

NORTHEASTERN COLLEGE TEACHERS AND EMPLOYEES ASSOCIATION, REPRESENTED BY LESLIE GUMARANG, PETITIONER, VS. NORTHEASTERN COLLEGE, INC., RESPONDENT.

G.R. No. 152923. January 19, 2009

Ponente: CHICO-NAZARIO, J.

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CHICO-NAZARIO, J.:

Assailed before Us is the Amended Decision[1] of the Court of Appeals dated 11 April 2002 in CA-G.R. SP No. 50490 which reversed and set aside its Decision[2] dated 22 March 2001 annulling and setting aside the decision of the National Labor Relations Commission (NLRC) dated 15 September 1997. In so doing, it affirmed in toto the said decision of the NLRC and reversed and set aside the Orders dated 22 July 1994 and 28 May 1996 of the Labor Arbiter of the Regional Arbitration Branch (RAB) II, Tuguegarao, Cagayan.

Petitioner Northeastern College Teachers & Employees Association (NCTEA) is a labor organization duly registered with the Department of Labor and Employment (DOLE).

Petitioner Leslie M. Gumarang (Gumarang) was the President of the NCTEA when the complaints in this case were filed with the National Labor Relations Commission, Regional Arbitration Branch No. II, until 7 October 1994 when his term of office expired.

Respondent Northeastern College, Inc. (NC) is an educational institution duly organized under Philippine laws with place of business at Maharlika Road, Municipality of Santiago, Province of Isabela, Philippines.

The antecedents are as follows:

On 7 May 1991, NCTEA and Gumarang filed a complaint for Unfair Labor Practice and Underpayment of Wages under Republic Act No. 6727 against NC and its President and Board of Directors, docketed as NLRC RAB II CN. 05-00157-91.[3]

On 4 September 1991, a complaint for Illegal Layoff, Non-Payment of Holiday Pay pursuant to Republic Act No. 6728, Differential Pay Money under Wage Order RO2-01, and Unfair Labor Practice was filed by NCTEA and Leslie Gumarang against the President, School Accountant and Board of Directors of NC. The case, docketed as NLRC RAB II CN. 09-00293-91, was entitled: "Leslie M. Gumarang, Roger T. Bautista[4] with NCTEA Board of Directors, Northeastern College Teachers-Employees Association v. President/School Accountant/Board of Directors of Northeastern College, Santiago, Isabela." [5]

The two cases were consolidated. On 13 August 1992, Labor Arbiter Gregorio C. Calasan rendered a decision,[6] the dispositive portion of which reads:

WHEREFORE, decision is hereby rendered in accordance with the foregoing dispositions and the parties are ordered to sit down for the purpose of computing the amounts due to each employee concerned after which the respondents are ordered to pay the same.

On 26 August 1992, counsel for NC received a copy of the aforementioned decision. NC did not appeal the decision; thus, the same became final after the lapse of ten (10) days on September 5, 1992.[7]

On 8 September 1992, NCTEA filed a Motion for Enforcement of the decision stating therein that the total amount due NCTEA was P2,145,711.86.[8]

On 10 September 1992, Labor Arbiter Calasan issued an Order[9] which reads:

On September 8, 1992, the complainants filed a motion for enforcement setting forth the computation of the award in the Decision in the above-entitled cases which is already final and executory, copy of the motion of which is hereto attached.

WHEREFORE, the respondent is given fifteen (15) days from receipt of this Order within which to comment on the complainants' motion (sic) failure of which shall be considered confirmation of the accuracy of the computation by the complainants and the issuance of writ of execution as prayed for.

Despite notice, NC did not file its comment.

On 2 October 1992, NCTEA filed a Motion for Execution praying that the writ be issued for the collection of the amount of P2,145,711.86.[10]

In an Order dated 6 October 1992, there being a disagreement over the recoveries of the individual complainants under the terms of the decision, Labor Arbiter Calasan scheduled a conference on 9 October 1992 for the purpose of clarifying the decision.[11] The Order reads:

Considering that the DECISION in the above-entitled cases dated 13 August 1992 is already final and executory for lack of appeal by either of the parties and considering further that there is a disagreement over the recoveries of the individual complainants under the terms of the DECISION, the parties are hereby notified that a conference before the undersigned for the purpose of clarifying the DECISION is hereby set on 9 October 1992, 10:00 a.m. at the Conference Room, Northeastern College, Santiago, Isabela.

On the scheduled hearing, the request of NC to be given another opportunity to make its computation and submit and furnish the NCTEA a copy thereof on or before 24 October 1992 in order to reconcile its computation with that of the NCTEA, was granted. NC however failed to submit its computation.

On 28 October 1992, NCTEA filed a Motion for Execution of the decision dated 13 August 1992 and for the collection of the amount of P2,150,630.80 representing its total claim as of 31 October 1992 on the basis of the computation it submitted to Labor Arbiter Calasan. It argued that the acts of NC in failing to comment on the Motion for Enforcement and its failure to submit its computation despite being given an extension to do so were intended to delay the enforcement of the decision which had long become final and executory.[12]

On 4 November 1992, the Labor Arbiter issued a writ of execution for the collection of P2,150,630.80 per computation by the NCTEA. It explained that the failure of the NC to submit its computation could only be construed as a confirmation of the accuracy of the NCTEA's computation. The decretal portion of the writ reads:

NOW THEREFORE, you are hereby ordered to proceed to the premises of the respondent Northeastern College located at Santiago, Isabela to demand from its management the sum of TWO MILLION ONE HUNDRED FIFTY THOUSAND SIX HUNDRED THIRTY PESOS & 80/100 (P2,150,630.80) due to the respondent's employees concerned as indicated in the union's computation plus the amount of your execution fee. In the event that you fail to collect the amount in cash, Philippine Currency from the respondent College, you are hereby directed to cause the full satisfaction of the same from its movable properties or in the absence thereof, from its real properties not exempted from execution and return this writ of execution together with your proceedings thereon, within sixty (60) days from receipt hereof.[13]

On 25 November 1992, NC filed a Motion to Quash and Set Aside the Writ of Execution grounded on the following: (1) that the decision sought to be executed utterly failed to specify any definite adjudication of payment; (2) that the amount specified in the writ of execution to be collected had no legal basis; and (3) that the issuance of the writ of execution was evidently misplaced. It argued, inter alia, that based on its computation, the members of NCTEA had been fully paid and even overpaid the benefits under Republic Act Nos. 6727 and 6728.[14]

The Motion was set for hearing on 16 December 1992, with respondent NC manifesting that it would submit its computation, which was prepared in Manila. Despite the opportunity given, it failed to submit the promised computation.

In an Order dated 3 February 1993, Labor Arbiter Calasan dismissed the Motion to Quash and Set Aside the Writ of Execution for lack of merit.[15] Counsel for NC received a copy thereof on 9 February 1993. No motion for reconsideration or appeal was filed by NC.

On 4 March 1993, the Labor Arbiter issued an Alias Writ of Execution for the collection of P2,145,711.86 as the amount due NCTEA and P20,957.12 for execution fees and for other expenses.[16]

Subsequently, NC filed by mail before the NLRC a Complaint for Injunction with Urgent Prayer for the Issuance of a Temporary Restraining Order enjoining NCTEA, the Labor Arbiter and Sheriff Severino C. Gosiengfiao from enforcing the writ of execution issued in NLRC RAB II CN. 05-00157-91 and 09-00293-91 relative to the decision promulgated on 13 August 1992. On 16 April 1993, the NLRC issued a Resolution dismissing the complaint for lack of merit.[17] NC moved for the reconsideration[18] of said resolution but the same was not resolved.

