August 2001 of DLSU Executive Vice President (EVP), Dr. Carmelita L. Quebengco, to the Bañez faction.

21 *Rollo* (G.R. No. 169254), pp. 230-231; docketed as NLRC NCR South Sector Case No. 30-08-03757-01.

> (d) To initiate, dominate, assist or otherwise interfere with the formation or administrator of any labor organization, including the giving of financial or other support to it or its organizers or supporters.

Respondent union asserted that the creation of escrow accounts was not an act of neutrality as it was influenced by the Aliazas factions's letter and was an act of interference with the internal affairs of the union. Thus, petitioner's non-remittance of union dues and discontinuance of normal relations with it constituted unfair labor practice.

Petitioner, for its defense, denied the allegations of respondent and insisted that its actions were motivated by good faith.

Meanwhile, on March 7, 2002, respondent filed a notice of strike in the National Conciliation and Mediation Board (NCMB).[22]

Shortly thereafter, or on July 12, 2002, Labor Arbiter Felipe P. Pati dismissed the August 21, 2001 complaint for unfair labor practice against petitioner for lack of merit in view of the May 23, 2002 decision of the BLR, affirming the need to conduct an election of the union's officers.[23] The labor arbiter, in effect, upheld the validity of petitioner's view that there was a void in the leadership of respondent.

The July 12, 2002 Decision of Labor Arbiter Pati, however, did not settle matters between respondent and petitioner.

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22 Docketed as NCMB-NCR-NS-03-093-02.

23 *Rollo* (G.R. No. 169254), pp. 247-258.

On March 15, 2003, respondent sent a letter to petitioner requesting for the renegotiation of the economic terms for the fourth and fifth years of the then current CBA, to wit:

> This refers to the re-negotiation of the economic provisions for the [fourth and fifth] year[s] of the 2000-2005 [CBA] that will commence sometime in March 2003.
>
> In this regard, the [Bañez faction] for and in behalf of [respondent] would like to respectfully request your good office to provide us a copy of the latest Audited Financial Statements of [petitioner,] including its budget performance report so that [petitioner] and [respondent through] their respective authorized representatives could facilitate the negotiations thereof.
>
> We are furnishing [petitioner through] your good self a copy of [our] CBA economic proposals for the [fourth and fifth] year[s] of the 2000-2005 CBA signed by its authorized negotiating panel.
>
> We also request [petitioner] to furnish us a copy of its counter proposals as well as a list of its negotiating panel not later than ten (10) days from receipts of [our] CBA proposals so that [we] and [petitioner] can now proceed with the initial conference to discuss the ground rules that will govern the CBA negotiation.[24]

In a letter dated March 20, 2003,[25] petitioner denied respondent's request. It stated therein:

> Pursuant to the [d]ecisions of appropriate government authority, and consistent with the position enunciated and conveyed to you by [petitioner] in my letter dated August 16, 2001, **there is a conclusion of fact that there is an absolute void in the leadership of** [**respondent**]. Accordingly, your representation as President or officer of, as well as, that of all persons purporting to be officers and members of the board of the said employees association [will] not [be] recognized**. Normal relations with the union cannot occur until the said void in the leadership of** [**respondent**] **is appropriately filled**. **Affected by the temporary suspension of normal relations with** [**respondent**] **is the renegotiation of the economic provisions of the 2002-2005 CBA**. **No renegotiation can occur given the void in the leadership of** [**respondent.**][26]

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24 Id. at 533.

25 Id. at 534.

26 *Contra* note 15, May 16, 2003 memorandum of BLR Director Cacdac regarding the effect of the March 19, 2001 order of the BLR.

As a consequence of the aforementioned letter, respondent filed a second notice of strike on April 4, 2003.[27] Upon the petition filed by petitioner on April 11, 2003,[28] the Secretary of Labor assumed jurisdiction over the matter pursuant to Article 263 of the Labor Code[29] as petitioner, an educational institution, was considered as belonging to an industry indispensable to national interest and docketed the case as OS-AJ-0015-2003.[30]

On June 26, 2003, the Second Division of the NLRC affirmed the July 12, 2002 Decision of Labor Arbiter Pati.[31] Respondent moved for reconsideration but it was denied by the NLRC in a Resolution dated September 30, 2003.[32]

Meanwhile, on July 28, 2003, the Secretary of Labor issued a Decision[33] in OS-AJ-0015-2003, finding petitioner guilty of violating Article 248(g) in relation to Article 252 of the Labor Code.[34] The salient portion thereof stated:

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27 *Rollo* (G.R. No. 169254), p. 121; docketed as NCMB-NCR-NS-08-246-03.

