Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

ROGELIO BARONDA, Petitioner,	**G.R. No. 161006**
	Present:
- versus -	SERENO, *C.J.*, LEONARDO-DE CASTRO, BERSAMIN, PEREZ, and PERLAS-BERNABE, *JJ.*
HON. COURT OF APPEALS, and HIDECO SUGAR MILLING CO., INC., Respondents.	Promulgated: OCT 14 2015

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DECISION

BERSAMIN, *J.*:

The reinstatement aspect of the Voluntary Arbitrator's award or decision is immediately executory from its receipt by the parties.

The Case

The petitioner assails the decision[1] promulgated on August 21, 2003 in CA-G.R. SP No. 67059, whereby the Court of Appeals (CA) annulled and set aside the order issued by the Voluntary Arbitrator[2] granting his motion for the issuance of the writ of execution.[3]

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1 *Rollo*, pp. 23-38; penned by Associate Justice Cancio C. Garcia (later Presiding Justice, and a Member of the Court/retired/deceased), with concurrence of Associate Justice Martin S. Villarama, Jr. (now a Member of the Court) and Associate Justice Mario L. Guariña III (retired).

2 Id. at 50-51.

3 Id. at 159-161.

Antecedents

Respondent Hideco Sugar Milling Co., Inc. (HIDECO) employed the petitioner as a mud press truck driver with a daily salary of ₱281.00. On May 1, 1998, he hit HIDECO's transmission lines while operating a dump truck, causing a total factory blackout from 9:00 pm until 2:00 am of the next day. Power was eventually restored but the restoration cost HIDECO damages totaling ₱26,481.11. Following the incident, HIDECO served a notice of offense requiring him to explain the incident within three days from notice. He complied. Thereafter, the management conducted its investigation, and, finding him guilty of negligence, recommended his dismissal.[4] On June 15, 1998, the resident manager served a termination letter and informed him of the decision to terminate his employment effective at the close of office hours of that day. Hence, HIDECO no longer allowed him to report to work on the next day.[5]

In August 1998, the petitioner, along with another employee also dismissed by HIDECO, filed in the Office of the Voluntary Arbitrator of the National Conciliation and Mediation Board in Tacloban City a complaint for illegal dismissal against HIDECO.

Voluntary Arbitrator Antonio C. Lopez, Jr. handled the case and eventually rendered his decision on January 13, 1999 by finding the petitioner's dismissal illegal, and ordering his reinstatement. Voluntary Arbitrator Lopez, Jr. deemed the petitioner's separation from the service from June 16, 1998 to January 15, 1999 as a suspension from work without pay, and commanded him to pay on installment basis the damages sustained by HIDECO from the May 1, 1998 incident he had caused,[6] to wit:[7]

> Wherefore, in so far as the case of ROGELIO BARONDA is concerned, this Office finds his dismissal illegal and reinstatement is therefore ordered. His separation on June 16, 1998 up to January 15, 1999 is deemed suspension without pay for his negligent acts, and is further ordered to pay respondent employer the sum of ₱26,484.41 for actual damages at ₱1,500.00 every month deductible from his salary until complete payment is made.

HIDECO filed a motion for reconsideration,[8] but the Voluntary Arbitrator denied the motion on August 11, 2000.[9] Accepting the outcome, HIDECO reinstated the petitioner on September 29, 2000.[10]

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4 Id. at 24.
5 Id. at 24-25.
6 Id. at 25-26.
7 Id. at 48.
8 Id. at 138-141.
9 Id. at 142.
10 Id. at 27.

Thereafter, on October 9, 2000, the petitioner filed his manifestation with motion for the issuance of the writ of execution in the Office of the Voluntary Arbitrator,[11] praying for the execution of the decision, and insisting on being entitled to backwages and other benefits corresponding to the period from January 16, 1999 up to September 28, 2000 totaling ₱192,268.66 based on Article 279 of the *Labor Code* ("*An employee who is unjustly dismissed from work shall be entitled to reinstatement without loss of seniority rights and other privileges and to his full backwages, inclusive of allowances, and to his other benefits or their monetary equivalent computed from the time his compensation was withheld from him up to the time of his actual reinstatement*").

