

**ALHAMBRA CIGAR AND CIGARETTE MANUFACTURING COMPANY,
INC., PETITIONER AND APPELLEE, VS. THE REGIONAL
ADMINISTRATOR OF REGIONAL OFFICE NO. 2, DEPARTMENT OF
LABOR; EUGENIO A. CALED...**

G.R. No. L-20491. August 31, 1965

Ponente: ZALDIVAR. J.

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ZALDIVAR. J.:

This is an appeal, direct to this Court on a question of law, from the decision of the Court of First Instance of Manila, Branch X, granting the petition of the petitioner-appellee for a writ of prohibition and certiorari, and permanently enjoining the Hearing Officer and the Regional Labor Administrator of Regional Office No. 2, Department of Labor, from proceeding with the hearing of the claim of Francisco Atip for compensation under the Workmen's Compensation Law.

The respondent Francisco Atip was a driver of petitioner-appellee, Alhambra Cigar & Cigarette Manufacturing Co. Inc., at its branch establishment located at Echague, Isabela, with a salary of P120.00 a month. He worked in the company as a driver for years when he resigned in December 1955. In July, August and September 1957 he worked occasionally for petitioner-appellee as a casual driver and was paid per trip. As early as July 2, 1954 Francisco Atip gave verbal notice to the petitioner-appellee that he was sick. In July 1955 Atip complained of being sick, and in one of his trips to Manila he consulted Dr. Pacifico Franco, the company physician, and upon examination he was found to have high blood pressure and his X-ray examination showed cardiac enlargement. He was advised to enter the St. Luke's Hospital where he was confined and treated under petitioner-appellee's expense from July 5 to July 11, 1955, and again from September 29 to October 6, 1955, for hypertensive heart disease. The petitioner-appellee, undoubtedly, had notice of Atip's sickness of hypertensive heart disease due to the enlargement of the heart as found by its physician.

On October 22, 1959, Francisco Atip filed with the Regional Office No. 2 of the Department of Labor at Tuguegarao, Cagayan a "notice of injury or sickness and claim for compensation" under the Workmen's Compensation Act against the petitioner-appellee, whose principal office is in Manila, for an illness of "rheumatism leading to paralysis" which he contracted in 1954 while still employed by petitioner-appellee as driver. In the notice of injury or sickness and claim for compensation, Francisco Atip alleged that he gave the petitioner-appellee verbal notice of his sickness on July 2, 1954; that his sickness prevented him from further working; that he was given medical attention by petitioner-appellee thru the St. Luke's Hospital; and that in July/August and September 1957, he worked for petitioner-appellee, but he was paid per trip on casual basis.

The above-mentioned claim of Francisco Atip was docketed in said Regional Office No. 2, of the Department of Labor, as RO-2 Case No. 519-C. The herein petitioner-appellee filed a motion to dismiss said claim on the ground that the claim had long been barred under the Workmen's Compensation Act. Francisco Atip filed an opposition to the said motion to dismiss. In an order, dated August 26, 1960, the respondent-appellant Eugenio Caleda, as

Hearing Officer of the said Labor Regional Office No. 2, denied the motion to dismiss on the ground that the claimant having been treated at the St. Luke's Hospital at the expense of the petitioner-appellee, notice of sickness was no longer necessary. Petitioner-appellee filed a motion for reconsideration of the order of the respondent-appellant Eugenio A. Caleda denying the motion to dismiss, but this motion for reconsideration was denied. Thereupon, on January 11, 1961, the petitioner-appellee filed a petition for certiorari and prohibition, with preliminary injunction, in the Court of First Instance of Manila, to restrain and prohibit the herein respondents-appellants hearing officer and Administrator Labor Regional Office No. 2, from hearing, deciding or otherwise taking any further action or proceeding on the aforesaid claim of Francisco Atip. This petition, entitled "Alhambra Cigar and Cigarette Manufacturing Co. Inc., petitioner, versus the Regional Office No. 2, Department of Labor; Eugenio Caleda, as Hearing Officer of said office and Francisco Atip, respondents," was docketed as Civil Case No. 46022 of the Court of First Instance of Manila. On January 13, 1961, the Court of First Instance of Manila, Branch X, issued ex parte the writ of preliminary injunction prayed for in the petition.

