Republic of the Philippines
Supreme Court
Manila

SUPREME COURT OF THE PHILIPPINES
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FIRST DIVISION

SALVADOR P. ALMAGRO, BASILIO M. CRUZ, FRANCISCO M. JULIANO, ARTURO L. NOVENARIO and the HEIRS OF DEMOSTHENES V. CAÑETE,
Petitioners,

-versus-

PHILIPPINE AIRLINES, INC., LUCIO TAN and JOSE ANTONIO GARCIA,
Respondents.

G.R. No. 204803

Present:
LEONARDO-DE CASTRO, *CJ.*,
Chairperson,
BERSAMIN,
DEL CASTILLO,
JARDELEZA, and
TIJAM,* *JJ.*

Promulgated:
SEP 12 2018

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DECISION

JARDELEZA, *J.*:

This is a petition for review on *certiorari*[1] under Rule 45 of the Rules of Court filed by petitioners Salvador P. Almagro (Almagro), Basilio M. Cruz (Cruz), Francisco M. Juliano (Juliano), Arturo L. Novenario (Novenario) and the heirs of Demosthenes V. Cañete (Cañete) (collectively, petitioners), seeking to nullify the Court of Appeals' (CA) December 7, 2012 Amended Decision[2] in CA-G.R. SP No. 111466. The CA reversed its earlier Decision[3] dated January 31, 2012 where it issued *certiorari* in favor of petitioners against the May 15, 2009[4] Decision and August 7, 2009[5] Resolution of the National Labor Relations Commission (NLRC) in NLRC LAC No. 10-003508-08. In its Amended Decision, the CA found no grave abuse of discretion on the part of the NLRC in affirming the July 16, 2008[6] Decision of Labor Arbiter Donato G. Quinto, Jr. (Labor Arbiter) dismissing petitioners' complaint for illegal dismissal and monetary claims against Philippine Airlines, Inc. (PAL).

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* On official business.
1 *Rollo*, pp. 55-93.
2 *Id.* at 99-114; penned by Associate Justice Danton Q. Bueser, and concurred in by Associate Justices Rosmari D. Carandang and Ricardo R. Rosario.
3 *Id.* at 198-231.
4 *Id.* at 232-242.
5 *Id.* at 244-245.
6 *Id.* at 247-268.

This case arose out of the labor dispute in the 1990's between PAL, a domestic corporation organized under the laws of the Republic of the Philippines operating as a common carrier transporting passengers and cargo through aircraft, and Airline Pilots Association of the Philippines (ALPAP), the legitimate labor organization and exclusive bargaining agent of all PAL's commercial pilots.[7]

On December 9, 1997, ALPAP filed a notice of strike before the National Conciliation and Mediation Board on grounds of unfair labor practice and union-busting by PAL (strike case). The Department of Labor and Employment (DOLE) Secretary (Secretary) assumed jurisdiction over the labor dispute on December 23, 1997.[8] Despite the assumption of jurisdiction by the Secretary, ALPAP declared and commenced a strike on June 5, 1998. After failed conciliation efforts, the Secretary issued a return-to-work order[9] (return-to-work order) on June 7, 1998 addressed to all striking officers and members of ALPAP. The strike, however, continued until June 26, 1998 when ALPAP's officers and members attempted to report for work.[10] The employees who attempted to return to work signed PAL's logbook for "Return to Work Returnees/Compliance" (PAL security logbook) on June 26, 1998.[11] PAL, however, refused to accept these returning employees on the ground that the deadline imposed by the return-to-work order on June 9, 1998 had already lapsed.[12]

This refusal of PAL to accept ALPAP's officers and members back to work prompted ALPAP to file an illegal lockout case against PAL with the NLRC on June 29, 1998.[13] With the Secretary still exercising jurisdiction over the dispute, the illegal lockout case was consolidated with the strike case in the DOLE. In a Resolution[14] dated June 1, 1999, the Secretary: (1) declared the loss of employment status of all officers and members who participated in the strike in defiance of the return-to-work order; and (2) dismissed the illegal lockout case against PAL. This Resolution was questioned by ALPAP but eventually upheld by this Court in G.R. No. 152306, in a Resolution[15] dated April 10, 2002.

On January 13, 2003, ALPAP filed a motion with the Secretary to determine who among its officers and members should be reinstated or

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7 *Id.* at 1122.