HIDECO opposed the petitioner's motion for execution,[12] and simultaneously presented its own motion for execution to enforce the decision of the Voluntary Arbitrator directing the petitioner to pay the actual damages totaling ₱26,484.41 at the rate of ₱1,500.00/month deductible from his salary starting in January 2001 until complete payment was made.[13]

In his order dated March 20, 2001,[14] the Voluntary Arbitrator denied the petitioner's motion for execution on the ground that the decision did not award any backwages; and granted HIDECO's motion for execution by directing the petitioner to pay HIDECO ₱26,484.41 at the rate of ₱1,500.00/month.

On May 17, 2001, the petitioner filed another motion for execution praying that a writ of execution requiring HIDECO to pay to him unpaid wages, 13th month pay and bonuses from January 16, 2001, the date when his reinstatement was effected, until his actual reinstatement.[15] HIDECO opposed the petitioner's second motion for execution because "the items prayed for by the complainant in his Motion for Issuance of Writ of Execution are not included in the dispository portion of the decision of the voluntary arbitrator, neither are the said items mentioned in any part of the same decision."[16]

On July 25, 2001, however, the Voluntary Arbitrator granted the petitioner's second motion for execution,[17] to wit:

> Wherefore, for failure of complainant to re-admit complainant nor reinstate him in the payroll for the period from January 21, [1999] up to September 28, 2000, let an order or execution issue for the satisfaction of

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11 Id. at 144-145.
12 Id. at 152-155.
13 Id. at 156-157.
14 Id. at 158.
15 Id. at 159-162.
16 Id. at 164.
17 Id. at 50-51.

> his reinstatement wages in the amount of ₱155,647.00 (554 days at ₱281.00 per day), 13 month pay in the amount of ₱7,200.00, bonus in the amount of ₱8,000.00 for 1999, and ₱8,000.00 for his signing bonus.
>
> The sheriff of the National Labor Relations Commission, Regional Arbitration Branch No. VIII is directed to implement the writ.
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> So ordered.

The Voluntary Arbitrator cited as basis Article 223 of the *Labor Code*, which pertinently provides:

> Art. 223. Appeal –
>
> x x x x
>
> In any event, the decision of the Labor Arbiter reinstating a dismissed or separated employee, insofar as the reinstatement aspect is concerned, shall immediately be executory, even pending appeal. The employee shall either be admitted back to work under the same terms and conditions prevailing prior to his dismissal or separation or, at the option of the employer, merely reinstated in the payroll. The posting of a bond by the employer shall not stay the execution for reinstatement provided herein.

Having received a copy of the order of July 25, 2001 on August 7, 2001,[18] HIDECO instituted a special civil action for *certiorari* in the Court of Appeals (CA) on October 2, 2001.[19]

Decision of the CA

HIDECO's petition for *certiorari* averred that the Voluntary Arbitrator had acted with grave abuse of discretion amounting to lack or excess of jurisdiction in issuing the July 25, 2001 order. It listed the following issues, namely:

> I. The voluntary arbitrator, in rendering the assailed order actually granted an award without giving due process to the herein petitioner.[20]
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> II. The voluntary arbitrator resolved the (second) motion by applying Art. 223 of the Labor Code. Was this the correct law to apply under the circumstances? Did he have jurisdiction to apply this law?[21]

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18 Id. at 54.
19 CA *rollo*, p. 2.
20 Id. at 10.
21 Id.

