

## THIRD DIVISION

[ G.R. No. 215630, March 09, 2015 ]

**METROGUARDS SECURITY AGENCY CORPORATION (FORMERLY KNOWN AS BEEGUARDS CORPORATION) AND MS. MILAGROS T. CHAN, PETITIONERS, VS. ALBERTO N. HILONGO, RESPONDENT.**

### RESOLUTION

**VILLARAMA, JR., J.:**

Before us is a petition for review of the Decision<sup>[1]</sup> dated July 22, 2014 and Resolution<sup>[2]</sup> dated November 18, 2014 of the Court of Appeals (CA) in CA-G.R. SP No. 134501.

The facts follow:

In his Decision<sup>[3]</sup> dated April 30, 2010 in NLRC NCR-10-14411-09, entitled *Alberto Hilongo v. Bee Guards Corp./Milagros Chan*, the Labor Arbiter ruled that herein respondent Alberto N. Hilongo was illegally dismissed, to wit:

WHEREFORE, premises considered, judgment is rendered finding the dismissal of complainant [Hilongo] as illegal and ordering the respondents [herein petitioners] to pay complainant [Hilongo] his backwages from the date of dismissal to the date of this decision and separation pay of one month pay per year of service, plus 10% thereof as attorney's fees as all hereunder computed:

**I. Backwages:**

**A. Basic Salary**

9/5/09 –  
4/30/09 (sic)  
= 7.83  
P382 x 26 x 7.83      P77,767.56

**B. 13<sup>th</sup> Month  
Pay**

P77,767.56/12      6,480.63

**C. Service  
Incentive Leave      1,246.27      P85,494.46**

**II. Separation  
Pay**

10/25/01 – 4/30/10 = 7 yrs. P382 x 26 x 7 years	<u>P 69,524.00</u>     P155,018.46
III. 10% Attorney's fees	<u>15,501.85</u>  P170,520.31

SO ORDERED.<sup>[4]</sup>

On appeal, the National Labor Relations Commission (NLRC) reversed the ruling of the Labor Arbiter in its Decision<sup>[5]</sup> dated September 30, 2010 and Resolution dated November 23, 2010.<sup>[6]</sup>

Aggrieved, Hilongo filed a petition for certiorari before the CA, docketed as CA-G.R. SP No. 117891.<sup>[7]</sup> In its Decision<sup>[8]</sup> dated September 7, 2012, the CA reversed the NLRC decision and reinstated the Labor Arbiter's Decision dated April 30, 2010.<sup>[9]</sup> Petitioners' motion for reconsideration was denied by the CA in its Resolution<sup>[10]</sup> dated March 26, 2013. Petitioners no longer appealed to this Court.<sup>[11]</sup>

Hilongo then filed a motion for entry of judgment and a motion for clarification of Decision/Resolution praying that the CA's March 26, 2013 Resolution be clarified and interpreted to include the amount of the award as stated in the Labor Arbiter's Decision dated April 30, 2010 and additional award computed from May 1, 2010 to March 26, 2013, or the date the CA denied petitioners' motion for reconsideration.<sup>[12]</sup>

In its Resolution<sup>[13]</sup> dated June 11, 2013, the CA granted the motion for entry of judgment and noted Hilongo's motion for clarification of Decision/Resolution. The CA held that when an appellate court affirms the Labor Arbiter's ruling, it is understood that awards due to the illegally dismissed employee shall be recomputed in order to account for the period of time that has lapsed from the rendition of the Labor Arbiter's decision up to its finality. The CA quoted this Court's ruling in *Session Delights Ice Cream and Fast Foods v. Court of Appeals*,<sup>[14]</sup> and *Gonzales v. Solid Cement Corporation*<sup>[15]</sup>:

Consistent with what we discussed above, we hold that under the terms of the decision under execution, no essential change is made by a re-computation as this step is a necessary consequence that flows from the nature of the illegality of dismissal declared in that decision. A re-computation (or an original computation, if no previous computation has been made) is a part of the law – specifically, Article 279 of the Labor Code and the established jurisprudence on this provision – that is read into the decision. By the nature of an illegal dismissal case, the reliefs continue to add on until full satisfaction, as expressed under Article 279 of the Labor Code. The re-computation of the consequences of illegal dismissal upon execution of the decision does not constitute an alteration or amendment of the final decision being implemented. The illegal

dismissal ruling stands; only the computation of monetary consequences of this dismissal is affected and this is not a violation of the principle of immutability of final judgments.<sup>[16]</sup>

After the corresponding entry of judgment was issued on June 11, 2013, the case was remanded to the Labor Arbiter. On July 9, 2013, respondent Hilongo filed a motion for issuance of writ of execution alleging that the June 11, 2013 CA Resolution had confirmed that the amount of P170,520.31 awarded by the Labor Arbiter is not sufficient, and that there is a need to compute additional monetary awards reckoned from May 1, 2010 up to April 26, 2013 or the date Hilongo presumed as the date of finality of the decision.<sup>[17]</sup>

In an Order<sup>[18]</sup> dated October 29, 2013, the Labor Arbiter directed the issuance of a writ of execution and ruled that the award of P170,520.31 as stated in the Labor Arbiter's Decision dated April 30, 2010 prevails.

Hilongo filed a petition for extraordinary remedy before the NLRC which dismissed the petition in its Decision<sup>[19]</sup> dated November 29, 2013. The NLRC also denied Hilongo's motion for reconsideration in its Resolution<sup>[20]</sup> dated January 16, 2014.

Hence, Hilongo filed a petition for certiorari before the CA.

In the assailed Decision dated July 22, 2014, the CA granted Hilongo's petition and set aside the NLRC Decision dated November 29, 2013 and Resolution dated January 16, 2014. The CA ordered the Labor Arbiter to re-compute Hilongo's monetary awards, to wit:

**WHEREFORE**, in view of the foregoing, the petition is **GRANTED**. The Decision dated November 29, 2013 and Resolution dated January 16, 2014 of public respondent National Labor Relations Commission, Second Division, in NLRC LER N[o]. 11-322-13/NLRC LAC N[o]. 07-001-485-10 (NLRC NCR-10-14411-09) are hereby **REVERSED and SET ASIDE**.

The case is hereby **REMANDED** to the Labor Arbiter for the **RE-COMPUTATION** of the total monetary benefits due to petitioner [Hilongo]. The Labor Arbiter is further **DIRECTED** to incorporate the following in the re-computation:

(1) Additional backwages and separation pay from May 1, 2010 to June 11, 2013, or the date when the April 30, 2010 Decision of Labor Arbiter Macam became final and executory;

(2) Interest of twelve percent (12%) *per annum* of the total monetary awards, computed from June 11, 2013 to June 30, 2013 and six percent x x x (6%) *per annum* from July 1, 2013 until their full satisfaction.

**SO ORDERED.**<sup>[21]</sup>

The CA held that it is already settled that the computation of the monetary awards due to the illegally dismissed employee must continue to run until the final