8 *Id.* at 1074-1076. The dispositive portion of the DOLE Secretary Order states:

WHEREFORE, this Office hereby assumes jurisdiction over the labor dispute at the Philippine Airlines, Inc., pursuant to Article 263(g) of the Labor Code, as amended.

Accordingly, all strikes and lockouts at the Philippine Airlines, Inc., whether actual or impending are hereby strictly prohibited. The parties are also enjoined from committing any act that may exacerbate the situation.

x x x x (*Id.* at 1076.)

9 *Id.* at 1087-1088.

10 *Id.* at 1123-1124.

11 *Id.* at 1108-1121.

12 *Id.* at 255, 1124.

13 *Id.* at 1122-1125.

14 *Id.* at 1172-1178.

15 *Id.* at 1198.

deemed to have lost their employment with PAL for their actual participation in the strike.[16] ALPAP claimed that PAL dismissed all its members indiscriminately, including those who did not participate in the strike. The Secretary denied the motion on the ground that G.R. No. 152306 has determined with finality that "the erring pilots have lost their employment status" and "because these pilots have filed cases to contest such loss before another forum."[17] When the case was brought up before the CA via Rule 65, the CA found no grave abuse of discretion on the part of the Secretary. In G.R. No. 168382 titled *Airline Pilots Association of the Philippines v. Philippine Airlines, Inc.*[18] (*Airline Pilots*), this Court affirmed the CA's finding and further declared that there is no necessity to conduct a proceeding to identify the participants in the illegal strike. The records of the case reveal the names of the pilots who returned only after June 9, 1998 or the deadline imposed in the return-to-work order.[19]

Both Decisions in G.R. No. 152306 and *Airline Pilots* attained finality.

Petitioners, who were former senior pilots of PAL, were among those refused by PAL to return on June 26, 1998. They instituted the consolidated complaints of illegal dismissal and monetary claims against PAL, Lucio Tan, and Jose Antonio Garcia, subject of this controversy: (1) NLRC-NCR Case No. 00-07-05400-98 filed by Almagro on July 3, 1998; and (2) NLRC-NCR Case No. 00-11-08918-98 filed by Cruz, Juliano, Novenario, and Cañete on November 4, 1998.[20]

On August 25, 2000, the Labor Arbiter rendered a Decision[21] in petitioners' favor. However, on January 10, 2002, the NLRC set aside the Decision of the Labor Arbiter for want of jurisdiction, declaring that the rehabilitation of PAL is a supervening event that divested the Labor Arbiter and the NLRC of jurisdiction over the case. The NLRC also issued an order staying all claims against PAL. This Court upheld the NLRC's ruling owing to the pendency of PAL's rehabilitation and the stay order issued in its favor.[22]

After PAL's rehabilitation was declared a success by the Securities and Exchange Commission on September 28, 2007, petitioners moved for the resumption of the consolidated cases before the Labor Arbiter. Subsequently, proceedings ensued and both parties submitted the same evidence previously submitted before the same Labor Arbiter.[23]

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[16] *Airline Pilots Association of the Philippines v. Philippine Airlines, Inc.*, G.R. No. 168382, June 6, 2011, 650 SCRA 545, 551.
[17] *Id.* at 553.
[18] *Supra.*
[19] *Id.* at 558-560.
[20] *Rollo*, pp. 57, 61.
[21] *Id.* at 628-671.
[22] *Id.* at 19-20, 771.
[23] *Id.* at 20.

In his July 16, 2008 Decision, the Labor Arbiter dismissed the consolidated complaints. The Labor Arbiter stressed that petitioners were among the hundreds of ALPAP members who signified their intention to return to work by signing the PAL security logbook only on June 26, 1998; this is an admission that they, indeed, participated in the illegal strike staged by ALPAP. Further, despite the opportunity given to them, petitioners did not dispute that they were the persons depicted in the photographs submitted by PAL. He thus gave credence to the affidavit of Candido Tamayo, the Senior Field Agent of PAL's Security and Fraud Prevention Department at that time, who testified that he took the photographs that captured some of the petitioners participating in the strike.[24] Because of petitioners' participation in the illegal strike and their willful defiance of the return-to-work order, petitioners lost their employment status in PAL.[25]

The NLRC affirmed the Labor Arbiter's Decision. It ruled that petitioners acted in a concerted effort with the union, despite being on official leave. The NLRC also gave probative value to the photographs taken by Candido Tamayo.[26] The declaration of the illegality of the strike involved "the consequence of loss of employment [of] all members, who in one way or another supported the strike."[27]

