

****Title:** Batungbakal v. National Development Company and Agregado, 93 Phil. 182 (1953)**

****Facts:****

1. On February 14, 1939, Pedro Batungbakal was appointed as a cash and property examiner in the office of the Comptroller of the National Development Company (NDC) by the Auditor General.
2. Shortly before the Pacific War, the positions were divided and Batungbakal retained the role of property examiner.
3. In October 1944, Batungbakal took a leave of absence. In March 1945, after the war, the NDC resumed operations and recalled Batungbakal alongside other employees.
4. Although initially under the Auditor General's jurisdiction, by this time, only the Comptroller's appointment required his approval, whereas other personnel were appointed directly by the NDC.
5. On August 24, 1945, Batungbakal received a reappointment as property examiner from the NDC's Acting General Manager.
6. On December 31, 1946, Batungbakal was suspended by an Investigating Committee created under Administrative Order No. 39 by the President due to allegations of gross negligence.
7. On April 17, 1947, he was officially dismissed following adverse findings from the committee.
8. Batungbakal petitioned for reconsideration on May 28, 1947.
9. On December 4, 1948, the investigation was reviewed, and Batungbakal was exonerated, leading to recommendations for reinstatement by the Investigating Committee.
10. Various endorsements from different government bodies supported his exoneration and recommended his reinstatement but noted the non-availability of his former position.
11. Batungbakal sought reinstatement and full back pay but was only offered partial back pay and reappointment to a different position that he refused.
12. Dissatisfied with the partial resolution, Batungbakal initiated legal proceedings in the Court of First Instance of Manila.

****Issues:****

1. Whether Pedro Batungbakal is entitled to reinstatement in his former position as property examiner despite the position being currently occupied by another employee.
2. Whether Batungbakal is entitled to back salary from the date of his suspension until reinstatement.
3. Whether the court has jurisdiction to entertain Batungbakal's action against the Auditor General, considering the internal administrative appeal processes were not exhausted.

****Court's Decision:****

****Issue 1: Reinstatement****

- The Supreme Court affirmed Batungbakal's right to reinstatement to his former position. The court emphasized that his suspension and subsequent dismissal were illegal and without cause. As such, his rightful position never legally became vacant. Any subsequent appointments were therefore temporary and did not preclude his reinstatement.

****Issue 2: Back Salary****

- The court decided that Batungbakal was entitled to his back salary from the date of his suspension until reinstatement. The payment of the back salary was considered incidental to his rightful reinstatement. This aligns with the principle embedded in civil service protections that employees wrongfully suspended or dismissed must be financially compensated for the period of their unwarranted exclusion.

****Issue 3: Jurisdiction****

- The Supreme Court ruled that the failure to exhaust administrative appeals did not bar Batungbakal's resort to the courts. It emphasized that the Auditor General's decisions are not final and conclusive upon the judiciary, following precedent set by *Ynchausti & Co. v. Wright*, which upheld judicial review despite unexhausted administrative appeals.

****Doctrine:****

1. ****Security of Tenure in Civil Service Employment****:

- Under Article XII, Section 4 of the Philippine Constitution and Section 694 of the Administrative Code, civil service employees cannot be removed or suspended except for cause.

- Suspension or removal without due cause renders such actions null and void, necessitating reinstatement and entitlement to back salary.

2. ****Judicial Review and Administrative Decisions****:

- Decisions of administrative bodies such as the Auditor General are not immune to judicial review, ensuring the judiciary's role in safeguarding constitutional guarantees and rights.

****Class Notes:****

1. ****Elements of Wrongful Dismissal in Civil Service****:

- Employee must be in the civil service.

- Suspension or dismissal must be without cause.

- Right to reinstatement and back pay if wrongfully suspended or dismissed.

2. **Right to Judicial Remedies**:

- Administrative remedies do not preclude court actions.
- Judicial interpretations ensure administrative bodies cannot override constitutional protections through procedural technicalities.

3. **Relevant Statutory Provisions**:

- **Article XII, Section 4** of the Constitution: Ensures no removal without cause.
- **Section 584** of the Administrative Code: Ex officio roles and appointment powers of the Auditor General.
- **Section 694** of the Administrative Code: Civil service termination provisions.

Historical Background:

- During the post-World War II era, many government agencies were undergoing reorganization. The case reflects a period where legal safeguards for civil service employees were being tested against administrative restructuring. The judiciary's role in upholding constitutional guarantees against arbitrary administrative actions was pivotal in maintaining the integrity of civil service employment during these uncertain times.