> III. The decision dated January 13, 1999 clearly stated the relief that had been granted to the complainant Baronda, which was reinstatement. Baronda was reinstated on September 29, 2000, thus [HIDECO] had complied with the decision. The questions therefore: Could a relief that is not written in the decision be executed? Since the voluntary arbitrator clearly did this in this case, is it not correct to say that he committed grave abuse of discretion?[22]
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> IV. In the assailed Order dated July 25, 2001 the Voluntary Arbitrator said, among others, that it treated a second motion for the issuance of a writ of execution, and that a first motion had already been denied on the ground that no backwages had been awarded to the complainant Baronda. Did he have any legal basis then to issue two different and contradictory orders for what are essentially similar motions?[23]

In his comment,[24] the petitioner countered that the petition for *certiorari* should be dismissed considering that HIDECO should have appealed the decision of the Voluntary Arbitrator under Rule 43 of the *Rules of Court* because *certiorari* was not a substitute for a lost appeal; that HIDECO did not file a motion for reconsideration of the questioned order, which would have been an adequate remedy at law; that the petition for *certiorari* did not raise any jurisdictional error on the part of the Voluntary Arbitrator but only factual and legal issues not proper in *certiorari*; and that the Voluntary Arbitrator did not commit any error, much less grave abuse of discretion amounting to lack or excess of jurisdiction in rendering the questioned order.

In the decision promulgated on August 21, 2003,[25] the CA treated HIDECO's petition for *certiorari* as a petition for review brought under Rule 43, and brushed aside the matters raised by the petitioner. It observed that the petition for *certiorari* included the contents required by Section 6, Rule 43 for the petition for review; that the writ of execution was proper only when the decision to be executed carried an award in favor of the movant; that the Voluntary Arbitrator had issued the writ of execution for backwages despite his decision lacking such award for backwages; and that the reliance by the Voluntary Arbitrator on Article 223 of the *Labor Code* was misplaced because said provision referred to decisions, awards or orders of the Labor Arbiter, not the Voluntary Arbitrator. It disposed as follows:

> WHEREFORE, the instant petition is hereby **GRANTED** and the questioned **Order dated July 25, 2001** of the public respondent **ANNULLED** and **SET ASIDE.**
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> SO ORDERED.[26]

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22 Id. at 11.
23 Id. at 14.
24 Id. at 128-143.
25 Supra note 1.
26 Id. at 37.

Issues

In this appeal, the petitioner submits the following issues,[27] namely:

I.
THE HONORABLE COURT OF APPEALS COMMITTED AN ERROR OF LAW WHEN IT CONSIDERED THE PETITION FOR CERTIORARI FILED BY PRIVATE RESPONDENT AS ONE FILED UNDER RULE 43 OF THE RULES OF COURT WHEN SAID PETITION EXPRESSLY DECLARED THAT IT WAS FILED UNDER RULE 65 OF THE RULES OF COURT. EVEN GRANTING FOR THE SAKE OF ARGUMENT THAT SAID PETITION COULD BE CONSIDERED AS FILED UNDER RULE 43 OF THE RULES OF COURT, THE HONORABLE COURT OF APPEALS COMMITTED AN ERROR OF LAW IN NOT CONSIDERING THAT IT WAS FILED OUT OF TIME.

II.
THE HONORABLE COURT OF APPEALS COMMITTED AN ERROR OF LAW WHEN IT DID NOT DISMISS THE PETITION FILED BY THE PRIVATE RESPONDENT FOR NOT HAVING PREVIOUSLY FILED A MOTION FOR RECONSIDERATION BEFORE RESORTING TO THE PETITION FOR CERTIORARI.

III.
THE HONORABLE COURT OF APPEALS COMMITTED AN ERROR OF LAW WHEN IT CONSIDERED THE WRIT OF EXECUTION AS ISSUED FOR THE SATISFACTION OF BACKWAGES INSTEAD OF FOR REINSTATEMENT WAGES.

IV.
THE HONORABLE COURT OF APPEALS COMMITTED AN ERROR OF LAW AND SANCTIONED A VIOLATION OF THE EQUAL PROTECTION OF THE LAWS WHEN IT RULED THAT THE REINSTATEMENT ASPECT OF THE DECISION OF THE VOLUNTARY ARBITRATOR IS NOT IMMEDIATELY EXECUTORY.

