



Republic of the Philippines  
**Supreme Court**  
Manila

SECOND DIVISION

**FLORENCIO LIBONGCOGON,  
FELIPE VILLAREAL and ALFONSO  
CLAUDIO,**

Petitioners,

- versus -

**G.R. No. 203332**

Present:

BRION, J.,  
*Acting Chairperson,*  
DEL CASTILLO,  
PEREZ,  
MENDOZA,\*\* and  
PERLAS-BERNABE, JJ.

Promulgated:

**PHIMCO INDUSTRIES, INC.,**  
Respondent.

JUN 18 2014 *HW Cabalag for factio*

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**DECISION**

**BRION, J.:**

We resolve the present petition for review on *certiorari*<sup>1</sup> which seeks to nullify the amended decision<sup>2</sup> dated August 30, 2012 of the Court of Appeals in CA-G.R. 115295.

**The Antecedents**

The Phimco Industries, Inc. (*PHIMCO*) is a domestic corporation engaged in the production of matches. The Phimco Labor Association (*PILA*) is the exclusive collective bargaining representative of the PHIMCO

\* In lieu of Associate Justice Antonio T. Carpio per Special Order No. 1699 dated June 13, 2014.

\*\* Designated as Acting Member in lieu of Associate Justice Antonio T. Carpio per Special Order No. 1696 dated June 13, 2014.

<sup>1</sup> *Rollo*, pp. 57-80; filed pursuant to Rule 45 of the Rules of Court.

<sup>2</sup> *Id.* at 31-55; penned by Associate Justice Priscilla J. Baltazar-Padilla and concurred in by Associate Justices Jose C. Reyes, Jr. and Agnes Reyes-Carpio.

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regular rank-and-file employees. Due to a bargaining deadlock with PHIMCO, PILA staged a strike on April 21, 1995.

The National Labor Relations Commission (NLRC) issued a temporary restraining order on June 23, 1995, but the strike continued, with the strikers blocking the company's points of ingress and egress. Three days later or, on June 26, 1995, PHIMCO served dismissal notices on the strikers for the alleged illegal acts they committed during the strike. Consequently, PILA filed a complaint for illegal dismissal and unfair labor practice against PHIMCO (*illegal dismissal case*) under NLRC NCR Case No. 00-07-04705-95. PHIMCO, for its part, filed a petition to declare the strike illegal (*illegal strike case*), docketed as NLRC Case No. 00-08-06031-95.

Then Acting Secretary Jose Brillantes of the Department of Labor and Employment assumed jurisdiction over the strike and issued a return-to-work order. PILA ended its strike and PHIMCO resumed its operations. Later, PHIMCO laid off 21 of its employees and implemented a retirement program covering 53 other employees. Twenty-two out of the 53 questioned the legality of their retirement. Further, PILA found out that seven other workers who were also dismissed on June 26, 1995—Florencio Libongcogon, Felipe Villareal, Mario Perea, Angelito Dejan, Mariano Rosales, Roger Caber, and Alfonso Claudio – were not included in the illegal dismissal case.

In view of these developments, PILA filed another complaint (NLRC NCR Case No. 00-07-04723-97) against PHIMCO with the following causes of action: (1) the illegal dismissal of the 7 employees; (2) the forced retirement of 53 employees; and (3) the lay-off of 21 employees.

### **The Compulsory Arbitration Rulings and Related Incidents**

In a decision<sup>3</sup> dated August 5, 1998, Labor Arbiter (LA) Felipe P. Pati dismissed NLRC Case No. 00-07-04723-97. PILA filed an appeal which the NLRC dismissed through its decision<sup>4</sup> dated July 30, 1999. PILA sought relief from the CA through a petition for *certiorari* (CA-G.R. SP No. 57988).

The CA Special 12<sup>th</sup> Division rendered a decision<sup>5</sup> on February 27, 2001 partly granting the petition. It found the 7 employees to have been

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<sup>3</sup> Id. at 84-103.

<sup>4</sup> Id. at 104-114.

