SUPREME COURT
SECOND DIVISION

STAMFORD MARKETING CORP., GSP MANUFACTURING CORP., GIORGIO ANTONIO MARKETING CORP., CLEMENTINE MARKETING CORP., ULTIMATE CONCEPTS PHILIPPINES, INC., and ROSARIO G. APACIBLE,
***Petitioners*,**

-versus-

G.R. No. 145496
February 24, 2004

JOSEPHINE JULIAN, LEONOR AMBROSIO, MARILYN AQUINO, PURITA BARRO, ROSARIO BASADA, HERMINIA BERGUELLES, ERLINDA CANARIA, SALVACION CIRUELOS, MARITESS BALISARIO, JULIETA DOLONTAP, JOSEFINA DOMINGO, GLORIA FLORENDO, AMELITA GRANDE, SIMONA MALUNES, CORAZON MARASIGAN, SUSANA OBNAMIA, LUCY PEREZ, GINALYN PIDOY, CAROLINA REYNOSO, LETICIA SARMIENTO, ARCELY VILLEZA, MARIA SANCHO LABIT, IMELDA RIVERA, ROWENA ALVARADO, VIOLETA ARRIOLA, VIRGINIA DE VERA, GIRLIE DISCAYA, ADELAIDA LOMOD, MARILOU RABANAL, JOCELYN RUFILA, ELENA

SUEDE, JACINTA TEJADA, MELBA TOLOSA, LEZILDA CARANTO, JECINA BURABOD, LUCITA CASERO, MONICA CRUZ, GLENDA MIRANDA, YOLANDA PANCHO, MYRNA RAGASA, FILOMENA MORALES, FELIPA VALENCIA, CORAZON VIRTUZ, MARICEL BOLANGA, SONIA ANTILLA, LEONITA BINAL, GLORIA LARIOSA, LIZABETH LUANGCO and JULIETA LEANO,

Respondents.

x----------x

D E C I S I O N

QUISUMBING, *J.*:

For Review on Certiorari is the Court of Appeals' Decision,[1] dated April 26, 2000, in CA-G.R. SP No. 53169, as well as its Resolution,[2] dated October 11, 2000, denying the petitioners' Motion for Reconsideration. The Court of Appeals modified the Resolution,[3] dated August 27, 1998, of the National Labor Relations Commission (NLRC)-First Division which, in turn, dismissed the petitioners' appeal from the decision of Labor Arbiter Ramon Valentin C. Reyes in three (3) consolidated cases, namely:

(1) Josephine Julian, et al. vs. Stamford Marketing Corp. (NLRC NCR Case No. 00-11-08124-94);

(2) Philippine Agricultural, Commercial and Industrial Workers Union, et al. vs. GSP Manufacturing Corp., et al. (NLRC NCR Case No. 00-03-02114-95); and

(3) Lucita Casero, et al. vs. GSP Manufacturing Corp., et al. (NLRC NCR Case No. 00-01-10437-95).

The instant controversy stemmed from a letter sent by Zoilo V. De La Cruz, Jr., president of the Philippine Agricultural, Commercial and Industrial Workers' Union (PACIWU-TUCP), on November 2, 1994, to Rosario A. Apacible, the treasurer and general manager of herein petitioners Stamford Marketing Corporation, GSP Manufacturing Corporation, Giorgio Antonio Marketing Corporation, Clementine Marketing Corporation, and Ultimate Concept Phils., Inc. Said letter advised Apacible that the rank-and-file employees of the aforementioned companies had formed the Apacible Enterprise Employees' Union-PACIWU-TUCP. The union demanded that management recognize its existence. Shortly thereafter, discord reared its ugly head, and rancor came hard on its wake.

Josephine Julian, et al. vs. Stamford Marketing Corp.
NLRC NCR Case No. 00-11-08124-94

On November 9, 1994, or just a day after Apacible received the letter of PACIWU-TUCP, herein private respondents Josephine Julian, president of the newly organized labor union; Jacinta Tejada, and Jecina Burabod, board member and member of the said union, respectively, were effectively dismissed from employment.

