501 Phil. 144

THIRD DIVISION

[G.R. NO. 155690, June 30, 2005]

CAPITOL MEDICAL CENTER, INC., PETITIONER, VS. HON. CRESENCIANO B. TRAJANO, IN HIS CAPACITY AS SECRETARY OF THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND CAPITOL MEDICAL CENTER EMPLOYEES ASSOCIATION-AFW, RESPONDENTS.

D E C I S I O N

SANDOVAL-GUTIERREZ, J.:

For our resolution is the instant petition for review on *certiorari* under Rule 45 of the 1997 Rules of Civil Procedure, as amended, assailing the Decision[1] dated September 20, 2001 and the Resolution[2] dated October 18, 2002 rendered by the Court of Appeals in CA-G.R. SP No. 53479, entitled "*Capitol Medical Center, Inc. vs. Hon. Cresenciano B. Trajano, in his capacity as Secretary of the Department of Labor and Employment and Capitol Medical Center Employees Association-AFW.*"

The factual antecedents as gleaned from the records are:

Capitol Medical Center, Inc., *petitioner,* is a hospital with address at Panay Avenue corner Scout Magbanua Street, Quezon City. Upon the other hand, Capitol Medical Center Employees Association-Alliance of Filipino Workers, *respondent*, is a duly registered labor union acting as the certified collective bargaining agent of the rank-and-file employees of petitioner hospital.

On October 2, 1997, respondent union, through its president Jaime N. Ibabao, sent petitioner a letter requesting a negotiation of their Collective Bargaining Agreement (CBA).

In its reply dated October 10, 1997, petitioner, challenging the union's legitimacy, refused to bargain with respondent. Subsequently or on October 15, 1997, petitioner filed with the Bureau of Labor Relations (BLR), Department of Labor and Employment, a petition for cancellation of respondent's certificate of registration, docketed as NCR-OD-9710-006-IRD.[3]

For its part, on October 29, 1997, respondent filed with the National Conciliation and Mediation Board (NCMB), National Capital Region, a notice of strike, docketed as NCMB-NCR-NS-10-453-97. Respondent alleged that petitioner's refusal to bargain constitutes unfair labor practice. Despite several conferences and efforts of the designated conciliator-mediator, the parties failed to reach an amicable settlement.

On November 28, 1997, respondent staged a strike.

On December 4, 1997, former Labor Secretary Leonardo A. Quisumbing, now

Associate Justice of this Court, issued an Order assuming jurisdiction over the labor dispute and ordering all striking workers to return to work and the management to resume normal operations, thus:

> "WHEREFORE, this Office assumes jurisdiction over the labor disputes at Capitol Medical Center pursuant to Article 263 (g) of the Labor Code, as amended. Consequently, all striking workers are directed to return to work within twenty-four (24) hours from the receipt of this Order and the management to resume normal operations and accept back all striking workers under the same terms and conditions prevailing before the strike. Further, parties are directed to cease and desist from committing any act that may exacerbate the situation.
>
> Moreover, parties are hereby directed to submit within 10 days from receipt of this Order proposals and counter-proposals leading to the conclusion of the collective bargaining agreement in compliance with aforementioned Resolution of the Office as affirmed by the Supreme Court.
>
> SO ORDERED."

Petitioner then filed a motion for reconsideration but was denied in an Order dated April 27, 1998.

On June 23, 1998, petitioner filed with this Court a petition for *certiorari* assailing the Labor Secretary's Orders. Pursuant to our ruling in *St. Martin Funeral Home vs.The National Labor Relations Commission, et al.,*[4] we referred the petition to the Court of Appeals for its appropriate action and disposition.

Meantime, on October 1, 1998, the Regional Director, in NCR-OD-9710-006-IRD, issued an Order denying the petition for cancellation of respondent union's certificate of registration.[5]

On September 20, 2001, the Appellate Court rendered a Decision affirming the Orders of the Secretary of Labor. The Court of Appeals held:

> "Anent the first issue raised by the petitioner, We find the same untenable. The public respondent acted well within his duty to order the petitioner hospital to bargain collectively, for it was the surest way to end the dispute. In *LMG Chemicals Corporation vs. Secretary of the Department of Labor and Employment, the Hon. Leonardo A. Quisumbing and Chemical Worker's Union (G.R. No. 127422, April 17, 2001*), the Supreme Court made the following pronouncement, to wit:
>
> 'It is well settled in our jurisprudence that the authority of the Secretary of Labor to assume jurisdiction over a labor dispute causing or likely to cause a strike or lockout in an industry indispensable to national interest includes and extends to *all questions and controversies arising therefrom. The power is plenary and discretionary in nature to enable him to effectively and efficiently dispose of the primary dispute.*
>
> x x x x x x

Indeed, We find no grave abuse of discretion on the part of respondent Secretary of Labor whose power is plenary and includes the resolution of all controversies arising from the labor dispute. In fact, he was merely following the directive laid down by the Supreme Court (Decision dated February 4, 1997) in the case of *Capitol Medical Center Alliance of Concerned Employees-Unified Filipino Service Workers (CMC-ACE-UFSW) vs. Hon. Bienvenido E. Laguesma, Undersecretary of the Department of Labor and Employment, Capitol Medical Center Employees Association-Alliance of Filipino Workers and Capitol Medical Center Incorporated and Dra. Thelma Clemente, President*, ordering petitioner hospital to collectively bargain with the Capitol Medical Center Employees Association-Alliance of Filipino Workers (private respondent herein) – the certified bargaining agent.

As earlier mentioned, the petition for cancellation was dismissed by the regional director in a decision dated September 30, 1998. x x x.

x x x x x x

Said decision by the regional director was affirmed by the Director of the Bureau of Labor Relations in a resolution dated December 29, 1998, dismissing the appeal of the petitioner hospital from the said DOLE-NCR's decision.

Finally, the petition for certiorari (docketed as CA-G.R. SP No. 52736) entitled – Capitol Medical Center, Inc. vs. Hon. Benedictor R. Bitonio, Jr., in his capacity as Director of the Bureau of Labor Relations, Department of Labor and Employment; Hon. Maximo B. Lim in his capacity as Regional Director, National Capital Region, Department of Labor and Employment and Capitol Medical Center Employees Association (CMCEA-AFW), was dismissed in a decision dated January 11, 2001. The motion for reconsideration which was subsequently filed was denied on March 23, 2001.

x x x x x x

In order to allow an employer to validly suspend the bargaining process, there must be a valid petition for certification election. The mere filing of a petition does not ipso facto justify the suspension of negotiation by the employer (*Colegio de San Juan de Letran vs. Association of Employees and Faculty of Letran and Eleanor Ambas, G.R. No. 141471*, *September 18, 2000*). If pending a petition for certification, the collective bargaining is allowed by the Supreme Court to proceed, with more reason should the collective bargaining (in this case) continue since the High Court had recognized the respondent as the certified bargaining agent in spite of several petitions for cancellation filed against it.

x x x x x x

Secondly, We are inclined to agree with the public respondent's statement that 'the primary assumption of jurisdiction may be exercised