<sup>5</sup> Id. at 119-135; penned by Associate Justice Rebecca de Guia-Salvador, and concurred in by Associate Justices Candido V. Rivera and Jose L. Sabio, Jr.

illegally dismissed. It ruled that as ordinary union members, the 7 must have been shown to have committed illegal acts during the strike to warrant their dismissal, but there was no such showing. Having been illegally dismissed, the 7 were entitled to reinstatement, full backwages inclusive of allowances, and other benefits, computed from June 26, 1995 up to the time of their actual reinstatement.

Thereafter, PHIMCO appealed to this Court through a petition for review on *certiorari* which the Court denied in its Resolution<sup>6</sup> dated October 3, 2001. The resolution became final and executory on December 4, 2001.<sup>7</sup> PILA then filed a motion for the computation of backwages and benefits of the 7 union members, the CA decision in CA-G.R. SP No. 57988 likewise having become final and executory.

On October 18, 2002, the NLRC NCR Arbitration Branch submitted a computation of the backwages for June 26, 1995 to October 2, 2002 in the total amount of ₱519,907.10 *for each* of the 7 employees. The amount of ₱174,305.84 received by Caber (for which he executed a quitclaim), was deducted from the computation of his backwages. On January 7, 2003, LA Pati ordered the issuance of a writ of execution in favor of Libongcogon, Villareal, Claudio, Peria and Dejan, excluding Caber and Rosales who passed away and whose heirs had received financial assistance from the company for which they executed the corresponding quitclaims and release.

PHIMCO appealed, but the NLRC denied the appeal, as well as PHIMCO's subsequent motion for reconsideration.

On March 6, 2004, Dejan moved for the dismissal of the case as far as he was concerned, manifesting that he voluntarily executed a quitclaim and release in the company's favor (before LA Pati) in consideration of ₱164,025.85. PILA moved for execution of the CA ruling.

PHIMCO, on the other hand, filed a motion for the computation of the backwages of Libongcogon, Villareal and Claudio, claiming that their former positions no longer existed as of June 26, 1995, making their reinstatement physically impossible. It argued that under Section 4(b), Rule I, Book VI of the Omnibus Rules Implementing the Labor Code, its obligation to the three employees was only to pay them separation pay up to June 26, 1995.

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<sup>6</sup> Id. at 136.

<sup>7</sup> Id. at 138.

Accompanying PHIMCO's motion for computation was a certification issued by its Chief Accountant, Nestor Sebastian, stating that in 1993, the company shifted to the buying of splints (*palito*) and skillets (*match boxes*) instead of buying logs and making the materials in the company itself. In the middle of June 1995, PHIMCO stopped the splint and skillet processing in its Sta. Ana factory, resulting in the abolition on June 26, 1995 of the jobs of Perea, Villareal and Claudio. Later, PHIMCO closed one match automatic line due to reduced sales of matches. The closure also resulted in the abolition of the jobs of eleven (11) other employees, including Libongcogon. Through a supplement to the motion for computation, PHIMCO maintained that the separation pay of the remaining four employees should be as follows: Libongcogon, ₱71,289.00; Villareal, ₱113,556.00; Perea, ₱143,809.00; and Claudio, ₱35,385.00.

In an order<sup>8</sup> dated March 28, 2005, LA Aliman D. Mangandog, who took over the case due to LA Pati's inhibition from further handling the dispute, upheld PHIMCO's position and declared that the reinstatement of the 7 union members had been rendered impossible because of the abolition of their positions in 1995. Further, LA Mangandog noted that three of the 7 had withdrawn their claims against the company (Caber and Rosales [who died during the pendency of the case] and Dejan). He ordered PHIMCO to pay Libongcogon, Villareal, Perea and Claudio separation pay of one month's salary for every year of service from date of their employment up to June 1995, plus financial assistance of one-half month's pay for each of them.

After receipt of copy of LA Mangandog's order, Perea moved to withdraw his claim against PHIMCO, stating that he voluntarily executed a quitclaim and release in favor of the company in consideration of ₱143,711.32. PILA filed a motion for reconsideration of the order which the NLRC treated as an appeal.