Without further ado, the three dismissed employees filed suit with the Labor Arbiter. In their Complaint, the three dismissed employees alleged that petitioners had not paid them their overtime pay, holiday pay/premiums, rest day premium, 13th month pay for the year 1994, salaries for services actually rendered, and that illegal deduction had been made without their consent from their salaries for a cash bond.

For its part, herein petitioner Stamford alleged that private respondent Julian was a supervising employee at the Patrick's Boutique at Shoemart (SM) Northmall. In October 1994, when she was four (4) to five (5) months pregnant, the management of SM Northmall asked her to go on maternity leave, pursuant to company policy. Julian was then directed to report at Stamford's Head Office for reassignment. She was also asked to submit a medical certificate to enable the company to approximate her delivery date. Julian, however, allegedly failed to comply with these directives and instead, ceased to report for work without having given notice. Stamford then allegedly asked Tejada to take over Julian's position, but the former

inexplicably refused to comply with the management directive. Instead, like Julian, she abandoned her work with nary a notice or an explanation.

As to Burabod, petitioner Giorgio Antonio Boutique (Giorgio) averred that she was employed as one of its sales clerks at its SM Northmall branch. When directed to report to the Giorgio branch at Robinson's Galleria, she defiantly questioned the validity of the directive and refused to comply. Like Julian and Tejada, she then ceased to report for work without giving notice.

Philippine Agricultural, Commercial and Industrial Workers' Union, et al. vs. GSP Manufacturing Corp.
NLRC NCR Case No. 00-03-02114-95

On March 17, 1995, PACIWU-TUCP, filed on behalf of fifty (50) employees allegedly illegally dismissed for union membership by the petitioners, a Complaint before the Arbitration Branch of NLRC, Metro Manila. PACIWU-TUCP charged petitioners herein with unfair labor practice. The Complaint alleged that when Apacible received the letter of PACIWU-TUCP, management began to harass the members of the local chapter, a move which culminated in their outright dismissal from employment, without any just or lawful cause. It was a clear case of union-busting, averred PACIWU-TUCP.

GSP Manufacturing Corporation (GSP) denied the union's averments. It claimed that it had verified with the Bureau of Labor Relations (BLR) whether a labor organization with the name Apacible Enterprises Employees' Union was duly registered. It was informed that no such labor organization was registered either as a local chapter of PACIWU or of the Trade Union Congress of the Philippines (TUCP). GSP claimed that after unsuccessfully misrepresenting themselves, herein private respondents then started making unjustified demands, abandoned their work, and staged an illegal strike from November 1994 up to the filing of the Complaints. Petitioners then asked the private respondents to lift their picket and return to work, but were only met with a cold refusal.

Lucita Casero, et al. vs. GSP Manufacturing Corp., Et Al.
NLRC NCR Case No. 00-01-10437-95

This separate case was also filed by the dismissed union members (complainants in NLRC NCR Case No. 00-03-02114-95), against the petitioners herein for payment of their monetary claims. The dismissed employees demanded the payment of (1) salary differentials due to underpayment of wages; (2) unpaid salaries/wages for work actually rendered; (3) 13th month pay for 1994; (4) cash equivalent of the service incentive leave; and (5) illegal deductions from their salaries for cash bonds.

Petitioner corporations, however, maintained that they have been paying complainants the wages/salaries mandated by law and that the complaint should be dismissed in view of the execution of quitclaims and waivers by the private respondents.

The Labor Arbiter ordered the three cases consolidated as the issues were interrelated and the respondent corporations were under one management.

After due proceedings, Labor Arbiter Ramon Valentin C. Reyes rendered a decision, the decretal portion of which reads as follows:

> WHEREFORE, premises all considered, judgment is hereby rendered in the respective cases as follows:
>
> A. NLRC NCR CASE NO. 00-11-08124-94
>
> 1. Holding the respondent guilty of unfair labor practice, and declaring complainants' dismissals illegal;
>
> 2. Ordering respondent to reinstate complainants to their former positions without loss of seniority rights and other benefits;
>
> 3. Ordering the respondent to pay complainants their backwages from the date of their termination up to the date of this decision; and

4. Ordering the respondent to pay complainants their unpaid salaries, overtime pay, holiday and rest day premium, unpaid 13th month pay and reimbursement of the cash deposit deducted by the respondent from the salaries of complainants.