On 17 May 1993, NCTEA filed a Motion for the Issuance of Alias Writ of Execution[19] which Labor Arbiter Calasan issued on 27 May 1993.[20] A Notice of Public Auction on Execution of Real Property covering Transfer Certificate of Title (TCT) No. 98270 was published in the Valley Times, Ilagan, Isabela, on 5, 12 & 19 June 1993.[21]

On 4 June 1993, by virtue of the Alias Writ of Execution dated 27 May 1993, Sheriff Gosiengfiao issued a Notice of Public Auction on Execution of Real Property involving property covered by TCT No. 98270 which was levied on 18 March 1993.[22]

On 8 June 1993, NC filed with the Labor Arbiter a motion to quash the Alias Writ of Execution issued on 27 May 1993 on the ground that it had a pending Motion for Reconsideration of the Resolution of the NLRC dismissing its Complaint for Injunction.[23]

On 14 June 1993, the Labor Arbiter issued an Order holding the resolution of the Motion to Quash in abeyance, thus:

On 08 June 1993, this Office received a MOTION TO QUASH alias WRIT OF EXECUTION dated 27 May 1993. As ground the respondents alleged that they filed a MOTION FOR RECONSIDERATION of the resolution of the Commission which denied the respondents' petition for Injunction which motion for reconsideration is still pending resolution by the Commission. However, the respondent failed to furnish Office with a copy of the said motion for reconsideration. It also appears that the sheriff of this office has already levied a property of the respondents and has scheduled its auction sale on June 30, 1993.

WHEREFORE, resolution of the motion to quash is held in abeyance and the respondent is directed to submit within five (5) days from receipt hereof with a copy of their motion for reconsideration filed to the Commission.[24]

On 30 June 1993, Sheriff Gosiengfiao issued a Certificate of Sheriff's Sale certifying that the property covered by TCT No. 98270 was sold at public auction to complainants Leslie Gumarang and Roger T. Bautista through their attorney-in-fact, Angelo T. Bautista, for P150,000.00. It was further certified that said persons were the only bidders and that the sale price was not paid but was merely credited to the partial satisfaction of the award contained in the decision.[25] The sheriff's return of service was done on 25 August 1993.

On 11 August 1993, NCTEA filed a motion for the issuance of an alias writ of execution for the deficiency of the award. On 25 August 1993, the Labor Arbiter issued another Alias Writ of Execution for the collection of the remaining amount of P1,995,711.86 (the balance after deducting P150,000.00 from P2,145,711.86) plus P20,957.12 as execution fee and for other expenses.[26]

On 26 August 1993, Sheriff Gosiengfiao issued a Notice of Public Auction on Execution of Real Property covering CTC No. 3973 - Cadastral Lot No. 4935-H.[27] On 11 September 1993, said Notice of Public Auction of Real Property was published in the Valley Times.[28] On 17 September 1993, Sheriff Gosiengfiao issued another Certificate of Sheriff's Sale covering the aforesaid property sold at public auction on 16 September 1993 to Leslie Gumarang, Roger T. Bautista and their attorney-in-fact, Angelo T. Bautista, for the amount of P1,995,711.86. As in the auction sale of 30 June 1993, Gumarang and Roger and Angelo Bautista were the only bidders, and the sale price was not paid but was merely credited to the satisfaction of the award contained in the decision.[29]

On 12 October 1993, NCTEA filed a Motion to Issue Order of Possession asking for the transfer of possession of the properties which it acquired at public auction.[30] In an Order dated 22 October 1993, the Labor Arbiter denied the motion for the issuance of a writ of possession arguing that NCTEA could not demand possession of the properties because the 12-month period for redemption of the same had not yet lapsed.[31]

On 1 June 1994, NC filed a Notice of Redemption of Property Sold on Execution alleging that the redemption price (for property covered by TCT No. 98270) plus one percent per month interest thereof, together with the amount of taxes paid, had already been fully settled and delivered directly to the members of NCTEA, who were the real parties in interest, as evidenced by receipts of payments. It prayed that the alleged redemption payment be approved and the necessary Certificate of Redemption be executed. [32] The alleged receipts of payments were unsworn/unnotarized.[33]

Effective 16 June 1994, Labor Arbiter Ricardo N. Olarez was assigned as Officer-in-Charge of NLRC Region II, Regional Arbitration Branch No. II, in place of Labor Arbiter Calasan.[34]

On 22 June 1994, Labor Arbiter Olarez issued an Order setting the hearing of the Notice of Redemption of Property Sold on Execution on 12 July 1994.[35] On motion of NC, said hearing was postponed to 20 July 1994 at 10:00 a.m.[36]

On the scheduled hearing on 20 July 1994, only NCTEA was present, as NC did not appear on time. The Labor Arbiter conducted the hearing asking clarificatory questions, particularly on NCTEA's allegation in its opposition to the notice of redemption that the signatures of some teachers in the alleged direct payments were obtained by duress, under threat of summary dismissal, and that they did not actually receive the amount appearing in the receipts. After 10:20 a.m., the hearing was closed and the motion was already deemed submitted for resolution. When NC arrived at past 10:30 a.m., it was informed that the hearing was already terminated and the motion already submitted for resolution. NC begged the Labor Arbiter to consider the alleged direct payments as substantial compliance with the requirements for the redemption; the Labor Arbiter, in turn, reminded NC that the annexes/exhibits attached to the notice of redemption were not sworn or notarized.[37]

In an Order dated 22 July 1994,[38] Labor Arbiter Ricardo N. Olarez denied NC's Notice of Redemption and

granted NCTEA's motion to issue the writ of possession. The Order states in part:

We rule in favor of the complainants on the following grounds:

- The twelve (12) months period of redemption for that parcel of land under TCT No. 98270 with an area of 8,546 square meters sold for P150,000.00 had expired on June 30, 1994 with the losing party, herein respondents, failing to comply with the express mandate of Section 12, Rule VII and Section 3, Rule IV of the NLRC Sheriff's Manual, aforesated.

- Section 3, Rule IV does not only apply to voluntary satisfaction of money judgment prior to the public auction sale of a levied property, but it equally applies to payment by redemptioner under Section 12, especially in this case where the complainants are the NORTHEASTERN COLLEGE TEACHERS & EMPLOYEES ASSOCIATION (UNION), LESLIE GUMARANG & ROGER T. BAUTISTA. The teachers-employees who appeared to have received the partial payments and affixed their signature[s] are not the complainants or purchaser to whom the losing party or redemptioner may redeem the property. These teacher-employees are or were only members of the Union that has a separate and distinct personality. The formation of another Union did not extinguish the legal personality of the complainant Union and the legal right of Leslie Gumarang, Roger T. Bautista and their representative Angelo T. Bautista as PURCHASER. They are still the purchaser to whom the property must be redeemed, not the individual teacher-employees who were only former members of the complainant union, if they are now members of the other recently formed Union. Much more so that these teacher-employees could not anymore claim any representation for the complainant Union if they are now members of the new Union. The established legal right of complainants, namely the NORTHEASTERN COLLEGE TEACHERS & EMPLOYEES ASSOCIATION, LESLIE GUMARANG and ROGER T. BAUTISTA, and their representative Angelo T. Bautista as the purchaser of the property sold at public auction could not have been extinguished by the alleged direct payment made to some of the teacher-employees who are not the complainants and/or purchaser of the property to whom the respondents/redemptioner may redeem the property. If the respondent school did pay directly to its teacher-employees as alleged, respondents may collect back what they had paid to the teachers through salary deductions.

- After a scrutiny of the arguments and documents submitted, respondents failed to convince us why we should approve the allege direct payment to some of the teacher-members of the complainant-Union as substantial compliance. On the contrary, the contention of complainants that the alleged partial payments were not actually paid to those teacher-employees and that they were constrained to affix their signature under threat of dismissal from the service, is more credible for the reason that:

- Said alleged payments were paid without the knowledge and supervision of this Office, in gross violation of the requirement that it should have been deposited with the Cashier of this Regional Arbitration Branch, to preclude any suspicion of simulated payments.

