Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

ROMEO BASAN, DANILO DIZON, JAIME L. TUMABIAO, JR., ROBERTO DELA RAMA, JR., RICKY S. NICOLAS, CRISPULO D. DONOR, GALO FALGUERA, and NATIONAL LABOR RELATIONS COMMISSION, Petitioners,	**G.R. Nos. 174365-66**
	Present:
	SERENO,** *C. J.,*
	VELASCO, JR., *J., Chairperson,*
	PERALTA,
	VILLARAMA, JR., and
	REYES, *JJ.*
- versus -	
	Promulgated:
COCA-COLA BOTTLERS PHILIPPINES,* Respondent.	February 4, 2015

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DECISION

PERALTA, *J.*:

Before the Court is a petition for review on *certiorari* under Rule 45 of the Rules of Court seeking to reverse and set aside the Decision[1] dated August 31, 2005 and Resolution[2] dated August 24, 2006 of the Court of Appeals (*CA*) in CA-G.R. SP Nos. 80977 & 87071, which reversed the

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* The present petition impleaded the Court of Appeals as respondent. Pursuant to Section 4, Rule 45 of the Rules of Court, the name of the Court of Appeals is deleted from the title..

** Designated Acting Member, in lieu of Justice Francis H. Jardeleza, per Raffle dated February 2, 2015.

1 Penned by Associate Justice Roberto A. Barrios, with Associate Justices Amelita G. Tolentino and Vicente S. E. Veloso, concurring; Annex "A" to Petition, *rollo*, pp. 18-29.

2 Annex "B" to Petition, *id.* at 31-34.

Resolutions dated January 30, 2003[3] and September 24, 2003[4] of the National Labor Relations Commission (*NLRC*) in NLRC 00-02-01419-97.

The factual antecedents are as follows.

On February 18, 1997, petitioners Romeo Basan, Danilo Dizon, Jaime L. Tumabiao, Jr., Roberto Dela Rama, Jr., Ricky S. Nicolas, Crispulo D. Donor, Galo Falguera filed a complaint for illegal dismissal with money claims against respondent Coca-Cola Bottlers Philippines, alleging that respondent dismissed them without just cause and prior written notice required by law. In their position paper, petitioners provided for the following material dates:[5]

Name of Petitioner	Date of Hiring	Date of Dismissal
Dela Rama	November 16, 1995	February 13, 1997
Dizon	October 1988	December 15, 1996
Tumabiao	February 2, 1992	February 13, 1997
Basan	July 13, 1996	January 31, 1997
Donor	September 16, 1995	February 13, 1997
Nicolas	May 10, 1996	January 30, 1997
Falguera	January 15, 1991	April 1996

Respondent corporation, however, countered that it hired petitioners as temporary route helpers to act as substitutes for its absent regular route helpers merely for a fixed period in anticipation of the high volume of work in its plants or sales offices.[6] As such, petitioners' claims have no basis for they knew that their assignment as route helpers was temporary in duration.

On August 21, 1998, the Labor Arbiter ruled in favor of petitioners and found that since they were performing activities necessary and desirable to the usual business of petitioner for more than the period for regularization, petitioners are considered as regular employees, and thus, their dismissal was done contrary to law in the absence of just cause and prior written notice.[7] Thus, it ordered respondent to reinstate petitioners with full backwages from the time their salaries were withheld until their actual reinstatement and to pay their lump sum increase extended to them in their collective bargaining agreement, their accrued vacation and sick leave benefits, as well as monetary awards and attorney's fees.[8]

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3 Per Presiding Commissioner Raul T. Aquino, with Commissioners Victoriano R. Calaycay and Angelita A. Gacutan, concurring; *id*. at 97, 109-128.
4 *Id*. at 138-139.
5 *Id*. at 19.
6 *Id*. at 64-66.
7 *Id*. at 85-96.
8 *Id*. at 95.

On January 30, 2003, the NLRC affirmed the Labor Arbiter's decision and rejected respondent's contention that petitioners were merely employed for a specific project or undertaking the completion or termination of which has been determined at the time of their engagement. It stressed that nowhere in the records of the case was it shown that petitioners were hired as project or seasonal employees, respondent having failed to submit any contract of project or other similar proof thereof.[9] It also noted that neither can petitioners be considered as probationary employees for the fact that they had performed their services for more than six (6) months. In addition, the NLRC upheld the Labor Arbiter's ruling that petitioners, as route helpers, performed work directly connected or necessary and desirable in respondent's ordinary business of manufacturing and distributing its softdrink products. Thus, respondent failed to overcome petitioners' assertion that they were regular employees. As such, their employment could only be terminated with just cause and after the observance of the required due process. Thereafter, the subsequent motion for reconsideration filed by respondent was further denied by the NLRC on September 24, 2003.