B. NLRC NCR CASE NO. 00-03-02114-95

1. Declaring the strike conducted by complainants to be illegal;

2. Declaring the officers of the union to have lost their employment status, and thus terminating their employment with respondent companies; and

3. Ordering the reinstatement of the complainants who are only members of the union to their former positions with respondent companies, without backwages, except individual complainants Cristeta De Luna, Luzviminda Recones, Eden Revilla, and Jinky Dellosa.

C. NLRC NCR CASE NO. 00-01-10431-95[4]

1. Ordering respondents to pay individual complainants:

    a. salary differentials resulting from underpayment of wages

    b. unpaid salaries/wages for work actually rendered;

    c. 13th month pay for the year 1994;

    d. cash equivalent of the service incentive leave; and

e. illegal deductions in the form of cash deposits all in accordance with the computation submitted by the individual complainants.

2. Dismissing the complaint with regard to complainants Cristeta De Luna, Luzviminda Recones, Eden Revilla, and Jinky Dellosa.

All other claims are dismissed for lack of merit.

The Research and Information Division, this Commission, is hereby directed to effect the necessary computation which shall form part of this Decision.

SO ORDERED.[5]

Labor Arbiter Reyes ruled the reassignment and transfer of complainants in NLRC NCR Case No. 00-11-08124-94 as unfair labor practice, it being management interference in the complainants' formation and membership of union. He held that the protested reassignments and transfers were highly suspicious, having been made right after management was informed about the formation of the union. Such timing could not have been pure coincidence. The Labor Arbiter also found that petitioners herein failed to substantiate their claim that private respondents had abandoned their employment. He pointed out that the complainants' filing of a case immediately after their alleged dismissal militated against any claim of abandonment. Moreover, petitioners did not furnish complainants with written notices of dismissal. As to the unpaid wages and other monetary benefits claimed by private respondents herein, the Labor Arbiter ruled that as petitioners herein did not present proof of their payment, there is presumption of non-payment. Finally, Labor Arbiter Reyes found the cash deposit of P2,000.00 unauthorized and illegal, without any showing that the same was necessary and recognized in the business.

In NLRC NCR Case No. 00-03-02114-95, it was duly established that the employees' union was not registered with the Bureau of Labor

Relations. Hence, private respondents had engaged in an illegal strike since the right to strike maybe availed of only by a legitimate labor organization. Labor Arbiter Reyes upheld the dismissal of the union officers for leading and participating in an illegal strike, but ruled the dismissal of the union members to be improper since they acted in good faith in the belief that their actions were within the bounds of law.

In NLRC NCR Case No. 00-01-10437-95, the Labor Arbiter found petitioners liable for salary differentials and other monetary claims for petitioners' failure to sufficiently prove that it had paid the same to complainants as required by law. He likewise ordered the return of the cash deposits to complainants, citing the same reasons as in NLRC NCR Case No. 00-11-08124-94.

Petitioners herein seasonably appealed the decision of Labor Arbiter Reyes. Subsequently, the NLRC affirmed the decision in NLRC NCR Case Nos. 00-11-08124-94 and 00-01-10437-95. However, the NLRC set aside the judgment with respect to NLRC NCR Case No. 00-03-02114-95 and ordered the remand of the case for further proceedings, in view of the various factual issues involved. The NLRC ruling reads:

> WHEREFORE, finding the appeal unmeritorious, the same is hereby DISMISSED.
>
> ACCORDINGLY, we hereby set aside the ruling in NLRC NCR CASE NO. 00-03-02114-95 as we order the same remanded for further proceedings in view of the nature of the issues involved being purely factual in character. The awards in NLRC NCR CASE NO. 00-11-08-08124-94 and NLRC NCR CASE NO. 00-01-10437-95 are hereby AFFIRMED.
>
> SO ORDERED.[6]

Meanwhile, on May 14, 1996, petitioners herein filed a Petition to Declare the Strike Illegal against their striking employees, docketed as NLRC NCR Case No. 05-03064-96 and raffled off to Labor Arbiter Arthur L. Amansec.

