

LEANE B. BOSTON, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION (FIRST DIVISION) HONORABLE LABOR ARBITER EDUARDO G. MAGNO, WALLEM MARITIME SERVICES, INC., AND WALLEM SHIPMA...

Ponente: BUESER, J.

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BUESER, J.:

Before Us is a Petition for Certiorari assailing the Resolution dated April 30, 2012 issued by the National Labor Relations Commission in NLRC NCR CA Co. 042225-04 (AE11-11), which affirmed the October 11, 2011 Order of the Labor Arbiter. Aforesaid Labor Arbiter's Order granted herein respondents' motion for restitution.

The material and relevant facts, as culled from the record, are as follows:

The present legal controversy involves a claim of petitioner for compensation benefits out of the death of her husband as well as other benefits of her minor children.[1]

On September 3, 2004, the Labor Arbiter rendered a Decision in petitioner Leane Boston's favor granting her full disability compensation and other benefits on account of the death of her husband Emiliano Boston, Jr. as well as her minor children in accordance with the CBA including damages.[2] The dispositive portion of the aforesaid Decision reads:

xxx xxx xxx

"WHEREFORE, premises considered, judgment is hereby rendered ordering respondents to pay jointly and severally complainant the following:

- a. SIXTY THOUSAND US DOLLARS (US\$60,000.00) as death compensation benefits for the late Emiliano D. Boston, Jr.;
- b. FORTY FIVE THOUSAND US DOLLARS (US\$45,000.00) representing payment for the three minor children of the complainant and the deceased, namely, Emil Jhonne B. Boston, Jhonne Paul B. Boston and Mae Anne B. Boston, at US\$15,000.00 each;
- c. TWO HUNDRED FIFTY THOUSAND PESOS (P250,000.00) representing exemplary damages for the besmirched reputation and blackened memory inflicted upon the deceased and his family in respondents' avoidance of liability under the CBA and callousness to the cause of the complainant and the surviving minor children; and
- d. FOUR HUNDRED THOUSAND PESOS (P400,000.00) for moral damages;
- e. Attorney's fees in the sum of equivalent to ten percent (10%) of the total award as herein ordered.

All other money claims are hereby denied for lack of merit.

SO ORDERED."[3]

xxx xxx xxx

Private respondents Wallem Services, Inc. (Wallem Services, for brevity) and Wallem Shipmanagement, Inc. (Wallem Shipmanagement, for brevity) appealed to the National Labor Relations Commission.[4]

On October 18, 2004, the NLRC rendered its Decision affirming the Labor Arbiter's ruling.[5]

Nonetheless, during the pre-execution proceedings before the Labor Arbiter, Wallem Services, Inc. and Wallem Shipmanagement, Inc. agreed to settle the judgment award with petitioner. Thus, petitioner herein received from private respondents full satisfaction of the judgment award.[6]

This, notwithstanding, private respondents filed a Petition for Certiorari before this Court. The Petition was docketed as CA-G.R. SP No. 92744.[7]

On July 21, 2006, the Special First Division of this Court modified the decisions of both the Labor Arbiter and NLRC.[8] The decretal portion of this Court's ruling declares:

"WHEREFORE, the assailed October 18, 2005 Decision is MODIFIED as follows: (a) to delete the award of moral and exemplary damages as well as attorney's fees in the Labor Arbiter's September 18, 2005 decision; and (b) to absolve petitioner Lubica Protection and Indemnity (Phils.), Inc. from the solidary liability for private respondent's claim for death compensation benefits. The rest is AFFIRMED in toto.

SO ORDERED."[9]

Private respondents herein, seeking for the restitution of what it alleged as overpayment, filed a motion for restitution before the Labor Arbiter a quo.[10]

On October 11, 2011, the Labor Arbiter issued an Order, granting restitution in favor of private respondents.[11] The dispositive portion of the Order reads:

"WHEREFORE, the Motion of Respondents is hereby GRANTED. Let a Writ of Execution be issued for the restitution of complainant to return the amount of P415,603.13 representing award of damages and attorney's fees.

