

ALHAMBRA INDUSTRIES, INC., PETITIONER, VS. COURT OF INDUSTRIAL RELATIONS AND KAPISANAN NG MGA MANGGAGAWA SA ALHAMBRA (PAFLU), RESPONDENTS.

G.R. No. L-22219. August 28, 1969

Ponente: CAPISTRANO, J.

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CAPISTRANO, J.:

In this appeal by certiorari from an order of respondent Court of Industrial Relations dated October 28, 1963, thereafter affirmed by respondent Court en banc, petitioner Alhambra Industries, Inc. seeks to set aside the aforesaid order and to compel the respondent Court to hear and receive evidence on its manifestation and motion of October 9, 1963.

The antecedents of this case go back to April 3, 1962, when respondent Court found petitioner's predecessor, Alhambra Cigar and Cigarette Factory Co., guilty of unfair labor practice and ordered the reinstatement by it or its successor, petitioner Alhambra Industries, Inc. being such successor, to reinstate Emiliano Averilla, Maglayon Pangan, Alfredo Roy, Ricardo Bernardino and Juliana Lapasaran to their former positions or to substantially equivalent positions in such corporation. This order was affirmed by the respondent Court en banc on May 26, 1962, and this Court dismissed a petition for certiorari seeking its reversal in our resolution of July 24, 1962. Until now, however, there has been no such reinstatement.

The petition itself explains why. On July 6, 1962, the respondent Union, Kapisanan Ng Mga Manggagawa Sa Alhambra (PAFLU) filed a motion for execution of said order of April 3, 1962. An opposition was filed by petitioner's predecessor Alhambra Cigar & Cigarette Manufacturing Co., on the ground that it had ceased to do business since January 12, 1962 on account of the expiration of its corporate life. On May 30, 1963, respondent Court issued an order holding that while Alhambra Cigar & Cigarette Manufacturing Co. could no longer be held liable, petitioner Alhambra Industries, Inc., as successor, should be held liable for both the reinstatement and back wages in accordance with the order of April 3, 1962. Not in conformity with the above order, petitioner sought in a petition to have this Court re-view the order, but in our resolution of September 10, 1963, we dismissed the petition for certiorari with preliminary injunction.

It is against such a background that the motion of respondent Union for reinstatement and to compute back wages filed on October 4, 1963 should be viewed. The final and executory character of the order of May 30, 1963 was stressed therein. Five days later, petitioner Alhambra Industries, Inc., as respondent, continued its stubborn refusal to comply with such final and executory order by filing with respondent Court two pleadings entitled Opposition to Motion for Reinstatement and to Compute Backwages and Manifestation and Motion. The first would pray that the Court hold in abeyance the consideration of the Union's motion for reinstatement, and the second would seek a hearing to enable it to present evidence why it should be exempted from such reinstatement and the payment of back wages. Its reason is set forth in its petition before us. Thus:

"On October 9, 1963, the herein petitioner filed a 'Manifestation and Motion', a certified copy of which is

hereto attached as Annex 'L' hereof, wherein it represented that it can reinstate only Juliana Lapasaran in a position equivalent to the one she had at the Alhambra Cigar & Cigarette Manufacturing Company, but cannot reinstate Alfredo Roy, Maglayon Pangan, Emiliano Averilla and Ricardo Bernardino, for the reason that the Alhambra Cigar & Cigarette Manufacturing Co. itself, and then the petitioner, at the start of its operations, which was in January, 1962, made innovations in some of the working organizations formerly under the Alhambra Cigar & Cigarette Manufacturing Co., which affected their former positions by abolishing them for legitimate business reasons as explained in said pleading, Annex 'L' hereof, and there are no substantially equivalent positions for them to occupy, and praying that the Honorable Court conduct hearings at which the petitioner will introduce evidence in support of these allegations, and that after such hearings, the petitioner be declared exempted from reinstating and paying the back wages of the aforesaid employees."

On the above pleadings, respondent Court issued its order of October 28, 1963 which is now on appeal before us. Its dispositive portion reads thus:

"Wherefore, the Motion for Reinstatement and to Compute Backwages is hereby granted. Consequently, let a writ of execution for the reinstatement of Messrs. Maglayon Pangan, Alfredo Roy, Emiliano Averilla, Ricardo Bernardino and Juliana Lapasaran, be immediately issued, in accordance with the Order of May 30, 1963. The Chief Examiner of the Court is hereby ordered to proceed to the Alhambra Industries, Inc., to compute the back wages and Christmas bonus due complainants under previous orders of the court and thereafter to submit a report thereof."

The challenged order of respondent court narrated the previous incidents that have transpired in this attempt of the Union to have the employees reinstated as well as paid their back wages. Thus:

"It will be recalled that upon finality of the original decision of this Court, after the same was unanimously affirmed by the Court en banc, then by the Supreme Court, the issue of execution was brought before this Court. Respondents then claimed that the order of reinstatement with full back wages can not be executed and/or enforced against both the old Alhambra Cigar and Cigarette Mfg. Co. and the new Alhambra Industries, Inc., the former's corporate life having expired under the Corporation Law and the latter, on ground of due process of law, it being not a party to the case. Complainants can not be reinstated, respondent maintained.

