

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
THIRD DIVISION**

**REFORMIST UNION OF R. B. LINER,
INC., HEVER DETROS, ET AL.,**
Petitioners,

-versus-

**G.R. No. 120482
January 27, 1997**

**NATIONAL LABOR RELATIONS
COMMISSION, R.B. LINER, INC.,
BERNITA DEJERO, FELIPE DEJERO,
RODELIO DEJERO, ANA TERESA
DEJERO, and RODELIO RYAN,**
Respondents.

X-----X

DECISION

DAVIDE, JR., J.:

This is a Special Civil Action for *Certiorari* under Rule 65 of the Rules of Court seeking to set aside the Decision^[1] of the National Labor Relations Commission (NLRC) in NLRC NCR CA No. 004115 92, which affirmed the Decision^[2] of the Labor Arbiter in the consolidated cases NLRC NCR Case Nos. 00-03-01392-90 and 00-04-02088-90, and the resolution of the former denying the motion for the reconsideration of its Decision.^[3]

Petitioner Reformist Union of R.B. Liner, Inc. (hereinafter Reformist) with Hever Detros as its president, is composed of drivers, conductors, and mechanics of private respondent R.B. Liner, Inc. Private respondents Bernita, Felipe, Rodelio, Ana Teresa, and Rodelio Ryan, all surnamed Dejero, are the incorporators of R.B. Liner, Inc.

From the record and the pleadings filed by the parties, we cull the following material facts in this case:

Petitioner union was organized in May 1989 “by affiliating itself with Lakas Manggagawa sa Pilipinas (hereinafter Lakas).”^[4] Lakas filed a notice of strike on 13 November 1989 because of alleged acts of unfair labor practice committed by the private respondents.^[5] Despite conciliation hearings held on 4 and 6 December 1989, the parties failed to reach an agreement. Later, another act of unfair labor practice allegedly committed by the private respondents impelled Reformist, with the authorization of Lakas, to go on strike on 13 December 1989 even as conciliation proceedings continued.^[6]

On 21 December 1989, R.B. Liner, Inc. petitioned then Secretary Franklin Drilon of the Department of Labor and Employment (DOLE) to assume jurisdiction over the ongoing dispute or certify it to the NLRC.^[7] Secretary Drilon determined that “[t]he ongoing work stoppage in the company adversely affects an industry indispensable to the national interest;” thus on 28 December 1989, he certified the dispute to the NLRC for compulsory arbitration and issued a return-to-work order.^[8]

The certified case (NLRC Certified case No. 0542, entitled In Re: Labor Dispute at RB Liner, Inc.) was dismissed on 13 February 1990^[9] after the union and the company reached all agreement^[10] on 19 January 1990 providing, among other matters, for the holding of a certification election.

On 31 January 1990, a certification election was held where Lakas won as the collective bargaining agent of the rank-and-file employees.^[11] On 13 February 1990, Lakas presented a proposal for a collective bargaining agreement to Bernita and Rodelia Dejero,^[12] but they refused to bargain.^[13] Meanwhile, as

admitted by private respondents' witness Arcile Tanjuatco, Jr., eight R.B. Liner buses were "converted" to Sultran Lines, one "became MCL," and another "became SST Liner."^[14]

The petitioners filed NLRC NCR Case No. NCR 00-03-01392-90 charging the private respondents with unfair labor practice, i.e., illegal lock out. The private respondents countered with NLRC Case No. NCR-00-04-02088-90, which sought to declare as illegal the union's 13 December 1989 strike, as well as other "work stoppages/boycotts" staged by the petitioners. The two cases were consolidated and simultaneously tried.^[15]

In his decision of 27 October 1992, Labor Arbiter Ricardo Nora ruled that the evidence, e.g., the private respondents' proof of payment of percentage taxes for 1990 and Conductors/Inspectors Daily Reports, "indicate[d] against an illegal lockout," while finding that Reformist staged an illegal strike for the following reasons:

1. The Reformist failed to show that they observed the legal requirements of a legal strike, like the following:

First, the Reformist failed to show and present evidence that the approval of majority vote of its members were obtained by secret ballot before the strike; Second, they failed to show that they submitted the strike vote to the department of Labor at least seven (7) days prior to the intended strike; and Third, all members of the Reformist Union struck even before the certification election? when there was no definitive bargaining unit duly recognized and while the conciliation process was still on-going and in progress. Exh. 7-D is clear which states the following: "The Union object[s] with [sic] the position of Management for the reason that considering that they are on strike such election is moot and academic. All employees as per union allegation participate[d] in that concerted action."

