

ELEANOR C. MAGALANG, Petitioner, vs. COURT OF APPEALS (Former Fourth Division), NATIONAL LABOR RELATIONS COMMISSION (3rd Division) and SUYEN CORPORATION, Respondents.

G.R. No. 173908. February 26, 2008

Ponente: NACHURA, J.

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NACHURA, J.:

Before the Court is a petition for review on certiorari under Rule 45 assailing the March 31, 2004 Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 79408 and the August 1, 2006 Resolution[2] denying the motion for reconsideration thereof.

The facts are undisputed. On September 16, 1998, petitioner, an Account Executive of Suyen Corporation, received an Infraction Report[3] from the management of the company asking her to explain why she should not be disciplinarily dealt with after declaring a false point of origin, the Pasay Head Office, when actually she came directly from her residence to the designated place of sales operation.[4] In response, petitioner wrote the personnel manager: (1) that she regularly went through the said route because it entailed cheaper transportation cost for the company; (2) that she had been doing this since her employment in March 1997 with the consent of her manager; and (3) that she was never questioned before.[5]

On October 17, 1998, petitioner was dismissed from employment on account of acts constituting gross dishonesty thru falsification of the company request form for the reimbursement of transportation allowance.[6] Protesting her termination, petitioner filed a Complaint for unfair labor practice and illegal dismissal with the National Labor Relations Commission (NLRC). The case was docketed as NLRC-NCR Case No. 00-11-09065-98.[7] In her pleadings, she argued, among others, that she was dismissed not because of the alleged infraction but due to her active participation, as the acting president of the union, in the negotiation of the Collective Bargaining Agreement.[8]

On January 11, 2001, the Labor Arbiter (LA) dismissed the complaint for lack of merit.[9] On appeal, the NLRC, in its September 5, 2002 Decision[10] in NLRC NCR CA No. 028962-01, ruled in petitioner's favor and declared that she was illegally dismissed. Finding, however, that she was not entirely faultless (as she in fact proceeded to the place of assignment from her residence), the labor tribunal refused to award backwages.[11]

Both parties filed their respective Motions for Reconsideration.[12] On October 28, 2002, the NLRC denied petitioner's motion,[13] prompting her to file a petition for certiorari with the CA. This was docketed as CA-G.R. SP No. 75185.[14] On July 28, 2003, the NLRC also denied respondent's motion.[15] Respondent then filed a petition for certiorari with the CA docketed as CA-G.R. SP No. 79408 [the subject of this case].

On February 27, 2004, the Ninth Division of the appellate court, in CA-G.R. SP No. 75185, affirmed the September 5, 2002 Decision[16] of the NLRC with the modification that respondent was to pay petitioner full backwages from the time of illegal dismissal up to her actual reinstatement.[17] This decision attained finality when the parties did not interpose any appeal. An Entry of Judgment was then issued on April 2, 2004.[18]

In the meantime, on March 15, 2004, the Fourth Division of the CA, in CA-G.R. SP No. 79408, issued a Resolution denying the motion for the consolidation of the two certiorari petitions in view of the aforesaid promulgation of the decision in CA-G.R. SP No. 75185.[19]

The appellate court (4th Division), in CA-G.R. SP No. 79408, consequently, rendered the assailed March 31, 2004 Decision[20] affirming in toto the September 5, 2002 Decision[21] of the NLRC. In the likewise challenged August 1, 2006 Resolution,[22] the CA denied the motions for reconsideration of both parties.

Meanwhile, on January 12, 2005, the NLRC issued a Writ of Execution[23] of petitioner's monetary award, including the backwages granted by the CA in the aforesaid February 27, 2004 Decision in CA-G.R. SP No. 75185. On motion to quash by the respondent, the NLRC, on January 25, 2005, held in abeyance the implementation of the writ.[24]

Petitioner subsequently filed the instant petition for review on certiorari questioning the CA's issuances in CA-G.R. SP No. 79408 on the following grounds:

I.

PUBLIC RESPONDENT COURT COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF DISCRETION (SIC) IN REFUSING TO APPLY THE SERRANO DOCTRINE (RUBEN SERRANO vs. NLRC, 323 SCRA 45) AND BUSTAMANTE DOCTRINE (BUSTAMANTE vs. NLRC, 265 SCRA 6 [1996]) RESPECTIVELY, IN THE INSTANT CASE, AS DECREED BY THE NINTH DIVISION OF THE COURT OF APPEALS IN CA-G.R. SP NO. 75187 FILED BY PETITIONER.

II.

