

**TEMIC SEMICONDUCTORS, INC. EMPLOYEES UNION (TSIEU)-FFW,
ARNEL BADUA, NANCY BUSA, TERESITA PASCUA, ISABELIT PALMA,
CHONA ACUESTA, TEODY CADIZ, ANITA TUMACA, MA. CRISTINA
OLONAN, ...**

G.R. No. 160993. May 20, 2008

Ponente: VELASCO JR., J.

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VELASCO JR., J.:

The Case

In this Petition for Review on Certiorari under Rule 45, petitioners assail the October 30, 2002 Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 62587, sustaining the September 18, 2000 and October 27, 2000 Resolutions of Bureau of Labor Relations (BLR) Assistant Secretary for Regional Operations Benedicto Ernesto R. Bitonio, Jr. These resolutions set aside the March 30, 1999 Order of BLR Regional Director Maximo B. Lim and lifted the September 23, 1998 Writ of Execution in BLR-A-5-12-98 (NCR-OD-9708-002-IRD) entitled Temic Semiconductors, Inc. Employees Union (TSIEU)-FFW and Liza Dimaano, Union President v. Federation of Free Workers, Juan Tan, Ramon Jabar and Francisco Cristobal for Declaration of Nullity of Receivership. They also assail the October 22, 2003 CA Resolution,[2] denying their Motion for Reconsideration.

The Facts

Temic Semiconductors, Inc. Employees Union (TSIEU) is the accredited bargaining agent for the rank-and-file employees of Temic Telefunken Microelectronics (Phils.) Inc. (TTMPI), and is an affiliate of the Federation of Free Workers (FFW).

In June 1995, during the incumbency of Liza Dimaano as President of TSIEU, the collective bargaining negotiations between the union and TTMPI fell through, resulting in a bargaining deadlock. The Dimaano-led union staged a strike, prompting the Secretary of the Department of Labor and Employment (DOLE) to assume jurisdiction over the labor dispute and to issue a return to work Order on October 27, 1995. However, TSIEU members were split on the directive of the DOLE Secretary as some returned to work, while the others continued with the strike. Those who returned to work were led by Olivia Robles, while those who opted to continue with the strike were led by Dimaano.

Subsequently, on June 28, 1996, the two groups of TSIEU conducted separate elections of TSIEU officers. Those who continued striking elected Dimaano as President, while the second group elected Robles as President. Thus, the TSIEU was polarized into the TSIEU-Dimaano faction and the TSIEU-Robles faction.

The results of both elections were communicated to the National Capital Region (NCR) Regional Director (RD) of BLR by the respective Commission on Elections. However, the election results of TSIEU-Dimaano were the ones noted by the Vice-President for Political Affairs of FFW, respondent Francisco Cristobal. Consequently, the BLR issued a Certification to the effect that, based on public records, the duly elected officers of TSIEU as of July

9, 1996 were: Dimaano (President), Gideon Gallo (Vice-President), Josephine Dela Cruz (Secretary), Adela Liugatong (Treasurer), Nonita Ibarra (Auditor), Monaliza Lunot (Chief Shop Steward), and Danila Madara, Rickly Odon, Araceli Sorrola, Arthur Villareal, Ferdinand Tiongson, and Wilfredo Ponce (Board Members).

On July 15, 1996, on the basis of a board resolution issued by TSIEU-Dimaano, TSIEU withdrew eight of its pending labor cases from the legal representation of the FFW Legal Center.

On August 5, 1996, the governing board of FFW held an emergency meeting to discuss the two TSIEU elections. It must be noted at this juncture that Dimaano was a member of the governing board of FFW. Over the objections of Dimaano and on the ground that the two elections resulted in a crisis of leadership in TSIEU, the FFW governing board decided, among other things, to place TSIEU under its receivership. Forthwith, Dimaano resigned from all her positions in the FFW.

On August 6, 1997, TSIEU-FFW and Dimaano filed the instant case against FFW and the other private respondents before the NCR RD of BLR for Declaration of Nullity of Receivership, docketed as Case No. NCR-OD-M-9708-002.