On June 30, 2009, the NLRC issued a resolution<sup>9</sup> reversing LA Mangandog's ruling. It declared that PHIMCO had not shown any clear basis to modify the CA decision of February 27, 2001<sup>10</sup> ordering the reinstatement of the 7 dismissed union members, which had long become final and executory. It considered LA Mangandog's order which modified the CA decision a nullity. It then remanded the records of the case to its Regional Arbitration Branch for the issuance of a writ of execution to strictly enforce the CA decision of February 27, 2001.

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<sup>8</sup> Id. at 139-143.

<sup>9</sup> Id. at 145-153.

<sup>10</sup> *Supra* note 6.

PHIMCO moved for reconsideration. On July 21, 2010, the NLRC issued another resolution<sup>11</sup> modifying its resolution of June 30, 2009. It dismissed the case with prejudice with respect to Rosales, Caber, Dejan and Perea as they or their heirs executed quitclaims in favor of PHIMCO. It again remanded the records to its arbitration branch for the issuance of a writ of execution in the following amounts: (1) ₱827,842.23 for Libongcogon; (2) ₱1,061,512.70 for Villareal; and (3) ₱811,835.47 for Claudio.

Undaunted, PHIMCO appealed to the CA on grounds that the NLRC committed grave abuse of discretion when (1) it took cognizance of the 7 employees' motion for reconsideration despite its non-compliance with the requirements for perfecting an appeal; (2) ordered the reinstatement of two of the 7 who were already deceased and two who filed motions to dismiss the case; and (3) ruled that they were entitled to backwages and accrued salaries from June 26, 1995 to December 31, 2004.

With respect to the procedural question, PHIMCO argued that the NLRC should not have accepted the employees' appeal since it failed to comply with the requirements for perfection of an appeal. It pointed out that the appeal lacked a verification and certification of non-forum shopping and was not accompanied by an appeal fee. On the merits of the case, PHIMCO reiterated its argument that the former positions of the 7 employees were already abolished and the machines that they were using were dismantled as early as June 1995, rendering their reinstatement a legal impossibility. Under such a situation, it maintained, their backwages should be computed only up to the date their positions were abolished.

PHIMCO further argued that the March 28, 2005 resolution<sup>12</sup> of LA Mangandog did not modify the February 27, 2005 decision<sup>13</sup> of the CA in CA-G.R. SP No. 57988. The Mangandog resolution, it explained, simply applied Section 4, Rule 1, Book VI of the Omnibus Rules Implementing the Labor Code, requiring the payment of separation pay in case the establishment where the employee is to be reinstated has closed or has ceased operations or where his or her former position no longer exists at the time of reinstatement, for reasons not attributable to the fault of the employer.

### **The CA Decision**

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<sup>11</sup> *Rollo*, pp. 156-172.

<sup>12</sup> *Supra* note 9.

<sup>13</sup> *Supra* note 6.

In its first assailed decision,<sup>14</sup> the CA denied the petition and upheld the NLRC rulings. It found that the NLRC committed no grave abuse of discretion when it accepted the employees' motion for reconsideration as an appeal. It stressed that the circumstances obtaining in the case warrant a liberal application of the rules of procedure considering the seriousness of the issue that had to be resolved, involving no less the alteration by LA Mangandog of a final and executory decision of the CA. Further, it sustained the NLRC's dismissal of the complaint with respect to Rosales, Caber, Dejan and Perea, as they or their heirs executed quitclaims in PHIMCO's favor.

The CA emphasized that the decision of its Special 12<sup>th</sup> Division in CA-G.R. SP No. 57988 became final and executory on December 4, 2001; thus, there is nothing more left to be done but to enforce it. It rejected PHIMCO's argument that since there were no more positions the remaining 3 employees could go back to, its only obligation was to give them separation pay. At any rate, it opined, even on the assumption that the employees' positions had been abolished in June 1995, that this circumstance would not justify a modification of the NLRC's final and executory reinstatement order inasmuch as (1) the abolition of the workers' positions occurred before the judgment had attained finality; and (2) the issue was raised only during the execution stage.

PHIMCO moved for reconsideration of the CA decision. It argued in the main that independent of the issue on the abolition of the employees' positions, their reinstatement should not have been upheld in view of the ruling of this Court in G.R. No. 170830, ***Phimco Industries, Inc. v. Phimco Industries Labor Association (PILA)***<sup>15</sup> (*illegal strike case*) promulgated on August 11, 2010, as well as the Court's Resolution in G.R. No. 192875, ***Phimco Industries Labor Association (PILA) et al., v. Phimco Industries, Inc.***<sup>16</sup> (*illegal dismissal case*) issued on January 19, 2011.

