Republic of the Philippines
Supreme Court
Manila

**SECOND DIVISION**

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| **PMI-FACULTY AND EMPLOYEES UNION,** | **G.R. No. 211526** |
| Petitioner, | Present: |
| | CARPIO, *J., Chairperson*, |
| | BRION, |
| | DEL CASTILLO,* |
| | MENDOZA, and |
| - versus - | LEONEN, *JJ.* |
| | Promulgated: |
| | 29 JUN 2016 |
| **PMI COLLEGES BOHOL,** | |
| Respondent. | |

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## DECISION

**BRION, *J.*:**

We resolve the present petition for review on *certiorari*[1] which seeks to nullify the **December 20, 2012** and **January 30, 2014 resolutions**[2] of the Court of Appeals in CA-G.R. CEB-SP No. 07204.

### The Antecedents

Respondent PMI Colleges Bohol *(respondent)* is an educational institution that offers maritime and customs administration courses to the public. Petitioner PMI-Faculty and Employees Union (*Union*) is the collective bargaining representative of the respondent's rank-and-file faculty members and administrative staff.

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* On Leave.

1 *Rollo*, pp. 14-26; filed under Rule 45 of the Rules of Court.

2 Id. at 32-34 & 36-37; penned by Associate Justice Carmelita Salandanan Manahan and concurred in by Associate Justices Ramon Paul L. Hernando and Maria Elisa Sempio Diy.

On October 2, 2009, the Union filed a notice of strike[3] with the National Conciliation and Mediation Board (*NCMB*) in Cebu City, against the respondent, on grounds of *gross violation* of Sections 3 and 3(a) of their collective bargaining agreement (*CBA*). The Union threatened to go on strike on the first working day of the year 2010 following the failure of the conciliation and mediation proceedings to settle the dispute. In an order[4] dated December 29, 2009, Secretary Marianito D. Roque of the Department of Labor and Employment (*DOLE*) certified the dispute to the National Labor Relations Commission (*NLRC*) for compulsory arbitration.

On July 19, 2010, the Union filed a second notice of strike allegedly over the same CBA violation. On July 28, 2010, the respondent filed a *Motion to Strike Out Notice of Strike and to Refer the Dispute to Voluntary Arbitration*, claiming that the Union failed to exhaust administrative remedies before resorting to a 2nd notice of strike. On August 5, 2010, the respondent filed a *Motion for Joinder of Issues* under the 2nd notice of strike with those of the 1st notice.

On August 2, 2010, the Union submitted its strike vote. It alleged that while waiting for the expiration of the 15-day cooling-off period and/or the completion of the 7-day strike vote period, its members religiously reported for duty. On August 9, 2010, the last day of the cooling-off and strike vote periods, the Union officers and members reported for work (except for Union President Alberto ***Porlacin*** who was attending to his sick wife at the time), but they were allegedly not allowed entry to the school premises. This incident, according to the Union, was confirmed under oath by its officers/members.

In protest of what it considered a lock-out by the respondent, the Union staged a strike on the same day. The respondent reacted with a *Petition to Declare the Strike Illegal*, also filed on the same day. DOLE Secretary Rosalinda D. Baldoz assumed jurisdiction over the dispute through an order[5] dated August 10, 2010. She directed the strikers to return to work, and the school to resume operations.

## The Compulsory Arbitration Decisions

In his decision[6] of September 26, 2011, Labor Arbiter Leo N. Montenegro (*LA Montenegro*) dismissed the petition for lack of merit, declaring that the petitioner substantially complied with all the requirements of a valid strike, except for staging the strike a day earlier. LA Montenegro considered the staging of the strike one day earlier not sufficient for a declaration of illegality as the Union "officers/members were illegally

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3 CA *rollo*, pp 416-417.
4 Id. at 418-421.
5 Id. at 565-566.
6 Id. at 177-188.

locked out by the petitioner in not allowing them to enter the school premises to perform their respective jobs x x x."[7]

LA Montenegro brushed aside the respondent's submission that there is no proof that it locked out the Union officers/members on August 9, 2010, for the Union's failure to present as evidence the memorandum the school supposedly issued regarding the alleged lockout. LA Montenegro gave more credence to the testimonies[8] of the Union officers and members regarding the lockout. He stressed that the respondent could have been more convincing had it presented the statements of the security guards who manned the gates during the strike on whether the strikers were prevented from reporting for work on August 9, 2010.

