Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

ONOFRE V. MONTERO, EDGARDO N. ESTRAÑERO, RENING P. PADRE, GABRIEL A. MADERA, HERMINIO T. TACLA, NELSON C. VILORIA, DEMETRIO Q. PAJARILLO, ALFREDO R. AGANON, REYNALDO AVILA, ALBERT T. RUIZ, NESTOR Y. YAGO, HARTY M. TUPASI, AGUSTIN R. AVILA, JR. or MARCOS R. AVILA, BONIFACIO B. GAANO, JOSELITO D. CUENTA, JONAS P. ESTILONG, DOMINADOR C. CANARIA, GENARO C. RONDARIS, HERARDO M. DULAY, FRANKLIN A. RAVINA, JR., and RUBEN C. CABELLO, Petitioners,	**G.R. No. 190828**
- versus -	Present:
	VELASCO, JR., *J.*, *Chairperson*, DEL CASTILLO,* VILLARAMA, JR., REYES, and JARDELEZA, *JJ.*
TIMES TRANSPORTATION CO., INC., and SANTIAGO RONDARIS, MENCORP TRANSPORT SYSTEMS, INC., VIRGINIA R. MENDOZA and REYNALDO MENDOZA, Respondents.	Promulgated: March 16, 2015

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* Additional Member per Raffle dated January 12, 2015 *vice* Associate Justice Diosdado M. Peralta.

DECISION

REYES, *J.*:

This appeal by petition for review[1] seeks to annul and set aside the Decision[2] dated August 28, 2009 and Resolution[3] dated December 11, 2009 of the Court of Appeals (CA) in CA-G.R. SP No. 106260, which affirmed the Decision[4] dated March 31, 2008 of the National Labor Relations Commission (NLRC) in NLRC CA No. 046325-05 (08), and its Resolution[5] dated September 5, 2008, denying the petitioner's Motion for Reconsideration. The NLRC decision vacated and set aside the Decision[6] dated June 29, 2005 of the Labor Arbiter (LA) on the ground that the consolidated complaints for illegal dismissal, unfair labor practice and money claims have already prescribed.

The Facts

Respondent Times Transportation Co., Inc., (TTCI) is a company engaged in the business of land transportation for passengers and goods serving the Ilocos Region to Metro Manila route. TTCI employed the herein 21 petitioners as bus drivers, conductors, mechanics, welders, security guards and utility personnel, namely: Onofre V. Montero (Montero), Edgardo N. Estrañero (Estrañero), Rening P. Padre (Padre), Gabriel A. Madera (Madera), Herminio T. Tacla, Nelson C. Viloria, Demetrio Q. Pajarillo (Pajarillo), Alfredo R. Aganon (Aganon), Reynaldo Avila (Avila), Albert T. Ruiz, Nestor Y. Yago (Yago), Harty M. Tupasi (Tupasi), Agustin R. Avila, Jr. (Avila, Jr.), Bonifacio B. Gaano (Gaano), Joselito D. Cuenta (Cuenta), Jonas P. Estilong (Estilong), Dominador C. Canaria (Canaria), Genaro C. Rondaris (Genaro), Herardo M. Dulay (Dulay), Franklin A. Ravina, Jr. (Ravina), and Ruben C. Cabello (Cabello) (petitioners).[7]

Sometime in 1995, the rank-and-file employees of TTCI formed a union named as Times Employees Union (TEU) which was later certified as the sole and exclusive bargaining unit within TTCI.[8]

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1 *Rollo*, pp. 9-27.
2 Penned by Associate Justice Ramon R. Garcia, with Associate Justices Portia Aliño-Hormachuelos and Fernanda Lampas Peralta concurring; id. at 31-44.
3 Id. at 45-46.
4 Penned by Commissioner Gregorio O. Bilog III, with Presiding Commissioner Lourdes C. Javier and Commissioner Tito F. Genilo concurring; id. at 197-208.
5 Id. at 215-217.
6 Issued by Labor Arbiter Irenarco R. Rimando; id. at 121-142.
7 Id. at 32.
8 Id.