PHIMCO maintained that in the illegal strike case, the Court's 3<sup>rd</sup> Division ruled that the company had a just cause to dismiss the affected union members as they committed illegal acts during the strike. In the illegal dismissal case, on the other hand, the Court's 2<sup>nd</sup> Division took into consideration the 3<sup>rd</sup> Division's ruling in the illegal strike case which, it noted, had already become final and executory. Accordingly, the 2<sup>nd</sup> Division denied PILA's petition seeking (1) the reinstatement of the striking employees; and (2) the reversal of the decision of the CA 17<sup>th</sup> Division in

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<sup>14</sup> *Supra* note 2.

<sup>15</sup> G.R. No. 170830, August 11, 2010, 628 SCRA 119.

<sup>16</sup> *Rollo*, pp. 471-472.

CA-G.R. No. 83569 declaring the dismissal of the concerned employees valid.

PILA, for its part, argued that the procedural issue had already been passed upon by the CA in its decision of December 9, 2011 and PHIMCO had not presented any fresh argument to warrant a reconsideration. On the merits of the case, PILA maintained that since the reinstatement order of the CA Special 12<sup>th</sup> Division had become final and executory long before this Court's decision in G.R. No. 170830 and its resolution in G.R. No. 192875 were rendered, the rulings of the Court should not have affected the dismissed employees.

### The CA Amended Decision

Through its amended decision of August 30, 2012<sup>17</sup> (on further reconsideration), the CA granted PHIMCO's motion for reconsideration, although it reaffirmed its finding that the NLRC committed no grave abuse of discretion in issuing its assailed resolutions of June 30, 2009 and July 21, 2010 as they were rendered in line with the ruling of the CA Special 12<sup>th</sup> Division in CA-G.R. SP No. 57988.

Invoking this Court's ruling in *David v. CA*,<sup>18</sup> the CA held that while the judgment in CA-G.R. SP No. 57988 (sought to be enforced by the challenged NLRC resolutions) had attained finality, there were facts and/or events which transpired after the judgment was issued, which presented a supervening cause that rendered the final and executory decision no longer enforceable. **The "supervening cause" CA had in mind referred principally to this Court's (3<sup>rd</sup> Division) ruling in the illegal strike case (G.R. No. 170830) promulgated on August 11, 2010 that PILA's members were validly dismissed as they committed unlawful acts during the strike.** It also cited the Court's (2<sup>nd</sup> Division) resolution in the illegal dismissal case (G.R. No. 192875) issued on January 19, 2011 recognizing that the Court's decision in the illegal strike case had already become final and executory. The Court, in effect, **denied PILA's prayer in G.R. No. 192875 to have the dismissed union members who participated in the strike reinstated, thereby acknowledging that they had been validly dismissed.**

The CA took note that PHIMCO was able to identify the union members who participated and committed illegal acts (illegally blocking

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<sup>17</sup> *Supra* note 3.

<sup>18</sup> 375 Phil. 177, 186 (1999).

ingress to and egress from the company premises during the strike) through the affidavits of company employees and its personnel manager, as well as through photographs of the strike scene, as stated in the Court's decision in the illegal strike case<sup>19</sup>. **The identified union members included Libongcogon, Villareal and Claudio, the remaining employees who were contesting their dismissal.**

By amending its decision dated December 9, 2011, reversed the assailed NLRC resolutions in so far as they pertain to the reinstatement or payment of accrued wages, 13<sup>th</sup> month pay and service incentive leave pay of Libongcogon, Villareal and Claudio.

### **The Petition**

Aggrieved, Libongcogon, Villareal and Claudio now appeal to this Court on grounds that the CA committed grave abuse of discretion when (1) it set aside its previous decision and granted PHIMCO's motion for reconsideration and petition for *certiorari* despite its clear finding that the NLRC committed no grave abuse of discretion in its assailed resolutions; and (2) it applied in the present case the decisions of this Court in G.R. No. 170830 and G.R. No. 192875.