On appeal by the respondent, the NLRC reversed[9] LA Montenegro's decision as it found the strike "to be illegal for having failed to comply with the requisites of a valid strike. Thus, the Union officers serving and acting as such during the period of the illegal strike are x x x deemed to have lost their employment status with complainant PMI Colleges Bohol."[10]

The NLRC was not persuaded by the Union's claim that its premature strike was precipitated by the respondent's refusal to admit the members and officers of the Union inside the school premises when they reported for work on August 9, 2010. It considered the affidavits of the officers and members on the alleged lockout self-serving.

On the other hand, the NLRC pointed out, the compact disc submitted in evidence by the respondent revealed that the strikers never mentioned that they were staging a strike due to the respondent's refusal to give them entry to the school. It added that during the strike, the entry to and exit from the school premises did not appear to be restricted by the security guards.

The Union moved for reconsideration, but the NLRC denied the motion in its resolution[11] of June 29, 2012. The Union was thus constrained to seek relief from the CA through a Rule 65 petition for *certiorari*.

## The CA Ruling

In its first assailed resolution,[12] the CA 20th Division dismissed the petition due to the following procedural infirmities:

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7 Id. at 184, last paragraph.

8 *Rollo*, p. 139; Joint Affidavit dated July 18, 2011, of PMI faculty members Teodomila Mascardo, Conchita Bagaslao, Mary Jean Enriquez and Cirilo Fallar , pp. 140-141; Joint Affidavit dated November 21, 2011, of members of the union board of directors Joel Langcamon (former President of the Union), Victorino Cabalit, Nelson Estano, and Cirilo Fallar.

9 CA *rollo*, pp. 24-36; NLRC Decision promulgated on April 30, 2012; penned by Commissioner Violeta Ortiz-Bantug and concurred in by Commissioner Julie C. Rendoque.

10 Id. at 35; NLRC decision, p. 12, dispositive portion.

11 *Rollo,* pp. 171-172.

12 *Supra* note 2; CA Resolution of December 20, 2012.

1. There is a deficiency in the docket and other lawful fees paid by the petitioner in the amount of ₱30.00;

2. Petitioner failed to append an Affidavit of Service, in violation of Section 13, Rule 13 of the Rules of Court;

3. Petitioner failed to attach the Postal Registry Receipts in violation of Section 13, Rule 13 of the Rules of Court;

4. Petitioner failed to explain why the preferred personal mode of FILING was not availed of, in violation of Section 11, Rule 13 of the Rules of Court;

5. Petitioner merely attached photocopies of the certified true copies of the assailed NLRC Decision and Resolution in violation of Section 3, Rule 46 in relation to Section 1, Rule 65 of the 1997 Rules of Civil Procedure;

6. Petitioner failed to state in the verification that the allegations in the petition are '*based on authentic records,*' in violation of Section 4, Rule 7 of the 1997 Rules of Civil Procedure, as amended by A.M. No. 00-2-10-SC (May 1, 2000);

7. In the Verification and Certification of Non-forum Shopping, no competent evidence as to the identity of the petitioner was shown (at least one current identification document issued by an official agency bearing the photograph and signature of the petitioner) in violation of Section 12, Rule II of the 2004 Rules on Notarial Commission; and

8. The Notarial Certificate in the Verification and Certification of Non-forum Shopping did not contain the serial number of the notary public, the province or city where he was commissioned and the office address of the notary public, in violation of Section (b) and (c), Rule VIII of the 2004 Rules of Notarial Practice."

Additionally, the CA noted that "the petition is bereft of any proof of authority for Mr. ALBERTO PORLACIN to sign the Verification and Certification of Non-forum Shopping page in behalf of petitioner PMI Faculty and Employees Union."[13]

Under the Rules of Court, the CA emphasized, a pleading that lacks proper verification is treated as an unsigned pleading[14] and, an unsigned pleading produces no legal effect."[15]

Undaunted, the Union moved for reconsideration, but the CA denied the motion in its resolution of January 30, 2014.[16] It stressed that the motion was not a challenge to its December 20, 2012 resolution, but an appeal for a liberal application of the formal requirements for a *certiorari* petition. The

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13 Id. at 33, par. 1.
14 Section 4, Rule 7.
15 Section 3, Rule 7.
16 *Supra* note 2.