- The redemption payment must be made in full plus one percent per month legal interest together with the amount of taxes paid, to the purchaser of the property to be redeemed, namely LESLIE M. GUMARANG, ROGER T. BAUTISTA and their representative ANGELO T. BAUTISTA. [39]

On 8 August 1994, NC appealed the 22 July 1994 Order to the NLRC via a Notice of Appeal.[40] The NLRC did not rule on the appeal.

On 15 September 1994, NC filed before the Supreme Court a Petition for Certiorari and Prohibition with Prayer for Temporary Restraining Order, praying, among other things, that (a) the Decision of the Labor Arbiter dated 13 August 1992 be declared null and void; (b) the school's computation of the salary differentials of the UNION members be declared to be in consonance with Republic Act No. 6727; (c) the full payment made by NC to NCTEA pursuant to Republic Act No. 6727 be considered as redemption price for the lot and school buildings;

and (d) the sheriff and NCTEA be prohibited from taking possession of the lot and the school itself. The petition which was entitled "Northeastern College, Inc., et al. v. National Labor Relations Commission, et al." was docketed as G.R. No. 116935.[41]

On 19 September 1994, this Court resolved to issue a temporary restraining order enjoining the enforcement of the Order dated 22 July 1994 of Labor Arbiter Olarez, denying NC's Notice of Redemption and granting NCTEA's motion to issue the writ of possession; and also enjoining the enforcement of the writ of execution dated 4 November 1992 in NLRC RAB II CN 05-00157-91 and 09-00293-91.[42]

On 20 September 1994, NCTEA filed a Motion to Issue Deed of Sale and Convey Possession of Properties sold on Execution covering TCT No. 3973 - Cadastral Lot No. 4935-H.[43]

In a Resolution dated 3 July 1995, the Supreme Court dismissed the petition for certiorari and prohibition as follows:

G.R. No. 116935 (Northeastern College, Inc. vs. National Labor Relations Commission, et al.) Considering the allegations, issues and arguments adduced in the petition for certiorari, as well as the Solicitor General's and private respondents' comments thereon and petitioner's reply thereto, the Court resolved to DISMISS the petition for failure of the petitioner to sufficiently show that the respondent commission had committed a grave abuse of discretion in rendering the questioned judgment. Besides, the issues raised are factual.[44]

On 8 August 1995, NC filed a Motion for Reconsideration.[45] On 15 November 1995, this Court resolved to deny with finality the Motion for Reconsideration for lack of merit. We granted the motion to lift the temporary restraining order issued on 19 September 1994.[46]

An Entry of Judgment was made on 19 January 1996 in G.R. No. 116935.[47]

In an Order dated 28 May 1996, Executive Labor Arbiter Ricardo N. Olarez, pursuant to the resolution of this Court dismissing with finality NC's petition which lifted the temporary restraining order that was issued, directed Mr. Juan Guerrero, Deputy Sheriff of Branch 35 of the RTC of Santiago City, to convey possession of the properties to NCTEA, through its President Leslie Gumarang and Attorney-in-Fact Angelo Bautista. The order reads:

Filed on January 24, 1996 is a Motion to Convey Possession alleging that movants acting for and representing the Northeastern College Teachers & Employees Association are the Purchasers of that parcel of land including the improvements/building thereon (Lot No. 4935-H of Subd. Plan Psd-34128) which our NLRC Sheriff sold at public auction on September 17, 1993 and final Deed of Sale dated January 25, 1996, that the conveyance of possession was deferred pursuant to a Temporary Restraining Order issued by the Supreme Court but which petition was dismissed on July 3, 1995 and DISMISSED WITH FINALITY on November 15, 1995 in a Resolution which lifted the Restraining Order and per Entry of Judgment, the Resolution dismissing the petition became final and executory on January 19, 1996, you are hereby directed to convey possession of the said properties to the purchasers Leslie M. Gumarang, NCTEA President, and Angelo T. Bautista, their Atty.-in-Fact, both representing and acting for the Northeastern College Teachers & Employees Association. If necessary, you are to seek/request the assistance of the Philippine National Police and/or the military in the area in the enforcement of this Order pursuant to the Rules of Court on execution on judgment.[48]

On 6 August 1996, NC filed a Petition for Injunction with prayer for the issuance of a temporary restraining order before the NLRC, docketed as NLRC RAB II Case Nos. 05-00157-91 & 09-00293-91 and NLRC NCR IC No. 000644-96 (NLRC NCR CA No. 007730-94), seeking to enjoin Executive Labor Arbiter Ricardo N. Olarez and Juan Guerrero, deputized NLRC Sheriff, from implementing the Labor Arbiter's Order dated May 28, 1996 and to prevent them from taking further action on the matter. It alleged that NCTEA, as represented by Leslie Gumarang,

Roger T. Bautista and Angelo T. Bautista, their Attorney-in-fact, after taking possession of the two (2) properties sold at public auction, registered the land with the Registry of Deeds under their names for which TCT No. 230342 was issued. On 30 August 1995, Angelo T. Bautista and Leslie Gumarang sold the property, which was acquired for P150,000.00 and covered by TCT No. 98270, to Jaime and Eva Co for P6 million. NC contended that assuming that the auction sale was valid, its obligation in the sum of P2,145,171.86 had already been satisfied and extinguished, considering that the property was sold at P6 million. Still dissatisfied, NCTEA wanted to dispose of the other property of NC covered by TCT No. 3973 by filing a motion to convey possession on 24 January 1996. Acting thereon, the Labor Arbiter ordered the conveyance of the said property to Leslie Gumarang and Angelo Bautista, who were allegedly disauthorized by the members of the Northeastern College Teachers and Employees Association.[49]

On 15 September 1997, respondent NLRC rendered a decision with the following findings:

I

The auction sale was made on June 30, 1993. The Notice of Redemption of Property Sold on Execution was filed on June 1, 1994. It is thus clear that the notice of redemption was made within the reglementary 12-month period.

II

The Labor Arbiter rejected the direct payments to the teachers and employees made by the SCHOOL in the total amount of P860,309.78 as substantial compliance of the redemption price because the payments were not deposited with the Cashier, NLRC Regional Arbitration Branch, and that the payments should have been paid to the purchasers Leslie M. Gumarang, Roger T. Bautista and their representative, Angelo T. Bautista, the payments to include the monthly legal interest and taxes.

It must be emphasized that the principal complain[ant] in these cases is the UNION-the Northeastern College Teachers and Employees Association. Leslie Gumarang and Roger Bautista are officers of the UNION, representing the UNION, although they are complainants themselves being teachers of the school.

In the aforecited provision of the NLRC Sheriff's Manual, there is no requirement that the redemption payment should be deposited with the NLRC Cashier. There being no prohibition, the payments to the teachers may be considered substantial compliance considering that the teachers are the members of the UNION.

The Order of the Labor Arbiter dated July 22, 1994, denying the SCHOOL'S notice of redemption and granting the complainant's motion to issue deed and possession to the purchaser, was seasonably appealed to this Commission on August 8, 1994, after the SCHOOL's counsel received the Order of the Labor Arbiter on July 30, 1994. Such being the case, the said Order has not become final and executory.

In another Order dated May 28, 1996, the Labor Arbiter directed the conveyance of the properties to the purchasers Leslie M. Gumarang and Angelo T. Bautista after the Supreme Court dismissed the SCHOOL's petition for certiorari and prohibition wherein the SCHOOL questioned decision of the Labor Arbiter dated August 13, 1992 and the dismissal of the Commission of its complaint for injunction.