On September 2, 1998, Labor Arbiter Amansec decided NLRC NCR Case No. 05-03064-96, as follows:

> WHEREFORE, judgment is hereby made finding the strike conducted by the respondents from December 1, 1994 up to May 14, 1996 illegal and concomitantly, ordering respondents who are established to have knowingly participated to have committed an illegal act to have lost their employment status.
>
> Other claims for lack of merit are ordered DISMISSED.
>
> SO ORDERED.[7]

In declaring the strike illegal, Labor Arbiter Amansec noted that: (1) no prior notice to strike had been filed; (2) no strike vote had been taken among the union members; and (3) the issue involved was non-strikeable, i.e., a demand for salary increases.

Petitioners then moved for reconsideration of the NLRC ruling, citing the ruling in NLRC NCR Case No. 05-03064-96 to support their position that respondents herein had conducted an illegal strike and were liable for unlawful acts.

On March 12, 1999, the NLRC resolved to partly grant the Motion for Reconsideration, thus:

> WHEREFORE, prescinding from the foregoing premises, the Motion for Reconsideration is partly given due course, in that the issues raised in NLRC NCR CASE No. 00-03-02114-95 is hereby declared to have been rendered academic.
>
> The rest of the dispositions in the questioned resolution remains.
>
> SO ORDERED.[8]

Unwilling to let the matter rest there, petitioners then filed a special civil action for certiorari with the Court of Appeals, docketed as CA-G.R. SP No. 53169. The Court of Appeals considered the following issues in resolving the petition, to wit: (a) the validity of the

respondents' dismissal and entitlement to backwages, (b) the validity of the Release, waiver and quitclaim executed by some of the respondents, and (c) the validity of the claims for non-payment of salaries, overtime pay, holiday pay, premium pay, etc.

On April 26, 2000, the appellate court disposed of CA-G.R. SP No. 53169 as follows:

> WHEREFORE, premises studiedly considered, the Petition is partly given due course as the 12 March 1999 Resolution of the NLRC is hereby modified as follows:
>
> 1. In lieu of reinstatement, private respondents Josephine Julian, Jacinta Tejada, and the rest of the officers of the Union shall be given separation pay at the rate of one month pay for every year of service, with a fraction of at least six months of service considered as one year, computed from the time they were first employed until December 10, 1994;
>
> 2. Ordering petitioner corporations to reinstate, without loss of seniority, Jacina Burabod and the rest of the Union members; plus payment of backwages;
>
> The rest of the dispositions in the two (2) challenged resolutions remains.
>
> SO ORDERED.[9]

The appellate court brushed aside petitioners' theory that the illegality of strike makes the respondents' dismissal legal. It stressed that while the strike was illegal, marked as it was with violence and for non-compliance with the requirements of the Labor Code, nonetheless, Julian, Tejada, and Burabod (complainants in NLRC NCR Case No. 00-11-08124-94) were dismissed prior to the staging of the strike. Said dismissal constitutes unfair labor practice. Moreover, said dismissal was done without valid cause and due process. Thus, the complainants in NLRC NCR Case No. 00-11-08124-94 are entitled to reinstatement and backwages, although separation pay may be given in lieu of reinstatement due to strained relations with

petitioners. The appellate court also ruled that the quitclaims relied upon by petitioners herein are void, having been executed under duress. Finally, the Court of Appeals affirmed the finding of the NLRC that petitioners had failed to support their claim of having paid herein respondents their money claims, because belated evidence presented by petitioners is bereft of any probative value.

Petitioners timely moved for reconsideration, but the appellate court denied said motion.

Hence, this petition alleging that the Court of Appeals committed palpable and reversible errors of law when:

I

IT ORDERED THE RESPONDENTS, WHO ARE UNION MEMBERS, BE REINSTATED AND BE PAID BACKWAGES, DESPITE THE FACT THAT IT CATEGORICALLY HELD THAT UNLAWFUL ACTS ATTENDED THE STAGING OF THE ILLEGAL STRIKE IN CONTRAVENTION OF THE CLEAR MANDATE OF ARTICLE 264(a) OF THE LABOR CODE.