Union offered its explanation for its procedural lapses and, as a gesture of its willingness to abide by the rules, it submitted an amended petition.[17]

The CA was not persuaded by the Union's submission. It regarded the Union's explanations to be "either admission of negligence or dismal excuses"[18] which, in its appreciation, were a sufficient justification for the dismissal of the petition. Moreover, the CA considered the amended petition to be of no help in curing the Union's procedural lapses as the pleading itself was defective. It pointed out in this respect that an attachment to the amended petition, a certified true copy of the NLRC's assailed April 30, 2012 decision,[19] had no relevance to the present case.

The CA explained that in this case, the Union assailed the April 30, 2012 NLRC decision[20] in ***NLRC Case No. VAC-01-000054-2012*** which stemmed from ***RAB Case No. VIII-04-0024-11-B*** involving the issue of the legality or illegality of the strike on August 9, 2010. On the other hand, what was attached to the amended petition was the April 30, 2012 NLRC decision[21] in ***NLRC Case No.VAC-01-000053-2012*** which arose from ***RAB Case No. VII-04-0026-B*** where the respondent sought to have the Union declared liable for unfair labor practice on grounds of alleged refusal to sign a negotiated CBA.

**The Petition**

The Union is now before the Court seeking a reversal of the CA resolutions on the issue of whether the appellate court committed a reversible error of law when it dismissed its petition for *certiorari* solely on technical grounds. It argues that in dismissing the petition, the CA ignored the principle that "substantial justice must prevail over procedural infirmities." [22]

The Union pleads for a liberal application of the rules of procedure in the resolution of its dispute with the respondent, especially when "it is obvious that the NLRC seriously erred and committed grave abuse of discretion in holding that the strike was illegal and declaring all union officers who have participated in the strike to have lost their employment status."[23] It impugns the evidence–the video footage (compact disc) of the strike area–relied upon by the NLRC in concluding that the strike was illegal.

Particularly, the Union faults the NLRC for not checking the source of the video footage and the credibility of whoever took it. It questions the reliability of the compact disc as it was presented only on appeal or after the

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17 CA *rollo*, pp. 350-362.
18 *Supra* note 2; CA Resolution of January 30, 2014, p. 2, par. 3.
19 CA *rollo*, pp. 367-379.
20 *Supra* note 11.
21 *Supra* note 19.
22 *Supra* note 1, p.17; Grounds II.
23 Id. at 24, par. 35.

lapse of 15 months from the happening of the strike on August 9, 2012. It bewails that due to the advances in science and technology, the footage could have been edited and even altered to produce the desired result.

## The Respondent's Position

In its Comment[24] dated September 1, 2014, the respondent prays that the petition be dismissed for lack of merit and for being procedurally flawed.

On the matter of procedure, the respondent submits that the verification and certification of non-forum shopping attached to the petition is defective because: (1) it was executed before the petition was completed, pointing out that the document was executed on April 3, 2014, while the petition was completed only on April 5, 2014; and (2) the authority of the affiant (Alberto Porlacin) had not been shown.

Further, the respondent maintains, the Union was guilty of forum-shopping considering that contrary to the Union's averment in the petition's verification and certification page, the Union officers also filed an illegal dismissal case before the NLRC.

In any event, the respondent argues, the petition would still be without merit as the NLRC correctly found illegal the strike declared by the Union on August 9, 2010.

## The Court's Ruling

### *The procedural question*

The CA decided the present labor dispute purely on technical grounds. Also, the respondent itself would want the petition dismissed for alleged procedural lapses on the part of the Union.

After a careful study of the records, we find that the relaxation of the rules of procedure in this case was the more prudent move to follow in the interest of substantial justice. Rules of procedure are not inflexible tools designed to hinder or delay, but rather to facilitate and promote the administration of justice. Their strict and rigid application which would result in technicalities that tend to frustrate rather than promote substantial justice must always be eschewed.[25] Procedural rules were conceived to aid in the attainment of justice. If the stringent application of the rules would hinder rather than service the demands of justice, the former must yield to the latter.[26]

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24 *Rollo*, pp. 215-233

25 *Jaworski v. PAGCOR*, 464 Phil. 375, 385 (2004).