We also noted that the Labor Arbiter, in his Order dated May 28, 1996, directed the conveyance of the properties to Leslie M. Gumarang, NCTEA President and Angelo T. Bautista, although the real complainant in these cases is the Northeastern College Teachers and Employees Association. Gumarang and Bautista are members of the UNION and as officers they represent the UNION.

Considering that the appeal of the SCHOOL has yet to be resolved, the Order of the Labor Arbiter dated July 22, 1994 is not yet final. The Order of the Labor Arbiter dated May 28, 1996 is likewise premature.

However, we have to remand these cases to the Labor Arbiter a quo for the determination of the amount of the

direct partial payments to the teachers as alleged by the SCHOOL. On the other hand, the UNION claims that their members signed and accepted the payments because of a threat of loss of employment. In order to give both parties an opportunity to support their respective allegations, these cases are hereby remanded to the Labor Arbiter for further appropriate proceedings. Needless to say, the finding on the amount of the direct payments is material in arriving at the exact amount still to be paid by the SCHOOL to the UNION and its members.

III

We find no need to rule on the question of whether the obligation of the SCHOOL has been satisfied by the sale of the first property sold on execution since we declared the Order of the Labor Arbiter dated July 22, 1994 as null and void.

IV

Considering our ruling that the Order of the Labor Arbiter dated May 28, 1996 is premature, the Labor Arbiter and the respondents Sheriff are hereby enjoined from further implementing the same.[50]

The dispositive portion of the decision reads:

WHEREFORE, premises considered, the following judgments are entered:

- Declaring that the notice of redemption filed by the SCHOOL on June 1, 1994 was made within the reglementary period of one year.
- Reversing the Order of the Labor Arbiter dated July 22, 1994 denying the SCHOOL's notice of redemption and granting the UNION's motion to issue deed and possession as purchaser.
- CASES NOS. 05-00157-91 and 09-00293-91 are remanded to the Labor Arbiter of origin for a determination of the amount of the direct partial payments by the SCHOOL to the teacher-members of the UNION. Thereafter, to issue the corresponding writ of execution may be issued (sic) to collect whatever remaining balance to be paid by the SCHOOL.
- The respondent Labor Arbiter and Sheriff are enjoined from implementing the Order of the Labor Arbiter dated May 28, 1996, directing the conveyance of the possession of the properties sold to Leslie M. Gumarang and Angelo T.B. Bautista.[51]

On 3 December 1997, NCTEA, represented by Leslie Gumarang, filed before this Court a Petition for Certiorari under Rule 65 of the Revised Rules of Court assailing the decision of the NLRC dated September 15, 1997.[52] The petition was entitled NORTHEASTERN COLLEGE TEACHERS & EMPLOYEES ASSOCIATION duly rep. by LESLIE GUMARANG versus NATIONAL LABOR RELATIONS COMMISSION, Third Division - DOLE Quezon City & NORTHEASTERN COLLEGE, INC. It was docketed as G.R. No. 131420.

NCTEA raised the following issues for resolution:

- WHETHER OR NOT THE COMMISSION HAS JURISDICTION TO RESOLVE THE INSTANT CASES WHICH IT PREVIOUSLY RESOLVED ON APRIL 16, 1993 (Paragraph 18, IV SUPRA), AND FINALLY RESOLVED BY THE HIGHEST TRIBUNAL ON JULY 3, 1995 (PAR. 32, IV SUPRA) TO BE FINAL AND EXECUTORY.

Assuming that the Commission has jurisdiction, the following additional issues are submitted:

- WHETHER OR NOT THE COMMISSION WAS CORRECT IN REVERSING THE ORDER OF THE PETITIONER ARBITER DATED JULY 22, 1994 DENYING THE RESPONDENT-SCHOOL'S NOTICE OF REDEMPTION AND GRANTING THE PETITIONER-UNION'S MOTION TO ISSUE DEED AND

POSSESSION AS PURCHASER.

- WHETHER OR NOT THE COMMISSION WAS CORRECT IN REMANDING CASES NOS. 05-00157-91 and 09-00293-91 TO THE LABOR ARBITER OF ORIGIN FOR A DETERMINATION OF THE AMOUNT OF THE DIRECT PARTIAL PAYMENTS BY THE SCHOOL TO THE TEACHER-MEMBERS OF THE UNION. THEREAFTER, TO ISSUE THE CORRESPONDING WRIT OF EXECUTION TO COLLECT WHATEVER REMAINING BALANCE TO BE PAID BY THE SCHOOL.

- WHETHER OR NOT THE COMMISSION IS CORRECT IN ENJOINING THE PETITIONER-ARBITER AND SHERIFF FROM IMPLEMENTING THE ORDER DATED MAY 28, 1996, DIRECTING THE CONVEYANCE OF THE POSSESSION OF THE PROPERTIES SOLD IN PUBLIC AUCTION TO PETITIONER-UNION (LESLIE M. GUMARANG AND ANGELO T. BAUTISTA).

In a Resolution dated 25 November 1998, consistent with our ruling in *St. Martin Funeral Home v. National Labor Relations Commission*,^[53] we referred the NCTEA's petition for certiorari to the Court of Appeals for appropriate action and disposition.^[54] The case was docketed as CA-G.R. SP No. 50490.

On 14 May 1999, NC filed by way of registered mail its Comment on the Petition.^[55] It argued, among other things, that Leslie Gumarang was not authorized to file the petition for certiorari, he not being the President of the NCTEA, the association he claimed to duly represent. Attached to the Comment was a letter dated 28 August 1995 by Ricardo S. Martinez, Sr. Regional Director IV of the Department of Labor and Employment, Regional Office No. 2, Tuguegarao, Cagayan, addressed to Mr. Nicanor Y. Samaniego of the NC, showing that Leslie Gumarang was not an officer or member of the Board of Directors of the NCTEA.^[56]

On 22 March 2001, the Court of Appeals rendered a decision^[57] as follows:

WHEREFORE, the petition is GRANTED and the questioned decision of the National Labor Relations Commission dated September 15, 1995 is ANNULLED and SET ASIDE. The assailed Orders dated July 22, 1994 and May 28, 1996 of the Labor Arbiter of the RAB II are hereby AFFIRMED.

On 10 May 2001, NC filed a Motion for Reconsideration asserting that the Court of Appeals failed to rule on the issue of the authority of Leslie Gumarang to represent NCTEA. It stated that Gumarang had been disowned by the association and even charged, together with his cohorts, in the regular courts for having surreptitiously, fraudulently and maliciously caused the titling in their own names of the property involved in this case.^[58]

On 24 May 2001, NCTEA filed its Opposition to Motion for Reconsideration^[59] arguing that the motion for reconsideration was filed out of time, and that the ground raised by NC was not one of the issues in the petition. It added that the question as to the authority of Leslie Gumarang to represent NCTEA had already been resolved by the Court of Appeals in its decision dated 30 May 1997 in CA G.R. SP No. 43262.^[60]

On 8 June 2001, NC filed a Motion^[61] seeking leave of court to file a Supplement to Motion for Reconsideration.^[62] A leave of court was granted, and then the Supplement to the Motion for Reconsideration was admitted.^[63] Subsequently, NCTEA filed its Opposition to Motion for Reconsideration and Opposition/Reply to the Supplement to Motion for Reconsideration.^[64]

On 11 April 2002, the Court of Appeals promulgated an Amended Decision,^[65] the decretal portion of which reads:

WHEREFORE, premises considered, the decision dated 22 March 2001 is hereby REVERSED and SET ASIDE, and the instant petition DISMISSED. Accordingly, the decision of the NLRC dated 15 September 1997 is hereby AFFIRMED in toto.

The Court of Appeals explained:

As the records show, the present petition for certiorari was initially filed before the Supreme Court on 3 December 1997. Overwhelmingly, Mr. Leslie Gumarang on said date had no more authority to file the present petition for certiorari. Such lack of authority to act for and on behalf of the NCTEA rendered the petition itself as not had been filed at all.