When the case was brought up before the CA via petition for *certiorari* under Rule 65 of the Rules of Court, the CA initially issued *certiorari* in favor of petitioners. The CA found that petitioners proved that they were on official leave of absence when (1) ALPAP staged the strike on June 5, 1998; and (2) when the strikers were ordered to return to work.[28] On the other hand, PAL failed to adduce evidence that petitioners were among the strikers on that date. Their signatures on the logbook cannot be deemed to be admissions of their involvement in the strike because these are not clear and unequivocal statements. The CA also noted that the return-to-work order partakes of a penal law as it imposes the ultimate penalty of dismissal. As such, the return-to-work order should be interpreted as to include only those who participated in the June 5, 1998 strike.[29] For want of substantial basis in fact and in law, the CA set aside the NLRC's Decision and awarded full backwages and monetary claims to petitioners.[30]

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[24] *Id.* at 260-261.
[25] *Id.* at 263.
[26] *Id.* at 236-237.
[27] *Id.* at 239.
[28] *Id.* at 215.
[29] *Id.* at 215-220.
[30] *Id.* at 229-230. The dispositive portion of which states:

WHEREFORE, in view of the foregoing, the May 15, 2009 Decision rendered by the National Labor Relations Commission is hereby **REVERSED** and **SET ASIDE**. Petitioners' dismissal from service is declared **ILLEGAL**. Accordingly, Philippine Airlines is ordered, in lieu of reinstatement, to **PAY** petitioners their full backwages computed, without loss of seniority rights and other privileges, inclusive of allowances and other benefits or their monetary equivalent, from the time their compensation was withheld from them up to the time of their retirement, in the case of Basilio M. Cruz until April 15, 2007; Demosthenes V. Cañete up to November 29, 2000; Francisco M. Juliano till June 9, 2001; Arturo L. Novenario to May 30, 2002; and Salvador P. Almagro up till September 8, 1999, as well as the retirement benefits due upon them.

Upon PAL's motion for reconsideration,[31] the CA promulgated its Amended Decision[32] reversing its earlier ruling.[33] It took judicial notice of this Court's ruling in G.R. No. 152306 and *Airline Pilots*, and declared that the signatures in the PAL security logbook of the pilots who attempted to belatedly comply with the Secretary's return-to-work order on June 26, 1998 sufficiently established that they are the strikers who defied the return-to-work order.[34] In addition to the incident on June 26, 1998, petitioners' common actions and behavior before and during the strike revealed their intent to paralyze the operations of PAL.[35] As early as December 1997, the Secretary already assumed jurisdiction over the dispute and proscribed any activity that would exacerbate the situation, yet petitioners still opted to take their respective leaves prior to the brewing strike.[36] Noteworthy also was the fact that some of the petitioners were seen at the strike area even after the return-to-work order was issued.[37] Thus, the CA found that the Labor Arbiter and the NLRC did not commit grave abuse of discretion in dismissing the case.

In this petition, petitioners assail the findings of the administrative agencies and the CA. They posit that this Court may review the factual findings of the administrative agencies and the appellate court when: (1) the findings are grounded on speculation, surmises, and conjectures; (2) the inference made is manifestly mistaken, absurd, or impossible; (3) there is grave abuse of discretion; and (4) the judgment is based on a misapprehension of facts.[38]

First, petitioners question the CA's conclusion that they participated in the illegal strike based on their signatures on the logbook.[39] They claim that their signatures are not admissions that they were strikers because they only signed the logbook along with the ALPAP striking pilots in the hopes that they would be allowed to regain their employment.[40] Moreover, they signed the logbook at the time they were already dismissed by PAL on June 9, 1998.[41]

Second, petitioners argue that the CA erred in finding that they defied the return-to-work order. According to petitioners, the return-to-work order was addressed only to striking officers and members of ALPAP, and was not even served on petitioners.[42] They further argue that they are not strikers because it was "legally impossible for [them] to have engaged in a strike

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31 *Id.* at 157-197.
32 *Supra* note 2.
33 *Rollo*, p. 113. The dispositive portion of the Amended Decision reads:
WHEREFORE, the motion for reconsideration is **GRANTED**. Our decision dated January 31, 2012 is hereby **REVERSED** and **SET ASIDE**. The decision of the NLRC, dismissing petitioners' appeal and affirming the Labor Arbiter's decision, is hereby **AFFIRMED**.
34 *Id.* at 102.
35 *Id.* at 109-110.
36 *Id.* at 110.
37 *Id.* at 111.
38 *Id.* at 68-69.
39 *Id.* at 69.
40 *Id.* at 85.
41 *Id.* at 89.
42 *Id.* at 74-75.

