

SAMAR MINING CO., INC., PETITIONER, VS. FRANCISCO P. ARNADO, POMPEYO V. TAN AND RUFINO ABUYEN, RESPONDENTS.

G.R. No. L-22304. July 30, 1968

Ponente: CONCEPCION, C.J.

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CONCEPCION, C.J.:

Appeal from a decision of the Court of First Instance of Cebu, dismissing this case, with costs against the petitioner, and lifting the writ of preliminary injunction herein issued.

Acting upon a claim for compensation, under Act No. 3428, filed by Rufino Abuyen, on June 18, 1956, for a disease allegedly contracted in the course of his employment, as foreman of the Samar Mining Co., Inc. - hereinafter referred to as the petitioner -and docketed as WC Case No. R-VI-217, decision was rendered, on October 14, 1958; by Pompeyo V. Tan - an officer of Regional Office No. VI of the Department of Labor - sentencing petitioner herein:

"1. To provide continued medical treatment and hospitalization to the claimant in accordance with Section 13 of the Act until his tuberculosis is cured or arrested;

"2. To pay to the claimant a lump sum of TWO THOUSAND FIVE HUNDRED TWENTY THREE (P2, 523.00) PESOS and a weekly compensation of P17.40 from date hereof until he is cured or his pulmonary tuberculosis is arrested as certified by a competent physician but the total compensation should not exceed P4, 000.00; Payment to be made, thru the Regional Office No. VI of the Department of Labor;

"3. To pay to the workmen compensation fund the amount of P26.00 as administrative costs pursuant to Section 55 of Act 3428, as amended."

A reconsideration of said decision having been denied, on March 24, 1960, petitioner commenced Civil Case No. 42836 of the Court of First Instance of Manila, for a writ of certiorari and prohibition, with preliminary injunction, against Francisco P. Arnado, as Regional Administrator of said office, Pompeyo V. Tan, as the writer, of said decision, and claimant Abuyen, upon the ground that Tan had acted without jurisdiction in hearing said claim and rendering decision thereon, and that Arnado had committed a grave abuse of discretion in sustaining and upholding said acts of Tan. Sustaining respondents' objection, upon the ground of wrong venue, the case was, however, dismissed by said court, the decision of which was, on Jun 30, 1961, affirmed by Us.

On July 21, 1961, petitioner commenced, against the same respondents in said Case No. 42836, the present action, for certiorari and prohibition, with preliminary injunction, in the Court of First Instance of Cebu. Upon the filing of the case, said court issued a restraining order, which was, later, followed by a writ of preliminary injunction, upon the filing and approval of the requisite bond. After appropriate proceedings, said court subsequently rendered the decision mentioned in the opening paragraph hereof, dismissing the petition, upon the ground that respondent Tan had authority to hear and pass upon the aforementioned claim of Abuyen, and dissolving the writ of preliminary injunction issued meanwhile. Hence, this appeal by petitioner herein, who insists; 1) that, being merely a labor attorney, respondent Tan had no authority to make the award complained of;

2) that as Regional Administrator, respondent Arnado could not delegate said authority to respondent Tan; and 3) that no such delegation of authority to him has been made.

It is not disputed that respondent Tan is a labor attorney, assigned to Regional Office No. VI of the Department of Labor, and that, as such, he has no authority to hear claims for compensation under Act No. 3428 and to render decisions thereon. Based, however, upon Plan No. 20-A, submitted to the President of the Philippines by the Government Survey and Reorganization Commission, and Executive Order No. 218, dated December 10, 1956, particularly section 32 thereof,[1] as well as on Rule 21, section 1, of the Rules of Procedure promulgated by the Workmen's Compensation Commission,[2] pursuant to section 12, of Article III of said Plan No. 20-A, and section 45 of Act No. 3428, as amended by Republic Act No. 772[3] we have held, as early as August 21, 1961 -