Conspicuously, Mr. Leslie Gumarang's lack of authority and personality to file the instant petition is definitely a ground for invalidating a claim made in the instant petition.[66]

On 29 May 2002, NCTEA, represented by Leslie Gumarang, appealed the Amended Decision of the Court of Appeals via a petition for review under Rule 45 of the 1997 Rules of Civil Procedure.[67] It raised the following grounds for the allowance of the instant petition:

I

THE HON. COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO SERIOUS ERROR OF LAW IN RENDERING AN AMENDED DECISION DATED APRIL 11, 2002 REVERSING ITS EARLIER DECISION DATED MARCH 22, 2001 AND AFFIRMING IN TOTO THE SEPTEMBER 15, 1997 RESOLUTION OF THE NATIONAL LABOR RELATIONS COMMISSION (NLRC).

II

THE HON. COURT OF APPEALS RENDERED A CONFLICTING DECISION WHEN IT REVERSED ITS EARLIER DECISION DATED MARCH 22, 2001 AND AFFIRMING IN TOTO THE SEPTEMBER 15, 1997 RESOLUTION OF THE NATIONAL LABOR RELATIONS COMMISSION (NLRC).

III

THE HON. COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO ERROR OF LAW WHEN IT RULED IN ITS AMENDED DECISION DATED APRIL 11, 2002 THAT LESLIE GUMARANG HAD NO AUTHORITY TO FILE THE PETITION.

IV

THE HON. COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION WHEN IT ENTERTAINED THE CERTIFICATION DATED JUNE 7, 2002 ISSUED BY PIO R. BAUTISTA STATING TO THE EFFECT THAT PETITIONER HAS NO MORE AUTHORITY TO FILE THE PETITION SUBJECT OF THE AMENDED DECISION DATED APRIL 11, 2002 SINCE THE SAME IS A MERE AFTERTHOUGHT HAVING BEEN PRESENTED ONLY IN PRIVATE RESPONDENT'S SUPPLEMENT TO MOTION FOR RECONSIDERATION AND LONG AFTER THE HON. COURT OF APPEALS RENDERED ITS EARLIER RESOLUTION DATED MARCH 22, 2001.

V

THE HON. COURT OF APPEALS SERIOUSLY ERRED AMOUNTING TO MISAPPREHENSION OF FACTS WHEN IT RULED IN ITS AMENDED DECISION DATED APRIL 11, 2002 THAT THE NLRC WAS CORRECT TO RULE THAT THE ORDER OF THE LABOR ARBITER DATED JULY 22, 1994 WAS NOT YET FINAL AND THE ORDER DATED MAY 28, 1996 PREMATURE.

VI

WITH ALL DUE RESPECT AND WITHOUT GIVING ANY MALICE THE HON. COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION WHEN IT JUSTIFIED THAT PRIVATE RESPONDENT'S MOTION FOR RECONSIDERATION WAS FILED WITHIN THE FIFTEEN DAY REGLEMENTARY (sic) PERIOD BY REQUIRING THE POSTMASTER OF PASIG CITY TO SUBMIT A

REPORT AS TO THE STATUS OF REGISTERED LETTER NO. 43890 (REFERRING TO THE DECISION DATED MARCH 21, 2001 MAILED ON MARCH 26, 2001 AND ADDRESS TO PRIVATE RESPONDENT'S COUNSEL) SINCE IT IS NOT FOR THE COURT TO ADDUCE EVIDENCE AND TO SHOW PROOF THAT A PARTY HAS FILED ITS PETITION WITHIN THE ALLOWABLE PERIOD. IT SHOULD BE THE PARTY CONCERNED, IN THIS CASE THE PRIVATE RESPONDENT, WHO SHOULD BE ADDUCING OR SHOWING PROOF OF SUCH COMPLIANCE.[68]

During the pendency of the instant petition, counsel for petitioner Gumarang filed a Manifestation and Notice of Death of Petitioner Lesli Gumarang with a prayer that his wife and some former co-employees take his place as petitioners in this case. [69] The same was opposed by NC.[70]

In a Manifestation and Motion filed by the Office of the Solicitor General (OSG) on 14 December 2004, it informed the Court that the records of the case could not be located and asked the parties and their counsels to help reconstitute the records of the case or the essential portions thereof that would be sufficient for the Court to resolve the petition.[71] In a resolution dated 23 January 2006, the Court noted and approved said manifestation and motion.[72]

The parties, as well as the OSG, submitted their memoranda.[73] In its memorandum, the OSG narrowed down the conflicting submissions of the parties to whether the individual teachers and employees, whose total claim was fixed at P2,145,711.86, had been partially or totally satisfied. It submitted that the procedurally correct way to resolve this question of fact was to remand the case to the labor arbiter as mandated by the NLRC decision dated 15 September 1997, the Supreme Court not being a trier of facts.

Of the issues raised by petitioner Leslie Gumarang, the Court finds his alleged lack of authority to file the petition before the Court of Appeals, as well as before this Court, to be vital in the resolution of the instant petition.

Petitioner Gumarang argues that the Court of Appeals erred in ruling that he had no authority to file the petition for certiorari. He says that the issue of representation is a foreign matter to the petition and was belatedly raised in NC's Supplement to Motion for Reconsideration. He adds that aside from being the lawful representative of the NCTEA, he is himself a party complainant who has the legal capacity to file the petition, considering that whatever adverse decision is rendered by the NLRC would naturally affect his claim or interest. In the verification portion of the petition for certiorari, he declared under oath that he was one of the petitioners and at the same time the representative of all the petitioners.

The primordial question to be resolved is whether petitioner Gumarang had the authority to file the petition for certiorari assailing the decision of the NLRC dated 15 September 1997?

It is clear from the title of the petition for certiorari (NORTHEASTERN COLLEGE TEACHERS & EMPLOYEES ASSOCIATION duly rep. by LESLIE GUMARANG versus NATIONAL LABOR RELATIONS COMMISSION, Third Division - DOLE Quezon City & NORTHEASTERN COLLEGE, INC.), filed with this Court but subsequently referred to the Court of Appeals pursuant to *St. Martin Funeral Home v. National Labor Relations Commission*, that the petitioner is NCTEA which is represented by its President, Leslie Gumarang.

The Court of Appeals ruled that Leslie Gumarang, at the time he initially filed the petition for certiorari before the Supreme Court, had no more authority from the NCTEA to file the same. It declared that his lack of authority to act for and on behalf of the NCTEA rendered the petition itself as one that had not been filed at all, a ground for invalidating a claim made in the petition.

Was Leslie Gumarang authorized by NCTEA to file the petition with the Supreme Court or Court of Appeals?

There is nothing in the record that shows that Gumarang was authorized to file the petition on behalf of the

NCTEA. Mr. Gumarang never adduced in evidence before the Court of Appeals or before this Court any authority from the NCTEA for him to file the petition and to act on its behalf after he was deposed as President of the NCTEA on 7 October 1994.[74] Mr. Gumarang was mum about his removal, and the courts would not have found out about his lack of authority if not for the disclosure made by NC.

Mr. Gumarang faults the Court of Appeals for entertaining the issue of lack of authority, considering that same was belatedly raised by NC only in its Supplement to Motion for Reconsideration.

We find that said issue of lack authority was brought up not in the Supplement to Motion for Reconsideration but in NC's Comment[75] on the Petition for Certiorari. This issue was raised squarely therein but the Court of Appeals failed to rule on it in its Decision dated 22 March 2001.

Mr. Gumarang insists he has all the legal personality, not only as representative of the NCTEA, but also as a party in interest because the adverse ruling of the NLRC would not only be detrimental to the interests of the NCTEA, but would also affect his specific claim as an officer and member of the union.