considering the established and admitted fact that they were all on approved official leaves during the material period."[43] They were not expected or suffered to work during the period of their vacation leaves, and this kind of stoppage of work was with PAL's consent.[44] In fact, the records establish that each of the petitioners reported for duty immediately after the expiration of their respective leaves.[45]

Third, petitioners maintain that the conclusions reached by the NLRC and the Labor Arbiter (that petitioners acted collectively with ALPAP) are based on mere conjectures and surmises bereft of any evidentiary support. Petitioners did not sign the logbook to signify that they were strikers.[46] Both tribunals gave undue importance to the photographs presented by PAL, the integrity of which is not only highly suspect,[47] but some did not contain a time stamp as opposed to the photograph of strikers holding placards.[48] Meanwhile, petitioners Cañete and Juliano were not even shown to be at the strike at any time.[49]

Fourth, petitioners claim they are not bound by the ruling in *Airline Pilots* whether by *res judicata* or *stare decisis*.[50] They were not parties thereto because ALPAP initiated the case. In the absence of a special authority issued by petitioners, ALPAP has no legal standing whatsoever to prosecute petitioners' illegal dismissal complaint. The ruling in *Airline Pilots* therefore finds no application to petitioners who neither took part in the strike nor agreed to be represented by ALPAP.[51] Further, in *Airline Pilots*, the defense of being on official leave at the time of the strike was not appreciated because it was belatedly raised.[52] Moreover, the difference between the evidence presented in this case and in *Airline Pilots* constitutes a "powerful countervailing consideration" that bars the application of the doctrine *stare decisis*.[53] The tribunals glossed over the fact that petitioners immediately reported for work upon the expiration of their leaves, only to be informed that they had already been dismissed on June 9, 1998.[54]

In its comment,[55] PAL opposes the petition on the following grounds: (1) the petition is defective in form as to petitioner Almagro since it lacks a valid certification of non-forum shopping—the verification and certification was not executed by Almagro but by his supposed attorney-in-fact;[56] (2) the

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43 *Id.* at 70. Emphasis omitted.
44 *Id.* at 73.
45 *Id.* at 76.
46 *Id.* at 85.
47 *Id.* at 82.
48 *Id.* at 82-83.
49 *Id.* at 84.
50 *Id.* at 86.
51 *Id.* at 87.
52 *Id.* at 88.
53 *Id.*
54 *Rollo*, p. 89.
55 *Id.* at 972-1012.
56 *Id.* at 984-986.

petition raises factual issues beyond the province of a Rule 45 petition;[57] (3) the CA's Amended Decision, in affirming the rulings of both the NLRC and the Labor Arbiter, is supported by facts established by evidence and by law and jurisprudence;[58] and (4) in refusing to accept those who offered to return to work only on June 26, 1998, PAL acted in accordance with law.[59]

In resolving the issue of whether the CA committed error in finding that the NLRC committed no grave abuse of discretion, we find that the determinative issue is whether petitioners are bound by the findings in *Airline Pilots* that the signatories in the PAL security logbook on June 26, 1998 participated in the strike and defied the Secretary's return-to-work order.

We deny the petition.

I

We first identify the boundaries by which we decide this case. In labor cases brought up *via* a Rule 45 petition challenging the CA's decision in a special civil action under Rule 65, this Court's power of review is limited to the determination of whether the CA correctly resolved the presence or absence of grave abuse of discretion on the part of the NLRC. We said in *Montoya v. Transmed Manila Corporation*:[60]

> In a Rule 45 review, we consider the **correctness of the assailed CA decision**, in contrast with the review for jurisdictional error that we undertake under Rule 65. Furthermore, Rule 45 limits us to the review of **questions of law** raised against the assailed CA decision. In ruling for legal correctness, we have to view the CA decision in the same context that the petition for *certiorari* it ruled upon was presented to it; **we have to examine the CA decision from the prism of whether it correctly determined the presence or absence of grave abuse of discretion in the NLRC decision before it, not on the basis of whether the NLRC decision on the merits of the case was correct.** In other words, we have to be keenly aware that the CA undertook a Rule 65 review, not a review on appeal, of the NLRC decision challenged before it. This is the approach that should be basic in a Rule 45 review of a CA ruling in a labor case. **In question form, the question to ask is: Did the CA correctly determine whether the NLRC committed grave abuse of discretion in ruling on the case?**[61] (Citations omitted; emphasis in the original.)