V.
THE HONORABLE COURT OF APPEALS COMMITTED AN ERROR OF LAW WHEN IT DECLARED THAT PRIVATE RESPONDENT WAS DENIED DUE PROCESS OF LAW.

In other words, the decisive issues for consideration and resolution are: (*a*) whether or not the CA erred in granting HIDECO's petition for *certiorari* despite its procedural flaws; and (*b*) whether or not the reinstatement aspect of the Voluntary Arbitrator's decision was executory pending appeal.

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[27] Id. at 8-9.

Ruling

The appeal is meritorious.

I
HIDECO's proper recourse was to appeal by petition for review; hence, the CA erred in granting HIDECO's petition for *certiorari*

The order issued on July 25, 2001 by the Voluntary Arbitrator, albeit directing the execution of the award or decision of January 13, 1999, was a final order, as contrasted from a merely interlocutory order, because its issuance left nothing more to be done or taken by the Voluntary Arbitrator in the case.[28] It thus completely disposed of what the reinstatement of the petitioner as ordered by the Voluntary Arbitrator in the award or decision of January 13, 1999 signified.

The proper remedy from such order was to appeal to the CA by petition for review under Rule 43 of the *Rules of Court*, whose Section 1 specifically provides:

> Section 1. *Scope*. – This Rule shall apply to appeals from judgments or final orders of the Court of Tax Appeals and from awards, judgments, final orders or resolutions of or authorized by any quasi-judicial agency in the exercise of its quasi-judicial functions. Among these agencies are the Civil Service Commission, Central Boards of Assessment Appeals, Securities and Exchange Commission, Office of the President, Land Registration Authority, Social Security Commission, Civil

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[28] *United Overseas Bank v. Ros*, G.R. No. 171532, August 7, 2007, 529 SCRA 334, quoting from *Investments, Inc. v. Court of Appeals*, G.R. No. L-60036, January 27, 1987, 147 SCRA 334, 339-341 the following distinctions between a final judgment or order, on one hand, and an interlocutory order, on the other, to wit:

> x x x A "final" judgment or order is one that finally disposes of a case, leaving nothing more to be done by the Court in respect thereto, *e.g.*, an adjudication on the merits which, on the basis of the evidence presented on the trial, declares categorically what the rights and obligations of the parties are and which party is in the right; or a judgment or order that dismisses an action on the ground, for instance, of *res judicata* or prescription. Once rendered, the task of the Court is ended, as far as deciding the controversy or determining the rights and liabilities of the litigants is concerned. Nothing more remains to be done by the Court except to await the parties' next move (which among others, may consist of the filing of a motion for new trial or reconsideration, or the taking of an appeal) and ultimately, of course, to cause the execution of the judgment once it becomes "final" or, to use the established and more distinctive term, "final and executory."
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> x x x x
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> Conversely, an order that does not finally dispose of the case, and does not end the Court's task of adjudicating the parties' contentions and determining their rights and liabilities as regards each other, but obviously indicates that other things remain to be done by the Court, is "interlocutory" *e.g.*, an order denying motion to dismiss under Rule 16 of the Rules, or granting of motion on extension of time to file a pleading, or authorizing amendment thereof, or granting or denying applications for postponement, or production or inspection of documents or things, *etc*. Unlike a "final" judgment or order, which is appealable, as above pointed out, an "interlocutory" order may not be questioned on appeal except only as part of an appeal that may eventually be taken from the final judgment rendered in the case.

> Aeronautics Board, Bureau of Patents, Trademarks and Technology Transfer, National Electrification Administration, Energy Regulation Board, National Telecommunications Commission, Department of Agrarian Reform under Republic Act No. 6657, Government Service Insurance System, Employees Compensation Commission, Agricultural Inventions Board, Insurance Commission, Philippine Atomic Energy Commission, Board of Investments, Construction Industry Arbitration Commission, and **voluntary arbitrators authorized by law**.