On December 9, 2003, respondent filed a petition for *certiorari*[10] with the CA alleging grave abuse of discretion on the part of the NLRC in finding that petitioners were regular employees. In the meantime, petitioners filed before the Labor Arbiter a Motion for Issuance of a Writ of Execution[11] dated December 15, 2003, to which respondent filed a Manifestation and Motion with attached Opposition.[12] On March 25, 2004, the Labor Arbiter ordered that the Writ of Execution be issued, which was affirmed by the NLRC on June 21, 2004. Consequently, respondent filed another petition for *certiorari*[13] on October 22, 2004, claiming that the NLRC committed grave abuse of discretion in directing the execution of a judgment, the propriety and validity of which was still under determination of the appellate court.

In its Decision dated August 31, 2005, the CA consolidated respondent's two (2) petitions for *certiorari* and reversed the rulings of the NLRC and the Labor Arbiter in the following wise:

> That the respondents "performed duties which are necessary or desirable in the usual trade or business of Coca-Cola," is of no moment. This is not the only standard for determining the status of one's employment. Such fact does not prevent them from being considered as fixed term employees of Coca-Cola whose engagement was "fixed" for a specific period. The respondent's repeated hiring for various periods (ranging from more than six months for private respondent Basan to eight

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9 *Id*. at 124-127.
10 CA *rollo*, p. 91.
11 *Id*. at 108-109.
12 *Rollo*, p. 21.
13 CA *rollo*, pp. 2-15.

> years in the case of private respondent Dizon) would not automatically categorize them as REGULAR EMPLOYEES.
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> It being supported by facts on record and there being no showing that the employment terms were foisted on the employees through circumstances vitiating or diminishing their consent, following *Brent School, Inc. vs. Zamora* (G.R. No. 48494, Feb. 5, 1990), the respondents must be considered as fixed term employees whose "seasonal employment" or employment for a "period" have been "set down." After all, as conceded by Brent, fixed term employment continues to be allowed and enforceable in this jurisdiction. Not being permanent regular employees, it must be held that the respondents are not entitled to reinstatement and payment of full backwages.[14]

Petitioners sought a reconsideration of the CA's Decision on procedural and substantive grounds. On the procedural, they alleged that respondent, in filing its appeal of the Labor Arbiter's August 21, 1998 decision with the NLRC only on December 20, 1998, rendered the Decision of the Labor Arbiter final and executory, and thus, deprived the CA of jurisdiction to alter the final judgment.[15] They also claimed that the Resolutions of the NLRC have become final and executory in view of the Entries of Judgment dated December 16, 2003 and September 16, 2004 issued by the NLRC. As to the substantial matter, petitioners assert that they are regular employees entitled to security of tenure.

On August 24, 2006, the CA denied petitioners' motion for reconsideration in saying that it is no longer necessary to discuss whether respondent was able to timely appeal the Labor Arbiter's decision to the NLRC, in view of the fact that the latter had already given due course to said appeal by deciding the case on the merits and, more importantly, petitioners' failure to raise the alleged infirmity before the NLRC in opposition to respondent's appeal.

Hence, the instant petition invoking the following grounds:

> I.
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> THE HONORABLE COURT OF APPEALS SERIOUSLY AND PATENTLY ERRED AND COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO THE LACK OR EXCESS OF JURISDICTION IN RULING THAT THE PETITIONERS WERE NOT REGULAR EMPLOYEES.

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14 *Rollo*, pp. 26-28.

15 CA *rollo*, pp. 378-381, 386-392.

II.

THE HONORABLE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN THE CHALLENGED DECISIONS AS TO WARRANT THE EXERCISE OF THE COURT'S DISCRETIONARY APPELLATE JURISDICTION.

Petitioners essentially maintain that contrary to the findings of the CA, they were continuously hired by respondent company to perform duties necessary and desirable in the usual trade or business and are, therefore, regular employees. They allege that if their services had really been engaged for fixed specific periods, respondent should have at least provided the contracts of employment evidencing the same.