We thus go back to the basic precepts governing a Rule 65 petition. A special civil action for *certiorari* under Rule 65 does not concern errors of

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57 *Id.* at 986-988.
58 *Id.* at 988-1002.
59 *Id.* at 1002-1008.
60 *Montoya v. Transmed Manila Corporation*, G.R. No. 183329, August 27, 2009, 597 SCRA 334.
61 *Id.* at 342-343.

judgment; its province is confined to issues of jurisdiction or grave abuse of discretion. Grave abuse of discretion, as distinguished from mere errors of judgment, connotes judgment exercised in a capricious and whimsical manner that is tantamount to lack of jurisdiction. To be considered "grave," discretion must be exercised in a despotic manner by reason of passion or personal hostility, and must be so patent and gross as to amount to an evasion of positive duty or to a virtual refusal to perform the duty enjoined by or to act at all in contemplation of law.[62]

In labor disputes, grave abuse of discretion may be ascribed to the NLRC when: (1) its findings and conclusions are not supported by substantial evidence or in total disregard of evidence material to, or even decisive of, the controversy; (2) it is necessary to prevent a substantial wrong or to do substantial justice; (3) the findings of the NLRC contradict those of the Labor Arbiter; and (4) it is necessary to arrive at a just decision of the case.[63]

Measured by these standards, we find that the CA, in its Amended Decision, did not err when it found no grave abuse of discretion on the part of the NLRC.

II

The CA concluded that no grave abuse of discretion can be attributed to the findings of both the Labor Arbiter and the NLRC as the same were in accord with *Airline Pilots*.

The Court in *Airline Pilots* ruled on two points. *First*, there was no grave abuse of discretion on the part of the Secretary in merely noting ALPAP's twin motions in due deference to a final and immutable judgment rendered by this Court in G.R. No. 152306. *Second*, there is no necessity to conduct a proceeding to determine the participants in the illegal strike or those who refused to heed the return-to-work order because the ambiguity can be cured by reference to the body of the decision and the pleadings filed. Explaining the second point, this Court referred to the PAL security logbook signed by members and officers of ALPAP on June 26, 1998:

> A review of the records reveals that in [the strike case], the DOLE Secretary declared the ALPAP officers and members to have lost their employment status based on either of two grounds, *viz.*: their participation in the illegal strike on June 5, 1998 or their defiance of the return-to-work order of the DOLE Secretary. The records of the case unveil the names of each of these returning pilots. The logbook with the heading "Return to Work Compliance/Returnees" bears their individual signature signifying their conformity that they were among those workers who returned to work only

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[62] *E. Ganzon, Inc. (EGI) v. Ando, Jr.*, G.R. No. 214183, February 20, 2017, 818 SCRA 165, 173-174. Citation omitted.

[63] *Id.* at 174. Citation omitted.

on June 26, 1998 or after the deadline imposed by DOLE. From this crucial and vital piece of evidence, it is apparent that each of these pilots is bound by the judgment. Besides, the complaint for illegal lockout was filed on behalf of all these returnees. Thus, a finding that there was no illegal lockout would be enforceable against them. In fine, only those returning pilots, irrespective of whether they comprise the entire membership of ALPAP, are bound by the June 1, 1999 DOLE Resolution.

ALPAP harps on the inequity of PAL's termination of its officers and members considering that some of them were on leave or were abroad at the time of the strike. Some were even merely barred from returning to their work which excused them for not complying immediately with the return-to-work order. Again, a scrutiny of the records of the case discloses that these allegations were raised at a very late stage, that is, after the judgment has finally decreed that the returning pilots' termination was legal. Interestingly, these defenses were not raised and discussed when the case was still pending before the DOLE Secretary, the CA or even before this Court. We agree with the position taken by Sto. Tomas and Imson that from the time the return-to-work order was issued until this Court rendered its April 10, 2002 resolution dismissing ALPAP's petition, no ALPAP member has claimed that he was unable to comply with the return-to-work directive because he was either on leave, abroad or unable to report for some reason. These defenses were raised in ALPAP's twin motions only after the Resolution in G.R. No. 152306 reached finality in its last ditch effort to obtain a favorable ruling. It has been held that a proceeding may not be reopened upon grounds already available to the parties during the pendency of such proceedings; otherwise, it may give way to vicious and vexatious proceedings. ALPAP was given all the opportunities to present its evidence and arguments. It cannot now complain that it was denied due process.