II

IT AWARDED BACKWAGES TO THE RESPONDENTS, WHO ARE UNION MEMBERS, DESPITE THE FACT THAT THE ISSUE OF WHETHER OR NOT THE SAID UNION MEMBERS ARE ENTITTLED TO BACKWAGES HAVE BEEN ANSWERED IN THE NEGATIVE BY THE DECISION DATED 15 APRIL 1996, PROMULGATED BY THE HONORABLE LABOR ARBITER A QUO VALENTIN C. REYES AND SUCH RULING HAD ATTAINED FINALITY.

III

IT AWARDED SEPARATION PAY AND BACKWAGES TO THE RESPONDENTS WHO ARE OFFICERS OF THE UNION, NAMELY: ADELAIDA LUMOD, LUCITA CASERO, MYRNA RAGASA, FELY MORALES, ELEN SUEDE, FELY VALENCIA AND VIOLETA ARRIOLA, DESPITE THE FACT THAT IT WAS

HELD IN THE DECISION DATED 15 APRIL 1996 PROMULGATED BY THE HONORABLE LABOR ARBITER A QUO VALENTIN C. REYES THAT THE AFORENAMED UNION OFFICERS HAVE LOST THEIR EMPLOYMENT STATUS BY STAGING AN ILLEGAL STRIKE AND SUCH RULING HAD ATTAINED FINALITY.

IV

IT HELD THAT RESPONDENTS JULIAN, TEJADA AND BURABOD WERE ILLEGALLY DISMISSED.

V

IT FAILED TO UPHOLD THE VALIDITY OF THE RELEASE, WAIVER AND QUITCLAIM EXECUTED BY THE RESPONDENTS CONCERNED.

VI

IT REFUSED TO GIVE PROBATIVE VALUE ON THE VOLUMINOUS DOCUMENTARY EVIDENCE SUBMITTED BY HEREIN PETITIONERS.[10]

In our view, considering the assigned errors, the following are the relevant issues for our resolution:

1. Whether the respondents union officers and members were validly and legally dismissed from employment considering the illegality of the strike; and

2. Whether the respondents union officers and members are entitled to backwages, separation pay and reinstatement, respectively.

On the first issue, petitioners argue that respondents were legally dismissed, pursuant to Article 264[11] of the Labor Code in view of the determination by the Labor Arbiter that the strike conducted by respondents are illegal and that illegal acts attended the mass action. The respondents counter that the determination of the illegality of

strike is inconsequential as the conclusion by the appellate court on the illegality of dismissal was based on the petitioners' non-compliance with the due process requirements on terminating employees, which had nothing to do with the legality of the strike.

Some elaboration on the legality of the strike is needed, though briefly. In ruling the strike illegal, the NLRC observed that:

> While the right to strike is specifically granted by law, it is a remedy which can only be availed of by a legitimate labor organization. Absent a showing as to the legitimate status of the labor organization, said strike would have to be considered as illegal.
>
> A review of the records of this case does not show that the local union to which complainants belong to has complied with these basic requirements necessary to clothe the union with a legitimate status. In fact, and as respondents claim, there is no record with the BLR that the union complainants belong to have complied with the aforementioned requirements. This Office then has no recourse but to consider the union of complainants as not being a legitimate labor organization. It then follows that the strike conducted by complainants on respondent companies is illegal, as the right to strike is afforded only to a legitimate labor organization.[12]

Indeed, the right to strike, while constitutionally recognized, is not without legal restrictions.[13] The Labor Code regulates the exercise of said right by balancing the interests of labor and management in the light of the overarching public interest. Thus, paragraphs (c) and (f) of Article 263[14] mandate the following procedural steps to be followed before a strike may be staged: filing of notice of strike, taking of strike vote, and reporting of the strike vote result to the Department of Labor and Employment.[15] It bears stressing that these requirements are mandatory, meaning, non-compliance therewith makes the strike illegal. The evident intention of the law in requiring the strike notice and strike-vote report is to reasonably regulate the right to strike, which is essential to the attainment of legitimate policy objectives embodied in the law.[16]

In the instant case, we find no reason to disagree with the findings of the NLRC that the strike conducted by the respondent union is illegal. First, it has not been shown to the satisfaction of this Court that said union is a legitimate labor organization, entitled under Article 263 (c) to file a notice of strike on behalf of its members. Second, the other requirements under Article 263 (c) and (f) were not complied with by the striking union. On this matter, the record is bare of any showing to the contrary. Hence, what is left for this Court to do is to determine the effects of the illegality of the strike on respondents union officers and members, specifically (a) whether such would justify their dismissal from employment, and (b) whether they ceased to be entitled to the monetary awards and other appropriate reliefs and remedies.