2. The Reformist engaged in illegal, prohibited activities by obstructing the free ingress and egress to and from the R.B. Liner's garage premises where the trucks were Parked; (Exhs. "8", "8-A" to "8-D").
3. The Reformist failed to present clear evidence rebutting respondents' claim that the Reformist, blatantly defied the Secretary's return-to-work Order dated December 28, 1989. The evidence adduced particularly Exhibit "12" (the minutes of the conference on January 19, 1990 in Office of the NLRC Commissioner Diokno) includes the following: "That the Union assured to cause the return within five (5) days on January 24, of all employees who have not reported for work and management agreed to accept them." This clearly indicates an admission by the Reformist that its members did not comply with the Return-to-work order of the Secretary of Labor. It may be noted though that some members complied with the Order as per testimony of respondents' witness, however, the same workers had earlier participated in prohibited and illegal activities like illegal picketing that characterized all illegal strike.^[16]

The Labor Arbiter then disposed as follows:

IN VIEW OF THE FOREGOING, judgment is hereby rendered:

1. Dismissing the complaint of Reformist in NLRC-NCR-Case No. 00-03-01392-90 for Unfair Labor Practice (Illegal Lockout) for lack of merit;
2. Declaring the December 13, 1989 Strike by the Reformist as ILLEGAL in NLRC-NCR-Case No. 00-04-02088-90;
3. Declaring all the Officers and Members of the Reformist to have lost their employment status for

participating in an Illegal Strike. They are named as follows:

X X X

All other issues are Dismissed for lack of merit.^[17]

On appeal, the NLRC affirmed the Labor Arbiter's finding that Reformist held an illegal strike, reasoning as follows:

It [Reformist] disputes the holding that an illegal strike was staged on December 13, 1989 on the ground that previous thereto, conciliation and mediation conferences were conducted and which thus constituted evidence that there was a notice of strike filed consequent to a strike vote had among the members of the union. This, assuming for the sake of argument is true, did not outrightly put a stamp of validity for such concerted action as the fact remains that no certification election was conducted previous to the strike. Hence, the union could not have validly claimed that it was the exclusive bargaining agent of the workers in petitioners' premises when it staged the subject strike. Nevertheless, such flaw, as correctly assumed by the appellants, could have been corrected by the Return to Work Order of then Secretary of Labor Franklin Drilon. The finding that this Order was defied is contested by the appellants alleging that the logbook which contains an entry of all those who reported for work was never presented by management, this constituting suppression of evidence. This could have been true had the said logbook constituted as the sole evidence in support of petitioners' assertion as to appellants' failure to comply with the return to work order. However, the minutes of the January 19, 1990 conference before then Commissioner Diokno establishes such fact on the strength of the Union's admission when it undertook to assure "the return within five (5) days or January 24 of all employees who have not reported for work."^[18] Further it was also established that the strikers were guilty of committing illegal activities, particularly the obstruction of free ingress and egress to and from the Liner's garage premises as shown by the pictures taken thereat. All told, the foregoing established circumstances yield no other

conclusion except to declare the strike staged by the union as illegal.^[19]

Anent the illegal lockout, the NLRC deemed R.B. Liner, Inc.'s conversion of some of its buses into those of other bus companies as sufficient reason for the petitioners to believe, in good faith, that the private respondents were committing an act of unfair labor practice. The NLRC ruled that this circumstance:

Mitigated the liability of the striking union as well as its members not only in considering the propriety of administering the avowed principle of equity in labor case[s] but likewise on the strength of the pronouncements of the Supreme Court in a line of cases where it was held that a strike undertaken on account of what the workers perceived to be unfair labor practices Acts on the part of the employer should not be outrightly taken as illegal even if the allegations of unfair labor practice acts are subsequently found to be untrue.^[20]

Thus, the NLRC affirmed the decision of the Labor Arbiter but allowed reinstatement of the dismissed employees:

Accordingly, as a measure of social justice, resumption of employment relations between the parties shall be decreed without however granting any monetary relief considering that both parties had, to a certain extent, engaged in the commission of acts which rendered them undeserving of their prayer for damages and other concomitant reliefs akin to their causes of action.^[21]

Reformist and its members moved to reconsider the NLRC decision, which was, however, denied on 31 March 1995.^[22] The petitioners then came to us with this special civil action for *certiorari*, citing the following in support thereof:

1. RESPONDENT NLRC GRAVELY ABUSED ITS DISCRETION AMOUNTING TO LACK OF JURISDICTION IN FAILING TO GIVE WEIGHT TO THE OVERWHELMING EVIDENCE OF THE PETITIONERS SHOWING [AN] ILLEGAL LOCKOUT COMMITTED BY THE RESPONDENTS.