PUBLIC RESPONDENT COURT COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN AWARDING ONLY SEPARATION PAY TO PETITIONER AS ALTERNATIVE TO REINSTATEMENT AND WITHOUT BACKWAGES.[25]

The Court grants the petition.

We note at the outset that the Ninth Division of the appellate court, in CA-G.R. SP No. 75185, already affirmed the September 5, 2002 Decision of the NLRC that petitioner was illegally dismissed but modified the ruling and awarded backwages to the petitioner. Later, the Fourth Division of the CA, in CA-G.R. SP No. 79408, rendered another decision inconsistent with the earlier ruling of its coordinate division. The Fourth Division merely affirmed the NLRC September 5, 2002 Decision, and did not award backwages to the petitioner.

This conflict in the decisions of the different divisions of the appellate court would have been avoided had the two certiorari petitions been consolidated or had the Fourth Division, when apprised of the earlier ruling, remained consistent with the Ninth Division's pronouncements. The various divisions of the CA are, in a sense, coordinate courts, and, pursuant to the policy of judicial stability, a division of the appellate court should not interfere with the decision of the other divisions of the court, otherwise confusion will ensue and may seriously hinder the administration of justice.[26]

The Court notes further that no appeal was interposed to challenge the CA's decision in CA-G.R. SP No. 75185. The said decision declaring petitioner as illegally dismissed and entitled to backwages, therefore, already attained finality. Established is the rule that when a decision becomes final and executory, the court loses jurisdiction over the case and not even an appellate court will have the power to review the said judgment. Otherwise, there will be no end to litigation and will set to naught the main role of courts of justice which is to assist in the enforcement of the rule of law and the maintenance of peace and order by settling justiciable controversies with finality.[27] We have further stressed in prior cases that just as the losing party has the privilege to file an appeal within the

prescribed period, so does the winner have the correlative right to enjoy the finality of the decision.[28]

WHEREFORE, premises considered, the petition for review on certiorari is GRANTED. The March 31, 2004 Decision and the August 1, 2006 Resolution of the appellate court in CA-G.R. SP No. 79408 are AFFIRMED with the MODIFICATION that private respondent Suyen Corporation is ORDERED to pay petitioner Eleanor C. Magalang full backwages from the time of her illegal dismissal up to actual reinstatement, in order to make it consistent with the decision in CA-G.R. SP No. 75185 which had already attained finality.

SO ORDERED.

Ynares-Santiago, (Chairperson), Austria-Martinez, Chico-Nazario, and Reyes, JJ., concur.

[1] Penned by Associate Justice Elvi John S. Asuncion (dismissed), with Associate Justices Godardo A. Jacinto and Lucas P. Bersamin, concurring; rollo, pp. 35-40.

[2] Id. at 42-43.

[3] Id. at 44.

[4] Id. at 36.

[5] Id. at 45.

[6] Id. at 46.

[7] Id. at 47-50.

[8] Id. at 54.

[9] Id. at 91-100.

[10] Id. at 112-119.

[11] The dispositive portion of the NLRC decision reads:

WHEREFORE, premises considered, the Appeal is hereby GRANTED. Accordingly, the Decision is SUSTAINED subject to the modification that Respondent-Appellees (sic) Suyen Corporation is DIRECTED to reinstate Complainant-Appellant Eleanor C. Magalang to her former position without loss of seniority rights and privileges but without any backwages whatsoever; and to pay her salaries from October 1 to 15, 1998 and thirteenth (13th) month pay for 1998, computed as follows:

1) Salaries from October 1-15

Monthly Salary P8,987.18/12 ----- P4,493.59

2) 13th Month Pay for 1998

P8,987.118 x 9.5 ----- P7,114.85

Total P11,608.44

SO ORDERED. (Id. at 118-119.)

[12] Id. at 120-140.

[13] Id. at 141-143.

[14] Id. at 150.

[15] Id. at 145-147.

[16] Supra note 10.

[17] Rollo, pp. 150-155.

[18] Id. at 17.

[19] Id. at 160.

[20] Supra note 1.

[21] Supra note 10.

[22] Supra note 2.

[23] Rollo, pp. 179-182.

[24] Id. at 193-196.

[25] Id. at 20-21.

[26] Villaflores v. RAM System Services, Inc., G.R. No. 166136, August 18, 2006, 499 SCRA 353, 364; Javier v. Court of Appeals, 467 Phil. 404, 430 (2004).

[27] Macawiag v. Balindong, G.R. No. 159210, September 20, 2006, 502 SCRA 454, 466.

[28] Silliman University v. Nanila Fontelo-Paalan, G.R. No. 170948, June 26, 2007, 525 SCRA 759.

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