28 Id. at 147-162.

29 LABOR CODE, Article 263. *Strikes, Picketing and Lockouts.* – x x x (g) When, in his opinion, there exists a labor dispute causing or likely to cause a strike or lockout in an industry indispensable to the national interest, the Secretary of Labor and Employment may assume jurisdiction over the dispute and decide it or certify the same to the Commission for compulsory arbitration. Such assumption or certification shall have the effect of automatically enjoining the intended or impending strike or lockout as specified in the assumption or certification order. If one has already taken place at the time of assumption or certification, all striking or locked out employees shall immediately return to work and the employer shall immediately resume operations and readmit all workers under the same terms and conditions prevailing before the strike or lockout. The Secretary of Labor and Employment or the Commission may seek the assistance of law enforcement agencies to ensure compliance with this provision as well as with such orders as he may issue to enforce the same.

30 *Rollo* (G.R. No. 169254), pp. 260-270.

31 Id. at 288-291; Resolution dated June 26, 2003. Penned by Presiding Commissioner Raul T. Aquino and concurred in by Commissioners Victoriano R. Calaycay and Angelita A. Gacutan.

32 Id. at 409-410.

33 *Rollo* (G.R. No. 168477), pp. 101-110.

34 Labor Code, Article 248. *Unfair labor practices of employers.* – It shall be unlawful for an employer to commit any of the following unfair labor practice:

x x x x

(g) To violate the duty to bargain collectively as prescribed by this Code.

x x x x

[T]he University [is] guilty of refusal to bargain amounting to an unfair labor practice under Article 248(g) of the Labor Code. Indeed there was a requirement on both parties of the performance of the mutual obligation to meet and convene promptly and expeditiously in good faith for the purpose of negotiating an agreement. Undoubtedly, both [petitioner] and [respondent] entered into a [CBA] on [March 20, 2001]. The term of the said CBA commenced on [June 1, 2000] and with the expiration of the economic provisions on the third year, [respondent] initiated negotiation by sending a letter dated March 15, 2003, together with the CBA proposal. In reply to the letter of [respondent], [petitioner] in its letter dated [March 20, 2003] refused.

Such an act constituted an intentional avoidance of a duty imposed by law. There was nothing in the [March 19, 2001 and July 6, 2001 orders] of Director Maraan and Cacdac which restrained or enjoined compliance by the parties with their obligations under the CBA and under the law. The issue of union leadership is distinct and separate from the duty to bargain.

In fact, BLR Director Cacdac clarified that there was no void in [respondent's] leadership. The pertinent decision dated March 19, 2001 x x x reads[35]:

> We take this opportunity to clarify that there is no void in [respondent's] leadership. The [March 19, 2001 decision] x x x should not be construed as an automatic termination of the incumbent officers[']tenure of office. As duly-elected officers of [respondent], their leadership is not deemed terminated by the expiration of their terms of office, for they shall continue their functions and enjoy the rights and privileges pertaining to their respective positions in a hold-over capacity, until their successors shall have been elected and qualified.

It is thus very clear. x x x. This official determination by the BLR Director [Cacdac] removes whatever cloud of doubt on the authority of the incumbent to negotiate for and in behalf of [respondent] as the bargaining agent of all the covered employees. [Petitioner] is duty bound to negotiate collectively pursuant to Art. 252 of the Labor Code, as amended.

x x x x

Article 252. *Meaning of Duty to Bargain Collectively*. The duty to bargain collectively means the performance of a mutual obligation to meet and convene promptly and expeditiously in good faith for the purpose of negotiating an agreement with respect to wages, hours of work and all other terms and conditions of employment including proposals for adjusting any grievances or questions arising under such agreement and executing a contract under such agreements of requested by either party but such duty does not compel any party to agree to a proposal or to make any concessions.

35 This should refer to the May 16, 2003 memorandum of BLR Director Cacdac.

> On the question: [i]s [petitioner] guilty of unfair labor practice? This office resolves the issue in the affirmative. Citing the case of the *Divine Word University of Tacloban v. Secretary of Labor*, [petitioner] is guilty of unfair labor practice in refusing to abide by its duty to bargain collectively. The refusal of [petitioner] to bargain is tainted with bad faith amounting to unfair labor practice. There is no other way to resolve the issue given the facts of the case and the law on the matter.
>
> **WHEREFORE**, premises considered, this Office finds [petitioner] guilty of refusal to bargain collectively in violation of Article 252 in relation to Article 248 of the Labor Code, as amended. Management is hereby directed to cease and desist from refusing to bargain collectively. The parties are therefore directed to commence negotiations effective immediately.[36] (Citations omitted.)