2. RESPONDENT NLRC DENIED SUBSTANTIAL JUSTICE TO THE PETITIONERS BY NOT AWARDING THEM THE MONETARY RELIEFS PRAYED FOR.
3. RESPONDENT NLRC ERRONEOUSLY INTERPRETED THE LAW ENUNCIATED BY THE HON. SUPREME COURT GIVING SEPARATION PAY PLUS BACKWAGES TO EMPLOYEES WHOSE REINSTATEMENT TO THEIR FORMER POSITIONS HAVE BEEN RENDERED IMPOSSIBLE BY THE RESPONDENTS.

The private respondents insist that the petitioners-employees were validly dismissed for serious misconduct and violations of labor laws and lawful orders of the Labor Secretary, hence not entitled to reinstatement nor separation pay in lieu of reinstatement.

This petition must be granted, albeit not on the grounds advocated by the petitioners.

The private respondents can no longer contest the legality of the strike held by the petitioners on 13 December 1989, as the private respondents themselves sought compulsory arbitration in order to resolve that very issue, hence their letter to the Labor Secretary read, in part:

This is to request your good office to certify for compulsory arbitration or to assume jurisdiction over the labor dispute (strike continuing) between R.B. Liner Inc. and the Lakas Manggagawa sa Pilipinas.

The current strike by Lakas which started on December 13, 1989 even before Certification Election could be held could not be resolved by the NCR Conciliation-Mediation Division after six meetings/conferences between the parties.^[23]

The dispute or strike was settled when the company and the union entered into an agreement on 19 January 1990 where the private respondents agreed to accept all employees who by then, had not yet returned to work. By acceding to the peaceful settlement brokered by

the NLRC, the private respondents waived the issue of the illegality of the strike.

The very nature of compulsory arbitration makes the settlement binding upon the private respondents, for compulsory arbitration has been defined both as “the process of settlement of labor disputes by a government agency which has the authority to investigate and to make an award which is binding on all the parties,”^[24] and as a mode of arbitration where the parties are “compelled to accept the resolution of their dispute through arbitration by a third party.”^[25] Clearly then, the legality of the strike could no longer be reviewed by the Labor Arbiter, much less by the NLRC, as this had already been resolved. It was the sole issue submitted for compulsory arbitration by the private respondents, as is obvious from the portion of their letter quoted above. The case certified by the Labor Secretary to the NLRC was dismissed after the union and the company drew up the agreement mentioned earlier. This conclusively disposed of the strike issue.

The Labor Code provides that the decision in compulsory arbitration proceedings “shall be final and executory ten (10) calendar days after receipt thereof by the parties.”^[26] The parties were informed of the dismissal of the case in a letter dated 14 February 1990, and while nothing in the record indicates when the said letter was received by the parties, it is reasonable to infer that more than ten days elapsed — hence, the NLRC decision had already become final and executory — before the private respondents filed their complaint with the Labor Arbiter on 13 July 1990.^[27] A final judgment is no longer susceptible to change, revision, amendment, or reversal.^[28] Neither the Labor Arbiter nor the NLRC, therefore, could review the same issue passed upon in NLRC Certified Case No. 0542, and their decisions to the contrary have been rendered in grave abuse of discretion amounting to excess of jurisdiction.

The agreement entered into by the company and the union, moreover, was in the nature of a compromise agreement, i.e., “an agreement between two or more persons, who for preventing or putting an end to a lawsuit, adjust their difficulties by mutual consent in the manner which they agree on, and which everyone of them prefers to the hope of gaining, balanced by the danger of losing.”^[29]

Thus, in the agreement, each party made concessions in favor of the other to avoid a protracted litigation. While we do not abandon the rule that “unfair labor practice acts are beyond and outside the sphere of compromises,”^[30] the agreement herein was voluntarily entered into and represents a reasonable settlement, thus it binds the parties.^[31] On this score, the Labor Code bestows finality to unvitiated compromise agreements:

Art. 227. Compromise agreements. — Any compromise settlement, including those involving labor standard laws, voluntarily agreed upon by the parties with the assistance of the Bureau or the regional office of the Department of Labor, shall be final and binding upon the parties. The National Labor Relations Commission or any court shall not assume jurisdiction over issues involved therein except in case of non-compliance thereof or if there is prima facie evidence that the settlement was obtained through fraud, misrepresentation or coercion.