For its part, respondent contends that the petition should be denied due course for its verification and certification of non-forum shopping was signed by only one of the petitioners. It alleges that even assuming the validity of the same, it should still be dismissed for the appellate court aptly found that petitioners were fixed-term employees who were hired intermittently. Respondent also asserts that petitioners failed to completely substantiate their claims, for during the hearing conducted before the Labor Arbiter on March 11, 1998, the payslips presented by petitioners merely established the following employment terms:

Name of Petitioner	Length of Service	Dates
Dela Rama	5 months, 4 months	Between November 30, 1995 And March 31, 1996
Dizon	4 months 2 months 9 months	In 1993 In 1994 In 1996
Tumabiao	3 months	From November 15, 1996 To January 31, 1997
Basan	6.5 months 1 month	From May 15, 1996 To December 31, 1996 From January 15, 1997 To January 31, 1997
Donor	1 month 1 month	From February 15, 1996 To March 15, 1996 From December 15, 1996 To January 15, 1997
Nicolas	8.5 months	In 1996 and 1997
Falguera	6 months	From 1992 To 1997

Considering that the evidence presented showed that petitioners merely rendered their services for periods of less than a year, respondent claims that

petitioners could not have attained regular employment status. It added that its failure to present petitioners' employment contracts was due to a fire that destroyed its Manila Plant where said contracts were kept. Nevertheless, respondent persistently asserts that where a fixed period of employment was agreed upon knowingly and voluntarily by the petitioners, the duration of which was made known to them at the time of their engagement, petitioners cannot now claim otherwise. In addition, it disagrees with the contention that petitioners, as route helpers, were performing functions necessary or desirable to its business.

The petition is impressed with merit.

On the procedural issue, We hold that while the general rule is that the verification and certification of non-forum shopping must be signed by all the petitioners in a case, the signature of only one of them, petitioner Basan in this case, appearing thereon may be deemed substantial compliance with the procedural requirement. Jurisprudence is replete with rulings that the rule on verification is deemed substantially complied with when one who has ample knowledge to swear to the truth of the allegations in the complaint or petition signs the verification, and when matters alleged in the petition have been made in good faith or are true and correct.[16] Similarly, this Court has consistently held that when under reasonable or justifiable circumstances, as when all the petitioners share a common interest and invoke a common cause of action or defense, as in this case, the signature of only one of them in the certification against forum shopping substantially complies with the certification requirement.[17] Thus, the fact that the petition was signed only by petitioner Basan does not necessarily result in its outright dismissal for it is more in accord with substantial justice to overlook petitioners' procedural lapses.[18] Indeed, the application of technical rules of procedure may be relaxed in labor cases to serve the demand of justice.[19]

As for the primordial issue in this case, it must be noted that the same has already been resolved in *Magsalin v. National Organization of Working Men*,[20] wherein this Court has categorically declared that the nature of work of route helpers hired by Coca Cola Bottlers Philippines, Inc. is necessary and desirable in its usual business or trade thereby qualifying them as regular employees, to wit:

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16 *Jacinto v. Gumaru*, G.R. No. 191906, June 2, 2014, and *SKM Art Craft Corporation v. Bauca, et. al*., G.R. No. 171282, November 27, 2013, citing *Altres v. Empleo*, 594 Phil. 246, 261 (2008).

17 *Pacquing, et. al. v. Coca-Cola Philippines, Inc.*, 567 Phil. 323, 333 (2008), citing *Cua v. Vargas*, 536 Phil. 1082, 1096 (2006); *San Miguel Corporation v. Aballa*, 500 Phil. 170, 190 (2005); *Espina v. Court of Appeals*, 548 Phil. 255, 270 (2007).

18 *Id*.

19 *Id.* at 336, citing *Casimiro v. Stern Real Estate, Inc.*, 519 Phil. 438, 455 (2006); *Mayon Hotel & Restaurant v. Adana*, 497 Phil. 892, 912 (2005).

20 *Magsalin v. National Organization of Working Men*, 451 Phil. 254 (2003).

Coca-Cola Bottlers Phils., Inc., is one of the leading and largest manufacturers of softdrinks in the country. Respondent workers have long been in the service of petitioner company. Respondent workers, when hired, would go with route salesmen on board delivery trucks and undertake the laborious task of loading and unloading softdrink products of petitioner company to its various delivery points.