In March 1997, members of TEU went on strike; but when former Labor Secretary Leonardo A. Quisimbing assumed jurisdiction over the labor dispute and certified the same for compulsory arbitration, a return-to-work Order dated March 10, 1997 was issued which ended the strike and enjoined the parties from committing any other act that may intensify the situation.[9]

On August 23, 1997, TTCI Board of Directors approved a resolution confirming the authority given to respondent Santiago Rondaris (Santiago), TTCI President and Chairman of the Board of Directors, to gradually dispose the assets of the TTCI as a result of its unabated increase of the cost of operations and losses for the last two years. TTCI also adopted a company-wide retrenchment program, which will take effect on October 1, 1997, where Santiago was given the authority to determine the number of excess employees who would be the subject of retrenchment.[10]

The sale of 25 buses of TTCI, as well as the Certificates of Public Convenience for the operation of the buses, were likewise approved and subsequently transferred to respondent Mencorp Transport Systems, Inc., (MENCORP) by virtue of a Deed of Sale dated December 12, 1997. Thereafter, several union members received notices that they were being retrenched effective 30 days from September 16, 1997.[11]

For a second time, on October 17, 1997, TEU declared a strike against TTCI, but the latter merely reiterated the earlier return-to-work order of the Labor Secretary. For disregarding the said return-to-work order, Santiago issued two notices of termination dated October 26, 1997[12] terminating some 106 workers and a revised list dated November 24, 1997[13] increasing the number of dismissed employees to 119, for participating in the illegal strike.[14]

On December 4, 1997, Santiago served to the Department of Labor and Employment Regional Office I a notice that TTCI would be closing its operations due to heavy business losses.[15]

On May 14, 1998, petitioners Estrañero, Pajarillo, Padre, Avila, Avila, Jr., Tupasi, Cuenta, Dulay, Yago, and Aganon filed several complaints against TTCI and MENCORP before the NLRC. The complaints were

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9 Id. at 32-33.
10 Id. at 51.
11 Id. at 33.
12 Id. at 285-287.
13 Id. at 288-290.
14 Id. at 33-34.
15 Id. at 34.

thereafter consolidated under the case entitled *"Malana v. TTCI"* docketed as NLRC RAB-I-01-1007.[16] However, this case was withdrawn on March 4, 1999 upon motion by the TEU's counsel which was given due course on March 22, 1999.[17]

Four years later, several complaints for unfair labor practice, illegal dismissal with money claims, damages and attorney's fees were filed against TTCI, Santiago, MENCORP and its General Manager Virginia Mendoza, including the latter's husband Reynaldo Mendoza (collectively called the respondents), before the LA from June to July 2002.[18] Accordingly, these complaints were consolidated.

In response, TTCI asserted that the petitioners' cause of action had already been barred by prescription because the complaints were filed only in June 2002 or after almost five years from the date of their dismissal. MENCORP, on the other hand, raised the defense of lack of employer-employee relationship since it never engaged the services of the petitioners when TTCI sold to them its buses and the Certificates of Public Convenience.[19]

On June 9, 2005, the LA rendered a Decision dismissing the petitioners' claim for unfair labor practice and money claims on the ground of prescription. However, with regard to the issue of illegal dismissal, only the complaints of Montero, Ravina, Cabello, Genaro, Madera, Gaano, Arsenio Donato and Estilong were dismissed for having been barred by prescription.[20]

The LA found that petitioners Estrañero, Pajarillo, Aganon, Padre, Dulay, Cuenta, Canaria, Yago, Avila and Avila, Jr. were illegally dismissed and were awarded their separation pay and backwages. According to the LA, the complaints of these 10 petitioners were timely filed in June 2002 because the eight-month period during which their cases were pending should be excluded from the four-year prescriptive period.[21]

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16 Id.

17 Id. at 130.

18 Id. at 202.

a. June 13, 2002 by Montero, Estrañero, Padre, Madera, Herminio Tacla, Nelson C. Viloria, Pajarillo, Aganon, Avila, Albert T. Ruiz, Yago, Tupasi, Avila, Jr., and Gaano
b. June 14, 2002 by Cuenta
c. June 18, 2002 by Danilo T. Donato and Estilong
d. June 24, 2002 by Canaria and Genaro
e. June 26, 2002 by Dulay
f. July 10, 2002 by Ravina
g. July 24, 2002 by Cabello