The agreement in this case complies with the above requisites, forged as it was under authority of the Labor Secretary, with representatives from both the union and the company signing the handwritten agreement to signify their consent thereto. The private respondents never alleged in their answer^[32] to the petitioners’ complaint before the Labor Arbiter, nor in their complaint,^[33] that the petitioners did not comply with the agreement. The binding effect of the agreement on the private respondents is thus unimpaired.

The private respondents’ cause likewise fails in light of Article 7037 of the Civil Code, which gives compromise agreements “the effect and authority of *res judicata*” upon the parties to the same, even when effected without judicial approval.^[34] The Labor Arbiter and the NLRC therefore erroneously reviewed an issue which had already been laid to rest by the parties themselves and which, applying the principle of *res judicata* they could no longer re-litigate.^[35]

The only barrier then to the petitioners employees’ reinstatement is their defiance of the Labor Secretary’s .return to work order, which the private respondents claim as one reason to validly dismiss the

petitioners employees. We disagree, however, with the finding that Lakas Reformist violated the said order.

It is upon the private respondents to substantiate the aforesaid defiance, as the burden of proving just and valid cause for dismissing employees from employment rests on the employer, and the latter's failure to do so results in a finding that the dismissal was unfounded.^[36] The private respondents fell short of discharging this burden.

Contrary to the Labor Arbiter's and the NLRC's view, the union's undertaking to cause absentee employees to return to work was not an admission that its members defied the Labor Secretary's order. Those who did not report for work after the issuance of the Labor Secretary's order may not have been informed of such order, or they may have been too few so as to conclude that they deliberately defied the order. The private respondents failed to eliminate these probabilities.

The most conclusive piece of evidence that the union members did not report for work would be the company's logbook which records the employees' attendance.^[37] The private respondents' own witness, Administrative Manager Rita Erni, admitted that the logbook would show who among the employees reported for work.^[38] The logbook was supposed to be marked as Exhibit "14" for the private respondents, but was withdrawn,^[39] then the private respondents' counsel, Atty. Godofredo Q. Asuncion, later intimated that the said logbook was "stolen or lost."^[40]

We are not prepared to conclude that the private respondents willfully suppressed this particular piece of evidence, in which case the same would be presumed adverse to them if produced.^[41] However, other evidence indicate that the petitioners-employees complied with the Labor Secretary's return to work order, namely, the private respondents' Exhibits "11" to "11-E."^[42] These are Conductors/Inspectors Daily Reports which detail the bus trips made by a particular conductor-driver tandem, as well as the numbers of the bus tickets used during each trip, and these reports are all dated 30 December 1989 — merely two days after Secretary Drilon issued his order — indicating that a number of employees did report for

work in compliance with the Secretary's order. Moreover, the said exhibits were executed by some of the employees ordered dismissed by the Labor Arbiter.^[43]

The private respondents intended the exhibits to prove that only a handful of employees reported for work following the issuance of the Labor Secretary's order, but they never established that these exhibits were the only reports filed on 30 December 1989, thus, there may have been employees other than those named in the said exhibits who reported for work in obeisance to the Labor Secretary. Certainly, the Daily Reports accomplished by drivers and conductors would not reflect the attendance of mechanics. Besides, it was not shown by the private respondents that their employees were required to file the Conductors/Inspectors Daily Reports such that those who did not file would be instantly deemed absent.

The private respondents thus failed to satisfactorily establish any violation of the Labor Secretary's return-to-work order, and consequently, the Labor Arbiter's and the NLRC's contrary finding is not anchored on substantial evidence. Grave abuse of discretion was thus committed once more.

As regards the illegal lockout alleged by the petitioners, we agree with the NLRC's finding that the petitioners had sufficient basis to believe in good faith that the private respondents were culpable. The NLRC found this circumstance to justify the petitioners-employees' reinstatement; we add that since there was, in fact, no defiance of the Labor Secretary's return-to-work order, and no cause to decree the petitioners employees' dismissal in the first instance, reinstatement of the dismissed employees can be the only outcome in this case.