Article 264 of the Labor Code, in providing for the consequences of an illegal strike, makes a distinction between union officers and members who participated thereon. Thus, knowingly participating in an illegal strike is a valid ground for termination from employment of a union officer. The law, however, treats differently mere union members. Mere participation in an illegal strike is not a sufficient ground for termination of the services of the union members. The Labor Code protects an ordinary, rank-and-file union member who participated in such a strike from losing his job, provided that he did not commit an illegal act during the strike.[17] Thus, absent any clear, substantial and convincing proof of illegal acts committed during an illegal strike, an ordinary striking worker or employee may not be terminated from work.[18]

Recourse to the records show that the following respondents were the officers of the union, namely: Josephine C. Julian (President), Adelaida Lomod (Vice President), Lucita Casero (Secretary), Myrna Ragasa (Treasurer), Filomena Morales (Auditor), Elena Suede (Board Member), Jacinta Tejada (Board Member), Felipa Valencia (Board Member) and Violeta Arriola (P.R.O.).[19] Before us, petitioners insist that these employees were legally terminated for their participation in an illegal strike and moreover, Julian and Tejada were validly dismissed for abandoning their jobs after refusing to comply with transfer and reassignment orders.

While holding the strike illegal, the Court of Appeals nonetheless still ruled that the union officers and members were illegally dismissed for non-observance of due process requirements and union busting by management. It likewise gave no credence to the charge of abandonment against Julian and Tejada. Thus, it awarded separation pay in lieu of reinstatement to all union officers including respondents Julian and Tejada and affirmed all other monetary awards by the Labor Arbiter including backwages.

On this point, we affirm the findings of the appellate court that Julian and Tejada did not abandon their employment. Petitioners utterly failed to show proof that Julian and Tejada had the intent to abandon their work and sever their employment relationship with petitioners. It is established that an employee who forthwith takes steps to protest his layoff cannot be said to have abandoned his work.[20] However, we cannot sustain the appellate court's ruling that the dismissal of Julian and Tejada was tantamount to unfair labor practice. There is simply nothing on record to show that Julian and Tejada were discouraged or prohibited from joining any union. Hence, the petitioners cannot be held liable for unfair labor practice.

With respect to union officers, however, there is no dispute they could be dismissed for participating in an illegal strike. Union officers are duty- bound to guide their members to respect the law.[21] Nonetheless, as in other termination cases, union officers must be given the required notices for terminating an employment, i.e., notice of hearing to enable them to present their side, and notice of termination, should their explanation prove unsatisfactory. Nothing in Article 264 of the Labor Code authorizes an immediate dismissal of a union officer for participating in an illegal strike. The act of dismissal is not intended to happen ipso facto but rather as an option that can be exercised by the employer and after compliance with the notice requirements for terminating an employee. In this case, petitioners did not give the required notices to the union officers.

We must stress, however, the dismissals per se are not invalid but only ineffectual in accordance with Serrano vs. National Labor Relations Commission.[22] In said case, we held that (1) the employer's failure to comply with the notice requirement does not constitute denial of due process, but mere failure to observe a procedure for

termination of employment which makes the termination merely ineffectual,[23] and (2) the dismissal shall be upheld but the employer must be sanctioned for non-compliance with the prescribed procedure.[24] As to the reliefs to be afforded, Serrano decreed that:

> In sum, we hold that if in proceedings for reinstatement under Art. 283, it is shown that the termination of employment was due to an authorized cause, then the employee concerned should not be ordered reinstated even though there is failure to comply with the 30-day notice requirement. Instead, he must be granted separation pay in accordance with Art. 283.
>
> If the employee's separation is without cause, instead of being given separation pay, he should be reinstated. In either case, whether he is reinstated or only granted separation pay, he should be paid full backwages if he has been laid off without written notice at least 30 days in advance.