On August 1, 2003, respondent reiterated its demand on petitioner to bargain collectively pursuant to the aforementioned Decision of the Secretary of Labor.[37]

On August 4, 2003, petitioner sent a letter to respondent explaining that it cannot act on the latter's letter. The August 4, 2003 letter of petitioner stated:

> [Petitioner's] counsel is preparing a Motion for Reconsideration that would be filed with the Office of the Secretary of Labor and Employment. Under the Rule, [petitioner] still has the remedy of filing such Motion with the Office of the Secretary before elevating the matter to higher authorities should it become necessary.
>
> We, therefore, regret to advise you that [petitioner] cannot accede to your demand to immediately commence negotiations for the CBA with your group or any other group of Union members, as the case may be, until such time that the case before the Secretary is resolved with finality. We will, therefore, continue to defer the CBA negotiations pending final resolution of the matter.
>
> As regards your other demands, [petitioner] is of the position that the matters subject of said demands are still pending before the various offices of the Labor Arbiters and NLRC and, therefore, it cannot act on the same until such time that said cases are likewise resolved with finality. It cannot be assumed that all these cases that you filed have been rendered

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36 *Rollo* (G.R. No. 168477), pp. 106-110.
37 *Rollo* (G.R. No. 169254), pp. 535-536.

> moot and academic by the Secretary's Decision, otherwise you would, in effect, be admitting that you have engaged in "forum shopping."[38]

Failing to secure a reconsideration of the July 28, 2003 Decision of the Secretary of Labor, petitioner assailed the same in the Court of Appeals via a petition for *certiorari* docketed as CA-G.R. SP No. 81649.

On August 27, 2003, respondent filed the third notice of strike,[39] in the wake of petitioner's August 4, 2003 letter and citing among others petitioner's alleged violation of the CBA and continuing refusal to bargain in good faith. Petitioner, on the other hand, filed a petition for assumption of jurisdiction for this third notice of strike.[40] Again, the Secretary of Labor assumed jurisdiction. This case was docketed as OS-AJ-0033-2003.

On November 17, 2003, the Secretary of Labor, in resolving OS-AJ-0033-2003, cited the July 28, 2003 Decision in OS-AJ-0015-2003, and consequently declared that petitioner committed an unfair labor practice. The salient portions of said Decision stated:

> **Considering that this case**, **docketed as Case No. OS-AJ-0033-2003 is based on the same set of facts with another case**, **involving the same parties numbered as OS-AJ-0015-2003**, **and based on the same factual and legal circumstances**, **we have to consistently hold that the [petitioner] has indeed failed to comply with its obligation under the law**. As a matter of fact, it admits in persisting to refuse despite the fact that there is no more legal obstacle preventing the commencement of the Collective Bargaining Negotiation between the parties. **Anent the so called void in the Union leadership**, **We declared that the same does not constitute a valid ground to refuse to negotiate because** [**petitioner's**] **duty to bargain under the law is due and demandable under the law by** [**respondent**] **as a whole and not by any faction within the union**.

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38 Id. at 537-538.
39 Id. at 135-136.
40 Id. at 147-162.

x x x x

x x x [E]vents have lately turned out in favor of [respondent], thereby obliterating any further justification on the part of [petitioner] not to bargain. On **October 29, 2003, the new Regional Director of DOLE-NCR, Ciriaco E. Lagunzad III, issued a resolution declaring the Bañez group as the duly elected officers of the Union. x x x.**

x x x x

The above election results were the outcome of a duly-held union election, supervised by the Department's Regional Office. This was the election ordered in the [**July 6**, **2001 and March 19, 2001 orders of the BLR**]. **This was also the same election invoked by** [**petitioners**] **in trying to justify it continuing refusal to bargain.**

The [members of the Bañez faction have] reportedly taken their oath of office and have qualified. [Petitioner] is now under estoppel from recognizing them, considering that it committed in writing to recognize and commence bargaining once a set of duly elected officers [is] proclaimed after an election duly conducted under the supervision of the Department.

x x x x

Not only has [petitioner] refused to negotiate with [respondent], it has unduly withheld the money belonging to the bargaining agent. **Both these acts are illegal and are tantamount to Unfair Labor Practice under Article 248 in relation to Article 252 of the Labor Code x x x**.

ACCORDINGLY, all the foregoing premises being duly considered, this Office hereby declares that [petitioner] committed Unfair Labor Practice in violation of [Article 248 in relation to Article 252] of the Labor Code x x x. [Petitioner] and its duly authorized officers and personnel are therefore ordered to cease and desist from committing said acts under pain of legal sanction.