"After due hearing and the presentation of evidence, both oral and documentary, the Court ruled on May 30, 1963, that the Alhambra Industries, Inc. is liable for the unfair labor practice committed by the Alhambra Cigar and Cigarette Mfg. Co. and consequently should be responsible for the reinstatement and the back wages of the complainants from January 13, 1962 up to their actual reinstatement. This was affirmed by the Court en banc in its resolution of August 23, 1963 and by the Supreme Court in its resolutions a September 10 and 28, 1963, denying respondents' appeal by certiorari and the motion for reconsideration, respectively. Hence, said order is now final and executory and the Court has no alternative, but to execute the same, by ordering immediate reinstatement of complainants and the computation of their back wages.

Respondent Court likewise justified its inability to grant the motion of petitioner and to postpone further the execution of the final order of May 3, 1963 for reinstatement and back wages. Thus:

"This Court can not now entertain the objection of respondent. It would amount to reopening the issue of reinstatement which has already been decided and is now closed and terminated. The Supreme Court ruled in *Rattan Art vs. Rattan Art Union*, G.R.No.L-6466, May 21, 1954, that a proceeding may be reopened only upon grounds coming into existence after the order was rendered by the CIR, but not upon grounds which had already been directly or impliedly litigated and decided by said court, nor upon grounds available to the parties of the former proceedings and not availed of by any of them. (Underscoring supplied).

"Clearly, from the Motion and Manifestation and the records of the case, the grounds now raised by respondent against the reinstatement of the four complainants were existing and available, even during the trial of the merits of the case, and more so, at the time when the issue of reinstatement was squarely under

consideration by this Court. They could and should have been raised during those times. It is rather too late now."

In this appeal from the above-mentioned order, petitioner would raise as the basic issue: "May the Respondent Court, upon direct resort to it by an employer, validly refuse to receive evidence on the allegation that the employees which it had ordered to be reinstated, cannot be reinstated, because their former positions have been abolished for bona fide reasons, and there are no substantially equivalent positions for them to occupy; and so bypass the determination of this fact and arbitrarily overrule this proposition?"

Whatever merit such an issue may intrinsically possess, we are not called upon to resolve it in this petition, as there is a finding of fact by respondent Court evident from the above narration that the grounds raised by petitioner against such reinstatement were already in existence and available even during the trial of the merits of the case and therefore under the ruling in *Rattan Art vs. Rattan Art Employees Union*[1] may no longer be availed of. It is now too well-settled to need any citation of authorities that the findings of fact of respondent Court, if supported by substantial evidence, are binding on us. As we held in a recent decision:[2] "In the more familiar terminology, only on a showing of clear and grave abuse of discretion are we justified in disturbing its findings of fact. So it has been uniformly and uninterruptedly held from *Manila Electric Company vs. National Labor Union*, a 1940 decision, the opinion being rendered by Justice Laurel, to *Philippine Educational Institution vs. MLQSEA Faculty Association*, decided late last year."

It follows then that the appealed order is in accordance with law and cannot be disturbed. There is another consideration that likewise sustains the conclusion arrived at by respondent Court. In the very same *National Water-works and Sewerage Authority* decision above-cited, as well as in the case of *Sanchez vs. The Preserver Shoe Company*,[3] we have stressed the importance of the principle of the law of the case, especially in labor litigations. In the *Sanchez* case, we said the following: "It does not admit of doubt that with reference to our final judgment in labor matters, which insofar as the back wages due the aggrieved workingmen could require further actions from respondent Court, the law of the case does not apply solely to what is embodied in our decision but to its implementation carried out in fealty to what has been by us decreed." Considering that the petition itself admits that as of April 3, 1962, the predecessor company had already been found guilty of unfair labor practice and that petitioner as successor company did try in vain, its petition with us having been dismissed, to avoid the effects of such an order, this persistence in refusing to abide by such a final judgment, in effect twice affirmed by us, would clearly show a disregard of the principle of the law of the case.

We have another reason for not sustaining the appeal of petitioner. The basic theory of the Industrial Peace Act is to recognize the right to self-organization to enable labor unions to bargain collectively and to avoid unfair labor practices on the part of labor and management in order to attain industrial democracy. The sooner then an inquiry is made into alleged unfair labor practices and the sooner it is stopped, the better for harmonious labor-management relations. To discourage each party from committing such unfair labor practices, sanctions are provided for. Here, management was at fault, and petitioner, as the successor, can be compelled to reinstate and to pay back wages. That order dates back to April 3, 1962. That order until now has not been complied with. If we reopen the case to allow petitioner to introduce evidence with respondent Court to show why it has not complied with the order of reinstatement, we shall in effect be rendering futile the rights of labor and frustrating the policies of the Industrial Peace Act. Considering the circumstances disclosed, we cannot and should not do so.

WHEREFORE, this petition for certiorari is denied, and the appealed order of October 28, 1963 of the Court of Industrial Relations, as well as its resolution en banc of November 25, 1963 sustaining such order, is hereby affirmed. With costs against petitioner.

Concepcion, C.J., Dizon, Makalintal, Sanchez, Castro, Fernando, Teehankee and Barredo, JJ., concur.

Reyes and Zaldivar, JJ., are on leave.

[1] G.R. No. L-6466, May 21, 1954.

[2] National Waterworks and Sewerage Authority v. NWSA Con-solidated Union, 27 SCRA 227 (1969).

[3] 27 SCRA 490 (1969).

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