The petitioners bewail the CA's grant of *certiorari* to the company, which it had denied in its decision of December 9, 2011 (when it found that the NLRC did not commit any grave abuse of discretion in its appealed rulings). They find no justification for the CA's change of mind considering that even in its amended decision of August 30, 2012, the appellate court reiterated its opinion that the NLRC committed no grave abuse of discretion in its assailed resolutions of June 30, 2009<sup>20</sup> and July 21, 2010.<sup>21</sup> They contend that the CA amended decision had no legal basis on both substantive and procedural grounds; it ran counter to both the basic tenet of a Rule 65 petition for *certiorari*, and rewarded PHIMCO for unduly derailing the enforcement of a final and executory decision rendered way back in 2001.

The three dismissed employees were surprised that despite the lack of any grave abuse of discretion in the NLRC resolutions, the CA reversed its previous decision and set aside said resolutions "merely by reason of the Hon. Supreme Court's subsequent decisions in G.R. No. 170830 and G.R.

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<sup>19</sup> *Supra* note 3, p. 23, last paragraph.

<sup>20</sup> *Supra* note 10.

<sup>21</sup> *Supra* note 13.



No. 192875 which the appellate court considered as supervening events,”<sup>22</sup> in relation to its decision of February 27, 2001 decreeing their reinstatement. They submit that this Court’s decisions were not raised by PHIMCO in its petition for *certiorari* before the CA and thus cannot be made a basis of the appellate court’s decision. They maintain that the present case is separate and distinct from the cases in G.R. No 170830 and G.R. No. 192875 which was decided more than a decade ahead of the decisions of the Court invoked by the CA in its amended decision.

The petitioners entreat the Court to rectify the situation “if only to forestall a bad precedent to debase the sanctity of final and executory judgments.”<sup>23</sup> They urge that the doctrine of *immutability of final judgments* be respected in their case. They tell the Court that the “supervening event” PHIMCO raised at this point in the proceedings does not fall under any of the exceptions to the doctrine and these are: the correction of clerical errors, the so called *nunc pro tunc* entries which cause no prejudice to any party, void judgments, and circumstances which transpire after the finality of the decision and which render the execution unjust and inequitable.<sup>24</sup>

### The Case for PHIMCO

In its Comment (on the petition),<sup>25</sup> the respondent PHIMCO asks for the dismissal of the petition on grounds that: (1) the CA is correct in relying on the decisions of this Court in the illegal strike case (G.R. No. 170830) and the illegal dismissal case (G.R. No. 192875) as basis for its amended decision; and (2) the rule on “*commonality of interests*” is applicable to the petitioners.

PHIMCO takes exception to the petitioners’ claim that it never raised with the CA the issue of “supervening event.” It contends that right after the filing of its Petition for *Certiorari* with Prayer for the Issuance of a Writ of Preliminary Injunction and/or Temporary Restraining Order dated August 9, 2010 with the CA, it filed an Urgent Motion for the Issuance of a Temporary Restraining Order (dated August 16, 2010)<sup>26</sup> to enjoin the enforcement of the assailed NLRC resolutions.

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<sup>22</sup> *Supra* note 1, par. 1.

<sup>23</sup> *Supra* note 1, p. 2, last paragraph.

<sup>24</sup> *Hulst v. PR Builders, Inc.*, 558 Phil. 683, 703 (2007).

<sup>25</sup> *Rollo*, pp. 261-273; filed on February 8, 2013.

<sup>26</sup> *Id.* at 280-282; dated August 16, 2010.

PHIMCO maintains that when the CA denied its urgent motion, it filed on October 4, 2010 a Motion for Reconsideration with a Reply to the comment of the employees<sup>27</sup> where it first attempted to raise the “supervening event” issue by manifesting before the CA that this Court’s decision in the illegal strike case (G.R. No. 170830) positively identified the petitioners Libongcogon, Villareal and Claudio as among the union members who participated in the strike and who committed illegal acts during the strike. It adds that for this reason, the Court declared – in the illegal strike case – that they had been validly dismissed.