The period of appeal was 10 days from receipt of the copy of the order of July 25, 2001 by the parties. It is true that Section 4 of Rule 43 stipulates that the appeal shall be taken within 15 days from notice of the award, judgment, final order or resolution, or from the date of its last publication, if publication is required by law for its effectivity, or of the denial of the petitioner's motion for new trial or reconsideration duly filed in accordance with the governing law of the court or agency *a quo*. However, Article 262-A of the *Labor Code*, the relevant portion of which follows, expressly states that the award or decision of the Voluntary Arbitrator shall be final and executory after 10 calendar days from receipt of the copy of the award or decision by the parties, *viz.*:

> Art. 262-A. Procedures. –
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> x x x x
>
> The award or decision of the Voluntary Arbitrator or panel of Voluntary Arbitrators shall contain the facts and the law on which it is based. **It shall be final and executory after ten (10) calendar days from receipt of the copy of the award or decision by the parties**.
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> Upon motion of any interested party, the Voluntary Arbitrator or panel of Voluntary Arbitrators or the Labor Arbiter in the region where the movant resides, in case of the absence or incapacity of the Voluntary Arbitrator or panel of Voluntary Arbitrators for any reason, may issue a writ of execution requiring either the sheriff of the Commission or regular courts or any public official whom the parties may designate in the submission agreement to execute the final decision, order or award. (Emphasis supplied)

On account of Article 262-A of the *Labor Code*, the period to appeal was necessarily 10 days from receipt of the copy of the award or decision of the Voluntary Arbitrator or panel of Voluntary Arbitrators; otherwise, the order of July 25, 2001 would become final and immutable, because only a timely appeal or motion for reconsideration could prevent the award or decision from attaining finality and immutability.

Yet, HIDECO filed the petition for *certiorari*, not a petition for review under Rule 43, and the CA liberally treated the petition for *certiorari* as a petition for review under Rule 43.

We hold that such treatment by the CA was procedurally unwarranted.

To begin with, even if the error sought to be reviewed concerned grave abuse of discretion on the part of the Voluntary Arbitrator,[29] the remedy was an appeal in due course by filing the petition for review within 10 days from notice of the award or decision. This was because *certiorari*, as an extraordinary remedy, was available only when there was no appeal, or any plain, speedy and adequate remedy in the ordinary course of law.[30] In other words, the justification for HIDECO's resort to the extraordinary equitable remedy of *certiorari* did not exist due to the availability of appeal, or other ordinary remedies in law to which HIDECO as the aggrieved party could resort.

Although it is true that *certiorari* cannot be a substitute for a lost appeal, and that either remedy was not an alternative of the other, we have at times permitted the resort to *certiorari* despite the availability of appeal, or of any plain speedy and adequate remedy in the ordinary course of law *in exceptional situations*, such as: (1) when the remedy of *certiorari* is necessary to prevent irreparable damages and injury to a party; (2) where the trial judge capriciously and whimsically exercised his judgment; (3) where there may be danger of a failure of justice; (4) where appeal would be slow, inadequate and insufficient; (5) where the issue raised is one purely of law; (6) where public interest is involved; and (7) in case of urgency.[31] Verily, as pointed out in *Jaca v. Davao Lumber Company*,[32] the availability of the ordinary course of appeal does not constitute sufficient ground to prevent a party from making use of *certiorari* where the appeal is not an adequate remedy or equally beneficial, speedy and sufficient; for it is inadequacy, not the mere absence of all other legal remedies and the danger of failure of justice without the writ that must usually determine the propriety of *certiorari*. It is nonetheless necessary in such exceptional situations for the petitioner to make a strong showing in such situations that the respondent judicial or quasi-judicial official or tribunal lacked or exceeded its jurisdiction, or gravely abused its discretion amounting to lack or excess of jurisdiction.

HIDECO did not establish that its case came within any of the aforestated exceptional situations.

And, secondly, HIDECO filed the petition for *certiorari* on October 2, 2001. Even assuming, as the CA held, that the petition for *certiorari* contained the matters required by Rule 43, such filing was not timely

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29 *Philippine Electric Corporation v. Court of Appeals*, G.R. No. 168612, December 10, 2014.