Relevant to mention at this point is that when NCMB NCR NS 12-514-97 (strike/illegal lockout case) was still pending, several complaints for illegal dismissal were filed before the Labor Arbiters of the NLRC by individual members of ALPAP, questioning their termination following the strike staged in June 1998. PAL likewise manifests that there is a pending case involving a complaint for the recovery of accrued and earned benefits belonging to ALPAP members. Nonetheless, the pendency of the foregoing cases should not and could not affect the character of our disposition over the instant case. Rather, these cases should be resolved in a manner consistent and in accord with our present disposition for effective enforcement and execution of a final judgment.[64] (Citations omitted.)

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[64] *Airline Pilots Association of the Philippines v. Philippine Airlines, Inc., supra* note 16 at 558-560.

The impact of *Airline Pilots* in illegal dismissal cases filed by officers and members of ALPAP involved in the June 1998 strike has also been settled by this Court in *Rodriguez v. Philippine Airlines, Inc.*[65] (*Rodriguez*).

The complainants in *Rodriguez* were 24 pilots who filed an action for illegal dismissal, non-payment of salaries, and damages against PAL citing the same reasons as petitioners—that some of them were on official and/or medical leaves at the time of the strike. The Labor Arbiter found for the complainants, but was reversed by the NLRC. The CA reinstated the Labor Arbiter's decision. When it was brought up before this Court, we declared that *Airline Pilots* is *res judicata*, under the concept of conclusiveness of judgment, as to the issue of who among the members and officers of ALPAP participated in the illegal strike and defied the return-to-work order:

> Bearing in mind the final and executory judgments in the *1st* and *2nd ALPAP cases*, the Court denies the Petition of Rodriguez, *et al.*, in G.R. No. 178501 and partly grants that of PAL in G.R. No. 178510.
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> The Court, in the *2nd ALPAP case*, acknowledged the illegal dismissal cases instituted by the individual ALPAP members before the NLRC following their termination for the strike in June 1998 (which were apart from the Strike and Illegal Lockout Cases of ALPAP before the DOLE Secretary) and affirmed the jurisdiction of the NLRC over said illegal dismissal cases. The Court, though, also expressly pronounced in the *2nd ALPAP case* that "the pendency of the foregoing cases should not and could not affect the character of our disposition over the instant case. Rather, these cases should be resolved in a manner consistent and in accord with our present disposition for effective enforcement and execution of a final judgment."
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> The Petitions at bar began with the Illegal Dismissal Case of Rodriguez, *et al.* and eight other former pilots of PAL before the NLRC. Among the Decisions rendered by Labor Arbiter Robles, the NLRC, and the Court of Appeals herein, it is the one by the NLRC which is consistent and in accord with the disposition for effective enforcement and execution of the final judgments in the *1st and 2nd ALPAP cases*.
>
> **The *1st and 2nd ALPAP cases* which became final and executory on August 29, 2002 and September 9, 2011, respectively, constitute *res judicata* on the issue of who participated in the illegal strike in June 1998 and whose services were validly terminated.**
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> x x x x

[65] G.R. Nos. 178501 & 178510, January 11, 2016, 778 SCRA 334.

The elements for *res judicata* in the second concept, *i.e.*, conclusiveness of judgment, are extant in these cases.

There is **identity of parties** in the *1st and 2nd ALPAP cases*, on one hand, and the Petitions at bar. While the *1st and 2nd ALPAP cases* concerned ALPAP and the present Petitions involved several individual members of ALPAP, the union acted in the *1st and 2nd ALPAP cases* in representation of its members. In fact, in the *2nd ALPAP case*, the Court explicitly recognized that the complaint for illegal lockout was filed by ALPAP on behalf of all its members who were returning to work. Also in the said case, ALPAP raised, albeit belatedly, exactly the same arguments as Rodriguez, *et al.* herein. Granting that there is no absolute identity of parties, what is required, however, for the application of the principle of *res judicata* is not absolute, but only substantial identity of parties. ALPAP and Rodriguez, *et al.* share an identity of interest from which flowed an identity of relief sought, namely, the reinstatement of the terminated ALPAP members to their former positions. Such identity of interest is sufficient to make them privy-in-law, one to the other, and meets the requisite of substantial identity of parties.