SO ORDERED."[12]

By way of special appearance, petitioner herein appealed the Labor Arbiter's Order to the NLRC.[13]

On April 30, 2012, the NLRC, by way of a Resolution, however, denied the appeal,[14] the dispositive portion of which reads:

"WHEREFORE, the appeal is DENIED and the Order of the Labor Arbiter directing restitution of the damages and attorney's fees to respondents as contained in the Order dated 11 October 2011 is hereby AFFIRMED.

SO ORDERED."[15]

On May 25, 2012, petitioner, again by way of special appearance, filed her motion for reconsideration of the aforesaid Order.[16]

On June 14, 2012, this Court's First Division denied petitioner's motion for reconsideration.[17]

Hence, the present Petition.

Petitioner is raising the following:

"I

THAT THE HONORABLE PUBLIC RESPONDENT NLRC, FIRST DIVISION HAD COMMITTED CLEAR AND PALPABLE ERROR AND GRAVE ABUSE OF DISCRETION WHEN IT DISMISSED THE MEMORANDUM OF APPEAL INTERPOSED IN CONNECTION WITH THIS CASE.

II

THAT THE DECISION OF THE HONORABLE PUBLIC RESPONDENT NLRC AND THE HONORABLE LABOR ARBITER A QUO IS VOID AB INITIO CONSIDERING THAT PETITIONER WAS NOT PROPERLY SUMMONED FOR WHICH JURISDICTION OVER PETITIONER HAS NOT BEEN ACQUIRED BY THE HONORABLE PUBLIC RESPONDENT NLRC AND THE HONORABLE LABOR ARBITER A QUO.

III

THAT THE HONORABLE PUBLIC RESPONDENT NLRC AND THE HONORABLE LABOR ARBITER A QUO HAD COMMITTED CLEAR AND PALPABLE ERROR AND GRAVE ABUSE OF DISCRETION WHEN IT APPLIED IN THIS CASE ON RETROACTIVE BASIS THE NEW RULES PROMULGATED BY THE HONORABLE PUBLIC RESPONDENT NLRC AFTER PETITIONER HAD RECEIVED THE PAYMENT OF THE JUDGMENT AWARD IN CONNECTION WITH THIS CASE.

IV

THAT THE HONORABLE PUBLIC RESPONDENT NLRC AND THE HONORABLE LABOR ARBITER A QUO HAS JURISDICTION OVER THIS CASE CONSIDERING THAT RECOVERY OF AN ALLEGED OVERPAYMENT IS IN THE NATURE OF AN ORDINARY COLLECTION CASE, HENCE IT IS THE REGULAR COURTS WHO HAS JURISDICTION OVER THE SAME.

V

THAT THE DECISION OF THE HONORABLE COURT OF APPEALS, FOR WHICH THE HONORABLE PUBLIC RESPONDENT NLRC AND THE HONORABLE LABOR ARBITER A QUO ARE TRYING TO IMPLEMENT, DOES NOT PROVIDE FOR AN ORDER TO PETITIONER TO RESTITUTE THE ALLEGED OVERPAYMENT MADE BY PRIVATE RESPONDENTS TO PETITIONER.”[18]

We shall divide our discussion into two (2) parts: first, as to procedural aspect, that is, whether petitioner has duly perfected her appeal; and second, as to substantive aspect, that is, whether petitioner should be obliged to reconstitute the award of damages which private respondents have paid to private respondents.

First, we shall dwell on the procedural aspect of the instant case.

Notably, the present case went through the regular judicial procedure, initially with the Labor Arbiter, where herein petitioner’s claim was sustained. Then, it was elevated to the NLRC which affirmed in toto the ruling of the Labor Arbiter. Dissatisfied, herein private respondent filed a Petition for Certiorari before this Court, assailing the NLRC’s decision on grave abuse of discretion. This time however, when the Special First Division of this Court modified the Labor Arbiter’s decision, excluding therefrom the award of damages (that is, moral and exemplary damages as well as attorney’s fees), petitioner herein did not appeal this Court’s decision.