Even while the language of law might have been more definitive, the clarity of its spirit and intent, *i.e.*, to ensure a "regular" worker's security of tenure, however, can hardly be doubted. In determining whether an employment should be considered regular or non-regular, the applicable test is the reasonable connection between the particular activity performed by the employee in relation to the usual business or trade of the employer. The standard, supplied by the law itself, is whether the work undertaken is necessary or desirable in the usual business or trade of the employer, a fact that can be assessed by looking into the nature of the services rendered and its relation to the general scheme under which the business or trade is pursued in the usual course. It is distinguished from a specific undertaking that is divorced from the normal activities required in carrying on the particular business or trade. But, although the work to be performed is only for a specific project or seasonal, where a person thus engaged has been performing the job for at least one year, even if the performance is not continuous or is merely intermittent, the law deems the repeated and continuing need for its performance as being sufficient to indicate the necessity or desirability of that activity to the business or trade of the employer. The employment of such person is also then deemed to be regular with respect to such activity and while such activity exists.

The argument of petitioner that its usual business or trade is softdrink manufacturing and that the work assigned to respondent workers as sales route helpers so involves merely "postproduction activities," one which is not indispensable in the manufacture of its products, scarcely can be persuasive. If, as so argued by petitioner company, only those whose work are directly involved in the production of softdrinks may be held performing functions necessary and desirable in its usual business or trade, there would have then been no need for it to even maintain regular truck sales route helpers. The nature of the work performed must be viewed from a perspective of the business or trade in its entirety and not on a confined scope.

The repeated rehiring of respondent workers and the continuing need for their services clearly attest to the necessity or desirability of their services in the regular conduct of the business or trade of petitioner company. The Court of Appeals has found each of respondents to have worked for at least one year with petitioner company. **While this Court, in *Brent School, Inc. vs. Zamora,* has upheld the legality of a fixed-term employment, it has done so, however, with a stern admonition that where from the circumstances it is apparent that the period has been imposed to preclude the acquisition of tenurial security by the employee, then it should be struck down as being contrary to law, morals, good customs, public order and public policy. The pernicious practice of having employees, workers and laborers, engaged for a fixed period of few months, short of the normal six-month probationary period of employment, and, thereafter, to be hired on a day-to-day basis, mocks the law. Any**

> **obvious circumvention of the law cannot be countenanced.** The fact that respondent workers have agreed to be employed on such basis and to forego the protection given to them on their security of tenure, demonstrate nothing more than the serious problem of impoverishment of so many of our people and the resulting unevenness between labor and capital. A contract of employment is impressed with public interest. The provisions of applicable statutes are deemed written into the contract, and "the parties are not at liberty to insulate themselves and their relationships from the impact of labor laws and regulations by simply contracting with each other."[21]

In fact, in *Pacquing, et. al. v. Coca-Cola Philippines, Inc.*,[22] this Court applied the ruling cited above under the principle of *stare decisis et non quieta movere* (follow past precedents and do not disturb what has been settled). It was held therein that since petitioners, as route helpers, were performing the same functions as the employees in *Magsalin*, which are necessary and desirable in the usual business or trade of Coca Cola Philippines, Inc., they are considered as regular employees entitled to security of tenure.

Here, respondent, in its position paper, expressly admitted that petitioners were employed as route helpers in anticipation of the high volume of work in its plants and sales offices.[23] As such, respondent's contention that petitioners could not have attained regular employment status for they merely rendered services for periods of less than a year cannot be sustained in view of the *Magsalin* doctrine previously cited. Indeed, the "pernicious practice" of engaging employees for a fixed period short of the six-month probationary period of employment, and again, on a day-to-day basis thereafter, mocks the law.

At this point, it is worth recalling that Article 280 of the Labor Code, as amended, provides:

> ART. 280. REGULAR AND CASUAL EMPLOYMENT. - The provisions of written agreement to the contrary notwithstanding and regardless of the oral agreement of the parties, **an employment shall be deemed to be regular where the employee has been engaged to perform activities which are usually necessary or desirable in the usual business or trade of the employer**, except where the employment has been fixed for a specific project or undertaking, the completion or termination of which has been determined at the time of the engagement of the employee or where the work or services to be performed is seasonal in nature and the employment is for the duration of the season.

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21 *Magsalin v. National Organization of Working Men, supra*, at 260-262. (Emphasis ours)
22 *Supra* note 17, at 340-341.
23 *Rollo*, p. 64.

> An employment shall be deemed to be casual if it is not covered by the preceding paragraph: Provided, **That, any employee who has rendered at least one year of service, whether such service is continuous or broken, shall be considered a regular employee with respect to the activity in which he is employed and his employment shall continue while such activity exists**.