Ruling of the Regional Director in Case No. NCR-OD-M-9708-002

The instant case was assigned to Hearing Officer Armina L. Magbitang-Gatdula who, on February 9, 1998, issued her findings and recommendations. On March 24, 1998, the NCR RD of BLR, concurring with the hearing officer's findings and recommendations, issued an Order^[3] granting the petition of TSIEU-Dimaano, the fallo of which reads:

WHEREFORE, premises considered, the petition for the declaration of nullity of receivership filed by TEMIC SEMICONDUCTORS INC. EMPLOYEES UNION (TSIEU)-FFW & LIZA DIMAANO-Union President, is hereby granted.

SO ORDERED.

The RD held that FFW had no authority to put TSIEU under its receivership, as the relationship between the local union and a federation or national union is that of a principal and agent. Definitely, the RD reasoned, placing the principal under receivership by the agent restricts the rights and personality of the principal (local union) to act for and on behalf of its members. Besides, the RD added, an agent cannot have superior authority over its principal from whom it owes its authority relative to the members of the local union.

On the issue of legal personality, the RD ruled that the requirement of the signatures of 30% of the union membership necessary to institute a complaint, as provided under Article 241 of the Labor Code, is not applicable since such requirement refers to a violation involving rights and conditions of membership in labor organizations. The RD held that what is applicable in the instant case is Art. 242 of the Labor Code on rights of legitimate labor organizations which does not require the signature of 30% of the membership of the union. The RD reasoned that the acts complained of violated the local union's rights under Art. 242 of the Labor Code, particularly paragraphs (a) and (f).

On the issue of confusion in leadership, the RD pointed out that FFW is estopped from questioning TSIEU-Dimaano. For as the RD aptly observed, no less than the Vice-President for Political Affairs of FFW, herein respondent Cristobal, indorsed the election of the officers of the TSIEU-Dimaano faction, for which reason the BLR NCR Office issued a certification attesting to the due election of Dimaano and others of TSIEU-Dimaano.

In fine, the RD held that if TSIEU were indeed guilty of untrustworthiness and disloyalty, as alleged by FFW,

receivership is not the proper remedy but expulsion from the federation after due process of law.

Private respondents appealed before the BLR the above decision of the NCR RD.

Ruling of the BLR in BLR Case No. A-5-12-98
(NCR Case No. OD-9708-002)

On June 2, 1998, the BLR issued a Resolution,[4] affirming the March 24, 1998 Order of the NCR RD. The decretal portion of the Resolution reads:

WHEREFORE, the order of the Regional Director, NCR, dated 09 February 1998 nullifying the receivership imposed by appellants on appellees is AFFIRMED. Accordingly, the appeal is DISMISSED for lack of merit.

SO ORDERED.

The BLR agreed with the material and essential points covered by the assailed March 24, 1998 Order issued by the NCR RD. The bureau likewise pointed out that TSIEU-Robles became invisible during the proceedings before the RD and that FFW did not implead TSIEU-Robles to at least have the TSIEU-Robles' claim to leadership resolved or ventilated.

The BLR rejected the motion for reconsideration filed by private respondents in its June 29, 1998 Resolution.[5]

The September 23, 1998 Writ of Execution

Subsequently, the above Resolutions of the BLR affirming the March 24, 1998 Order of the RD became final and executory.

Consequently, upon motion by TSIEU-Dimaano, the RD issued on September 23, 1998 a Writ of Execution[6] to enforce the March 24, 1998 Order, directing the BLR sheriffs:

x x x to proceed to the premises of FEDERATION OF FREE WORKERS (FFW), JUAN TAN, RAMON JABAR, and FRANCISCO CRISTOBAL, located at FFW Building, 1943 Taft Avenue, Malate, Manila, or at any place it could be found, and require respondents, their agents and assigns to turn over to the petitioner-union, the TEMIC SEMICONDUCTORS INC. EMPLOYEES UNION (TSIEU) - FFW, all its properties, real or personal, stated in Annex "A" hereof and which are affected by the declaration of the nullity of the act of respondent federation in placing the petitioner union under receivership. Insofar as the funds representing union dues, agency fees, bereavement benefits, cooperative shares and payment of loans, you are directed to cause the satisfaction thereof out of the movable goods or chattels, or in the absence thereof, out of the immovable properties of the respondents not exempt from execution.

x x x x

SO ORDERED. (Emphasis ours.)