It needs no emphasis that the special civil action of certiorari under Rule 65 of the Rules of Civil Procedure, which is filed before the Court of Appeals, is the proper vehicle for judicial review of decisions of the NLRC.[19] The petition should be initially filed before the Court of Appeals in strict observance of the doctrine on hierarchy of courts as the appropriate forum for the relief desired.[20] From the decision of the Court of Appeals, an ordinary appeal under Rule 45 of the Rules of Civil Procedure before the Supreme Court may be resorted to by the parties.[21] Hence, petitioner’s failure to file an appeal before the Supreme Court from the Decision of this

Court rendered this Court's Decision dated July 21, 2006 final and executory. As such, it can no longer be reversed or modified.

Nothing is more settled in law than when a final judgment becomes executory, it thereby becomes immutable and unalterable. The judgment may no longer be modified in any respect, even if the modification is meant to correct what is perceived to be an erroneous conclusion of law or fact, and regardless of whether the modification is attempted to be made by the court rendering it or by the highest court of the land. The only recognized exceptions are the correction of clerical errors or the making of so-called nunc pro tunc entries which cause no injury to any party, and, of course, where the judgment is void.[22]

The Court disfavors delay in the enforcement of the labor arbiter's decision. Once a judgment becomes final and executory, the prevailing party should not be denied the fruits of his victory by some subterfuge devised by the losing party. Final and executory judgments can neither be amended nor altered except for correction of clerical errors, even if the purpose is to correct erroneous conclusions of fact or of law.[23] Trial and execution proceedings constitute one whole action or suit such that a case in which execution has been issued is regarded as still pending so that all proceedings in the execution are proceedings in the suit.[24]

Fully considering the foregoing, what should be enforced through an order or writ of execution in this case is the dispositive portion of the Labor Arbiter's decision as affirmed by the NLRC and this Court. Since the writ of execution issued by the Labor Arbiter does not vary but is, in fact, totally consistent with the terms of the final decision as modified by this Court in CA-G.R. SP No. 92744, the order of execution issued by the Labor Arbiter is, thus, unassailable.

Indeed, it is no longer legally feasible to modify the final ruling in this case through the expediency of an appeal before the NLRC, much less a Petition filed before us, questioning the order of execution. This late in the day, petitioner Boston is barred, by the fact of a final judgment, from advancing the argument that petitioner cannot be compelled to retribute to private respondents what the latter have paid by way of damages and attorney's fee. Judgments of courts should attain finality at some point lest there be no end in litigation.[25] The final judgment in this case may no longer be reviewed, or in any way modified directly or indirectly, by a higher court, not even by the Supreme Court.[26] The reason for this is that, a litigation must end and terminate sometime and somewhere, and it is essential to an effective and efficient administration of justice that, once a judgment has become final, the winning party be not deprived of the fruits of the verdict. Courts must guard against any scheme calculated to bring about that result and must frown upon any attempt to prolong controversies.[27]

Even if We base our ruling on the merits, petitioner's position is still bound to fail.

Petitioner, further, argues that she cannot be obliged to cause the restitution of the award of damages and attorney's fees because the award was paid by private respondents under the old rules of the NLRC where no restitution was provided. Section 14, Rule XI of the 2011 NLRC Revised Rules of Procedure, which provides for such restitution, only took effect later after private respondents paid the award.

We are not convinced.

The provision of law in point is Section 14, Rule XI of the 2011 NLRC Rules of Procedure provides:

“SECTION 14. EFFECT OF REVERSAL OF EXECUTED JUDGMENT.—Where the executed judgment is totally or partially reversed or annulled by the Court of Appeals or the Supreme Court, the Labor Arbiter shall, on motion, issue such orders of restitution of the executed award, except wages paid during reinstatement pending appeal.”