As above explained, as early as 7 October 1994, Mr. Gumarang had no more authority to represent NCTEA, he no longer being the President thereof. This being the case, he had no right to file the petition on behalf of the NCTEA and all its members without the proper authority. This notwithstanding, we find that he can still file the petition on his own behalf, he being a party in interest.

Pursuant to Section 2, Rule 3 of the 1997 Rules of Civil Procedure, every action must be prosecuted or defended in the name of the real party in interest, i.e., the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Said section provides:

Section 2. Parties in interest. - A real party in interest is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise authorized by law or these Rules, every action must be prosecuted or defended in the name of the real party in interest.

To qualify a person to be a real party in interest in whose name an action must be prosecuted, he must appear to be the present real holder of the right sought to be enforced.[76] "Interest" within the meaning of the rule means material interest, an interest in essence to be affected by the judgment as distinguished from mere interest in the question involved, or a mere incidental interest. By real interest is meant a present substantial interest, as distinguished from a mere expectancy or a future, contingent, subordinate or consequential interest.[77]

In the case at bar, Mr. Gumarang is a person who has a real interest in the instant case. As he asserts, whatever adverse decision is rendered by the NLRC would necessarily affect his specific claim or interest, considering that the NLRC decision prevents the enforcement of the Order of the Labor Arbiter dated 28 May 1996 to convey the properties involved to NCTEA.

While, indeed, we hold that Mr. Leslie Gumarang is authorized to file the petition for review, this, however, will not work to secure his position. We find that he violated the rule regarding the certification against forum shopping, considering that he was not the sole petitioner.

Mr. Leslie Gumarang, representing NCTEA, appealed the decision of the NLRC dated 15 September 1997 to this Court via a petition for certiorari under Rule 65 of the 1997 Rules of Civil Procedure. Said petition was referred to the Court of Appeals following our ruling in *St. Martin Funeral Home v. National Labor Relations Commission*. In the filing of said petition, Section 1 of Rule 65 and Section 3 of Rule 42 are pertinent. These provisions read:

SECTION 1. Petition for certiorari. x x x.

x x x x

The petition shall be accompanied by a certified true copy of the judgment, order or resolution subject thereof, copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification of non-forum shopping as provided in the third paragraph of Section 3, Rule 46.

x x x x

SECTION 3. Contents and filing of petition; effect of noncompliance with requirements. - x x x.

x x x x

It shall be filed in seven (7) clearly legible copies together with proof of service thereof on the respondent with the original copy intended for the court indicated as such by the petitioner, and shall be accompanied by a clearly legible duplicate original or certified true copy of the judgment, order, resolution or ruling subject thereof, such material portions of the record as are referred to therein, and other documents relevant or pertinent thereto x x x.

x x x x

The failure of the petitioner to comply with any of the foregoing requirements shall be sufficient ground for the dismissal of the petition.

Thereafter, in appealing the Amended Decision of the Court of Appeals to the Supreme Court, Mr. Gumarang, representing NCTEA again, and himself as party-petitioner, filed a petition for review on certiorari under Rule 45 of the 1997 Rules of Civil Procedure. Section 4 thereof, which enumerates the contents of the petition, provides:

SECTION 4. Contents of petition. - The petition shall be filed in eighteen (18) copies, with the original copy intended for the court being indicated as such by the petitioner, and shall xxx (e) contain a sworn certification against forum shopping as provided in the last paragraph of Section 2, Rule 42.

Under Section 5 of Rule 45, non-compliance with the certification requirement shall be sufficient ground for the dismissal of the petition. Said section states:

SECTION 5. Dismissal or denial of petition. - The failure of the petitioner to comply with any of the foregoing requirements regarding the payment of the docket and other lawful fees, deposit for costs, proof of service of the petition, and the contents of and the documents which should accompany the petition shall be sufficient ground for the dismissal thereof. x x x.

From the aforementioned provisions, it is clear that when an appeal is made to the Court of Appeals or to the Supreme Court via Rule 45 or 65, it is mandatory that a certification against forum shopping must be filed. It is settled that the requirement to file a certificate of non-forum shopping is mandatory and that the failure to comply therewith cannot be excused. The certification is a peculiar and personal responsibility of the party, an assurance given to the court or other tribunal that there are no other pending cases involving basically the same parties, issues and causes of action. Hence, the certification must be accomplished by the party himself because he has actual knowledge of whether or not he has initiated similar actions or proceedings in different courts or tribunals.[78]

We have held that the requirement of filing a certification against forum shopping applies to both natural and juridical persons. In *Fuentebella v. Castro*,[79] we laid down additional guidelines for compliance with the required certificate against forum shopping where the petitioner is a corporation and/or there are several petitioners, as follows:

This requirement is intended to apply to both natural and juridical persons as Supreme Court Circular No. 28-91 and Section 5, Rule 7 of the Rules of Court do not make a distinction between natural and juridical persons. Where the petitioner is a corporation, the certification against forum shopping should be signed by its

duly authorized director or representative. This was enunciated in *Eslaban, Jr. v. Vda. de Onorio*, where the Court held that if the real party-in-interest is a corporate body, an officer of the corporation can sign the certification against forum shopping so long as he has been duly authorized by a resolution of its board of directors.

Likewise, where there are several petitioners, it is insufficient that only one of them executes the certification, absent a showing that he was so authorized by the others. That certification requires personal knowledge and it cannot be presumed that the signatory knew that his co-petitioners had the same or similar actions filed or pending.

Hence, a certification which had been signed without the proper authorization is defective and constitutes a valid cause for the dismissal of the petition.

This holds true in the present case where the Court of Appeals accordingly dismissed the petition for lack of proper authorization of the one signing it on behalf of petitioners. Lourdes Pomperada, the Administrative Manager of petitioner corporation, who signed the verification and certificate on non-forum shopping, initially failed to submit a secretary's certificate or a board resolution confirming her authority to sign for the corporation, and a special power of attorney to sign on behalf of co-petitioner Art Fuentebella, who was sued jointly and solidarily with the corporation in his capacity as officer of the latter.

From the foregoing, it is clear that if the petitioner is a juridical person, the required authorization must be shown by anyone who will represent it. Inasmuch as NCTEA is a juridical person, having been registered with the DOLE, authority from it is necessary before any person can represent it and sign a certificate against forum shopping on its behalf.

In case there are several petitioners, failure of one of the petitioners to sign the certificate against forum shopping constitutes a defect in the petition, which is a ground for dismissing the same.[80] In *Tolentino v. Rivera*, [81] we held that for the relaxation of said rule, two conditions must be complied with: first, petitioners must show justifiable cause for their failure to personally sign the certification; and second, they must also be able to prove that the outright dismissal of the petition would seriously impair the orderly administration of justice. Thus, to merit the court's consideration, petitioners must show reasonable cause for failure to personally sign the certification [82] and convince the court that the outright dismissal of the petition would defeat the administration of justice. [83]

In the petition initially filed with this Court but which was eventually referred to the Court of Appeals, the certification against forum shopping was solely signed by Mr. Gumarang in representation of all the other supposed claimants-members of the NCTEA. Mr. Gumarang failed to present any valid authority from the NCTEA or from any of the other members of the NCTEA to represent the union or the members. Mr. Gumarang failed to show not only any authority to sign the certification of non-forum shopping on behalf of NCTEA and the individual claimants but also any compelling reason why they were unable to sign it. This defect was not noticed by the Court of Appeals when it rendered its decision.

Failing to get a favorable ruling from the Court of Appeals, Mr. Gumarang is now before us via a petition for review under Rule 45. The petitioners herein are NCTEA and Mr. Gumarang. From the certification against forum shopping, it appears that Mr. Gumarang signed it as petitioner and on behalf of the NCTEA. He, however, did not show any authority from the NCTEA to represent it or act on its behalf. This was the second time that he did this - to represent and sign on behalf of the NCTEA.