Thus, pursuant to the Article quoted above, there are two kinds of regular employees, namely: (1) those who are engaged to perform activities which are usually necessary or desirable in the usual business or trade of the employer; and (2) those who have rendered at least one year of service, whether continuous or broken, with respect to the activities in which they are employed.[24] Simply stated, regular employees are classified into: (1) regular employees by nature of work; and (2) regular employees by years of service. The former refers to those employees who perform a particular activity which is necessary or desirable in the usual business or trade of the employer, regardless of their length of service; while the latter refers to those employees who have been performing the job, regardless of the nature thereof, for at least a year.[25]

Petitioners, in this case, fall under the first kind of regular employee above. As route helpers who are engaged in the service of loading and unloading softdrink products of respondent company to its various delivery points, which is necessary or desirable in its usual business or trade, petitioners are considered as regular employees. That they merely rendered services for periods of less than a year is of no moment since for as long as they were performing activities necessary to the business of respondent, they are deemed as regular employees under the Labor Code, irrespective of the length of their service.

Nevertheless, respondent, as in *Magsalin*, also asserts that even assuming that petitioners were performing activities which are usually necessary or desirable in its usual business or trade, they were employed not as regular employees but only for a fixed period, which is well within the boundaries of the law, as ruled in *Brent School, Inc. v. Zamora*,[26] *viz.*:

> There is, on the other hand, the Civil Code, which has always recognized, and continues to recognize, the validity and propriety of contracts and obligations with a fixed or definite period, and imposes no restraints on the freedom of the parties to fix the duration of a contract, whatever its object, be it specie, goods or services, except the general

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[24] *Noblejas v. Italian Maritime Academy Phils., Inc., et. al.*, G. R. No. 207888, June 9, 2014, citing *Philips Semiconductors (Phils.), Inc. v. Fadriquela*, 471 Phil. 355, 369 (2004).

[25] *Goma v. Pamplona Plantation Incorporated*, 579 Phil. 402, 411-412 (2008); *San Miguel Corporation v. Teodosio*, 617 Phil. 399, 414 (2009); citing *Rowell Industrial Corporation v. Court of Appeals*, 546 Phil. 516, 525-526 (2007).

[26] 260 Phil. 747 (1990).

> admonition against stipulations contrary to law, morals, good customs, public order or public policy. **Under the Civil Code, therefore, and as a general proposition, fixed-term employment contracts are not limited, as they are under the present Labor Code, to those by nature seasonal or for specific projects with pre-determined dates of completion; they also include those to which the parties by free choice have assigned a specific date of termination.**
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> Accordingly, and since the entire purpose behind the development of legislation culminating in the present Article 280 of the Labor Code clearly appears to have been, as already observed, to prevent circumvention of the employee's right to be secure in his tenure, the clause in said article indiscriminately and completely ruling out all written or oral agreements conflicting with the concept of regular employment as defined therein should be construed to refer to the substantive evil that the Code itself has singled out: agreements entered into precisely to circumvent security of tenure. **It should have no application to instances where a fixed period of employment was agreed upon knowingly and voluntarily by the parties, without any force, duress or improper pressure being brought to bear upon the employee and absent any other circumstances vitiating his consent, or where it satisfactorily appears that the employer and employee dealt with each other on more or less equal terms with no moral dominance whatever being exercised by the former over the latter.** Unless thus limited in its purview, the law would be made to apply to purposes other than those explicitly stated by its framers; it thus becomes pointless and arbitrary, unjust in its effects and apt to lead to absurd and unintended consequences.[27]

Thus, under the above *Brent* doctrine, while it was not expressly mentioned in the Labor Code, this Court has recognized a fixed-term type of employment embodied in a contract specifying that the services of the employee shall be engaged only for a definite period, the termination of which occurs upon the expiration of said period irrespective of the existence of just cause and regardless of the activity the employee is called upon to perform.[28] Considering, however, the possibility of abuse by employers in the utilization of fixed-term employment contracts, this Court, in *Brent*, laid down the following criteria to prevent the circumvention of the employee's security of tenure:

> 1) The fixed period of employment was knowingly and voluntarily agreed upon by the parties without any force, duress, or improper pressure being brought to bear upon the employee and absent any other circumstances vitiating his consent; or

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27 *Brent School, Inc. v. Zamora*, *supra*, at 760-763. (Emphasis ours)

28 *GMA Network, Inc. v. Pabriga*, G.R. No. 176419, November 27, 2013, 710 SCRA 690, 709.