The possibility of reinstatement is a question of fact, and where a factual determination is indispensable to the complete resolution of the case, this Court usually remands the case to the NLRC.^[44] In view, however, of both parties' assertion that reinstatement has become impossible because, as claimed by the petitioners, "the buses were already disposed of"; or as claimed by the private respondents, R.B. Liner, Inc., had "ceased operations" because "its Certificate of Public Convenience had expired and was denied renewal," and further, of "closure of the company" due to "lack of operational trucks and buses

and high costs of units,”^[45] there is no need to remand this case to the NLRC. Due to the infeasibility of reinstatement, the petitioners’ prayer for separation pay must be granted. Separation pay, equivalent to one month’s salary for every year of service, is awarded as an alternative to reinstatement when the latter is no longer an option,^[46] and is computed from the commencement of employment up to the time of termination, including the period of imputed service for which the employee is entitled to back wages. The salary rate prevailing at the end of the period of putative service should be the basis for computation.^[47]

The petitioners are also entitled to back wages. The payment of back wages “is a form of relief that restores the income that was lost by reason of unlawful dismissal.”^[48] The petitioners’ dismissal being unwarranted as aforesated, with the employees dismissed after R.A. No. 6715^[49] took effect, then, pursuant to the said law and the latest rule on the matter laid down in the Resolution of 28 November 1996 of this Court, sitting en banc, in Bustamante vs. National Labor Relations Commission,^[50] the petitioners-employees are entitled to payment of full back wages from the date of their dismissed up to the time when reinstatement was still possible, i.e., in this instance, up to the expiration of the franchise of R.B. Liner, Inc.

WHEREFORE, the instant petition is **GRANTED**. The assailed decision of the National Labor Relations Commission in NLRC NCR CA No. 004115-92, as well as that of the Labor Arbiter in the consolidated cases of NLRC NCR Case Nos. 00-03-01392-90 and 00-04-02088-90 are **SET ASIDE**. Petitioners-employees are hereby awarded full back wages and separation pay to be determined by the Labor Arbiter as prescribed above within thirty (30) days from notice of this judgment.

SO ORDERED.

Narvasa, C.J., Melo, Francisco and Panganiban, JJ., concur.

[1] Annex “A” of Petition; Rollo, 25-43. Per Carale, B., Pres. Comm., with Veloso, V., and Quimpo, A., Comms., concurring.

[2] Annex “D”, Id.; Id., 53-70.

- [3] Annex “B,” Id.; Id., 44-46.
- [4] Petition, “5”; Rollo, 6.
- [5] Exhibit “6”; Original Record (OR), vol. 1, 158.
- [6] Petition “5”; Rollo, 6.
- [7] Exhibit “9”; OR, vol. I, 165.
- [8] Exhibit “10”; Id., 166-167.
- [9] Exhibit “13”; Id., 176.
- [10] Exhibit “12”; Id., 174-175.
- [11] Exhibit “F”; Id., 122.
- [12] Exhibit “G”; Id., 123.
- [13] Petition, 6; Rollo, 7.
- [14] TSN, 8 April 1991, 30-31, 37-48.
- [15] Id., 2.
- [16] Rollo, 66-68.
- [17] Id., 69-70.
- [18] More precisely, file minutes read:
 - 2. That the union assured to cause the return within five (5) or January 24, of all employees who have not reported back for work and management agreed to accept them. (OR, vol. 1, 174)
- [19] Rollo, 38-39.
- [20] OR, vol. 1, 18; Id., 42 (citations omitted.)
- [21] Id.; Id.
- [22] Rollo, 44-45.
- [23] Exhibit “9”; OR, vol. 1, 165.
- [24] *Philippine Airlines, Inc. vs. NLRC*, 180 SCRA 555, 564 [1989], citing *Wood vs. Seattle*, 23 Wash. 1, 62 P 135, 52 LRA 369 [1920]; *Amalgamated Association vs. Wisconsin Employee’s Relations Board*, 340 US 383-410, 95 L. Ed. 381 [1951].
- [25] *Luzon Development Bank, Inc. vs. Association of Luzon Development Bank Employees*, 249 SCRA 162, 166 [1995], citing SEIDE, A DICTIONARY OF ARBITRATION, [1970].
- [26] Article 263(i), Labor Code, as amended by R.A. No. 6715.
- [27] See Position Paper, OR, vol. 1, 55.
- [28] *Yu vs. NLRC*, 245 SCRA 134, 142 [1995], citing *Miranda vs. Court of Appeals*, 71 SCRA 295 [1976].
- [29] *David vs. Court of Appeals*, 214 SCRA 644, 650 [1992], citing *Rovero vs. Amparo*, 91 Phil. 228, 235 [1952].
- [30] *AFP Mutual Benefit Association, Inc. vs. AFP-MBAI-EU*, 97 SCRA 715, 732 [1980]. See also *CLLC E.G. Gochangco Workers Union vs. NLRC*, 161 SCRA 655, 667 [1988].
- [31] *Periquet vs. NLRC*, 186 SCRA 724, 730-731 [1990].
- [32] OR, vol. 1, 1922.
- [33] Id., 55-60.
- [34] *Olaybar vs. NLRC*, 237 SCRA 819 824 [1994], citing *Cochingyan, Jr. vs. Cloribel*, 76 SCRA 361, 288-389 [1977].
- [35] *Lucero vs. COMELEC*, 234 SCRA 280, 294 [1994].

