SUPREME COURT
THIRD DIVISION

MALAYANG SAMAHAN NG MANGGAGAWA SA BALANCED FOOD, NILO LETADA, FERNANDO FALLERA, DANILO ESCARIO, BENEDICTO CARREON, CAMILO AGUILA, GERRY BAUTISTA, FRIDAY MENDOZA, MARINO TAYOTO, PEPE TUBELLO, ROLANDO SERRANO, MATIAS BAQUIRAN, DAVID BALLESTEROS, RODOLFO PARAS, ROBERTO CABAEL and CESAR OLISA,

***Petitioners*,**

-versus-

G.R. No. 139068
January 16, 2004

PINAKAMASARAP CORPORATION, SY TIAN TIN, DR. SY TIN DIAN, DOMINGO TAN, ROLANDO REYES and LOUIE VILLANUEVA,

***Respondents*.**

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D E C I S I O N

SANDOVAL-GUTIERREZ, *J.*:

The doctrine of res judicata is a rule which pervades every well regulated system of jurisprudence and is founded upon two grounds embodied in various maxims of the common law, namely: (1) public policy and necessity which makes it to the interest of the State that there should be an end to litigation, interest reipublicae ut sit finis litumi; and (2) the hardship on the individual that he should be vexed twice for the same cause, memo debet bis vexari et eadem causa.[1] This doctrine applies squarely to the case at bar.

For resolution is a petition for review on certiorari under Rule 45 of the 1997 Rules of Civil Procedure, as amended, assailing the Decision[2] dated March 19, 1999 and the Resolution[3] dated June 15, 1999 rendered by the Court of Appeals in CA-G.R. SP No. 50186, entitled "Pinakamasarap Corporation vs. National Labor Relations Commission (Third Division), Malayang Samahan ng Manggagawa sa Balanced Food, Nilo Letada, Fernando Fallera, Danilo Escario, Benedicto Carreon, Camilo Aguila, Jerry Bautista, Friday Mendoza, Marino Tayoto, Pete Tubello, Rolando Serrano, Matias Baquiran, David Ballesteros, Rodolfo Paras, Roberto Cabael and Cesar Olisa".

The factual antecedents are as follows:

The controversy herein stemmed from the petition of the Malayang Samahan ng Manggagawa sa Balanced Food (petitioner union), through its officers (individual petitioners) and other members, filed with the management of Pinakamasarap Corporation (respondent company). They sought the ouster of Rolando Reyes, respondent company's Production Manager and Assistant Manager. Respondent company claimed that on March 13, 1993 at around 8:30 o'clock in the morning, about 200 to 206 officers and members of petitioner union deliberately abandoned their work and picketed the street fronting its premises. Later that same day, the employees resumed their work but nonetheless persisted with their illegal activities, such as work slowdown and sabotage. As a consequence, respondent company's operations and production were severely disrupted and paralyzed.

On April 14, 1993, respondent company filed with the Labor Arbiter a complaint for unfair labor practices and damages against the above-named petitioners[4] and other union members, docketed as NLRC-

NCR Case No. 00-04-02589-93. In its complaint, respondent company alleged that petitioners committed acts violative of Article 282 of the Labor Code and their Collective Bargaining Agreement (CBA).

Petitioners, in their answer with motion to dismiss, denied the allegations in respondent company's complaint. They claimed that on March 13, 1993, they left their workplace to attend and testify at a barangay hearing involving another member, Juanito Canete. They further claimed that their attendance at the hearing for one and one-half (1 ½) hours was not only with the permission of respondent company's Assistant Manager, Domingo Tan (herein individual respondent), but was actually considered a paid work day by respondent company.

On July 19, 1994, the Labor Arbiter rendered a Decision[5] declaring the forfeiture or loss of employment status of the above-named union officers (fifteen (15) of them, except Juanito Canete).

From the said Decision, petitioners interposed an appeal to the National Labor Relations Commission (NLRC), docketed as NLRC CA No. 007308. In its Decision[6] promulgated on August 25, 1995, the NLRC, while upholding the illegality of the strike or walk-out staged by petitioners, nevertheless, ordered their reinstatement.

Both parties filed their motions for reconsideration but were denied by the NLRC in a Resolution dated December 28, 1995.

Consequently, respondent company filed a petition for certiorari with this Court, docketed as G.R. No. 123364, but was dismissed in a Resolution[7] dated June 17, 1996 for lack of a verified statement of material dates required by the Rules. In a Resolution dated August 7, 1996, respondent's motion for reconsideration was denied with finality.

For their part, petitioners also filed a petition for certiorari with this Court, docketed as G.R. No. 123976, but was similarly dismissed in a Resolution[8] dated January 27, 1997 on the ground that no grave abuse of discretion can be attributed to the NLRC. This Resolution became final and executory on February 27, 1997.

On February 25, 1997, on petitioners' motion, the Arbiter issued a writ of execution directing the sheriff to reinstate to their former positions the affected fifteen (15) petitioners.

