

**LAO OH KIM (MONCADA BIJON FACTORY), PETITIONER, VS.
NATIONAL LABOR RELATIONS COMMISSION, ENRIQUE ABANILLA,
ISABELO ADSUARA, DOMINADOR ANDAYA, AGAPITO ABADILLA,
SINFOROSO BLAS, J...**

G.R. No. L-40390. February 28, 1978

Ponente: FERNANDO, J.

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FERNANDO, J.:

It is readily discernible why the task confronting petitioner in assailing an order and a resolution in this certiorari and prohibition proceeding is attended with more than ordinary difficulty. The order was issued on October 14, 1974 by the now defunct Court of Industrial Relations just shortly before its abolition. It required its Examining Division to submit a report of computation for the claims for wage differentials and overtime by private respondents.[1] Subsequently, on February 19, 1975, respondent National Labor Relations Commission, having come into existence with the effectivity of the present Labor Code,[2] issued a resolution denying a motion for the reconsideration of such order promulgated by it and further directing the payment to the numerous private respondents of the amount due them in the sum of P184,668.74. It is really more than about time for a resolution of that character, as the decision of this Court recognizing such a right on the part of private respondents was handed down as far back as April 29, 1964 in *Moncada Bijon Factory v. Court of Industrial Relations*,[3] the original action having started as far back as May 13, 1953. The motion for reconsideration filed against the first order was based on three grounds: (1) that the judgment to be executed had become dormant; (2) that whatever rights private respondents had were lost through laches; and (3) that there was a waiver of the benefits sought to be enforced by the order of October 14, 1974. The additional issue raised before this Court was the alleged denial of due process in the computation of the amounts due private respondents. A careful study of the records of the case reveals the failure of petitioner to justify a reversal of the resolution of the order and the resolution in question.

In the 1964 decision of this Court, reference was made to the judgment of the Court of Industrial Relations of March 21, 1957: "From this conclusion, however, is excluded without prejudice the eleven (11) workers who for one reason or another were not presented to testify. [Wherefore], the respondent and/or Lao Oh Kim, owner and manager of the factory, are hereby ordered to pay the forty-seven (47) petitioners the overtime work rendered by them from the respective dates of their employment up to the time they ceased work on May 16, 1953 when the factory was closed. The respondents should pay at least twenty-five per cent (25%) in addition to their base wage or wages as shown on pages 5, 6, 7 and 8 of this decision prior to the effectivity of Republic Act No. 602 (August 4, 1951), otherwise known as the Minimum Wage Law." [4] Two errors were assigned as having been committed by the labor tribunal. The first was that it should not have taken jurisdiction, and the second was that no payment of back wages in accordance with the Minimum Wage Law [5] as well as wages for overtime work should have been ordered. After ruling against the first contention as to lack of jurisdiction, this Court, through Justice Padilla, in sustaining the Court of Industrial Relations, ruled: "That part of the judgment under review which orders the

payment of unpaid wages for overtime work rendered by the laborers from the respective dates of their employment up to the time they ceased to work on 16 May 1953 when the factory was closed, which must be at least twenty-five per cent of the basic wage paid at the time, is in accordance with law, as provided for in C.A. No. 444, which took effect on 3 June 1939, except the unpaid wages for overtime work rendered before 13 May 1947, the collection of which is already barred." [6] Pursuant to this resolution, the order of the Court of Industrial Relations and the resolution of respondent National Labor Relations Commission were issued.

As set forth at the outset, the petition lacks merit.

1. There has been a decidedly unsympathetic attitude towards efforts by management to impede or delay the satisfaction of the money claims of labor. This is so even if the subsequent legal steps taken may have been impressed with deceptive plausibility. It is easy to understand why. What is sought to be avoided in the emphatic language of Chief Justice Moran in *Pepsi-Cola Bottling Co. v. Philippine Labor Organizations* [7] is the "vicious and vexatious repetition of proceedings." [8] The ruling in such cases has been invariably to negate efforts of such character. [9] To quote from Justice Sanchez in *La Campana Food Products, Inc. v. Court of Industrial Relations*, "the baneful effects of a contrary [approach] are easily discernible." [10] There is, moreover, this apt reminder from Justice Alex Reyes: "To read such authority into the law would make of litigations between capital and labor an endless affair, with the Industrial Court acting like a modern Penelope, who puts off her suitors by unraveling every night what she has woven by day. Such a result could not have been contemplated by the Act creating said court." [11] Any other view would render illusory both the social justice and the protection to labor mandates of the Constitution. [12]