"x x x that a regional office of the Department of Labor has original jurisdiction to hear and determine claims for compensation under the Workmen's Compensation Act. If a claim is controverted, it shall be heard and decided only by a regularly appointed hearing officer or any other employee duly designated by the Regional Administrator to act as hearing officer. But when the claim is uncontroverted and there is no necessity of re-quiring the claimant to present further evidence, 4 the Regional Administrator may enter an award or deny the claim. Furthermore, an employer is duty bound to controvert a claim within 14 days from the date of the accident or illness of the laborer or within 10 days after he or his-representative first acquired know-ledge of the said accident or sickness. Failure to do so within the period provided will result in the renun-ciation of his right to controvert the claim. But an employer may reinstate his right to controvert the claim by filing a petition under oath specifying the reasons for his failure to do so."[4]

We have repeatedly reiterated this view,[5] which is now well set-tled. In the case at bar, respondents-appellees contend and have introduced evidence to the effect that Regional Administrator Arnado had by virtue of an office order, dated November 29, 1957, and marked as Exhibit 1 - designated respondent Tan - who is a duly qua-lified Member of the Philippine Bar - "as Hearing Officer in the case of Rufino Abuyen vs. Samar Mining Co., WCC Case No. 44238 (R-V1-217)." As a consequence, the only issue for determination is whether or not there has been such designation in his favor.

Petitioner assails the evidence thereon upon the theory; 1) that the lower court erred in reopening the case, after its submission for decision, for the reception of said evidence; and 2) that the same is insufficient to establish the designation aforementioned.

As regards the first alleged error, it appears that petitioners had asked the lower court to render judgment on the pleadings; that, thereafter, both parties submitted their respective memoranda; their in order to bolster up their contention, respondents attached to their Memorandum, as Annex I, the alleged designation of respondent Tan by Regional Administrator Arnado; that petitioner, however, objected to the consideration of said Annex I; that, accordingly, the lower court deemed it best to reopen the case for the introduction of additional evidence and the determination of the admissibility in evidence of said Annex I; and that the same was identified, marked and admit-ted as Exhibit 1 at the rehearing.

In this connection, it should be noted that trial courts have discretionary power to reopen a case either before or after rendi-tion of judgment, for the introduction of additional evidence, so as to dispel doubts on material points. Such power is controlled by no other rule than that of the paramount interest of justice, and its exercise will not be reviewed on appeal in the absence of clear abuse thereof.[6] No such abuse has been committed in the case at bar. On the contrary, the exercise of said power by his Honor, the trial Judge, served to promote the interest of justice, by clarifying the question whether or not respondent Tan had been given the aforementioned designation.

As a matter of fact, said Exhibit 1 merely confirmed the allegation in respondents' answer to the effect that respondent Tan had acted "not as Labor Attorney but as Hearing Officer designate pursuant to the authority

granted him by the previous Regional Labor Administrator to try and hear the merits of the compensation case x x x WCC Case No. R-VI-217, Rufino Abuyen vs. Samar Mining Co., Inc." Moreover, pursuant to the very cases cited by petitioner,[7] the truth of this allegation had been deemed impliedly admitted by the petitioner, when it submitted the case for judgment on the plea on the pleadings.[8]

Independently of the foregoing, the second alleged error is obviously devoid of merit, the signature of Regional Administrator Arnado on said Exhibit 1 having been identified by one of his subordinates, who, as such, was familiar therewith.

One other point must be stressed. The illness on which Abuyen's claim is based took place in 1956. Yet, - through the present case, and Civil Case No. 42836 of the Court of First Instance of Manila - petitioner has succeeded in prolonging the litigation, for the compensation involved therein, for twelve (12) years. What is more, petitioner's contention was based upon a theory that had been rejected by this Court as early as August, 1961. Then again, the compensability of Abuyen's disability had never been questioned by petitioner herein. Hence, it is manifest that the purpose of this case, like the previous one, has been merely to delay, a policy "often resorted to" - in the language of Mr. Justice Reyes (J.B.L.) - "as a means of draining the resources of the poorer party" - in this case a tuberculosis patient - "and of compelling it to submit out of sheer exhaustion." [9] Thus, the conduct of petitioner's counsel is hardly compatible with the duty of the Bar to assist in the Administration of Justice, not to obstruct or defeat the same.