19 Id. at 35-36.

20 Id. at 36.

21 Id. at 36-37.

Disagreeing with the LA decision, all parties interposed an appeal before the NLRC. However, said appeals have both been denied for non-perfection, particularly for failure of the petitioners to verify their appeal, and for failure of the respondent to post the required cash or surety bond. In a Decision[22] dated March 31, 2008, the NLRC vacated and set aside the findings of the LA, upon finding that the petitioners' complaints had already been barred by prescription. The dispositive part of which reads:

> WHEREFORE, IN VIEW OF THE FOREGOING, the decision appealed from is hereby VACATED and SET ASIDE, and the complaints dismissed on ground of prescription.
>
> SO ORDERED.[23]

The NLRC observed that the LA had ignored the rule on prescription, and chose to be selective in awarding relief to the 10 complainants by stating in his decision that the period during which the labor cases were pending should be deducted from the period of prescription. According to the NLRC:

> We have thoroughly examined the records and find no justification for the [LA] to rule that the pendency of the cases has worked in favor of the complainants to whom he awarded separation pay and backwages. The [LA] has not at all indicated in his decision when the eight (8)[-]month period of pendency he alluded to commenced and when it ended. As a matter of fact, these cases took almost three (3) years from filing of the complaints to the rendition of the appealed decision.[24]

The NLRC added that the application of the principle of prescription should not be done on a selective basis, especially when the dates of accrual of the causes of action and the filing of the complaints readily show that prescription has set in.[25]

The petitioners filed a motion for reconsideration[26] dated May 16, 2008, but it was denied.[27] Hence, they filed a petition for *certiorari*[28] before the CA.

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22 Id. at 197-208.
23 Id. at 207.
24 Id. at 206.
25 Id. at 207.
26 Id. at 209-214.
27 Id. at 215-217.
28 Id. at 218-232.

On August 28, 2009, the CA Decision dismissed the petition.[29] In sustaining the NLRC decision, the appellate court ratiocinated:

> Here, the illegal dismissal case was filed only in June 2002 or for more than four (4) years and seven (7) months from the time petitioners received the notices of their dismissal in November and October 1997. Clearly, the four-year prescriptive period has already elapsed.
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> Moreover, there is likewise no merit in petitioners' contention that the period when they filed a complaint on May 14, 1998 but withdrawn on March 30, 1998 should be excluded from the computation of the four-year prescriptive [period] for illegal dismissal cases. The prescriptive period continues even after the withdrawal of the case as though no action has been filed at all. This was clarified in the case of ***Intercontinental Broadcasting Corporation vs. Panganiban***, where the Supreme Court held that although the commencement of an action stops the running of the statute of prescription or limitations, its dismissal or voluntary abandonment by plaintiff leaves the parties in exactly the same position as though no action had been commenced at all. x x x.[30]

Aggrieved by the foregoing disquisition, the petitioners moved for reconsideration[31] but it was denied by the CA.[32] Hence, the present petition for review on *certiorari*.[33]

The Issue

The main issue in this case is whether or not the petitioners' complaints for illegal dismissal have already prescribed.

Ruling of the Court

The petition is bereft of merit.

"It should be emphasized at the outset that as a rule, this Court is not a trier of facts and this applies with greater force in labor cases. Hence, factual findings of quasi-judicial bodies like the NLRC, particularly when they coincide with those of the [LA] and if supported by substantial evidence, are accorded respect and even finality by this Court. But where the findings of the NLRC and the [LA] are contradictory, as in the present

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29 Id. at 31-44.
30 Id. at 42-43.
31 Id. at 47-50.
32 Id. at 45-46.
33 Id. at 9-27.

case, this Court may delve into the records and examine for itself the questioned findings."[34]

Nevertheless, the Court has thoroughly reviewed the records in this case and finds that the NLRC did not commit any grave abuse of its discretion amounting to lack or in excess of jurisdiction in rendering its decision in favor of the respondents. The CA acted in accord with the evidence on record and case law when it dismissed the petition and affirmed the assailed decision and resolution of the NLRC.

In the case at bar, October 26, 1997 and November 24, 1997 appear on record to be the dates when the petitioners' employment were terminated by TTCI. The antecedent facts that gave rise to the petitioners' dismissal from employment are not disputed in this case. There is no question about the fact that the petitioners' complaints for unfair labor practice and money claims have already prescribed. The petitioners however argue that their complaints for illegal dismissal were duly filed within the four-year prescriptive period since the period during which their cases were pending should be deducted from the period of prescription. On the other hand, the respondents insist that said complaints have already prescribed. Hence, the pivotal question in resolving the issues hinges on the resolution of whether the period during which the petitioners' cases were pending should be excluded from the period of prescription.