- [36] *Reno Foods, Inc. vs. NLRC*, 249 SCRA 379, 386 [1995]. See also *Madlos vs. NLRC*, G.R. No. 115365, 4 March 1996, 8.
- [37] TSN, 2 April 1991, 94-95.
- [38] TSN, 8 March 1991, 104-105.
- [39] TSN, 8 March 1991, 104-105.
- [40] *Id.*, 99.
- [41] Section 3(e), Rule 131, Rules of Court.
- [42] OR, vol. 1, 168-173.
- [43] Named driver and conductor, respectively, were: in Exhibit “11,” F. Fuentes and J. Florig, in Exhibit “11-A,” Eddie Albalate and J. Braga; in Exhibit “11-B,” F. Republica and Eduardo Hallasgo; in Exhibit “11-C,” R. Tidoy and R. Llaneta; and in Exhibit “I 1-D,” J. Montes and Fred Borgonia. Named driver in Exhibit “I 1-E” was J. dela Cerna. The Labor Arbiter declared the following, among other R.B. Liner, Inc., employees, to have lost their employment status: Francisco Fuentes, Jaime Florig, Eddie Albalate, Jose Braga, Wilfredo Ripublica, Eduardo Hallasgo, Rolando Tedoy, Reynaldo Llanila, Jaonito Montes, Alfredo Borgonia, and Jessie Dela Serna (Rollo, 70.)
- [44] See for example, *Evangelista vs. NLRC*, 195 SCRA 603, 604 [1991]. See also, *Pepsi Cola Sales and Advertising Union vs. Med-Arbiter Falconitin*, G.R. No. 90148, Minute Resolution, 3 December 1990.
- [45] Petition, 13; Rollo, 14; Memorandum for the Private Respondents, 2; Rollo, 186.
- [46] *Sealand Service, Inc. vs. NLRC*, 190 SCRA 347, 356 [1990]; *Globe-Mackay Cable vs. NLRC*, 206 SCRA 701, 710 [1992].
- [47] *Sealand Service, Inc. vs. NLRC*, *supra* note 46.
- [48] *Escareal vs. NLRC*, 213 SCRA 472, 492 [1992], citing *Santos vs. NLRC*, 154 SCRA 166 [1987].
- [49] The Act took effect on 21 March 1989. See *Development Bank of the Philippines vs. Secretary of Labor*, 173 SCRA 630, 636 [1989].
- [50] G.R. No. 111651, where the Court re-examined and abandoned the ruling in *Pines City Educational Center vs. NLRC* (227 SCRA 655 [1993]) which reinstated the rule prior to the *Mercury Drug Case* (56 SCRA 694 [1974]) that in ascertaining the total amount of back wages due the employee, the total amount derived from employment elsewhere from the date of his dismissal up to the date of his reinstatement if any, should be deducted therefrom. Henceforth, no such deduction shall be made, the Court ruling thus:

The clear legislative intent of the amendment in Rep. Act No. 6715 is to give more benefits to workers than was previously given then under the *Mercury Drug* rule or the “deduction of earnings elsewhere” rule. Thus, a closer adherence to the legislative policy behind Rep. Act No. 6715 points to “full backwages” as meaning exactly that, i.e., without deducting from backwages the earnings derived elsewhere by the concerned employee during the period of his illegal dismissal. In other words, the provision calling for “full backwages” to illegally dismissed employees is clear, plain

and free from ambiguity and, therefore, must be applied without attempted or strained interpretation. Index animi sermo est. (at 8)

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