[Petitioner] is therefore specifically directed to commence collective bargaining negotiation with [respondents] without further delay and to immediately turn over to the Bañez group the unlawfully withheld union dues and agency fees with legal interest corresponding to the period of the unlawful withholding. All these specific directives should be done within ten (10) days from receipt of this Decision and with sufficient proof of compliance herewith to be submitted immediately thereafter.[41]

In accordance with the terms of the aforementioned Decision, petitioner turned over to respondent the collected union dues and agency

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41 Id. at 123-125.

fees from employees which were previously placed in escrow amounting to ₱441,924.99.[42]

Nonetheless, petitioner moved for the reconsideration of the November 17, 2003 Decision of the Secretary of Labor but it was denied in an Order dated January 20, 2004.

Aggrieved, petitioner filed a petition for *certiorari* under Rule 65 of the Rules of Court with the Court of Appeals. Petitioner alleged therein that the Secretary of Labor committed grave abuse of discretion by holding that it (petitioner) was liable for unfair labor practice. Taking a contrary stance to the findings of the Secretary of Labor, petitioner stressed that it created the escrow accounts for the benefit of the winning faction and undertook temporary measures in light of the March 19, 2001 and July 6, 2001 Orders of the BLR. Thus, it should not be penalized for taking a hands-off stance in the intra-union controversy between the Aliazas and Bañez factions.

In a Decision dated March 4, 2005, the Court of Appeals affirmed the November 17, 2003 Decision and January 20, 2004 Order of the Secretary of Labor and dismissed the said petition. It held:

> [Petitioner] finds reason to refuse to negotiate with [respondent's incumbent officers] because of the alleged "void in the union leadership" declared by the Regional Director in his March 19, 2001 decision, [but] after the election of the union officers held on August 28, 2003, continued refusal by the University to negotiate amounts to unfair labor practice. **The non-proclamation of the newly elected union officers cannot be used as an excuse to fulfill the duty to bargain collectively**.[43] (Emphasis supplied.)

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42 Id. at 385; letter and acknowledgment receipt dated November 28, 2008.

43 Id. at 53-54.

Petitioner moved for reconsideration but it was denied in a Resolution dated August 5, 2005. The Court of Appeals noted that petitioner's arguments were a mere "rehash of the issues and discussions it presented in its petition and in the relevant pleadings submitted x x x."[44]

Meanwhile, the Court of Appeals dismissed CA-G.R. SP No. 81649 (which assailed the July 28, 2003 Decision in OS-AJ-0015-2003), in a Decision dated March 18, 2005.[45] The said decision likewise found that petitioner erred in unilaterally suspending negotiations with respondent since the pendency of the intra-union dispute was not a justifiable reason to do so.

Petitioner moved for reconsideration of the aforesaid decision in CA-G.R. SP No. 81649 but it was denied in a Resolution dated June 7, 2005[46] due to lack of merit.

Aggrieved, petitioner elevated both the assailed decisions and resolutions in this case and in CA-G.R. SP No. 81649, which was docketed as G.R. No. 168477, to this Court. Petitioner, in both instances, essentially argued that it did not maliciously evade its duty to bargain. On the contrary, it asserts that it merely relied in good faith on the March 19, 2001 Decision of the BLR that there was a void in respondent's leadership.[47]

This Court, through its Third Division, denied G.R. No. 168477 in a minute resolution dated July 20, 2005 due to the petition's "failure x x x to show that a reversible error had been committed by the appellate court."[48]

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44 Id. at 75.

45 *Rollo* (G.R. No. 168477), pp. 44-55; penned by Associate Justice Rosmari D. Carandang with Associate Justices Remedios Salazar-Fernando and Monina Arevalo-Zenarosa, concurring.

46 Id. at 57-58.

47 *Rollo* (G.R. No. 169254), pp. 3-44 and *rollo* (G.R. No. 168477), pp. 3-43.

48 *Rollo* (G.R. No. 168477), p. 526.

The motion for reconsideration was denied with finality on September 21, 2005[49] and entry of judgment was made on November 3, 2005.[50]

Meanwhile, respondent was ordered to file a comment herein, and, subsequently, this petition was given due course.

We note that both G.R. No. 168477 and this petition are offshoots of petitioner's purported temporary measures to preserve its neutrality with regard to the perceived void in the union leadership. While these two cases arose out of different notices to strike filed on April 3, 2003 and August 27, 2003, it is undeniable that the facts cited and the arguments raised by petitioner are almost identical. **Inevitably, G.R. No. 168477 and this petition seek only one relief**, **that is**, **to absolve petitioner from respondent's charge of committing an unfair labor practice**, **or specifically**, **a violation of Article 248(g) in relation to Article 252 of the Labor Code**.