30 Section 1, Rule 65 of the *Rules of Court*.

31 *Francisco Motors Corporation v. Court of Appeals*, G.R. No. 117622-23, October 23, 2006, 505 SCRA 8, 20; *Republic v. Sandiganbayan (Third Division)*, G.R. No. 113420, March 7, 1997, 269 SCRA 316, 325.

32 No. L-25771, March 29, 1982, 113 SCRA 107, 129.

because 56 days had already lapsed from HIDECO's receipt of the denial by the Voluntary Arbitrator of the motion for reconsideration. In short, HIDECO had thereby forfeited its right to appeal. We have always emphasized the nature of appeal as a merely statutory right for the aggrieved litigant, and such nature requires the strict observance of all the rules and regulations as to the manner of its perfection and as to the time of its taking. Whenever appeal is belatedly resorted to, therefore, the litigant forfeits the right to appeal, and the higher court *ipso facto* loses the authority to review, reverse, modify or otherwise alter the judgment. The loss of such authority is jurisdictional, and renders the adverse judgment both final and immutable.

II
Voluntary Arbitrator's order of reinstatement of the petitioner was immediately executory

The next query is whether the order of reinstatement of the petitioner by the Voluntary Arbitrator was immediately executory or not.

We answer the query in the affirmative. Although the timely filing of a motion for reconsideration or of an appeal forestalls the finality of the decision or award of the Voluntary Arbitrator,[33] the reinstatement aspect of the Voluntary Arbitrator's decision or award remains executory regardless of the filing of such motion for reconsideration or appeal.

The immediate reinstatement of the employee pending the appeal has been introduced by Section 12 of Republic Act No. 6715, which amended Article 223 of the *Labor Code*, to wit:

> SEC. 12. Article 223 of the same code is amended to read as follows:
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> Art. 223. *Appeal.* –
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> x x x x
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> **In any event, the decision of the Labor Arbiter reinstating a dismissed or separated employee, in so far as the reinstatement aspect is concerned, shall immediately be executory, even pending appeal.** The employee shall either be admitted back to work under the same terms and conditions prevailing prior to his dismissal or separation or, at the option of the employer, merely reinstated in the payroll. The posting of a bond by the employer shall not stay the execution for reinstatement provided herein. (bold underscoring supplied for emphasis)

The normal consequences of a finding that an employee was illegally dismissed are, *firstly*, that the employee becomes entitled to reinstatement to

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[33] *Teng v. Pahagac*, G.R. No. 169704, November 17, 2010, 635 SCRA 173, 182.

his former position without loss of seniority rights; and, *secondly*, the payment of wages corresponding to the period from his illegal dismissal up to the time of actual reinstatement. These two consequences give meaning and substance to the constitutional right of labor to security of tenure.[34] Reinstatement pending appeal thus affirms the constitutional mandate to protect labor and to enhance social justice, for, as the Court has said in *Aris (Phil.) Inc. v. National Labor Relations Commission*:[35]

> In authorizing execution pending appeal of the reinstatement aspect of a decision of a Labor Arbiter reinstating a dismissed or separated employee, the law itself has laid down a compassionate policy which, once more, vivifies and enhances the provisions of the 1987 Constitution on labor and the working-man.
>
> x x x x
>
> These duties and responsibilities of the State are imposed not so much to express sympathy for the workingman as to forcefully and meaningfully underscore labor as a primary social and economic force, which the Constitution also expressly affirms with equal intensity. Labor is an indispensable partner for the nation's progress and stability.
>
> If in ordinary civil actions execution of judgment pending appeal is authorized for reasons the determination of which is merely left to the discretion of the judge, We find no plausible reason to withhold it in cases of decisions reinstating dismissed or separated employees. In such cases, the poor employees had been deprived of their only source of livelihood, their only means of support for their family their lifeblood. To Us, this special circumstance is far better than any other which a judge, in his sound discretion, may determine. In short, with respect to decisions reinstating employees, the law itself has determined sufficiently overwhelming reason for its execution pending appeal.
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> x x x Then, by and pursuant to the same power (police power), the State may authorize an immediate implementation, pending appeal, of a decision reinstating a dismissed or separated employee since that saving act is designed to stop, although temporarily since the appeal may be decided in favor of the appellant, a continuing threat or danger to the survival or even the life of the dismissed or separated employee and its family.[36]