There is likewise an **identity of issues** between the *1st and 2nd ALPAP cases* and these cases. Rodriguez, *et al.*, insist that they did not participate in the June 1998 strike, being on official leave or scheduled off-duty. Nonetheless, on the matter of determining the identities of the ALPAP members who lost their employment status because of their participation in the illegal strike in June 1998, the Court is now conclusively bound by its factual and legal findings in the *1st and 2nd ALPAP cases*.

In the *1st ALPAP case*, the Court upheld the DOLE Secretary's Resolution dated June 1, 1999 declaring that the strike of June 5, 1998 was illegal and all ALPAP officers and members who participated therein had lost their employment status. The Court in the *2nd ALPAP case* ruled that even though the dispositive portion of the DOLE Secretary's Resolution did not specifically enumerate the names of those who actually participated in the illegal strike, such omission cannot prevent the effective execution of the decision in the *1st ALPAP case*. The Court referred to the records of the Strike and Illegal Lockout Cases, particularly, the logbook, which it unequivocally pronounced as a "crucial and vital piece of evidence." **In the words of the Court in the *2nd ALPAP case*, "[t]he logbook with the heading 'Return-to-Work Compliance/Returnees' bears their individual signature signifying their conformity that they were among those workers who returned to work only on June 26, 1998 or after the deadline imposed by DOLE.** x x x In fine, only those returning pilots, irrespective of whether they comprise the entire membership of ALPAP, are bound by

> the June 1, 1999 DOLE Resolution."[66] (Citations omitted; emphasis supplied.)

Res judicata under the concept of conclusiveness of judgment is embodied in the third paragraph of Section 47, Rule 39 of the Rules of Civil Procedure.[67] Otherwise known as "preclusion of issues" or "collateral estoppel," the doctrine of conclusiveness of judgment bars the relitigation of any right, fact, or matter in issue directly adjudicated or necessarily involved in the determination of an action before a competent court in which judgment is rendered on the merits and conclusively settled by the judgment therein. This applies to the parties and their privies regardless of whether the claim, demand, purpose, or subject matter of the two actions is the same. Thus, if a particular point or question is in issue in the second action, and the judgment will depend on the determination of that particular point or question, a former judgment between the same parties or their privies will be final and conclusive in the second *if that same point or question was in issue and adjudicated in the first suit.*[68]

Conclusiveness of judgment applies where there is identity of parties in the first and second cases, but there is no identity of causes of action. Simply put, conclusiveness of judgment bars the relitigation of particular facts or issues in another litigation between the same parties on a different claim or cause of action.[69]

Here, the rule on conclusiveness of judgment also applies because the determination of who participated in the illegal strike subject of the return-to-work order, and who defied the return-to-work order has long been declared settled in *Airline Pilots*. In this case, it is undisputed that all petitioners signed PAL's logbook for return to work returnees/return to work compliance.[70] They are thus covered by the Court's finding that those who participated in the strike had lost their employment. Hence, this question cannot be raised again here.

Furthermore, although the parties are not exactly the same, the concept of conclusiveness of judgment still applies because jurisprudence does not dictate absolute identity but only substantial identity of parties.[71] There is substantial identity of parties when there is a community of interest between a party in the first case and a party in the second case, even if the

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[66] *Id.* at 373-380.

[67] Sec. 47. *Effect of judgments or final orders.* – The effect of a judgment or final order rendered by a court of the Philippines, having jurisdiction to pronounce the judgment or final order, may be as follows:

x x x x

(c) In any other litigation between the same parties or their successors in interest, that only is deemed to have been adjudged in a former judgment or final order which appears upon its face to have been so adjudged, or which was actually and necessarily included therein or necessary thereto.

[68] *Tala Realty Services Corp., Inc. v. Banco Filipino Savings & Mortgage Bank*, G.R. No. 181369, June 22, 2016, 794 SCRA 252, 262-263.

[69] *Id.* at 265.

[70] *Rollo*, pp. 1109, 1116 & 1121.

[71] See *Rodriguez v. Philippine Airlines, Inc., supra* note 65.

latter was not impleaded in the first case.[72] As this Court explained in *Rodriguez*, ALPAP and petitioners "share an identity of interest from which flowed an identity of relief sought, namely, the reinstatement of the terminated ALPAP members to their former positions."[73]

III

In addition to the doctrine of conclusiveness of judgment, we find that the principle of *stare decisis* equally applies to this case.