> 2) It satisfactorily appears that the employer and the employee dealt with each other on more or less equal terms with no moral dominance exercised by the former or the latter.[29]

Unfortunately, however, the records of this case is bereft of any proof which will show that petitioners freely entered into agreements with respondent to perform services for a specified length of time. In fact, there is nothing in the records to show that there was any agreement at all, the contracts of employment not having been presented. While respondent company persistently asserted that petitioners knowingly agreed upon a fixed period of employment and repeatedly made reference to their contracts of employment, the expiration thereof being made known to petitioners at the time of their engagement, respondent failed to present the same in spite of all the opportunities to do so. Notably, it was only at the stage of its appeal to the CA that respondent provided an explanation as to why it failed to submit the contracts they repeatedly spoke of.[30] Even granting that the contracts of employment were destroyed by fire, respondent could have easily submitted other pertinent files, records, remittances, and other similar documents which would show the fixed period of employment voluntarily agreed upon by the parties. They did not, however, aid this Court with any kind of proof which might tend to show that petitioners were truly engaged for specified periods, seemingly content with the convenient excuse that the contracts were destroyed by fire. Indeed, respondent's failure to submit the necessary documents, which as employers are in their possession, gives rise to the presumption that their presentation is prejudicial to its cause.[31]

While fixed term employment is not *per se* illegal or against public policy, the criteria above must first be established to the satisfaction of this Court. Yet, the records of this case reveal that for years, petitioners were repeatedly engaged to perform functions necessary to respondent's business for fixed periods short of the six-month probationary period of employment. If there was really no intent to circumvent security of tenure, respondent should have made it clear to petitioners that they were being hired only for fixed periods in an agreement freely entered into by the parties. To this Court, respondent's act of hiring and re-hiring petitioners for periods short of the legal probationary period evidences its intent to thwart petitioner's security of tenure, especially in view of an awareness that ordinary workers, such as petitioners herein, are never on equal terms with their employers.[32] It is rather unjustifiable to allow respondent to hire and rehire petitioners on fixed terms, never attaining regular status.[33] Hence, in the absence of proof

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[29] *Id*., citing *Romares v. National Labor Relations Commission*, 355 Phil. 835, 847 (1998); *Philips Semiconductors (Phils.), Inc. v. Fadriquela*, *supra* note 23, at 372-373.

[30] CA *rollo*, p. 188.

[31] *Poseidon Fishing v. NLRC*, 518 Phil. 146, 161-162 (2006), citing *Mayon Hotel & Restaurant v. Rolando Adana*, *supra* note 19, at 644.

[32] *GMA Network, Inc. v. Pabriga*, *supra* note 28, at 710-711, citing *Pure Foods Corporation v. National Labor Relations Commission*, 347 Phil. 434, 444 (1997).

[33] *Id*.

showing that petitioners knowingly agreed upon a fixed term of employment, We uphold the findings of the Labor Arbiter and the NLRC and so rule that petitioners are, indeed, regular employees, entitled to security of tenure. Consequently, for lack of any clear, valid, and just or authorized cause in terminating petitioners' employment, We find respondent guilty of illegal dismissal.

WHEREFORE, premises considered, the instant petition is **GRANTED.** The assailed Decision dated August 31, 2005 and Resolution dated August 24, 2006 of the Court of Appeals in CA-G.R. SP Nos. 80977 & 87071 are **SET ASIDE**. The Resolutions dated January 30, 2003 and September 24, 2003 of the NLRC in NLRC 00-02-01419-97, affirming *in toto* the Decision dated August 21, 1998 of the Labor Arbiter are **REINSTATED** with **MODIFICATION**. Taking into account petitioners' reinstatement in 1999[34] and petitioner Falguera's receipt of ₱792,815.64 separation pay,[35] respondent is hereby **ORDERED** to pay petitioners the following: (1) backwages computed from the date their salaries were withheld from them until their actual reinstatement; (2) allowances and other benefits, or their monetary equivalent, at the time of their dismissal; (3) attorney's fees equivalent to ten percent (10%) of the monetary awards; and (4) interest at six percent (6%) per annum of the total monetary awards, computed from the finality of this Decision until their full satisfaction. For this purpose, the records of this case are hereby **REMANDED** to the Labor Arbiter for proper computation of said awards, deducting amounts already received. Costs against petitioner.

SO ORDERED.

DIOSDADO M. PERALTA
Associate Justice

WE CONCUR:

MARIA LOURDES P. A. SERENO
Chief Justice

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34 *Rollo*, pp. 150-151.
35 *Id.* at 160.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

MARTIN S. VILLARAMA, JR.
Associate Justice

BIENVENIDO L. REYES
Associate Justice

ATTESTATION

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.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division 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