On the other hand, with respect to dismissals for cause under Art. 282, if it is shown that the employee was dismissed for any of the just causes mentioned in said Art. 282, then, in accordance with that article, he should not be reinstated. However, he must be paid backwages from the time his employment was terminated until it is determined that the termination of employment is for a just cause because the failure to hear him before he is dismissed renders the termination of his employment without legal effect.[25]

Admittedly, Serrano does not touch on the termination of an employee who is a mere union member, due to participation in an illegal strike. But it is settled that an employee who is a mere union member does not lose his employment status by mere participation allegedly in an illegal strike. If he is terminated, he is entitled to reinstatement. Moreover, where the employee, whether a union member or officer, is not given any notice for termination such as in this case, he is entitled to be paid backwages from the date of his invalid termination until the final judgment of the case.

In the present case, we affirm the appellate court's ruling that the union members who are parties herein were illegally dismissed and thus, entitled to reinstatement and payment of backwages for lack of

sufficient evidence that they engaged in illegal acts during the strike. They were in good faith in believing that their actions were within the bounds of the law, since such were meant only to secure economic benefits for themselves so as to improve their standard of living. Besides, it is not the business of this Court to determine whether the acts committed by them are illegal, for review of factual issues is not proper in this petition. Review of labor cases elevated to this Court on a petition for review on certiorari is confined merely to questions of law, and not of fact, as factual findings generally are conclusive on this Court.[26]

For the same reasons, we likewise affirm the Court of Appeals in upholding the findings of both the NLRC and the Labor Arbiter regarding the validity or invalidity of quitclaims and the award of other monetary claims. Questions on whether the quitclaims were voluntarily executed or not are factual in nature. Thus, petitioners' appeal for us to re-examine certain pieces of documentary evidence concerning monetary claims cannot now be entertained. Factual findings of labor officials, who are deemed to have acquired expertise in matters within their respective jurisdiction, are generally accorded not only respect but even finality, and bind us when supported by substantial evidence. It is not our function to assess and evaluate the evidence all over again, particularly where the findings of both the Arbiter and the Court of Appeals coincide.[27]

WHEREFORE, the assailed Decision of the Court of Appeals, dated April 26, 2000 and its Resolution of October 11, 2000, in CA-G.R. SP No. 53169 are **AFFIRMED** with **MODIFICATION**. Dismissal of the union officers is declared **NOT INVALID**, and the award of separation pay to said union officers is hereby **DELETED**. However, as a sanction for non-compliance with notice requirements for lawful termination by the petitioners, backwages are **AWARDED** to the union officers computed from the time they were dismissed until the final entry of judgment of this case. The rest of the dispositions of the Court of Appeals in its Decision of April 26, 2000, in CA-G.R. SP No. 53169, are hereby **AFFIRMED**. No pronouncement as to costs.

SO ORDERED.

Puno, *J.*, *(Chairman)*, Austria-Martinez, Callejo, Sr., and Tinga, *JJ.*, concur.

---

[1] Penned by Associate Justice Andres B. Reyes, Jr., with Associate Justices Fermin A. Martin, Jr., and Romeo A. Brawner, concurring. Rollo, pp. 123-143.
[2] Rollo, pp. 119-121.
[3] Id. at 187-200.
[4] Should read as NLRC NCR Case No. 00-01-10437-95. See Rollo, pp. 125, 407.
[5] Rollo, pp. 425-427.
[6] Id. at 243.
[7] Id. at 521.
[8] Id. at 248-249.
[9] Id. at 29-30.
[10] Id. at 65-67.
[11] ART. 264. Prohibited activities.—(a) No labor organization or employer shall declare a strike or lockout without first having bargained collectively in accordance with Title VII of this Book or without first having filed the notice required in the preceding Article or without the necessary strike or lockout vote first having been obtained and reported to the Department.