On September 25, 1998, BLR Sheriffs Edgar Paredes and Nepomuceno Aleano issued notices of garnishment to several banks holding FFW bank accounts. However, on September 30, 1998, the NCR RD of BLR issued an Order directing the sheriffs to lift the notices of garnishment on the ground that there was a need for prior determination of the actual amounts due TSIEU. Consequently, on October 1, 1998, the sheriffs recalled the notices of garnishment. On the same date, private respondents, unaware of the lifting of the notices of garnishment, filed their Urgent Motion to Quash Writ of Execution and to Lift Notice of Garnishment.[7]

On October 12, 1998, TSIEU-Dimaano moved for the reconsideration of the September 30, 1998 Order of the NCR RD. On October 16, 1998, private respondents filed their Second Motion to Quash Writ of Execution.[8]

Meanwhile, on November 26, 1998, TSIEU-Robles filed its Motion for Intervention and/or to Quash the Writ of Execution with Third Party Claim, alleging they had been duly elected by the members of TSIEU to replace the group of Dimaano.

Ruling of the NCR Regional Director

On March 30, 1999, the NCR RD resolved TSIEU-Dimaano's motion for reconsideration, TSIEU-Robles' motion for intervention, and the two motions to quash writ of execution filed by private respondents by issuing an Order,[9] the dispositive portion of which reads:

WHEREFORE, premises considered, judgment is hereby rendered resolving that:

(a)

the MOTION FOR RECONSIDERATION of petitioner is hereby granted. Let an Alias Writ of Execution be issued to enforce the Order of this Office dated 24 March 1998 specifically stating thereon the amount of SIX MILLION EIGHT HUNDRED NINETY SIX THOUSAND FOUR HUNDRED PESOS (P6,896,400.00)

(b)

The URGENT MOTION TO QUASH WRIT OF EXECUTION AND TO LIFT NOTICE OF GARNISHMENT and SECOND MOTION TO QUASH filed by respondent [are] dismissed for lack of merit.

(c)

the MOTION FOR INTERVENTION filed by intervenor Telefunken Semiconductors, Inc. Employees Union (TSIEU) - FFW Chapter (TSIEU-FFW) AND OLIVIA ROBLES is denied for lack of merit.

SO ORDERED.

The NCR RD reasoned that the September 30, 1998 Order lifting the notices of garnishment was issued in order to conduct proceedings solely to determine the actual amounts and properties subject of the writ of execution. The NCR RD pointed out that due proceeding was conducted on this matter with the parties filing their respective Manifestations with supporting documentary evidence. Finding for TSIEU-Dimaano, the NCR RD granted the above monetary claims, ordered the issuance of an alias writ of execution, and denied the motions of private respondents and TSIEU-Robles.

Aggrieved, private respondents and TSIEU-Robles filed their respective Memoranda of Appeal before the BLR, assailing the above Order of the NCR RD.

Ruling of the Bureau of Labor Relations

On September 18, 2000, the BLR, through public respondent Bitonio, Jr., rendered a Resolution,[10] voiding the September 23, 1998 writ of execution and the corresponding notices of garnishment, and setting aside the assailed March 30, 1999 Order of the NCR RD, ruling as follows:

WHEREFORE, the appeal filed by FFW, et al. is hereby GRANTED and the order dated 30 March 1999 of the Regional Director is REVERSED and SET ASIDE. In lieu thereof, a new order is hereby issued declaring the writ of execution dated 23 September [1998] as null and void. Accordingly, the notices of garnishment issued as a consequence of this writ are lifted.

The appeal filed by the intervenors TSIEU-Robles is hereby DENIED for having become moot and academic.

SO RESOLVED.