Settled is the rule that when one is arbitrarily and unjustly deprived of his job or means of livelihood, the action instituted to contest the legality of one's dismissal from employment constitutes, in essence, an action predicated upon an injury to the rights of the plaintiff, as contemplated under Article 1146[35] of the New Civil Code, which must be brought within four years.[36]

The petitioners contend that the period when they filed a labor case on May 14, 1998 but withdrawn on March 22, 1999 should be excluded from the computation of the four-year prescriptive period for illegal dismissal cases. However, the Court had already ruled that the prescriptive period continues even after the withdrawal of the case as though no action has been filed at all. The applicability of Article 1155[37] of the Civil Code in labor cases was upheld in the case of *Intercontinental Broadcasting Corporation*

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34 *Victory Liner, Inc. v. Race*, 548 Phil. 282, 293 (2007).

35 **Art. 1146**. The following actions must be instituted within four years:
(1) Upon an injury to the rights of the plaintiff.
x x x x

36 *Callanta v. Carnation Philippines, Inc.*, 229 Phil. 279, 289 (1986).

37 **Art. 1155**. The prescription of actions is interrupted when they are filed before the court, when there is a written extrajudicial demand by the creditors, and when there is any written acknowledgment of the debt by the debtor.

v. Panganiban[38] where the Court held that "although the commencement of a civil action stops the running of the statute of prescription or limitations, its dismissal or voluntary abandonment by plaintiff leaves the parties in exactly the same position as though no action had been commenced at all."[39]

In like manner, while the filing of the complaint for illegal dismissal before the LA interrupted the running of the prescriptive period, its voluntary withdrawal left the petitioners in exactly the same position as though no complaint had been filed at all. The withdrawal of their complaint effectively erased the tolling of the reglementary period.

A prudent review of the antecedents of the claim reveals that it has in fact prescribed due to the petitioners' withdrawal of their labor case docketed as NLRC RAB-I-01-1007.[40] Hence, while the filing of the said case could have interrupted the running of the four-year prescriptive period, the voluntary withdrawal of the petitioners effectively cancelled the tolling of the prescriptive period within which to file their illegal dismissal case, leaving them in exactly the same position as though no labor case had been filed at all. The running of the four-year prescriptive period not having been interrupted by the filing of NLRC RAB-I-01-1007, the petitioners' cause of action had already prescribed in four years after their cessation of employment on October 26, 1997 and November 24, 1997. Consequently, when the petitioners filed their complaint for illegal dismissal, separation pay, retirement benefits, and damages in 2002, their claim, clearly, had already been barred by prescription.[41]

Sadly, the petitioners have no one but themselves to blame for their own predicament. By their own allegations in their respective complaints, they have barred their remedy and extinguished their right of action. Although the Constitution is committed to the policy of social justice and the protection of the working class, it does not necessary follow that every labor dispute will be automatically decided in favor of labor. The management also has its own rights. Out of concern for the less privileged in life, this Court, has more often than not inclined, to uphold the cause of the worker in his conflict with the employer. Such leaning, however, does not blind the Court to the rule that justice is in every case for the deserving, to be dispensed in the light of the established facts and applicable law and doctrine.[42]

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38 543 Phil. 371 (2007).
39 Id. at 378.
40 *Rollo*, p. 130.
41 Supra note 38, at 379.
42 *Philippine Long Distance Telephone Company (PLDT) v. Pingol*, G.R. No. 182622, September 8, 2010, 630 SCRA 413, 423-424.

WHEREFORE, the Decision dated August 28, 2009 and Resolution dated December 11, 2009 of the Court of Appeals in CA-G.R. SP No. 106260 are **AFFIRMED**.

SO ORDERED.

BIENVENIDO L. REYES
Associate Justice

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

MARIANO C. DEL CASTILLO
Associate Justice

MARTIN S. VILLARAMA, JR.
Associate Justice

FRANCIS H. JARDELEZA
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.

ANTONIO T. CARPIO
Acting Chief Justice