No strike or lockout shall be declared after assumption of jurisdiction by the President or the Secretary or after certification or submission of the dispute to compulsory or voluntary arbitration or during the pendency of cases involving the same grounds for the strike or lockout.

Any worker whose employment has been terminated as a consequence of an unlawful lockout shall be entitled to reinstatement with full back wages. Any union officer who knowingly participates in an illegal strike and any worker or union officer who knowingly participates in the commission of illegal acts during a strike may be declared to have lost his employment status: Provided, That mere participation of a worker in a lawful strike shall not constitute sufficient ground for termination of his employment, even if a replacement had been hired by the employer during such lawful strike.

(b) No person shall obstruct, impede, or interfere with by force, violence, coercion, threats or intimidation any peaceful picketing by employees during any labor controversy or in the exercise of the right of self-organization or collective bargaining, or shall aid or abet such obstruction or interference.

(c) No employer shall use or employ any strike-breaker, nor shall any person be employed as a strike-breaker.

(d) No public official or employee, including officers and personnel of the New Armed Forces of the Philippines or the Integrated National Police, or armed person, shall bring in, introduce or escort in any manner any individual who seeks to replace strikers in entering or leaving the premises

of a strike area, or work in place of the strikers. The police force shall keep out of the picket lines unless actual violence or other criminal acts occur therein: Provided, That nothing herein shall be interpreted to prevent any public officer from taking any measure necessary to maintain peace and order, protect life and property, and/or enforce the law and legal order.

(e) No person engaged in picketing shall commit any act of violence, coercion or intimidation or obstruct the free ingress to or egress from the employer's premises for lawful purposes, or obstruct public thoroughfares.

[12] Rollo, pp. 419, 422.

[13] Great Pacific Life Employees Union vs. Great Pacific Life Assurance Corp., 362 Phil. 452, 460 (1999).

[14] ART. 263. Strikes, picketing and lockouts. -

...

(c) In cases of bargaining deadlocks, the duly certified or recognized bargaining agent may file a notice of strike or the employer may file a notice of lockout with the Department at least 30 days before the intended date thereof. In cases of unfair labor practice, the period of notice shall be 15 days and in the absence of a duly certified or recognized bargaining agent, the notice of strike may be filed by any legitimate labor organization in behalf of its members. However, in case of dismissal from employment of union officers duly elected in accordance with the union constitution and by-laws, which may constitute union busting where the existence of the union is threatened, the 15-day cooling-off period shall not apply and the union may take action immediately.

...

(f) A decision to declare a strike must be approved by a majority of the total union membership in the bargaining unit concerned, obtained by secret ballot in meetings or referenda called for that purpose. A decision to declare a lockout must be approved by a majority of the board of directors of the corporation or association or of the partners in a partnership, obtained by secret ballot in a meeting called for that purpose. The decision shall be valid for the duration of the dispute based on substantially the same grounds considered when the strike or lockout vote was taken. The Department may at its own initiative or upon the request of any affected party, supervise the conduct of the secret balloting. In every case, the union or the employer shall furnish the Department the voting at least seven days before the intended strike or lockout, subject to the cooling-off period herein provided.

[15] Lapanday Workers Union vs. National Labor Relations Commission, G.R. Nos. 95494-97, 7 September 1995, 248 SCRA 95, 104.

[16] See CCBPI Postmix Workers Union vs. NLRC, 359 Phil 741, 759 (1998).

[17] Id. at 760-761.

[18] Id. at 749.

[19] Rollo, p. 166.

[20] Columbus Philippines Bus Corporation vs. NLRC, G.R. Nos. 114858-59, 7 September 2001, 364 SCRA 606, 623.

[21] Association of Independent Unions in the Philippines vs. NLRC, 364 Phil. 697, 708 (1999).

[22] G.R. No. 117040, 27 January 2000, 323 SCRA 445. Stress supplied.
[23] Id. at 472.
[24] Id. at 463.
[25] Id. at 475-476.
[26] Ignacio vs. Coca-Cola Bottlers Phils., Inc., G.R. No. 144400, 19 September 2001, 365 SCRA 418, 423.
[27] Abalos vs. Philex Mining Corporation, G.R. No. 140374, 27 November 2002, p. 9.