Thereafter, several other related incidents ensued where it again called attention to the “supervening event” issue, one such incident being the filing of the parties’ memoranda<sup>28</sup> on its petition. PHIMCO submits that the entry of the Court’s ruling in the strike case in the Book of Entries of Judgments<sup>29</sup> put an end to the issue of petitioners’ illegal dismissal as upheld by the Court in its decision in the illegal dismissal case (G.R. No. 192875).

Under the circumstances, PHIMCO explains, the CA correctly yielded to the pronouncements of the Court in the two cases on the ground of *res judicata* as the two cases and the present one had identity of parties and issues. It thus maintains that the CA correctly considered in its amended decision of August 30, 2012 the Court’s rulings in the illegal strike and illegal dismissal cases as supervening events which rendered the execution of the NLRC resolution dated July 21, 2010<sup>30</sup> unjust and inequitable.

Finally, PHIMCO argues that there is commonality of interests between the petitioners and the respondents in the illegal strike case as found by LA Mangandog since their rights and obligations originate from the same source—their status as PHIMCO employees and PILA members and, their participation in the illegal strike.

### **The Court’s Ruling**

We now resolve the core issue of **whether the CA committed a reversible error or grave abuse of discretion in relying on this Court’s rulings in the illegal strike case (G.R. No. 170830) and the illegal dismissal case (G.R. No. 192875) as basis for its amended decision of August 30, 2012.**

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<sup>27</sup> Id. at 285-295.

<sup>28</sup> Id. at 415-449; PHIMCO’s Memorandum.

<sup>29</sup> Id. at 561-564.

<sup>30</sup> *Supra* note 13.

***The doctrine of immutability of final judgments***

The petitioners contend that the CA contravened the doctrine of *immutability of final judgments* when it issued its amended decision of August 30, 2012 nullifying the final and executory decision of its Special 12<sup>th</sup> Division declaring their dismissal illegal. They insist that the CA ruling had become immutable and unalterable and may no longer be modified in any respect, even if the modification is meant to correct erroneous conclusions of fact and law, regardless of whether it will be made by the court that rendered it or by the highest court of the land. They invoke the Court's pronouncement in *Silliman University v. Fontelo-Paalan*,<sup>31</sup> in support of their position. They submit that for this reason, even the Court's rulings in the illegal strike case and the illegal dismissal case cannot alter the fact that they had been illegally dismissed.

**We disagree with the petitioners.**

As the petitioners themselves acknowledge, the doctrine of *immutability of final judgments* admits of certain exceptions as explained in *Hulst v. PR Builders, Inc.*,<sup>32</sup> which they cite to prove their case. One recognized exception is the existence of a supervening cause or event which renders the enforcement of a final and executory decision unjust and inequitable. In this particular case, a supervening event transpired, which must be considered in the execution of the CA decision in CA-G.R. SP No. 57988 in order not to create an injustice to or an inequitable treatment of workers who, like the petitioners, participated in a strike where this Court found the commission of illegal acts by the strikers, among them the petitioners.

As the CA pointed out in its amended decision, the evidence in the illegal strike case clearly identified the petitioners as among the union members who, in concert with the other identified union members, blocked the points of ingress and egress of PHIMCO through a human blockade and the mounting of physical obstructions in front of the company's main gate.<sup>33</sup> This is a prohibited act under the law.<sup>34</sup> "For participating in illegally blocking ingress to and egress from company premises, this Court's 3<sup>rd</sup>

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<sup>31</sup> G.R. No. 170948, June 26, 2007, 525 SCRA 759.

<sup>32</sup> *Supra* note 24.

<sup>33</sup> *Supra* note 3, at 20-23; citing the decision of this Court in G.R. No. 170830 (illegal strike case).

<sup>34</sup> LABOR CODE, Article 264(e).

