

ANTONIO Y. SALADAGA, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION, BEAGLE INVESTIGATIVE AND DETECTIVE AGENCY (BIDA) / JOSUE G. TESADO, RESPONDENTS.

Ponente: FRANCISCO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/f52b1b076d44/>

FRANCISCO, J.:

This is to RESOLVE the Motion for Reconsideration[1] filed by private respondents on September 19, 2013.

Records show that Comment[2] thereto has already been filed by petitioner.

The Motion states that there is no legal or factual basis that supports the findings of the Labor Arbiter. It echoes that of the NLRC that the posting of the savings account deposit with the bank's Performance Security Bank Guarantee sufficed the requirement set forth by the law in perfecting the appeal from the Labor Arbiter's decision.

It appears that the issues raised in the instant motion had been carefully considered, evaluated and passed upon by this Court. It was so ruled in this manner:

“Settled is the rule that posting of bond is indispensable to the perfection of an appeal in cases involving monetary awards from the Decision of the Labor Arbiter.

In fact, Article 223 of the Labor Code provides in part:

Article 223. Appeal. –Decisions, awards, or orders of the Labor Arbiter are final and executory unless appealed to the Commission by any or both parties within ten (10) calendar days from receipt of such decisions, awards, or orders. x x x

xxx

xxx

xxx

In case of a judgment involving a monetary award, an appeal by the employer may be perfected only upon the posting of a cash or surety bond issued by a reputable bonding company duly accredited by the Commission in the amount equivalent to the monetary award in the judgment appealed from. (Emphasis supplied.)

xxx

xxx

xxx

Collorary thereto, Sections 4 and 6, Rule VI of the Revised Rules of Procedure of the NLRC read:

SECTION 4. REQUISITES FOR PERFECTION OF APPEAL – a) The appeal shall be: 1) filed within the reglementary period provided in Section 1 of this Rule; 2) verified by the appellant himself in accordance with Section 4, Rule 7 of the Rules of Court, as amended; 3) in the form of a memorandum of appeal which shall

state the grounds relied upon and the arguments in support thereof, the relief prayed for, and with a statement of the date the appellant received the appealed decision, resolution or order; 4) in three (3) legibly typewritten or printed copies; and 5) accompanied by i) proof of payment of the required appeal fee; ii) posting of a cash or surety bond as provided in Section 6 of this Rule; iii) a certificate of non-forum shopping; and iv) proof of service upon the other parties.

XXX

XXX

XXX

SECTION 6. BOND. – In case the decision of the Labor Arbiter or the Regional Director involves a monetary award, an appeal by the employer may be perfected only upon the posting of a bond, which shall either be in the form of cash deposit or surety bond equivalent in amount to the monetary award, exclusive of damages and attorney's fees.

XXX

XXX

XXX

No motion to reduce bond shall be entertained except on meritorious grounds, and only upon the posting of a bond in a reasonable amount in relation to the monetary award. x x x (Emphasis supplied.)

The afore-quoted provision of Article 233 is clear and free from ambiguity. An appeal by the employer may be perfected only upon the posting of a cash or surety bond. This brings Us to the core issue, whether or not the Performance Security Bank Guarantee is a substantial compliance of the required posting of cash or surety bond.

In *Mindanao Times Corporation v. Confesor*, a case where the petitioner therein insisted that its bank deposits and Deed of Assignment transmitted to the NLRC constituted substantial compliance with the rule on perfection of appeal, the Supreme Court categorically ruled therein that:

“In the present case, the Deed of Assignment, as well as the passbook, which petitioner submitted to the NLRC is neither a cash nor a surety bond. Petitioner's appeal to the NLRC was thus not duly perfected, thereby rendering the Labor Arbiter's Decision final and executory.”

In the same manner, a bank guarantee is not cash, neither it is a surety bond specifically required by the law in order to perfect an appeal to the NLRC. It is said in one case, the vital difference between the contract of a surety and that contract of guaranty is that a surety is charged as an original promisor while the engagement of the guarantor is a collateral undertaking. Further, the obligation of the surety is primary while that of the guarantor is secondary. The performance bank guaranty being neither a cash bond nor surety bond, private respondent could not be said to have perfected its appeal to the NLRC, which renders the decision of the Labor Arbiter final and executory.

Apropos thereto is Supreme Court's ruling in *Confesor* case, to wit:

“The filing of the bond is not only mandatory but also a jurisdictional requirement that must be complied with in order to confer jurisdiction upon the NLRC. Non-compliance therewith renders the decision of the LA final and executory. This requirement is intended to assure the workers that if they prevail in the case, they will receive the money judgment in their favor upon the dismissal of the employer's appeal. It is intended to discourage employers from using an appeal to delay or evade their obligation to satisfy their employees' just and lawful claims.”

Even if We consider the bank guaranty as a bond within the contemplation of the law, still We find the petition meritorious.

We find the Labor Arbiter's findings that the deprivation, despite the availability of work assignments, to petitioner for four (4) months reckoned from February 17, 2008 when his security guard license was still valid and existing is unlawful hence, tantamount to illegal dismissal supported with factual and legal basis.

It must be stressed that the records of the case do not show that petitioner had to be placed on "off-detail" for lack of available post. Private respondents had not offered explanation on petitioner's status after he was relieved on February 17, 2008. Thus, to justify private respondents' non-assignment of work to petitioner due to the latter's expired license, or the termination of its contract of security services with Banco de Oro is unacceptable. Petitioner's security guard license expired only on June 23, 2008.

We also find Labor Arbiter's position that Article 286 of the Labor Code which states:

"Art. 286. When employment not deemed terminated. — The bona fide suspension of the operation of a business or undertaking for a period not exceeding six (6) months, or the fulfillment by the employee of a military or civic duty shall not terminate employment. In all such cases, the employer shall reinstate the employee to his former position without loss of seniority rights if he indicates his desire to resume his work not later than one (1) month from the resumption of operations of his employer or from his relief from the military or civic duty."

is inapplicable in the instant case proper.

In the case of Philippine Industrial Security Agency Corporation v. NLRC, the Supreme Court stressed:

"xxx xxx xxx Article 286 applies only when there is a bona fide suspension of the employer's operation of a business or undertaking for a period not exceeding six (6) months. In such a case, there is no termination of employment but only a temporary displacement of employees, albeit the displacement should not exceed six (6) months. The paramount consideration should be the dire exigency of the business of the employer that compels it to put some of its employees temporarily out of work. In security services, the temporary "off-detail" of guards takes place when the security agency's clients decide not to renew their contracts with the security agency, resulting in a situation where the available posts under its existing contracts are less than the number of guards in its roster."

In this case, the records showed that private respondent stopped giving petitioner his assignment after he was relieved on February 17, 2008. It has not been established that the non-renewal of the contract with Banco de Oro resulted in a situation where the available posts were now less than the number of its guards. In fact, the Labor Arbiter in his ratio decidendi explicitly said:

"xxx xxx xxx. This unlawful deprivation made by respondent despite the availability of the job is tantamount to illegal dismissal."

to which this Court is fully in agreement.

In sum, NLRC committed grave abuse of discretion when it reversed the Decision dated April 29, 2008 of the Labor Arbiter as it has acquired no jurisdiction to review it; the non-perfection of appeal renders the decision of the LA final and executory."^[3]

In view of the foregoing, movants' motion for reconsideration is hereby DENIED.

SO ORDERED.

Borja, J., Chairperson and Badelles, JJ., concur.

[1] Rollo, p. 268.

[2] Rollo, p. 279.

[3] Rollo, pp. 259-263.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.