As a general rule, laws shall have no retroactive effect. However, exceptions exist, and one such exception

concerns a law that is procedural in nature. The reason is that a remedial statute or a statute relating to remedies or modes of procedure does not create new rights or take away vested rights but only operates in furtherance of the remedy or the confirmation of already existing rights.[28] A statute or rule regulating the procedure of the courts will be construed as applicable to actions pending and undetermined at the time of its passage. All procedural laws are retroactive in that sense and to that extent. The retroactive application is not violative of any right of a person who may feel adversely affected, for, verily, no vested right generally attaches to or arises from procedural laws.[29]

In the present case, this Court declares that the amendment introduced under Section 14, Rule XI of the 2011 NLRC Rules of Procedure is procedural or remedial in character, as it does not create new or remove vested rights, but only operates in furtherance of the remedy or confirmation of rights already existing. Procedural laws may be given retroactive effect to actions pending and undetermined at the time of their passage, there being no vested rights in the rules of procedure.

Having thus concluded, the Court need not take up the other issues raised.

WHEREFORE, in view of the foregoing, the April 30, 2012 Resolution issued by the NLRC, is hereby AFFIRMED. The instant Petition is DISMISSED for lack of merit.

SO ORDERED.

De Guia-Salvador (Chairman) and Garcia, JJ., concur.

[1] Rollo, p. 5.

[2] Id., p. 5; pp. 78-83.

[3] Rollo, p. 83.

[4] Rollo, p. 6.

[5] Id., pp. 6; 25-29.

[6] Id., pp. 6-7; p. 52; pp. 98-100.

[7] Id., p. 7.

[8] Id., p. 7; pp. 30-47; p. 53.

[9] Id., p. 7; pp. 46-47; p. 53.

[10] Rollo, p. 8; p. 53.

[11] Id., p. 8; p. 53; pp. 48-49.

[12] Id., p. 9; p. 49.

[13] Id., p. 9; p. 51.

[14] Id., p. 9; pp. 51-58.

[15] Id., pp. 58.

[16] Id., p. 10; pp. 60-61.

[17] Id., pp. 60-61.

[18] Rollo, pp. 10-11.

[19] Atok Big Wedge Co., Inc. v. Gison, supra: citing St. Martin Funeral Home v. NLRC, supra.

[20] Atok Big Wedge Co., Inc. v. Gison, supra: citing St. Martin Funeral Home v. NLRC, supra.

[21] Atok Big Wedge Co., Inc. v. Gison, G.R. No. 169510, August 8, 2011: citing St. Martin Funeral Home v. NLRC, 356 Phil. 811, 824 (1998).

[22] Marmosy Trading, Inc. v. Morales, G.R. No. 170515, May 6, 2010: citing J.D. Legaspi Construction v. National Labor Relations Commission, G.R. No. 143161, 2 October 2002, 390 SCRA 233, 239; and Manning International Corp. v. National Labor Relations Commission, G.R. No. 83018, 13 March 1991, 195 SCRA 155, 161.

[23] Marmosy Trading, Inc. v. Morales, supra: citing Aboitiz Shipping Employees Association v. Trajano, 348 Phil. 910, 915 (1997).

[24] Marmosy Trading, Inc. v. Morales, supra: citing Ysmael v. Court of Appeals, 339 Phil. 361, 376 (1997).

[25] Marmosy Trading, Inc. v. Morales, supra: citing Per Resolution in G.R. No. 144948, entitled "C-E Construction Corp./Ambrosio Salazar v. Raymundo Hernandez."

[26] Marmosy Trading, Inc. v. Morales, supra: citing C-E Construction Corp. v. National Labor Relations Commission, G.R. No. 180188, March 25, 2009.

[27] Marmosy Trading, Inc. v. Morales, supra: citing Sacdalan v. Court of Appeals, G.R. No. 128967, 20 May 2004, 428 SCRA 586, 599 cited in Obieta v. Cheok, G.R. No. 170072, 3 September 2009.

[28] Dacudao v. Gonzales, G.R. No. 188056, January 8, 2013: citing Systems Factors Corporation v. National Labor Relations Commission, G.R. No. 143789, November 27, 2000, 346 SCRA 149, 152; Gregorio v. Court of Appeals, No. L-22802, November 29, 1968, 26 SCRA 229; Tinio v. Mina, No. L-29488, December 24, 1968, 26 SCRA 512; Billiones v. Court of Industrial Relations, No. L-17566, July 30, 1965, 14 SCRA 674.

[29] Dacudao v. Gonzales, supra.

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