

**UNITED CMC TEXTILE WORKERS UNION, PETITIONER, VS. THE
HONORABLE LABOR ARBITER, RAYMUNDO VALENZUELA,
ARBITRATION BRANCH, NATIONAL LABOR RELATIONS
COMMISSION, RESPONDENTS.**

G.R. No. 70763. April 30, 1987

Ponente: PARAS, J.

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PARAS, J.:

Petitioner seeks to compel the public respondent Labor Arbiter to issue the necessary writ of execution in Case No. NCR-AB-62563-79 (NCR-LRD-6-740-79) there being a Final Entry of Judgment in G.R. No. 58666.

The antecedent facts of the case read as follows:

Sometime in 1979, petitioner filed a complaint against Central Textile Mills. Inc. (CTMI for brevity) at the Ministry of Labor and Employment for non-payment of Christmas bonus of the rank and file employees of said company as provided in Art. XI of the then existing collective bargaining agreement between petitioner and CTMI. Among the provisions of the said collective agreement is the payment of Christmas bonus based on the following schedule:

10 years and above

P70.00

7 years and up

but less than 10 years

60.00

2 years but less than

7 years

50.00

6 months and up but less

than 2 years

20.00

To be paid to all employees on or before the beginning of the Christmas vacation.

On October 11, 1979, respondent Labor Arbiter rendered a decision with the following dispositive portion:

"Foregoing PREMISES CONSIDERED, we find that Sec. 1, Art XI of the CBA concluded between the parties dealing on the payment of Christmas Bonus is violated by the refusal of respondent Central Textile Mills, Inc. to pay the same despite demand by complainant United CMC Textile Workers Union. Consequently, respondent, Central Textile Mills, Inc. should be as it is hereby ordered to implement the same by paying the workers covered by said CBA the total amount of ONE HUNDRED TWENTY TWO THOUSAND EIGHT HUNDRED FORTY PESOS (P122,840.00) corresponding to the 1978 Christmas Bonus, the break down of which is reflected in the list attached to this decision the accuracy of the itemization of which by complainant union is not, in the least, disputed by the respondent company." (p. 106, Rollo)

Respondent CTMI appealed said decision to the National Labor Relations Commission (NLRC, for brevity) which affirmed the Labor Arbiter's decision with the modification that the complainant (petitioner herein) was ordered to furnish a copy of the computation list in order that respondents may verify the correctness and/or validity of the individual claims and for the latter to present their objection, if any, to the Labor Arbiter of origin, prior to the execution of the decision. CTMI sought the review of said decision by filing with Us a Petition for Certiorari docketed as G.R. No. 58666. On January 20, 1982, We dismissed said petition for lack of merit. A motion for reconsideration was likewise denied as per Our resolution dated August 18, 1982. Subsequently, Entry of Judgment[1] dated September 22, 1982, rendered Our dismissal of the petition final and executory.

Petitioner filed with the NLRC a motion for execution of the decision in October, 1984. Pursuant to such motion, conferences were held by the parties before the respondent Labor Arbiter. However, these were stopped when CTMI filed an appeal with the NLRC staling that the decision of this Court in G.R. No. 58666 has become moot and academic by virtue of Our ruling in the case of National Federal ion of Sugar Workers vs. Central Azucarera de la Carlota, el al.[2] to the effect that "employers already paying the equivalent of the 13[th] month pay to their employees, such as Christmas bonus, are under no legal obligation to pay an additional 13[th] month pay prescribed under P.D. No. 851. Due to the appeal of CTMI, respondent Labor Arbiter refused to continue with the execution of the final order or decision in G.R. No. 58666 contending that it has become moot and academic.

Hence this petition by the workers' union praying that a writ of mandamus be issued to compel herein respondent Labor Arbiter Raymundo Valenzuela to issue a writ of execution in G.R. No. 58666 or NCR-AB-62563-79 (NCR-6-740-79). It is the position of petitioner that in view of the finality of the aforesaid judgment. It is the bounden duty of the public respondent, to issue the proper writ of execution prayed for.

Petitioner argues thus:

"x x x From receipt of the Entry of Judgment, in Case No. NCR-AB-6-2563-79 (NCR-6-740-79) G.R. No. 58666, petitioner was vested with a right to satisfaction of the aforementioned judgment of this Honorable Court. A decision, or resolution of the Court which has become final and executory is enforceable for a period of five years. Since the decision rendered by this Honorable Court in Case No. NCR-AB-6-2563-79, G. R. No. 58666 has become final and executory, the writ of execution prayed for by petitioner must be accordingly issued to satisfy judgment. Without said writ the right of petitioners as affirmed by this Honorable Tribunal would be rendered nugatory or useless. Justice would be meaningless.

"The contention that the final decision of this Honorable Court in Case No. NCR-AB-6-2563-79 (NCR-LRD-6-740-79), G.R. No. 58666 had become moot and academic due to the new ruling enunciated in the La Carlota Case has no basis in law. With due respect, although the principle of law adopted by this Honorable in Case No. NCR-AB-6-2563-79, G.R. No. 58666 may be different or contrary to that one adopted in the La Carlota Case, since the decision has become final and executory, the La Carlota Case ruling cannot render moot and academic the final decision of this Honorable Court in G.R. No. 58666. After judgment has become final, no additions can be made thereto, and nothing can be done therewith except its execution; otherwise there would be no end to litigation, thus setting naught the main rule of Court of Justice, which is to assist in the enforcement of the rule of law and the maintenance of peace and order, by setting justiciable controversies with finality (Vda. de Emmas vs. Emmas, 95 SCRA 470).