26 *City of Dumaguete v. Philippine Ports Authority*, 671 Phil. 610, 627 (2011), citing *Basco v. CA*, 392 Phil. 251, 266 (2000).

Moreover, it must be emphasized that the right to appeal should not be lightly disregarded by a stringent application of rules of procedure especially where the appeal is on its face meritorious and the interest of substantial justice would be served by permitting the appeal.[27] This principle finds particular significance in administrative and quasi-judicial bodies, like the NLRC, which are not bound by technical rules of procedure in the adjudication of cases.[28]

Had the CA also looked into the merits of the case, it could have found that the Union's *certiorari* petition was not without basis, as we shall discuss below. The case calls for a resolution on the merits. And, although the Court is not a trier of facts, we deem it proper not to remand the case to the CA anymore and to resolve the appeal ourselves, without further delay.

In *Metro Eye Security, Inc., v. Julie V. Salsona*,[29] the Court avoided a remand of the case to the CA, " *x x x since all the records of this case are before us, there is no need to remand the case to the Court of Appeals. On many occasions, the Court, in the public interest and for expeditious administration of justice, has resolved actions on the merits, instead of remanding them for further proceedings, as where the ends of justice would not be sub-served by the remand of the case*."[30] The present case is in this same situation.

***The merits of the case***

The declaration of the strike a day before the completion of the cooling-off and strike vote periods was but a reaction to the respondent's locking out the officers and members of the Union. The Union does not deny that it staged the strike on August 9, 2010, or on the 21st day after the filing of the strike notice on July 19, 2010, and the submission of the strike vote on August 2, 2010, a day earlier than the 22 days required by law (15 days strike notice, plus 7 days strike vote period).[31] It, however, maintained that it was left with no choice but to go on strike a day earlier because the respondent had barred its officers and members from entering the school premises.

The NLRC had been too quick in rejecting the sworn statements[32] of the Union officers and members that they had been locked out by the respondent when they reported for duty in the morning of August 9, 2010, branding their affidavits as self-serving, without providing any basis for such a conclusion other than who submitted the statements in evidence,[33] which it implied to be the Union.

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27 *Pacific Asia Overseas Shipping Corporation v. NLRC, et al.*, 244 Phil. 127, 134 (1988).
28 *Ford Philippines Salaried Employees Association v. NLRC,* 240 Phil. 284, 297-298 (1987).
29 560 Phil. 632 (2007).
30 Id. at 641, 642.
31 LABOR CODE, Article 278 (formerly Article 263), (c), (e) and (f).
32 *Supra* note 8.
33 *Supra* note 10, at 10, par. 2.

On the contrary, we find the statements credible, particularly those of Engr. Teodomila **Mascardo**, Engr. Conchita **Bagaslao**, Ms. Mary Jean **Enriquez,** and Mr. Cirilo **Fallar**[34] that they had classes at 7:30 a.m. to 8:30 a.m. on Monday, August 9, 2010, and that, in compliance with their teaching load, they had to be in the school premises at 7:00 a.m. but were surprised when they were not allowed to enter on that day by the guards on duty. They protested, they added, and insisted on entering the school premises, but they were pushed out of the school grounds by the guards who said that they were just following orders from the PMI management.

Under the circumstances, we find no reason for Mascardo, Bagaslao, Enriquez, and Fallar to make self-serving and therefore false statements on their failure to hold their classes in the morning of August 9, 2010 because they were refused entry by the security guards. While they are Union members, they are first and foremost teachers who were reporting for duty on that day. The same thing can be said of the Union officers who were also refused entry by the guards. We likewise find no reason for the officers to throw away all their preparations for a lawful strike on the very last day, had they not been pushed to act by the respondent's closing of the gates on August 9, 2010.

It was thus grave abuse of discretion for the NLRC to completely ignore the affidavits of the officers and members of the Union directly saying that they were refused entry into the school premises on August 9, 2010, especially when LA Montenegro intimated that the respondent could have presented the testimonies of the guards on duty at the time to belie the statements of the Union officers and members.