We also see no reason to obstruct the reinstatement decreed by the Voluntary Arbitrator, or to treat it any less than the reinstatement that is ordered by the Labor Arbiter. Voluntary arbitration really takes precedence over other dispute settlement devices. Such primacy of voluntary arbitration

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[34] *Santos v. National Labor Relations Commission*, No. L-76721, September 21, 1987, 154 SCRA 166, 171-172.

[35] G.R. No. 90501, August 5, 1991, 200 SCRA 246.

[36] Id. at 254-255.

is mandated by no less than the Philippine Constitution,[37] and is ingrained as a policy objective of our labor relations law.[38] The reinstatement order by the Voluntary Arbitrator should have the same authority, force and effect as that of the reinstatement order by the Labor Arbiter not only to encourage parties to settle their disputes through this mode, but also, and more importantly, to enforce the constitutional mandate to protect labor, to provide security of tenure, and to enhance social justice.

The 2001 *Procedural Guidelines in the Execution of Voluntary Arbitration Awards/Decisions* (Guidelines), albeit not explicitly discussing the executory nature of the reinstatement order, seems to align with the Court's stance by punishing the noncompliance by a party of the decision or order for reinstatement. Section 2, Rule III of the Guidelines states:

> Sec. 2. *Issuance, Form and Contents of a Writ of Execution*. –
>
> x x x x
>
> b) If the execution be for the reinstatement of any person to any position, office or employment, such writ shall be served by the sheriff upon the losing party or in case of death of the losing party upon his successor-in-interest, executor or administrator and **such party or person may be punished for contempt if he disobeys such decision or order for reinstatement**. (bold underscoring supplied for emphasis)

The 2005 *NCMB Revised Procedural Guidelines in the Conduct of Voluntary Arbitration Proceedings* also supports this Court's position, for Section 6 of its Rule VIII reads:

> Sec. 6. *Effect of Filing of Petition for Certiorari on Execution.* The filing of a petition for certiorari with the Court of Appeals or the Supreme Court **shall not stay the execution of the assailed decision** unless a

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[37] Constitution, Art. XIII, Sec. 3, *viz.*:

> Sec. 3. The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all.
>
> It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work, and a living wage. They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law.
>
> The State shall promote the principle of shared responsibility between workers and employers and the preferential use of voluntary modes in settling disputes, including conciliation, and shall enforce their mutual compliance therewith to foster industrial peace.
>
> The State shall regulate the relations between workers and employers, recognizing the right of labor to its just share in the fruits of production and the right of enterprises to reasonable returns to investments, and to expansion and growth.

[38] Labor Code (1974), Art. 211, pertinently states:

> Art. 211. *Declaration of Policy*. - A. It is the policy of the State:
>
> (a) To promote and emphasize the primacy of free collective bargaining and negotiations, including voluntary arbitration, mediation and conciliation, as modes of settling labor or industrial disputes;
>
> x x x x

> temporary restraining order or injunction is issued by the Court of Appeals or the Supreme Court pending resolution of such petition.(Emphasis Ours)

We declare, therefore, that the reinstatement decreed by the Voluntary Arbitrator was immediately executory upon the receipt of the award or decision by the parties.

WHEREFORE, the Court **GRANTS** the petition for review on *certiorari*; **REINSTATES** the order dated July 25, 2001 of the Voluntary Arbitrator; and **ORDERS** respondent Hideco Sugar Milling Co., Inc. to pay the costs of suit.

SO ORDERED.

LUCAS P. BERSAMIN
Associate Justice

WE CONCUR:

MARIA LOURDES P. A. SERENO
Chief Justice

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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