In reversing the March 30, 1999 Order of the NCR RD, public respondent held that the September 23, 1998 writ of execution was null and void for varying, going beyond, and interpreting the final and executory March 24, 1998 Order sought to be enforced by including a monetary judgment. Public respondent reasoned that the March 24, 1998 Order is nothing more than the declaration of nullity of receivership that includes the turn over of several real and personal properties to TSIEU-Dimaano and the remittance of PhP 6,896,400 for union dues, agency fees, bereavement benefits, cooperative shares, and payment of loans. Thus, Bitonio ruled that it was improper for the NCR RD to allow and for TSIEU-Dimaano to prove its claims in proceedings after the declaration of nullity of the receivership became final and executory.

On October 27, 2000, public respondent denied TSIEU-Dimaano's Motion for Reconsideration. Aggrieved, TSIEU-Dimaano elevated to the CA the resolutions of public respondent, the petition for review docketed as CA-G.R. SP No. 62587.

Ruling of the Court of Appeals

On October 30, 2002, the CA rendered the assailed Decision, affirming public respondent's September 18, 2000 and October 27, 2000 Resolutions. The fallo reads:

WHEREFORE, the petition is DENIED. The challenged Resolutions of public respondent Benedicto Ernesto Bitonio, Jr. are hereby AFFIRMED.

SO ORDERED.[11]

In affirming the appealed resolutions of the public respondent, the CA rejected TSIEU-Dimaano's contention that the September 23, 1998 writ of execution did not exceed the terms of the final and executory March 24, 1998 Order of the NCR RD. The CA agreed with public respondent's disquisition that the writ of execution went beyond the scope of the March 24, 1998 Order by requiring private respondents to turn over several properties and to remit monetary claims to TSIEU-Dimaano.

TSIEU-Dimaano's Motion for Reconsideration of the assailed decision was denied through the assailed October 22, 2003 CA Resolution. Thus, we have this Petition for Review on Certiorari.

The Issues

I.

WHETHER OR NOT THE COURT OF APPEALS ERRED IN AFFIRMING RESOLUTION DATED 27 OCTOBER 2000 AND DECISION DATED 18 SEPTEMBER 2000 WHICH ERRONEOUSLY FAILED TO RULE ON THE DETERMINATION OF THE PROPERTY RIGHTS IN FAVOR OF THE PETITIONERS AND IN DECLARING AS NULL AND VOID THE WRIT OF EXECUTION DATED 23 SEPTEMBER 1998 FOR ALLEGEDLY EXCEEDING THE TENOR OF THE ORDER DATED 24 MARCH 1998.

II.

WHETHER OR NOT THE NULLITY OF THE RECEIVERSHIP DIRECTS THE DELIVERY OF THE FUNDS AND OTHER SUBJECT PROPERTIES TO THE PETITIONERS.[12]

The core issue is whether the writ of execution granting the turn over of properties and remittance of monetary claims was within the terms of the final and executory Order sought to be enforced.

The Court's Ruling

A close review of applicable law and jurisprudence on the issue of the execution of a final and executory judgment of the NCR Regional Director of the BLR compels us to affirm the assailed decision and resolution of the CA sustaining public respondent's resolutions.

There is no dispute that the receivership of TSIEU ordered by private respondents has been duly nullified. The bone of contention is to what level does such declaration of nullity of receivership extend.

Ratio decidendi did not include the issue of property and monetary claims

A scrutiny of the March 24, 1998 Order of the NCR RD clearly bears out that what had been granted thereat was the nullification of the receivership of TSIEU by FFW, no more and no less. The fallo of the March 24, 1998 Order unequivocally granted merely the nullification of the receivership. The dispositive part, body, or ratio decidendi of the March 24, 1998 Order--as distinguished from the fallo or dispositive portion--where the findings of fact and law, the reasons, and evidence to support such findings including the discussions of the issues leading to their determination are drawn from, likewise obviously did not include the claim for properties and the remittance of any monetary claim. Verily, TSIEU-Dimaano never raised the issue of any monetary or property claims before the Office of the NCR RD and before the proceedings with the Hearing Officer. And much less did they raise this issue on appeal before the BLR when such was not granted by the March 24, 1998 Order. TSIEU-Dimaano's failure to do so is fatal to its claims insofar as the enforcement of the March 24, 1998 Order is concerned. They cannot now assert such claims in the enforcement of said final and executory order.