In sharp contrast, the NLRC readily admitted the video footage of the strike area on August 9, 2010, which the respondent offered in evidence only on appeal or more than a year (15 months) after it was supposed to have been taken. The much belated submission of the video footage puts in question, as the Union argued in its *certiorari* petition, the authenticity and, therefore, the credibility of the footage. Why was the footage not presented to the labor arbiter, considering that the respondent reserved the right to adduce additional evidence, documentary and testimonial, in the resolution of the case?[35] Why did it take more than a year to present it when the footage was taken on the first day of the strike?

The respondent's explanation for the 15-month delay in the presentation of the compact disc contents to prove that the school did not lock out the Union members and officers deserves scant consideration. We are not convinced that the respondent spent more than a year to secure the affidavits of the personnel of Ramasola Superstudio, based in Tagbilaran City, that purportedly took the footage. As the Union pointed out, a member of the school's management, lawyer Evaneliza Cloma-Lucero, who resides

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34 *Rollo*, p. 139; Joint Affidavit.

35 Id. at 73; Respondent's Position Paper. p. 18, par. 26.

in Tagbilaran City could have been asked to depose the studio's personnel. Neither are we persuaded by the excuse that the respondent's counsel is residing in Pasig City. Again, as observed by the Union, air travel can bring the lawyer to Tagbilaran City in just a little over an hour to take the deposition.

The inordinate delay in the submission of the compact disc cannot but generate negative speculations on why it took so long for the respondent to introduce it in evidence. We thus find the Union's apprehension about the authenticity and credibility of the compact disc not surprising; 15 months are too long a period to wait for the submission of a piece of evidence which existed on the first day of the strike way back on August 9, 2010.

Like its immediate rejection of the affidavits of the Union members and officers for being "self-serving," without giving any credible basis for its sweeping declaration, we find the NLRC to have overstepped the bounds of its discretionary authority in "swallowing hook, line, and sinker," as the Union put it,[36] the compact disc submitted by the school, as it is obvious that it was suffering from a serious doubt in credibility because of its much belated submission. The doubt should have been resolved in favor of the Union.

At this point, it is well to stress that under Article 4 of the Labor Code, "*all doubts in the implementation and interpretation of the provisions of this Code, including its implementing rules and regulations, shall be resolved in favor of labor*." In *Peñaflor v. Outdoor Clothing Manufacturing Corporation*,[37] the Court reiterated that the principle laid down in the law has been extended by jurisprudence to cover doubts in the evidence presented by the employer and the employee.[38] As discussed earlier, the Union has raised serious doubt on the evidence relied on by the NLRC. Consistent with Article 4 of the Labor Code, we resolve the doubt in the Union's favor.

In sum, **we find merit in the petition.** The CA reversibly erred when (1) it decided the present labor dispute and dismissed the Union's *certiorari* petition purely on technical grounds, and (2) in blindly ignoring the blatant grave abuse of discretion on the part of the NLRC that completely disregarded the affidavits of the officers and members of the Union and readily admitted the respondent's belatedly submitted video footage.

**WHEREFORE**, premises considered, the petition for review on *certiorari* is **GRANTED**. The assailed resolutions of the Court of Appeals are **SET ASIDE**. The September 26, 2011 decision of Labor Arbiter Leo N.

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36 *Rollo*, p. 182; Petition for *Certiorari*, p. 10, par. 4.
37 624 Phil. 490 (2010).
38 Id. at 505, citing *Fujitsu Computer Products of the Philippines v. CA*, 494 Phil. 697 (2005).

Montenegro is **REINSTATED**, and the April 30, 2012 decision of the National Labor Relations Commission **VACATED**.

**SO ORDERED**.

**ARTURO D. BRION**
Associate Justice

**WE CONCUR**:

**ANTONIO T. CARPIO**
Associate Justice
Chairperson

(On Leave)
**MARIANO C. DEL CASTILLO**
Associate Justice

**JOSE CATRAL MENDOZA**
Associate Justice

**MARVIC M.V.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.

**ANTONIO T. CARPIO**
Associate Justice
Chairperson, Second 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