"The appeal filed by private respondent, Central Textile Mills, Inc. with the National Labor Relations Commission is already barred by the prior judgment made in G.R.No. 58666 under the doctrine of Res Judicata. A prior judgment to constitute a bar to subsequent case, the following requisites must concur: (1) it must be a final judgment; (2) it must have been rendered by a court having jurisdiction over the subject matter and over the parties; (3) it must be a judgment on the merits; (4) there must be between the first and the second actions, identity of parties, identity of subject matter and identity of cause of action (Republic vs. Court of Appeals, 99 SCRA 742). The requisites for a prior judgment are present in Case No. NCR-AB-6-2563-79 (NCR-LRD-6-740-79) G.R. No. 58666 thus rendering the case/appeal filed by respondent Central Textile Mills, Inc. at the National Labor Relations Commission, moot and academic, (pp. 107-108, Rollo)

Respondent CTMI in its memorandum invites Our attention to the fact that its Petition for Review in G.R. No. 58666 was denied because of Our ruling in the case of " Marcopper Mining Corporation vs. Honorable Bias Ople, et. al., G.R. No. L-51254,[3] that the 13[th] month pay was required on top of the other bonuses agreed upon by the employer and employee. However, on May 31,1982, in the aforementioned case "NFSW vs. Central Azucarera de la Carlota, et al.," We reversed the Marcopper doctrine and ruled that if an employer is already paying its employees the Christmas bonus under the Collective Bargaining Agreement (CBA) the same is no longer required to pay the 13[th] month pay provided, however, if the said Christmas bonus is less than one-twelfth (1/12) of the employees basic pay within a calendar year, the employer shall pay the difference. It is this La Carlota doctrine which respondents now invoke in support of their contentions, alleging that this doctrine speaks of no exception in its application, especially considering that it was handed down by this Court during the pendency of said G.R. No. 58666 and that petitioner had earlier accepted and recognized the applicability of the La Carlota ruling in Case No. 58666 when the new CBA of 1983 was negotiated and signed, herein petitioner voluntarily and readily agreed to the deletion of the provision on Christmas bonus and tacitly withdrew their claims for Christmas bonus for 1978.

We find the contentions of petitioner more meritorious than the contentions of respondents. When We dismissed the petition for review of private respondents in G.R. No. 58666 on January 20, 1982, for lack of merit. We did so upon the doctrine laid down in the Marcopper Case which was promulgated on June 11, 1981. Before the dismissal of said case became final and executory, We decided the La Carlota case on May 31, 1982 wherein We

ruled that employees are no longer entitled to an additional Christmas bonus or other Christmas benefits if they are already entitled to a 13[th] month pay. Meanwhile in Case No. 58666 the company filed their motion for reconsideration of the dismissal of their petition which We denied as per Our resolution on August 18, 1982. Subsequently, said dismissal became final and executory as per Entry of Judgment dated September 22, 1982. Thus, it can be seen that despite the La Carlota ruling We denied the company's Motion for reconsideration and We reiterated Our previous dismissal of the petition for review for lack of merit. This only goes to show that We refused to apply or did not choose to apply the La Carlota doctrine to the case at bar. And We have consistently held in a number of Our decisions that judgments which had long become final and executory can no longer be amended or modified by the courts. Such is the doctrine known as "the law of the case."

Furthermore, the findings of the NLRC as stated in its decision[4] show that the claim is for Christmas bonus for the year 1978 only. It appears from the records that the employees of the respondent company had been paid their bonuses in accordance with the collective bargaining agreement, in addition to the 13[th] month pay, for the years 1979 and 1980. The collective bargaining agreement in question took effect on November 1, 1978, 3 years after the promulgation of P.D. No. 851. If the Christmas bonus was included in the 13[th] month pay, then there would be no need for having a specific provision on Christmas bonus in the CBA. But it did provide for a bonus in graduated amounts depending on the length of service of the employee. The intention is clear therefore that the bonus provided in the CBA was meant to be in addition to the legal requirement. Moreover, why exclude the payment of the 1978 Christmas bonus and pay only the 1979-1980 bonus. The classification of the company's workers in the CBA according to their years of service supports the allegation that the reason for the payment of bonus was to give bigger reward to the senior employees — a purpose which is not found in P.D. 851. A bonus under the CBA is an obligation created by the contract between the management and workers while the 13[th] month pay is mandated by the law (P.D. 851).

Likewise We find no merit in respondent's allegations that the applicability of the said La Carlota ruling to the case at bar is explicitly recognized by herein petitioner. A cursory reading, of the CBA signed on November 2, 1983[5] shows that petitioner Union recognizes only the application of the La Carlota doctrine in so far as it had agreed to the deletion of the provision on payment of Christmas bonus in the new CBA of 1983 without necessarily giving up their claim for their 1978 bonus under their former collective bargaining agreement.

WHEREFORE, finding merit in the instant petition the same is hereby GRANTED. Respondent Labor Arbiter Raymundo Valenzuela, Arbitration Branch, NLRC, is hereby ordered to issue the writ of execution in Case No. AB-62563-79 (NCR-LRD-6-740-79), G.R. 58666.

SO ORDERED.

Fernan (Chairman), Gutierrez, Jr., Padilla, Bidin, and Cortes, JJ., concur.

[1] Annex "D". p. 18. Rollo.

[2] 14 SCzrA 354 promulgated May 31, 1982.

[3] 105 SCRA 75 promulgated June 11, 1981.

[4] Annex "C". pp. 15-17. Rollo.

[5] Annex "I", p. 53. Rollo.

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