

THIRD DIVISION

[G.R. No. 145930, August 19, 2003]

C-E CONSTRUCTION CORPORATION, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION AND GILBERT SUMCAD, RESPONDENTS.

D E C I S I O N

PANGANIBAN, J.:

Once it has become final and executory, a decision of the National Labor Relations Commission (NLRC) may no longer be changed or amended. By the same token, a party may no longer be allowed to present evidence to show that the final judgment is erroneous.

The Case

Before us is a Petition for Review^[1] under Rule 45 of the Rules of Court, seeking to annul the June 22, 2000 Decision^[2] and the October 27, 2000 Resolution^[3] of the Court of Appeals (CA) in CA-GR SP No. 50114. The decretal portion of the assailed Decision reads as follows:

"WHEREFORE, the Order dated January 22, 1998 of Labor Arbiter Manuel M. Manansala and the Decision dated August 21, 1998 and Resolution dated October 21, 1998 of respondent [NLRC] are declared **NULL AND VOID** for want of jurisdiction. Labor Arbiter Manuel M. Manansala is hereby ordered to issue a WRIT OF EXECUTION for the immediate reinstatement of Gilbert Sumcad and the payment of his backwages pursuant to the decision of respondent NLRC, in NLRC NCR 00-10-05830-92 dated April 20, 1994."^[4]

The assailed Resolution denied petitioner's Motion for Reconsideration.

The Facts

On October 19, 1992, Private Respondent Gilbert Sumcad filed a Complaint for illegal dismissal against Petitioner C-E Construction Corporation and Johnny Tan (its president and manager). Alleging that he was a regular employee dismissed without cause and proper notice, private respondent prayed for reinstatement to his former position without loss of seniority rights, other privileges and benefits, full back wages from the time of his illegal dismissal until his actual reinstatement, and attorney's fees.

On the other hand, petitioner claimed that private respondent was a project -- not a regular -- employee, whose services had been fully paid upon the completion of the project. It alleged that the Complaint should be dismissed, as the termination of his

services had been made in accordance with Policy Instruction No. 20 of the Department of Labor and Employment (DOLE).

In a Decision dated May 31, 1993, Labor Arbiter (LA) Potenciano S. Canizares Jr. ruled in favor of private respondent. Petitioner was ordered to reinstate Sumcad to his former position, with payment of full back wages from the time his salary had been withheld until his actual reinstatement, pay differential, premium pay for holidays and rest days, service incentive leaves, and 13th month pay for three (3) years counted backward from the date the Complaint was filed, as well as attorney's fees. Unconvinced, petitioner appealed to the NLRC.

On April 20, 1994, the NLRC found private respondent to be a regular employee and ordered the payment of his back wages for one (1) year. However, it set aside for lack of basis the monetary awards corresponding to his 13th month pay, sick leave pay, premium pay for legal holidays and rest days, and attorney's fees.

On June 3, 1994, private respondent filed an Ex Parte Motion for Execution. For its part, petitioner filed a Motion for Reconsideration which was subsequently denied in the NLRC's October 7, 1994 Resolution. Thus, on October 24, 1994, private respondent again moved for the execution of the Decision.

Accordingly, the deputy executive clerk of the NLRC issued an Entry of Judgment on December 12, 1994, certifying that its Resolution had become final and executory on December 8, 1994. This development prompted petitioner to file before the Supreme Court a Petition for *Certiorari*,^[5] contending that the labor tribunal had gravely abused its discretion in disregarding Article 280 of the Labor Code, as well as Policy Instruction No. 20.

On February 5, 1997, this Court issued a Resolution dismissing the Petition for its failure to show grave abuse of discretion. Thereafter, an Entry of Judgment was issued by the Clerk of Court, certifying that the Resolution had become final and executory on July 16, 1997. For the third time, private respondent moved for its execution. On October 22, 1997, the records of the case were remanded to LA Canizares.

Although the case had been set for conference on November 12, 1997, LA Canizares inhibited himself. As a consequence, the case was re-raffled to LA Manansala. A Manifestation and Motion was then filed by petitioner, requesting a hearing to enable it to present evidence of private respondent's earnings from employment with other entities during the period of litigation. This request was denied in the LA's January 22, 1998 Order directing reinstatement and payment of back wages for one (1) year and additional back wages. On February 2, 1998, a Writ of Execution was issued.

After petitioner appealed again, the NLRC deleted the award of additional back wages in its August 21, 1998 Decision. The latter also denied the Motion for Reconsideration in its October 21, 1998 Resolution.