WHEREFORE, the decision appealed from is hereby affirmed, with treble costs, jointly and severally, against the petitioner and its counsel, Attorney Benedict G. Arcinas, and let certified copy of this decision be attached to the personal record of the latter, as a Member of the Bar.

IT IS SO ORDERED.

Reyes, JBL, Dizon, Makalintal, Zaldivar, Sanchez, Angeles, and Fernando, JJ., concur.
Ruiz Castro, J., did not take part.

[1] Reading: "The functions, powers, duties and responsibilities of the Workmen's Compensation Commission shall consist of those quasi-legislative and quasi-judicial functions, powers, duties and responsibilities now vested by law (Act No. 3428, as amended by Republic Act No. 772) in the Commissioner and Deputy Commissioner of Workmen's Compensation, as further amended by Section 12 of the Plan: Provided, That any provision of law or rules of court to the contrary notwithstanding, all cases falling under the Workmen's Compensation Law shall be filed and heard in the Regional Office where the respondent or any of the respondents resides or may be found, or where the claimant or any of the claimants resides, at the election of the claimant."

[2] "Only regularly appointed Hearing Officer shall hear and decide compensation claims. However, when the exigencies of the service so require, the Regional Administrator may designate any other employee of the Regional Office, who is a duly qualified member of the Philippine Bar or has graduated from a law course in an accredited law college, to act as hearing officer."

[3] Which provides that: "In case the employer decides to controvert the right to compensation, he shall, either on or before the fourteenth day of disability or within ten days after he has knowledge of the alleged accident, file a notice with the Commissioner, on a form prescribed by him, that compensation is not being paid, giving the name of the claimant, name of the employer, date of the accident and the reason why compensation is not being paid. Failure on the part of the employer or the insurance carrier to comply with this requirement shall constitute a renunciation of his right to controvert the claim unless he submits reasonable grounds for the failure to make the

necessary reports, on the basis of which grounds the Com-missioner may reinstate his right to controvert the claim."

[4] *Caltex v. Villanueva*, L-15658, August 21, 1961.

[5] *Tan v. De Leon*, L-15254, September 16, 1961; *San Miguel Brewery v. Sobremesana*, L-18730, September 16, 1961; *La Mallorca v. Ramos*, L-15476, September 19, 1961; *Manila Railroad v. Manalang*, L-20845, November 29, 1965; *NASSCO v. Workmen's Compensation Commission*, L-22628, January 31, 1967.

[6] *Capellania of Tambobong v. Antonio*, 8 Phil. 683; *Soriano v. Aquino*, 31 Phil. 176; *Alvarez v. Guevara*, 47 Phil. 12; *Gaas v. Fortich* 54 Phil. 196; *Delfin v. CAR*, L-23348, March 14, 1967; *Sharruf v. Bubla*, L-17029, Sept. 30, 1964; *Colcol v. PBC*, L-23117, Nov. 17, 1967; *PAL v. Salcedo*, L-22119, Sept. 29, 1967; *Bernabe v. CA*, L-18278, March 30, 1967; *People v. Halasan*, L-21495, July 21, 1967.

[7] *Rodriguez v. Llorente*, 49 Phil. 823; *Bauerman v. Casas*, 10 Phil. 386; *La Yebana Co. v. Sevilla*, 9 Phil. 210.

[8] *Villamor v. Lacson*, L-15945, November 28, 1964.

[9] *Harrison Foundry and Machinery v. Harrison Foundry Workers' Association*; L-18432, June 29, 1963.

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