For this reason, we are constrained to apply the law of the case doctrine in light of the finality of our July 20, 2005 and September 21, 2005 resolutions in G.R. No. 168477. In other words, our previous affirmance of the Court of Appeals' finding – that petitioner erred in suspending collective bargaining negotiations with the union and in placing the union funds in escrow considering that the intra-union dispute between the Aliazas and Bañez factions was not a justification therefor — is binding herein. Moreover, we note that entry of judgment in G.R. No. 168477 was made on November 3, 2005, and that put to an end to the litigation of said issues once and for all.[51]

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49 Id. at 550.
50 Id. at 553.
51 See *Alcantara v. Ponce*, 514 Phil. 222, 244-245 (2005).

The law of the case has been defined as the opinion delivered on a former appeal. It means that whatever is once irrevocably established as the controlling legal rule or decision between the same parties in the same case continues to be the law of the case, *whether correct on general principles or not*, so long as the facts on which such decision was predicated continue to be the facts of the case before the court.[52]

In any event, upon our review of the records of this case, we find that the Court of Appeals committed no reversible error in its assailed Decision dated March 4, 2005 and Resolution dated August 5, 2005.

Petitioner's reliance on the July 12, 2002 Decision of Labor Arbiter Pati, and the NLRC's affirmance thereof, is misplaced. The unfair labor practice complaint dismissed by Labor Arbiter Pati questioned petitioner's actions immediately after the March 19, 2001 Decision of BLR Regional Director Maraan, finding that "the reason for the hold-over [of the previously elected union officers] is already extinguished." The present controversy involves petitioner's actions subsequent to (1) the clarification of said March 19, 2001 Maraan Decision by BLR Director Cacdac who opined in a May 16, 2003 memorandum that the then incumbent union officers (*i.e.*, the Bañez faction) continued to hold office until their successors have been elected and qualified, and (2) the July 28, 2003 Decision of the Secretary of Labor in OS-AJ-0015-2003 ruling that the very same intra-union dispute (subject of several notices of strike) is insufficient ground for the petitioner to suspend CBA negotiations with respondent union. We take notice, too, that the aforesaid Decision of Labor Arbiter Pati has since been set aside by the Court of Appeals and such reversal was

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[52] *Padillo v. Court of Appeals*, 422 Phil. 334, 351-352 (2001); *See* also *Banco de Oro-EPCI, Inc. v. Tansipek*, G.R. No. 181235, July 22, 2009, 593 SCRA 456, 464.

upheld by this Court's Second Division in its Decision dated April 7, 2009 in G.R. No. 177283, wherein petitioner was found liable for unfair labor practice.[53]

Neither can petitioner seek refuge in its defense that as early as November 2003 it had already released the escrowed union dues to respondent and normalized relations with the latter. The fact remains that from its receipt of the July 28, 2003 Decision of the Secretary of Labor in OS-AJ-0015-2003 until its receipt of the November 17, 2003 Decision of the Secretary of Labor in OS-AJ-0033-2003, petitioner failed in its duty to collectively bargain with respondent union without valid reason. At most, such subsequent acts of compliance with the issuances in OS-AJ-0015-2003 and OS-AJ-0033-2003 merely rendered moot and academic the Secretary of Labor's directives for petitioner to commence collective bargaining negotiations within the period provided.

To conclude, we hold that the findings of fact of the Secretary of Labor and the Court of Appeals, as well as the conclusions derived therefrom, were amply supported by evidence on record. Thus, in line with jurisprudence that such findings are binding on this Court, we see no reason to disturb the same.[54]

WHEREFORE, the petition is **DENIED**.

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53 *De La Salle University v. De La Salle University Employees Association (DLSUEA-NAFTEU)*, G.R. No. 177283, April 7, 2009, 584 SCRA 592.

54 *See Colegio de San Juan de Letran v. Association of Employees and Faculty of Letran*, 394 Phil. 936, 949 (2000); *Rural Bank of Alaminos Employees Union v. National Labor Relations Commission*, 376 Phil. 18, 27-28 (1999).

SO ORDERED.

TERESITA J. LEONARDO-DE CASTRO
Associate Justice
Acting Chairperson, First Division

WE CONCUR:

LUCAS P. BERSAMIN
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

MARTIN S. VILLARAMA, JR.
Associate Justice

ESTELA M. PERLAS-BERNABE
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.

TERESITA J. LEONARDO-DE CASTRO
Associate Justice
Acting Chairperson, First Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting 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.

ANTONIO T. CARPIO
Senior Associate Justice
(Per Section 12, R.A. 295,
The Judiciary Act of 1948, as amended)