As can be seen in the title of the case, Mr. Gumarang is insistent that he represents NCTEA. This obstinate claim is not supported by any evidence and he remains silent on this matter, neither denying nor admitting anything. His misrepresentation will not pass unnoticed and without consequence. We cannot allow a party to gain an advantage

from its flagrant disregard of the Rules.[84]

Without the required authority from the NCTEA, Mr. Gumarang cannot represent the NCTEA. As explained above, if there are several petitioners, the failure of one to sign the certificate of non-forum shopping is a deficiency which is a ground for the dismissal of the petition. In the case before us, there being two petitioners - NCTEA and Mr. Gumarang - both of them should sign the certificate against forum shopping. Since there was only one signatory, the requirement on the filing of the certificate against forum shopping has not been complied with. As in the Court of Appeals, Mr. Gumarang failed to show why the duly authorized representative of the NCTEA was unable to sign the certification, and to convince this Court that the outright dismissal of the petition would defeat the administration of justice.

This Court is not unaware that in some cases, it has ruled that the execution of one petitioner on behalf of all the other petitioners constitutes substantial compliance with the rule on the filing of a certificate of non-forum shopping on the ground of common interest/defense. In *Docena v. Lapesura*, the Court considered the signing of the certificate of non-forum shopping by the husband on his behalf and that of his wife to be not a fatal defect. In *Cavile v. Hiers of Clarita Cavile*,[85] we ruled:

We find that the execution by Thomas George Cavile, Sr. in behalf of all the other petitioners of the certificate of non-forum shopping constitutes substantial compliance with the Rules. All the petitioners, being relatives and co-owners of the properties in dispute, share a common interest thereon. They also share a common defense in the complaint for partition filed by the respondents. Thus, when they filed the instant petition, they filed it as a collective, raising only one argument to defend their rights over the properties in question. There is sufficient basis, therefore, for Thomas George Cavile, Sr. to speak for and in behalf of his co-petitioners that they have not filed any action or claim involving the same issues in another court or tribunal, nor is there other pending action or claim in another court or tribunal involving the same issues.

We cannot apply the ruling in these two cases to the case before us. Common interest/defense is not present in the instant petition. There can be no common interest between Mr. Gumarang and the NCTEA which he seeks to represent. As early as 1994, he had no more authority to file the petition for certiorari with the Court of Appeals (initially filed with the Supreme Court) on behalf of the NCTEA and its individual members, as he was no longer the President of said association.[86] In fact, the NCTEA has charged Mr. Gumarang and his cohorts in the regular courts for having surreptitiously, fraudulently and maliciously caused the titling of the property involved in this case in their own names. All these show that NCTEA and Mr. Gumarang do not have the same interest in the instant petition. If NCTEA still supported Mr. Gumarang in the filing of the instant petition, it could have given him the authority to file the same on its behalf. This, it did not do.

On the part of Mr. Gumarang, knowing fully well that he was no longer the representative of the NCTEA, why did he not inform both the Court of Appeals and the Supreme Court of such fact when he filed the petitions? Instead, he claimed to be the duly authorized representative of the NCTEA which he was not. His omission and misrepresentation are clear indications of bad faith of which this Court does not approve. He should have known that by including NCTEA as petitioner and signing as its representative, he should have had the authority to do so. This, he did not possess. When he alone signed on his behalf and that of the NCTEA, not once but twice, he flagrantly violated the rule on the filing of a certificate of non-forum shopping.

All the foregoing circumstances considered, we find the failure of all the petitioners to sign the certificate of non-forum shopping to be fatal, for it failed to comply with the rules of procedure. We cannot, under the circumstances, relax the rules with the knowledge that Mr. Gumarang flouted the rules.

In *Rural Bankers Association of the Philippines v. Tanghal-Salvaña*,[87] we decreed:

Obedience to the requirements of procedural rules is needed if the parties are to expect fair results therefrom, and utter disregard of the rules cannot justly be rationalized by harking on the policy of liberal construction. Procedural rules are tools designed to facilitate the adjudication of cases. Courts and litigants alike are thus enjoined to abide strictly by the rules. And while the Court, in some instances, allows a relaxation in the application of the rules, this was never intended to forge a bastion for erring litigants to violate the rules with impunity. The liberality in the interpretation and application of the rules applies only in proper cases and under justifiable causes and circumstances. While it is true that litigation is not a game of technicalities, it is equally true that every case must be prosecuted in accordance with the prescribed procedure to insure an orderly and speedy administration of justice.

All the foregoing discussion notwithstanding, and considering the merits of the case, the petition still fails to persuade.

Mr. Gumarang faults the Court of Appeals for requiring the postmaster of Pasig City to submit a report as to the status of Letter No. 43890 (referring to the copy of decision dated 21 March 2001 addressed to NC's counsel), since it was not for the court to adduce evidence and to show proof that a party had filed its motion for reconsideration within the allowable period, since it should be the party concerned that should be adducing or showing proof of such compliance.

The appellate court did not commit grave of discretion when it ordered the postmaster to submit the required report. The Court of Appeals found said report to be necessary for the resolution of issues before it. It simply acted within its power^[88] in order to decide expeditiously and justly the case pending before it. With the submission of the report, the appellate court found the motion for reconsideration to have been filed on time.^[89]

Mr. Gumarang contends that the Court of Appeals erred when it ruled in its Amended Decision dated 11 April 2002 that the NLRC was correct in ruling that the Order dated 22 July 1994 (of the Labor Arbiter denying NC's Notice of Redemption and granting NCTEA's motion to issue writ of possession) was not yet final and that the Order dated 28 May 1996 (of the Labor Arbiter directing the conveyance of properties to NCTEA) was premature, as the same constituted a misapprehension of facts. He further contends that the Resolution of the Supreme Court in G.R. No. 116935 could serve as basis for the issuance of the Orders dated 22 July 1994 and 28 May 1996.

His contentions are not tenable.

In our resolution in G.R. No. 116935 dated 3 July 1995, we dismissed NC's petition for certiorari, prohibition and preliminary injunction with prayer for temporary restraining order for its "failure to sufficiently show that the respondent commission had committed a grave abuse of discretion in rendering the questioned judgment."^[90] From the wordings of said minute resolution, the Court ruled only on the judgment rendered by the respondent Commission (NLRC). From the petition, it can be gathered that the questioned judgment referred to is that dated 16 April 1993, which dismissed NC's complaint for injunction filed before the NLRC. The Court did not rule on the Labor Arbiter's Orders dated 22 July 1994 and 28 May 1996. Such is clear in the Court's resolution. Having ruled only on the NLRC judgment dated 16 April 1993, said ruling, therefore, cannot be a sufficient basis for the Labor Arbiter's Orders of 22 July 1994 and 28 May 1996. We have not squarely ruled on the Labor Arbiter's denial of NC's Notice of Redemption and grant of NCTEA's motion to issue a writ of possession (Order dated 22 July 1994), and on the Labor Arbiter's command to convey possession of the properties to NCTEA (Order dated 28 May 1996).

Mr. Gumarang's argument that the Court of Appeals can no longer rule on the petition (CA-G.R. SP No. 50490), because the Supreme Court has ruled on the Order of 28 May 1996, deserves scant consideration. The Court of Appeals can still review the Labor Arbiter's Order of 28 May 1996, as well as NC's right of redemption (Labor

Arbiter's Orders of 22 July 1994), for the simple reason that we have not yet done so. Despite the fact that the petition in G.R. No. 116935 was filed after the Labor Arbiter's issuance of the Order dated 22 July 1994, it does not follow that this Court ruled on the same. As explained above, our ruling in G.R. No. 116935 was limited to the NLRC's decision dated 16 April 1993, and did not include the Labor Arbiter's Orders of 22 July 1994 and 28 May 1996. We agree with both NLRC and the Court of Appeals that the Labor Arbiter's Order dated 22 July 1994 has not yet attained finality. The NLRC never ruled on the appeal filed by NC thereon. Neither did we reach a decision on the matter. This being the case, the Order of Executive Labor Arbiter Olarez dated 28 May 1996 was, indeed, premature.