2. The first objection is that the decision in favor of private respondents had become dormant in view of the lapse of five years from the time it became executory. It is based on the fact that this Court had decided the case as far back as April 29, 1964 and the order of the Court of Industrial Relations was handed down on October 14, 1974. That would be to ignore one of the paragraphs in his own petition, which admitted that as late as October 17, 1972, there was a motion filed by him with the Court of Industrial Relations to resolve his pending motions before it. [13] As noted in a pleading of private respondents: "The case of the individual respondents therefore and the decision or resolution rendered in connection therewith could not have been more than five years on July 19, 1974 when the individual respondents by themselves filed their motion for computation of 'overtime pay in accordance with the decision of the court dated March 21, 1957.' By the above allegations of the petitioner, he himself realizes that up to July 9, 1974 with all motions remaining unresolved, that the case at bar did not end there on said date, hence the case does not yet fall within the purview of the provision of Section 6 of Rule 39 of the Rules of Court." [14] The second objection as to the alleged laches is not to be taken seriously. If there is any party more bent on seeing to it that whatever money judgment should be satisfied, it is labor. No class has a more exigent need for funds with which to meet the daily necessities of life. That is a matter that does not admit of doubt.

3. The third ground for assailing the order and the resolution in question is the waiver allegedly executed by private respondents. It is far from persuasive. This excerpt from a recent decision [15] is quite apropos: "It would be to blunt the force then of the decisions referred to earlier, promulgated after the approval of the Charter now in force, if the defense of the petitioners having executed releases and quitclaims will be given the seal of approval. This Court is not disposed to take that step." [16] This is not to deny that in appropriate cases releases and quitclaims could suffice to defeat recovery of the same still allegedly due from management. Accordingly, this Court required respondent National Labor Relations Commission to ascertain if there were any monetary considerations received by private respondents referred to in the manifestation of petitioner dated August 7, 1975. There was a report submitted on February 12, 1976 by Labor Arbiter Francisco M. de los Reyes, the last paragraph of which reads as follows: "On the basis of testimonies adduced, it would seem that there was payment

in the amounts mentioned, e.g., P250.00 for the officers and P200.00 for the members of the union. There are at least twenty-five (25) persons who executed deeds of quitclaims before a notary public. It would be inconceivable that through any form of persuasion, no monetary consideration will be given for such a substantial number." [17] Thereafter, on March 29, 1976, respondent National Labor Relations Commission, through its Chief of the Research and Legal Services, submitted a pleading wherein it stressed that such alleged releases and quitclaims were previously considered by it and that its conclusion as to its insufficiency to defeat the claims of private respondents is reiterated. Its last paragraph is worded thus: "It is therefore clear that the deeds did not specifically mention the money consideration the claimant received. Assuming for the sake of argument, but not admitting, that money changes hands, nonetheless the alleged amount of P200 or P250 compared to the computed amounts that the claimants are entitled per computation of the Commission is too small, not to say petty, to convince one that actual release and quitclaim deeds were executed. On the other hand, a promise of work would be a stronger reason for claimants to sign said deeds. Unfortunately, no return to work was effected. So, for all intents and purposes said deeds, even if valid, should be considered as rescinded for failure of the parties to live up to its terms." [18] Even if full credence be given the report of the Labor Arbiter, the observation that the amount of P200 or P250 is much too insignificant considering that the amount due private respondent, except in one case, varies from P2,372.46 to P8,542.77. [19] That is a finding of facts of the National Labor Relations Commission to which this Court must accord respect. [20]

4. It is quite manifest then why petitioner's effort to obtain a reconsideration was not successful. When he elevated the matter to this Tribunal, he did seek, as previously noted, to lend support to his plea by relying on the protection of the due process clause. [21] That is a guarantee against an unfairness or injustice. Certainly, it negates arbitrariness, whim, or caprice. That is an indictment though to which the assailed order and resolution are not susceptible. After all these years of waiting in vain on the part of private respondents to be compensated as provided for by law, it would indeed be grim irony if the petitioner, as debtor, could be considered the victim of injustice or unfairness. The facts argue against such a pretension. As set forth in our 1964 decision, the case was filed as far back as May 13, 1953 by fifty-eight persons, included among whom are the present private respondents, for the payment of wage differentials and wages for overtime work. The Court of Industrial Relations did not render its decision until March 21, 1957 but sustained the money claims of only forty-seven of such workers. This Court then, as noted, affirmed the judgment with the modification, relevant to this proceeding, that the phrase "if rendered" was included insofar as overtime work is concerned. There is nothing implausible in the view that when the judgment was affirmed, this Court already took into consideration, in the light of the complaint filed with the Court of Industrial Relations that they did work for a longer period than that provided for by statute. Certainly, such a modification in the affirmed judgment could not be construed to defeat their claim to overtime compensation. Even under the view of petitioners, all that was required of the Court of Industrial Relations was to have another look at the evidence of record. Certainly, it would be mischievous to construe the phrase "if rendered" as compelling the labor tribunal to require the submission of additional proof if on the basis of the evidence before it there was enough to justify the grant of such overtime compensation. Any other view could result in another "protracted trial" [22] which Justice Padilla, in his opinion in the 1964 decision, expressly noted. From the doctrinal standpoint, the insistence for such a full-dress hearing would run counter to what is expressly set forth in the Court of Industrial Relations Act that it "shall act according to justice and equity and substantial merits of the case, without regard to technicalities or legal forms." [23] As far back as the first decision of this Court in *Goseco v. Court of Industrial Relations*, [24] promulgated in 1939, such a statutory norm had been given the most liberal and expansive interpretation. Since the *Goseco* case, twenty-five more decisions have been rendered following such an approach, the latest of which is *Philippine Air Lines Employees Association (PALEA) v. Court of Industrial Relations*. [25] As far as the respondent National Labor Relations Commission is concerned, the same principle applies. [26]

