

**UNIVERSAL ROBINA CORPORATION (UNIVERSAL CORN PRODUCTS),
PETITIONER, VS. HON. NATIONAL LABOR RELATIONS COMMISSION
(SECOND DIVISION), FAUSTINO NICOLAS, SANTOS BARBIANA,
FELIPE ADO...**

G.R. No. 82489. July 27, 1989

Ponente: GANGAYCO, J.

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GANGAYCO, J.:

Petitioner claims that public respondent National Labor Relations Commission (NLRC) committed a grave abuse of discretion in affirming the decision of labor arbiter Teresita R. Domingo dated July 13, 1982 in NCR Case No. AB-4-5730-80, CA-4-338-80, the dispositive part of which reads:

"WHEREFORE, judgment is hereby rendered ordering respondent Universal Robina Corporation to pay the complainants the following:

COMPLAINANTS

TOTAL AMOUNT DUE EACH COMPLAINANT

1.

Martin Muchillas

P 4,784.31

2.

Faustino Nicolas

4,717.93

3.

Santos Barbiana

4,693.76

4.

Felipe Adolfo

4,775.58

5.

Apolinario Becarme

4,711.89

6.

Espiridion Bautista

4,778.43

7.

Rodolfo Aldion

4,792.52

8.

Liberato Alforque

4,734.96

9.

Rodolfo Estanislao

4,767.30

10.

Manuel Arevalo

4,787.57

11.

Fortunato Embalasada

4,503.99

12.

Rodolfo Rodriguez

4,730.00

TOTAL...

P567,778.24

SO ORDERED."[1]

On April 11, 1988, this Court issued a restraining order and petitioner filed a bond in the amount of P50,000.00.[2]

The pertinent facts are undisputed.

Private respondents, originally 22 individual workers, instituted a money claim for unpaid wage increases pursuant to a collective bargaining agreement against the petitioner in the Arbitration Branch of the NLRC, docketed as NCR-CA-4-338-80 (later AB-4-5730-80).

To determine whether or not the petitioner complied with the payment of the wage increases under the collective bargaining agreement, the parties agreed to refer the matter to the Acting Chief of the Research and Information Unit or any of its duly authorized representatives for the purpose of examining the payrolls and other pertinent records of the petitioner. On January 19, 1981, the Acting Chief prepared his report, stating that petitioner substantially complied with the provision of the collective bargaining agreement regarding the wage increase.

On the basis of that report, labor arbiter Lacandola S. Leño, to whom the case was assigned, issued an order dated January 20, 1981 dismissing the private respondents' complaint.[3] The Report of the Acting Chief stated that the examination of the payrolls and payslips was made with the assistance of both parties and their counsel. The Acting Chief concluded that private respondents were not entitled to the first year wage increase provided for in the collective bargaining agreement because they became regular employees only after June of 1974; that private respondents were entitled to and were given wage increases effective at the beginning of the second year of the collective bargaining agreement not reflected in their individual payslips because petitioner made corresponding deductions from cash advances to the private respondents; and that petitioner complied with the stipulated wage increases in favor of the private respondents.

Private respondents appealed the said order on the ground that they were deprived of the opportunity to contest the findings in the report made by the Acting Chief. The First Division of the NLRC set aside the order dated January 20, 1981 and remanded the case to another labor arbiter for further proceedings. This time, only 12 complainants (private respondents) remained as parties.

Both parties submitted position papers, motions and manifestations, whereupon labor arbiter Teresita R. Domingo rendered her questioned decision dated July 13, 1982.

The petitioner brought an appeal to the NLRC. The same was docketed as Case No. RAB-IV-AB-4-5730-80. In a resolution dated March 23, 1987, the Second Division of the NLRC dismissed the appeal.

Hence, this petition anchored on the argument that the award in favor of private respondents has no legal basis.

The petition is meritorious.

The Court is convinced that petitioner had already complied with the provisions of the collective bargaining agreement regarding the payment of wage increases and that private respondents were not denied due process when labor arbiter Lacandola S. Leño issued the order dated January 20, 1981 dismissing the complaint of private respondents. Private respondents and their counsel were present during the investigation conducted by the Acting Chief of the Research and Information Unit. They were free to present their own evidence. They did not. It is explicit from the order of labor arbiter Lacandola S. Leño that private respondents were not denied due process, to wit:

"ORDER

In conformity with the agreement of the parties, the above-entitled case was referred to the Acting Chief, Research and Information Unit or any of his duly authorized representatives, for purposes of examining the payrolls and other pertinent records of the respondent to determine the entitlement of complainants, if any, to the wage increases provided for in the Collective Bargaining Agreements entered into by the Company and the collective bargaining agent of the workers. On January 19, 1981, a "Report" was submitted reading, among others, as follows:

"x x x

"The examination of the payrolls and the pay slips of complainants involved in this case was made by the undersigned with the assistance of representatives of both parties and their respective counsels.

"x x x

"Considering that verifications conducted by the Corporation Examiners of this Branch, of the payrolls, vouchers, and other pertinent records of the company were with the presence and assistance of the representatives of the parties, this Labor Arbiter adopts as its own the findings contained in the aforequoted "Report".

"Consequently, it appearing that respondent (herein petitioner) has complied with the provisions of the Collective Bargaining Agreement in question, regarding payment of wage increases, let this case therefore be, as it is hereby dismissed.

"x x x."[4]

Moreover, as correctly observed by petitioner, the decision rendered by labor arbiter Teresita R. Domingo does not show the basis of the computation in the total amount of P56,778.24. The individual awards to private respondents do not reflect the period covered, the amount due and the cash and bonus, if any, credited to petitioner.[5] As it is, the award appears to have been arrived at arbitrarily. The questioned resolution of the NLRC affirming the decision of the labor arbiter suffers from a serious flaw. It must be set aside.

WHEREFORE, the petition is hereby GRANTED. The questioned resolution of the Second Division of the National Labor Relations Commission dated March 23, 1987 in Case No. RAB-IV-AB-4-5730-80 is hereby SET ASIDE. The complaint filed by private respondents against petitioner is hereby DISMISSED. No costs.

This decision is immediately executory.

SO ORDERED.

Narvasa, (Chairman), Cruz, Griño-Aquino, and Medialdea, JJ., concur.

[1] Page 30, Rollo.

[2] Pages 67 to 69, Rollo.

[3] Pages 19 to 20, Rollo.

[4] Id.

[5] Pages 27 to 30, Rollo.

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