Finally, as to the prayer[91] of the counsel of Mr. Gumarang to allow the latter to be substituted by his wife, and by his former co-employees whom he had allegedly represented before the Regional Arbitration Branch of the NLRC, we grant the same insofar as the wife is concerned, she being his heir, but not as to the other co-employees. We cannot allow petitioner Gumarang's co-employees to take his place because, if we do, we would be allowing them to become parties to the instant petition when they are not. It would have been different if they presented evidence showing that they had authorized Mr. Gumarang to file the petition on their behalf before this Court and even before the Court of Appeals. This, they had not done.

WHEREFORE, premises considered, the petition for review is DENIED.

In view of the letter of petitioner Leslie Gumarang, he is hereby substituted by his wife Julietta Billedo-Gumarang. No costs.

SO ORDERED.

Ynares-Santiago, (Chairperson), Austria-Martinez, Tinga, and Leonardo-De Castro, JJ., concur.

[*] Associate Justice Dante O. Tinga was designated to sit as additional member replacing Justice Antonio Eduardo B. Nachura per Raffle dated 12 January 2009.

[**] Per Special Order No. 546 Associate Justice Teresita J. Leonardo-De Castro was designated to sit as additional member in view of the retirement of Associate Justice Ruben T. Reyes dated 5 January 2009.

[1] Penned by Associate Justice Bienvenido L. Reyes with Associate Justices Eubulo G. Verzola and Marina L. Buzon, concurring. CA rollo, pp. 286-305.

[2] CA rollo, pp. 127-148.

[3] Rollo (G.R. No. 116935), p. 16.

[4] Vice-President of NCTEA.

[5] Rollo (G.R. No. 116935), p. 17.

[6] Id. at 405-411.

[7] The Court of Appeals erroneously stated that the Labor Arbiter's Decision became final on 6 September 1992. CA rollo, p. 131.

[8] See Writ of Execution; rollo (G.R. No. 116935), pp. 40-42.

[9] Id. at 587.

[10] Rollo (G.R. No. 152923), p. 548.

- [11] Rollo (G.R. No. 116935), p. 584.
- [12] Rollo (G.R. No. 152923), pp. 550-554.
- [13] Id. at 556-558.
- [14] Id. at 559-569.
- [15] Id. at 570-573.
- [16] Id. at 574-576.
- [17] Rollo (G.R. No. 116935), pp. 401-404.
- [18] Rollo (G.R. No. 152923), p. 579.
- [19] Id. at 577.
- [20] See Alias Writ of Execution dated 25 August 1993. Rollo (G.R. No. 116935), pp. 71-72.
- [21] Id. at 509.
- [22] Rollo (G. R. No. 152923), pp. 580-582.
- [23] Id. at 579.
- [24] Id. at 23.
- [25] Id. at 583.
- [26] Id. at 584-585.
- [27] Id. at 586.
- [28] Rollo (G.R. No. 116935), pp. 65-66.
- [29] Rollo (G.R. No. 152923), p. 587.
- [30] Id. at 588-589.
- [31] Id. at 600-601.
- [32] Id. at 602-604.
- [33] Comment dated 19 November 1994 of Labor Arbiter Ricardo N. Olarez. Rollo (G.R. No. 152923), p. 519.
- [34] Rollo (G.R. No. 116935), p. 498.
- [35] Rollo (G.R. No. 152923), p. 605.
- [36] Id. at 606.
- [37] Id. at 520-521
- [38] Id. at 607-611.
- [39] Id. at 608-611.
- [40] Id. at 612-613.
- [41] Rollo (G.R. No. 116935), pp. 1-420.

[42] Id. at 421.

[43] Rollo (G.R. No. 152923), pp. 628-629.

[44] Rollo (G.R. No. 116935), p. 563.

[45] Id. at 569-575.

[46] Id. at 599.

[47] Id. at 603.

[48] Rollo (G.R. No. 152923), pp. 507-508.

[49] CA rollo, pp. 36-37.

[50] Id. at 47-51.

[51] Id. at 52-53.

[52] Id. at 3-21.

[53] 356 Phil. 811 (1998).

[54] CA rollo, p. 92.

[55] Id. at 102-116.

[56] CA rollo, p. 109.

[57] Id. at 127-148.

[58] Id. at 151-155.

[59] Id. at 160-162.

[60] The Court of Appeals noted that the controversy (referring to a case before the RTC of Santiago City, Br. 36, involving two orders issued by said court enjoining Labor Arbiter N. Olarez from proceeding with the execution of judgment in favor of the union) could have been avoided had the Labor Arbiter been notified that Leslie Gumarang was no longer the union president and that a new set of officers had been elected by the union members. (CA rollo, pp. 273-281.)

[61] CA rollo, pp. 163-166.

[62] Id. at 167-223.

[63] Id. at 226.

[64] Id. at 228-231, 232-237.

[65] Id. at 286-305.

[66] Id. at 303.

[67] Rollo (G. R. No. 152923), pp. 12-60.

[68] Id. at 33-35.

[69] The Court did not act on the matter. Rollo (G.R. No. 152923), pp. 431-437.

[70] Id. at 442-460.

[71] Id. at 461-468.

[72] Id. at 469.

[73] Id. at 671-748; 749-789; 821-849.

[74] CA rollo, p. 211.

[75] Id. at 102-115.

[76] *Shipside Incorporated v. Court of Appeals*, 404 Phil. 981, 998 (2001).

[77] *AC Enterprises, Inc. v. Frabelle Properties Corporation*, G.R. No. 166744, 2 November 2006, 506 SCRA 625, 668.

[78] *Eastland Construction & Development Corporation v. Mortel*, G.R. No. 165648, 23 March 2006, 485 SCRA 203, 214; *Expertravel & Tours, Inc. v. Court of Appeals*, G.R. No. 152392, 26 May 2005, 459 SCRA 147, 157.

[79] G.R. No. 150865, 30 June 2006, 494 SCRA 183, 190-191; *Rural Bankers Association of the Philippines Tanghal-Salvaña*, G.R. No. 175020, 4 October 2007, 534 SCRA 721, 740-741.

[80] *Loquias v. Office of the Ombudsman*, 392 Phil. 597, 603-604 (2000).

[81] G.R. No. 149665, 25 January 2006, 480 SCRA 87, 99; *PET Plans, Inc. v. Court of Appeals*, G.R. No. 148287, 23 November 2004, 443 SCRA 510, 520.

[82] *Docena v. Hon. Lapesura*, 407 Phil. 1007, 1017-1018 (2001).

[83] *Torres v. Specialized Packaging Development Corporation*, G.R. No. 149634, 6 July 2004, 433 SCRA 455, 467.

[84] *PET Plan v. Court of Appeals*, supra note 81 at 520.

[85] 448 Phil. 302, 311 (2003).

[86] CA rollo, pp. 210-217.

[87] Supra note 79 at 741-742.

[88] Sec. 5. Inherent powers of courts. - Every court shall have power:

x x x x

(c) To compel obedience to its judgments, orders and proceedings, and to the lawful orders of a judge out of court, in a case pending therein; x x x.

[89] Court of Appeals Amended Decision, pp. 14-15; CA rollo, pp. 299-300.

[90] Rollo (G.R. No. 116935), p. 563.

[91] Manifestation and Notice of Death of petitioner Lesli Gumarang. Rollo, pp. 442-460.

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