Division declared in the illegal strike case these union members dismissed for their illegal acts in the conduct of the union's strike.”<sup>35</sup>

As we earlier stated, the ruling of the Court's 3<sup>rd</sup> Division in the illegal strike case (which attained finality on November 20, 2010<sup>36</sup>) became the basis of the Court's 2<sup>nd</sup> Division in rejecting PILA's prayer for the reinstatement of the dismissed union members in the illegal dismissal case, thereby recognizing the validity of their dismissal. Considering that the petitioners had been positively identified to be among the union members who committed illegal acts during the strike, these petitioners were therefore validly dismissed. It was in this context that the CA opined that the Court's rulings in the illegal strike case and in the illegal dismissal case constituted an intervening cause or event that made the CA Special 12<sup>th</sup> Division's final and executory decision in CA-G.R. SP No. 57988 unenforceable.

A strike is a concerted union action for purposes of collective bargaining or for the workers' mutual benefit and protection.<sup>37</sup> It is manifested in a work stoppage whose main objective is to paralyze the operations of the employer establishment. Because of its potential adverse consequences to the striking workers and the employer, as well as the community, a strike enjoys recognition and respect only when it complies with the conditions laid down by law. One of these conditions, as far as union members are concerned, is the avoidance of illegal acts during the strike<sup>38</sup> such as those committed by the petitioners, in concert with the other union members, during the PHIMCO strike in 1995.<sup>39</sup>

The petitioners were in the same footing as the other union members who were identified to have committed illegal acts during the strike and whose dismissal was upheld by this Court in the illegal strike and illegal dismissal cases. Nevertheless, they would want to be spared from liability for the illegal acts they committed during the strike by invoking the doctrine of **immutability of final judgments**. This is unfair, as the CA saw it, stressing that it would create an iniquitous situation in relation to the union members who lost their employment because of the illegal acts they committed during the strike.

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<sup>35</sup> *Rollo*, p. 351, Decision in G.R. No. 170830, p. 22, last paragraph.

<sup>36</sup> *Id.* at 563-564; Entry of Judgment in G.R. No. 170830 (illegal strike case).

<sup>37</sup> LABOR CODE, Article 263(b).

<sup>38</sup> *Supra* note 34.

<sup>39</sup> Decision in G.R. No. 170830 (illegal strike case).

**We appreciate the CA's concern.** The petitioners were also respondents in the illegal strike case,<sup>40</sup> yet through the expedient of filing an illegal dismissal case separate from the main illegal dismissal action filed by PILA involving all the other union members dismissed by the company, they would go scot free for their commission of illegal acts during the strike.

It should be recalled that the CA Special 12<sup>th</sup> Division declared the petitioners to have been illegally dismissed when it issued its February 27, 2001 decision based on its finding that there was no showing at the time that they committed illegal acts during the strike. This Court's decision in the illegal strike case proved otherwise, inasmuch as the petitioners were positively found to have committed illegal acts during the strike.

Considering the substantial financial losses suffered by the company on account of the strike, it would indeed be unjust to the company and the dismissed union members to allow the reinstatement of the petitioners and to reward them with backwages and other monetary benefits. We thus find no reversible error or grave abuse of discretion in the CA amended decision.

We stress as our last point that the fact that the decision has become final does not necessarily preclude its modification or alteration; even with the finality of judgment, when its execution becomes impossible or unjust due to supervening facts, it may be modified or altered to harmonize it with demands of justice and the altered material circumstances not existing when the decision was originally issued.<sup>41</sup>

**In fine, we find the petition without merit.**

**WHEREFORE,** premises considered, the petition is **DISMISSED** for lack of merit. The amended decision dated August 30, 2012 of the Court of Appeals is **AFFIRMED**.

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<sup>40</sup> *Rollo*, p. 293, caption of G.R. No. 170830 indicating that petitioners were among the respondents in the case.

<sup>41</sup> *Torres v. National Labor Relations Commission*, 386 Phil. 513, 520 (2000).

**SO ORDERED.**

  
**ARTURO D. BRION**  
Associate Justice

**WE CONCUR:**

  
**MARIANO C. DEL CASTILLO**  
Associate Justice

  
**JOSE PORTUGAL PEREZ**  
Associate Justice

  
**JOSE CATRAL MENDOZA**  
Associate Justice

  
**ESTELA M. PERLAS-BERNABE**  
Associate Justice

**A T T E S T A T I O N**

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**ARTURO D. BRION**  
Associate Justice  
Acting Chairperson, Second Division

## CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**MARIA LOURDES P. A. SERENO**  
Chief Justice