WHEREFORE, this petition for certiorari and prohibition is dismissed. Costs against petitioner.

Barredo, Antonio, Aquino, Concepcion, Jr., and Santos, JJ., concur.

[1] Petition, Annex A.

[2] Presidential Decree No. 142 (1974).

[3] 119 Phil. 962.

[4] Ibid, 964.

[5] Republic Act No. 602 (1951).

[6] Ibid, 966.

[7] 88 Phil. 147 (1951).

[8] Ibid, 149. This statement was cited with approval in *New Manila Lumber Co. v. Centino*, L-20438, September 27, 1966, 18 SCRA 125.

[9] Cf. *Heirs of Teodulo Cruz v. Court of Industrial Relations*, L-23331, Dec. 27, 1969, 30 SCRA 917; *Kapisanan Ng Mga Manggagawa v. Hamilton Distilling Co.*, L-23714, June 30, 1970, 33 SCRA 887; *Firestone Filipinas Employees Association v. Firestone Tire & Lumber Co. of the Philippines*, L-37952, Dec. 10, 1974, 61 SCRA 339; *Cosmos Foundry Shop Workers Union v. Lo Bu*, L-40136, March 25, 1975, 63 SCRA 313.

[10] L-27907, May 22, 1969, 28 SCRA 314.

[11] *Nahag v. Roldan*, 94 Phil. 87, 91 (1953).

[12] According to Article II, Section 6 of the Constitution: "The State shall promote social justice to ensure the dignity, welfare, and security of all the people. Towards this end, the State shall regulate the acquisition, ownership, use, enjoyment, and disposition of private property, and equitably diffuse property ownership and profits." Section 9 reads: "The State shall afford protection to labor, promote full employment and equality in employment, ensure equal work opportunities regardless of sex, race, or creed, and regulate the relations between workers and employers. The State shall assure the rights of workers to self-organization, collective bargaining, security of tenure, and just and humane conditions of work. The State may provide for compulsory arbitration."

[13] Petition, par. 12.

[14] Opposition to Petition for Certiorari and Prohibition, 2-3.

[15] *Firestone Filipinas Employees Association v. Firestone Tire and Rubber Company of the Philippines*, L-37952, December 10, 1974, 61 SCRA 339.

[16] Ibid, 346.

[17] Report of Labor Arbiter Francisco de los Reyes, 2.

[18] Comment, 5.

[19] The only exception would be that of a certain Federico Vicente who was entitled to only P599.20.

[20] Cf. *Antipolo Highway Lines v. Inciong*, L-38523, June 27, 1975, 64 SCRA 441; *Jacqueline Industries v. National Labor Relations Commission*, L-37034, August 29, 1975, 66 SCRA 397; *Federacion Obrera v. Noriel*,

L-41937, July 6, 1976, 72 SCRA 24; Kapisanan v. Noriel, L-45475, June 20, 1977, 77 SCRA 414; Rowell Labor Union v. Ople, L-42270, July 29, 1977.

[21] According to Article IV, Section 1 of the Constitution: "No person shall be deprived of life, liberty, or property without due process of law, * * *."

[22] Moncada Bijon Factory v. Court of Industrial Relations; 119 Phil. 962.

[23] Section 20 of Commonwealth Act No. 103 (1936).

[24] 68 Phil. 444.

[25] L-26063, November 29, 1976, 74 SCRA 101.

[26] Cf. Antipolo Highway Lines, Inc. v. Inciong, L-38532, June 27, 1975, 64 SCRA 441 and Jacqueline Industries v. National Labor Relations Commission, L-37034, August 29, 1975, 66 SCRA 397.

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