Title:
Social Security Commission vs. Rizal Poultry and Livestock Association, Inc., et al.

Facts:
1. **Initial Complaint**: Alberto Angeles filed a complaint before the Social Security Commission (SSC) to compel Rizal Poultry and Livestock Association, Inc. (Rizal Poultry) or BSD Agro Industrial Development Corporation (BSD Agro) to remit Social Security System (SSS) contributions due for him.

2. **Respondents' Motion to Dismiss**: Respondents countered with a Motion to Dismiss, citing prior decisions by the National Labor Relations Commission (NLRC) and the Court of Appeals regarding the absence of an employer-employee relationship between Angeles and the respondents.

3. **Prior Labor Case**: Angeles had earlier filed for illegal dismissal against BSD Agro and its owner, Benjamin San Diego. Initially, the Labor Arbiter ruled in favor of Angeles, but the NLRC reversed this, stating no employer-employee relationship existed due to the non-essential nature of Angeles' work to the poultry business.

4. **Appeal to Court of Appeals**: Angeles appealed to the Court of Appeals, which affirmed the NLRC's decision. Angeles' motion for reconsideration was denied, and the entry of judgment was made on May 26, 2001.

5. **SSC Proceedings**: The SSC did not consider the NLRC's decision and denied the respondents' motion to dismiss, reasoning that issues and subject matters were different between the illegal dismissal case and the SSS contributions case.

6. **Court of Appeals Decision**: Respondents petitioned the Court of Appeals, which reversed the SSC's rulings, holding that the SSC case fell under the principle of res judicata, thus it should be dismissed. The Court maintained that the issue of employer-employee relationship had already been settled.

7. **SSC's Appeal to Supreme Court**: SSC appealed to the Supreme Court, challenging the application of res judicata and the dismissal order by the Court of Appeals.

Issues:
1. **Res Judicata**: Whether the decision of the NLRC and the Court of Appeals, finding no employer-employee relationship, constitutes res judicata to preclude relitigation of the same

issue before the SSC.

2. **Propriety of Dismissal by Court of Appeals**: Whether the Court of Appeals could outrightly order the dismissal of the SSC case in the certiorari proceedings.

Court's Decision:
1. **Res Judicata**:
– **Application of Conclusiveness of Judgment**: The Supreme Court ruled that the principle of res judicata in the mode of "conclusiveness of judgment" applies. This means that a judgment is conclusive on the points settled in the first case even in subsequent cases with different causes of action.
– **Identity of Issues**: The court found that there was an identity of issues regarding the existence of an employer-employee relationship, which was crucial in both the SSC case and the labor case.
– **Substantial Identity of Parties**: Even though Rizal Poultry was not a party in the NLRC case, the court held there was substantial compliance due to the community of interest and representation by the same counsel.

2. **Dismissal Order by the Court of Appeals**:
– The Supreme Court upheld the Court of Appeals' decision to dismiss the SSC case, affirming its reliance on the principle of res judicata, and concluding that the judgment in the NLRC case must be binding in the SSC case.

Doctrine:
– **Res Judicata – Conclusiveness of Judgment**: When identity of parties exists but causes of action differ, a prior judgment is conclusive on issues actually decided. The court reiterated that a previous finding on the absence of an employer-employee relationship binds subsequent cases involving the same question.

Class Notes:
– **Res Judicata Concepts**:
– **Bar by Prior Judgment**: Absolute bar when there's identity of parties, subject matter, and causes of action.
– **Conclusiveness of Judgment**: Binding decisions on matters actually adjudicated even with different causes of action.

– **Statutory Provisions**:
– **Social Security Act of 1997**

– **Section 22(a)**: Obligation of employers to remit contributions.

– **Section 9(a)**: Definition and compulsory coverage terms for employees.

– **Section 8(d)**: Definition of an employee.

– **Key Principles**:

– Different cases but same issue adjudicated—prior ruling binds.

– Substantial identity of parties—critical for applying res judicata.

Historical Background:

– The case highlights the ongoing struggle in Philippine jurisprudence to maintain the sanctity of judicial decisions while balancing the rights of workers. The SSC's insistence reflects ongoing efforts to ensure compliance with the Social Security Law, while the court's affirmation of the NLRC ruling emphasizes judicial economy and consistency in legal precedents.