Ruling of the Court of Appeals

In voiding the January 22, 1998 Order of the LA, as well as the August 21, 1998 Decision and the October 21, 1998 Resolution of the NLRC, the CA held that these

labor agencies could not alter or modify earlier rulings that had become final and executory.^[6] The April 20, 1994 Decision and the October 7, 1994 Resolution, being already final and executory, could no longer be subjected to a new trial and hearing. The CA then ordered the LA to issue a writ of execution for the immediate reinstatement of private respondent and the payment of his back wages.

Hence, this Petition.^[7]

Issues

In its Memorandum, petitioner raises the following issues for our consideration:

"I

Whether or not the Court of Appeals, in affirming the public respondent NLRC and the Labor Arbiter a quo, committed grave abuse of discretion in issuing a writ of execution without a hearing and without giving the petitioner the opportunity to present evidence of private respondent's earnings elsewhere, and awarded 'additional backwages' which is in substantial variance to the decision being executed.

II

Whether or not the Court of Appeals, in affirming the NLRC and the Labor Arbiter a quo, committed serious errors in applying retroactively the ruling in *Osmalik Bustamante v. NLRC*.^[8]

Stripped of unnecessary verbiage, the issue in this case is simple: whether the NLRC's final and executory Decision may still be modified.^[9]

The Court's Ruling

The Petition has no merit.

Sole Issue:

Non-Modification of Final and Executory Decision

As earlier stated, petitioner assails the June 22, 2000 Decision of the CA, which ruled thus:

"The records x x x show that [LA] Manansala altered the Decision dated April 20, 1994 of respondent NLRC by awarding additional backwages to private respondent which is not embodied in the said decision of respondent NLRC [and] which is beyond his power and competence. It is fundamental that a final and executory decision cannot be amended or corrected[,] except for clerical errors or mistakes. A definitive judgment is no longer subject to change, revision, amendment, or reversal and the court loses jurisdiction over it[,] except to order its execution. x x x."^[10]

Dissatisfied with the appellate court's Decision, petitioner filed herein Petition to enable it to present evidence of private respondent's earnings derived elsewhere. Such move cannot be countenanced. Since the NLRC's April 20, 1994 Decision had

long become final and executory, the LA had no more authority to alter it. When he did so, the NLRC itself, in its August 21, 1998 Decision, modified his Order by deleting the additional back wages. In rendering this second NLRC Decision null and void, the CA merely reverted to the April 20, 1994 NLRC Decision which, as earlier mentioned, had already become final and executory.

What LA Manansala should have done was to issue a writ of execution in accordance with Section 1 (paragraphs 1 and 2) of Rule VIII and Section 16 (paragraph 3) of Rule V of the NLRC's New Rules of Procedure.^[11] The CA's avoidance of his proceedings for being violative of those rules was a foregone conclusion.

Although "administrative and quasi-judicial bodies, like the NLRC, are not bound by the technical rules of procedure in the adjudication of cases filed before them,"^[12] what is important is that the parties be given sufficient opportunity to be heard.^[13] "[F]indings of facts [of] quasi-judicial agencies like the NLRC, which have acquired expertise because their jurisdiction is confined to specific matters, are generally accorded not only respect but at times even finality if such findings are supported by substantial evidence."^[14] Indeed, more than a mere scintilla of evidence will be accepted by a reasonable mind as adequate to support a conclusion.^[15] In this case, we find that the requirement of substantial evidence has adequately been met.

True, even after a judgment has become final and executory, an appellate court may still modify or alter it when intervening circumstances render execution of that decision unjust and inequitable. This principle does not apply, however, when the basis for modification is previously existing evidence that a party fails to adduce during the hearing on the merits, despite ample opportunity to do so. Here, there are no supervening events that would make the issuance of a writ of execution unjust.

Settled is the rule that, except for correction of clerical errors, final and executory judgments can neither be amended nor altered, even if the purpose is to correct erroneous conclusions of fact or of law.^[16] Thus, petitioner cannot be allowed to present evidence again, especially when that which it seeks to present is unnecessary. Under Republic Act No. 6715, an illegally dismissed employee is entitled to full back wages, without any diminution or reduction by earnings derived elsewhere during the period of illegal dismissal.

Payment of Full Back Wages

Reference was made to *Bustamante v. NLRC*,^[17] in which this Court allowed the payment of full back wages^[18] without diminution of income earned during the "no-work" status of an illegally dismissed employee.

Under the Industrial Peace Act,^[19] the Court of Industrial Relations (CIR) had wide discretion in granting or disallowing payment of back wages to an illegally dismissed employee. The CIR also had the implied power to mitigate or reduce back wages,^[20] depending on several circumstances. Among these circumstances are the employers' good faith,^[21] the employees' employment in other establishments during the period of illegal dismissal, and the probability that the employees could have