Final and executory judgment immutable; exceptions

It is axiomatic that "a decision that has acquired finality becomes immutable and unalterable. A final judgment may no longer be modified in any respect, even if the modification is meant to correct erroneous conclusions of fact and law; and whether it be made by the court that rendered it or by the highest court in the land." [13] Any act which violates such principle must immediately be struck down. [14] Indeed, the principle of conclusiveness of prior adjudications is not confined in its operation to the judgments of what are ordinarily known as courts, but it extends to all bodies upon which judicial powers had been conferred. [15]

The only exceptions to the rule on the immutability of a final judgment are: (1) the correction of clerical errors; (2) the so-called nunc pro tunc entries which cause no prejudice to any party; (3) void judgments; and (4) whenever circumstances transpire after the finality of the decision rendering its execution unjust and inequitable. [16] None of the exceptions obtain in this case. Much less do the nunc pro tunc entries apply to the instant case. Thus, we so hold that the enforcement of the final and executory March 24, 1998 Order declaring the nullity of receivership cannot extend to the grant of money and property claimed by TSIEU-Dimaano.

We also agree with the appellate court that the proceedings conducted by the NCR RD for TSIEU-Dimaano to prove its claims for properties and receivables are null and void as such proceedings do not partake of the nature of nunc pro tunc entries which cause no prejudice to private respondents. Even granting arguendo that the exception of nunc pro tunc entries applies, which undoubtedly does not, still, we hold that the proceedings before the NCR RD do not prove the actual monetary and property claims. Without a full-blown hearing with testimonial evidence to prove and confirm such claims, the quasi-judicial body could not plausibly determine with certainty the claims as the documentary pieces of evidence presented by TSIEU-Dimaano were not substantially sufficient to prove such. As aptly pointed out by private respondents, the checks referred to by TSIEU-Dimaano do not prove its entire monetary claim. Evidently, the claims have to be substantially proven given the fact that those belonging to the TSIEU-Dimaano faction did not heed the October 27, 1995 return to work Order of the DOLE Secretary and were allegedly out of work, and this faction could not have been entitled to receive the amounts claimed.

WHEREFORE, this petition is hereby DISMISSED for lack of merit. The October 30, 2002 Decision and October 22, 2003 Resolution of the CA in CA-G.R. SP No. 62587 are hereby AFFIRMED IN TOTO. Costs against petitioners.

SO ORDERED.

Carpio Morales, (Acting Chairperson), Azcuna, Chico-Nazario, and Nachura, JJ., concur.

* Additional members as per April 23, 2008 Division Raffle.

[1] Rollo, pp. 269-282. Penned by Associate Justice Ruben T. Reyes (Chairperson, now a member of this Court) and concurred in by Associate Justices Remedios Salazar-Fernando and Edgardo F. Sundiam.

[2] Id. at 267.

[3] Id. at 112-123, per NCR Regional Director Maximo B. Lim.

[4] Id. at 124-132, per Director IV Benedicto Ernesto R. Bitonio, Jr.

[5] Id. at 133.

[6] Id. at 109-111, per NCR Regional Director Maximo B. Lim.

[7] Id. at 134-141.

[8] Id. at 142-149.

[9] Id. at 96-108.

[10] Id. at 89-95.

[11] Supra note 1, at 282.

[12] Rollo, p. 669.

[13] Collantes v. Court of Appeals, GR No. 169604, March 6, 2007, 517 SCRA 561, 562; citing Ramos v. Ramos, G.R. No. 144294, March 11, 2003, 399 SCRA 43, 47.

[14] Peña v. Government Service Insurance System (GSIS), G.R. No. 159520, September 19, 2006, 502 SCRA 383, 404; citing Fortich v. Corona, G.R. No. 131457, April 24, 1998, 289 SCRA 624.

[15] Id. at 404-405; citing San Luis v. Court of Appeals, G.R. No. 80160, June 26, 1989, 174 SCRA 258, 271.

[16] See Peña, supra note 14; Sacdalan v. Court of Appeals, G.R. No. 128967, May 20, 2004, 428 SCRA 586; Ramos, supra note 13.

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