The time-honored principle of *stare decisis et non quieta movere* literally means "to adhere to precedents, and not to unsettle things which are established." The rule of *stare decisis* is a bar to any attempt to relitigate the same issue where the same questions relating to the same event have been put forward by parties similarly situated as in a previous case litigated and decided by a competent court.[74] It is one of policy grounded on the necessity for securing certainty and stability of judicial decisions:

> Time and again, the Court has held that it is a very desirable and necessary judicial practice that when a court has laid down a principle of law as applicable to a certain state of facts, it will adhere to that principle and apply it to all future cases in which the facts are substantially the same. *Stare decisis et non quieta movere*. Stand by the decisions and disturb not what is settled. *Stare decisis* simply means that for the sake of certainty, a conclusion reached in one case should be applied to those that follow if the facts are substantially the same, even though the parties may be different. It proceeds from the first principle of justice that, absent any powerful countervailing considerations, like cases ought to be decided alike. Thus, where the same questions relating to the same event have been put forward by the parties similarly situated as in a previous case litigated and decided by a competent court, the rule of *stare decisis* is a bar to any attempt to relitigate the same issue.[75] (Italics in the original.)

In this case, not only are the factual circumstances of the two cases similar, the petitioners in *Rodriguez* and in this case also raise the same arguments and defenses against their dismissals from PAL. In fact, there was another illegal dismissal case filed by former pilots raising the same arguments as petitioners here and in *Rodriguez* which this Court eventually reviewed in G.R. No. 180152, titled *Romeo N. Ahmee, et al. v. PAL (Ahmee, et al.)*. In our Resolution[76] dated February 4, 2008, we likewise affirmed the

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[72] *Social Security Commission v. Rizal Poultry and Livestock Association, Inc.*, G.R. No. 167050, June 1, 2011, 650 SCRA 50, 58-59.

[73] *Rodriguez v. Philippine Airlines, Inc.*, *supra* note 65 at 379.

[74] *Light Rail Transit Authority v. Pili*, G.R. No. 202047, June 8, 2016, 792 SCRA 534, 552. Citation omitted.

[75] *Alfonso v. Land Bank of the Philippines*, G.R. Nos. 181912 & 183347, November 29, 2016, 811 SCRA 27, 121, citing *Commissioner of Internal Revenue v. The Insular Life Assurance, Co., Ltd.*, G.R. No. 197192, June 4, 2014, 725 SCRA 94, 96-97.

[76] *Rollo*, pp. 1398-1399.

findings of the CA in that case that the signatures on the same logbook establish *Ahmee, et al.*'s participation in the strike and defiance of the return-to-work order.[77] Collectively, these cases serve as strong precedents in this case which this Court is duty-bound to follow.

We do not agree with petitioners that the difference between the evidence presented in this case and in *Airline Pilots* constitutes a powerful countervailing consideration that would bar the application of the doctrine of *stare decisis*. In both cases, PAL presented the same PAL security logbook containing signatures of former PAL employees who attempted to report for work on June 26, 1998.

In sum, the doctrines of conclusiveness of judgment and *stare decisis* warrant the denial of the petition. The CA correctly determined that the NLRC did not commit grave abuse of discretion in affirming the Labor Arbiter's Decision. Both the Labor Arbiter's and the NLRC's Decisions were based on substantial evidence. The logbook presented by PAL in this case, having the weight accorded to it by this Court in *Airline Pilots* and *Rodriguez*, serves as substantial evidence in proving that petitioners defied the return-to-work order. Thus, it cannot be said that grave abuse of discretion attended the administrative agencies' disposition of the consolidated complaints.

WHEREFORE, the petition is **DENIED**. The Court of Appeals' Amended Decision dated December 7, 2012 in CA-G.R. SP No. 111466 is **AFFIRMED**.

SO ORDERED.

FRANCIS H. JARDELEZA
Associate Justice

WE CONCUR:

TERESITA J. LEONARDO-DE CASTRO
Chief Justice
Chairperson, First Division

LUCAS P. BERSAMIN
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

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[77] *Id.* at 1394.

(On Official Business)
NOEL GIMENEZ TIJAM
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

Teresita Leonardo de Castro
TERESITA J. LEONARDO-DE CASTRO
Chief Justice