Thereupon, respondent company interposed an appeal to the NLRC praying that the writ of execution be quashed. In disposing of the incident, the NLRC held:

> "The decision of the Commission has now become final and executory. The Writ in question is an order of a final and executory judgment. As such, it is not appealable. (Citytrust Banking Corporation vs. National Labor Relations Commission and Maria Anita Ruiz, G.R. No. 104860, July 11, 1996, Second Division, Supreme Court)."

This prompted the Arbiter to issue an alias writ of execution[9] dated May 23, 1997.

Unfazed, respondent company, on June 3, 1997, filed with the Arbiter a motion to recall and quash the May 23, 1997 alias writ of execution. In its motion, respondent company alleged that there have been supervening events which rendered unjust the reinstatement of petitioners to their former positions. Among the supervening events was the hiring by respondent company of new regular employees in place of petitioners.

Thus, the Arbiter, in an Order[10] dated June 4, 1997, granted the motion and quashed the alias writ of execution.

The incident reached the NLRC which, in its Decision, set aside the assailed Order and remanded the case to the Arbiter for immediate implementation of the alias writ of execution.

From the said NLRC Decision,[11] respondent company filed a motion for reconsideration but was denied in a Resolution[12] dated October 8, 1997.

On November 28, 1997, respondent company filed a petition for certiorari with this Court ascribing to the NLRC grave abuse of

discretion when it reinstated the individual petitioners despite the supervening events that rendered the execution of the final judgment unjust and unlawful.

Pursuant to our ruling in St. Martin's Funeral Home vs. NLRC,[13] we referred the petition to the Court of Appeals for its appropriate action and disposition.

On March 19, 1999, the Court of Appeals rendered a Decision affirming with modification the final and executory Decision of the NLRC. While the Court of Appeals upheld the illegality of the strike or walk-out staged by petitioners, however, it modified the NLRC Decision reinstating them to the service by declaring that they have lost their employment status.

Petitioners filed a motion for reconsideration but was denied by the Appellate Court in a Resolution dated June 15, 1999.

Hence, this petition for review on certiorari.

Petitioners maintain that the Court of Appeals gravely abused its discretion when it modified the NLRC's final and executory Decision dated August 25, 1995 by declaring that petitioners have lost their employment status.

The Court of Appeals, in its assailed Decision, still passed upon the same issue already disposed of by this Court in G.R. No. 123976 declaring that the NLRC did not commit grave abuse of discretion when it declared the strike illegal but ordered the reinstatement of petitioners. Verily, the Appellate Court modified what should otherwise have been an immutable and unalterable Decision. Indeed, the same court disregarded the doctrine of res judicata. Applying the said doctrine, the issue of whether petitioners should be reinstated to their former positions (despite the finding that they have directly participated in an illegal strike or walkout) may no longer be relitigated.

In Stilianopulos vs. City of Legaspi,[14] we held that "(w)hen a right or fact has been judicially tried and determined by a court of competent jurisdiction or an opportunity for such trial has been given, the

judgment of the court, as long as it remains unreversed, should be conclusive upon the parties and those in privity with them. Clearly, there should be an end to litigation by the same parties and their privies over a subject, once it is fully and fairly adjudicated."

WHEREFORE, the petition is **GRANTED**. The assailed Decision dated March 19, 1999 and Resolution dated June 15, 1999 of the Court of Appeals in CA-G.R. SP No. 50186 are hereby **REVERSED** and **SET ASIDE**. The Labor Arbiter is ordered to implement the alias writ of execution with dispatch.

SO ORDERED.

Vitug, *J.*, *(Chairman)*, Corona, and Carpio-Morales, *JJ.*, concur.

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[1] (Arenas vs. Court of Appeals, G.R. No. 126640, November 23, 2000, 345 SCRA 617).
[2] Annexes "A" – "A-10" of the Petition for Review, Rollo at 26-36.
[3] Annexes "B" – "B-1", id. at 37-38.
[4] Nilo Q. Letada, Fernando Fallera, Danilo Escario, Benedicto Carreon, Camilo Aguila, Jerry Bautista, Juanito Canete, Friday Mendoza, Marino Tayoto, Pepe Tubello, Rolando Serrano, Matias Baquiran, David Ballesteros, Rodolfo Paras, Roberto Cabael, and Cesar Olisa.
[5] Annexes "C" – "C-10" of the Petition, Rollo at 39-49.
[6] Annexes "D" – "D-17", id. at 50-67.
[7] Annex "E", id. at 68-69.
[8] Annex "F", id. at 72.
[9] Annexes "I" – "I-2", id. at 77-79.
[10] Annexes "J" – "J-3", id. at 80-83.
[11] Annexes "K" – "K-5", id. at 84-89.
[12] Annexes "L" – "L-2", id. at 90-91.
[13] G.R. No. 130866, September 16, 1998, 295 SCRA 494, holding that the appeal from the NLRC should be initially filed with the Court of Appeals, no longer with this Court, pursuant to the doctrine of hierarchy of courts.
[14] G.R. No. 133913, October 12, 1999, 316 SCRA 523.