On January 24, 1961 the respondents-appellants filed a motion to dismiss the above-mentioned petition for certiorari etc on the ground that the petition did not state a cause of action and that the claim of Francisco Atip was not barred by the statute of limitations. Subsequently the respondents-appellants filed a supplemental motion to dismiss, dated February 9, 1961, on the ground of wrong venue. The petitioner-appellee filed opposition to those motions. The said motion to dismiss and the supplemental motion to dismiss were denied by the trial court in an order dated April 21, 1961.

On May 5, 1961, the respondents-appellants filed their answer to the petition for certiorari and prohibition. On his part, the claimant Francisco Atip filed a manifestation, dated April 30, 1961, to adopt in the meantime any subsequent pleadings the respondents-appellants labor officials may have filed in connection with the case. On August 7, 1962, the respondents-appellants filed another motion to dismiss, on the ground that the trial court had no jurisdiction over the subject-matter of the action. The claimant Francisco Atip filed his own motion to dismiss, dated August 9, 1962, based upon the same grounds as the motions to dismiss filed by the respondents-appellees labor officials.

On September 20, 1962, the Court of First Instance of Manila rendered its decision in the case, granting the petition for prohibition and certiorari and permanently enjoining the respondent Regional Labor Administrator of Regional Office No. 2, the Hearing Officer, and Francisco Atip, from proceeding further, with the latter's claim. Francisco Atip did not appeal from the decision, but the Regional Administrator and the Hearing Officer of Regional Office No. 2 of the Department of Labor appealed.

The most important question which We consider to be decisive in the present case is whether the Court of First Instance of Manila had erred in holding that it has jurisdiction to issue a writ of certiorari and prohibition with Preliminary injunction against the officers of Regional Office No. 2 of the Department of Labor at Tuguegarao, Cagayan.

It is the contention of the respondents-appellants that the court below had no jurisdiction to take cognizance of the petition for certiorari and prohibition with preliminary injunction, in question, because the respondents, or the officers, whose authority and whose actuations are being challenged were not officially holding office, and did not perform the official acts complained of, or will not perform the acts sought to be restrained, in Manila or within the judicial district to which the Court of First Instance of Manila belongs.

We find merit in the foregoing contention. The petition filed by the petitioner-appellee in the Court of First Instance of Manila, Branch X, was an aftermath of a compensation case that was filed with the Regional Office No. 2 of the Department of Labor at Tuguegarao, Cagayan. The province of Cagayan is in the First Judicial

District. The petitioner-appellee filed a motion to dismiss the claim of Francisco Atip before the Hearing Officer of the Regional Office of the Department of Labor in Tuguegarao, Cagayan, and said motion was denied there by the Hearing Officer, Eugenio Caleda. The petitioner-appellee then filed the petition in question before the Court of First Instance of Manila in an effort to annul the actuations of the Hearing Officer and to restrain said officer and the Regional Administrator from taking further action on the case. The Court of First Instance of Manila took cognizance of the case, issued a writ of preliminary injunction, and later actually granted the writ of certiorari and prohibition and issued a permanent injunction against those labor officials in Tuguegarao, Cagayan. We believe that this action of the Court of First Instance of Manila is null and void and cannot be given effect outside its territorial jurisdiction.

Section 4, Rule 67 of the old Rules of Court (now section 4 of Rule 65 of the new Rules of Court) provides as follows:

"Sec. 4. Where petition filed.—The petition may be filed in the Supreme Court, or, if it relates to the acts or omissions of an inferior court, or of a corporation, board, officer or person, in a Court of First Instance having jurisdiction thereof. It may also be filed in the Court of Appeals if it is in aid of its appellate jurisdiction."

The above-quoted provision of the Rules of Court relates to venue in the special civil actions of certiorari, prohibition and mandamus. In the case of *Samar Mining Co., Inc. vs. Francisco Arnado, et al.*, 112 Phil. 678, this Court held:

"Petitioner's pretense is clearly, untenable. To begin with, section 4, of Rule 67 is entitled 'Where petition filed.' It obviously, contemplates venue, not jurisdiction, although it makes the former coterminous with, or dependent upon, the latter. Secondly, the jurisdiction therein alluded to is that over the corporation, board, officer or person 'whose acts are in question, not jurisdiction over the subject matter of the case. Thirdly, the rule-making power of this Court is limited to matters of 'pleading, practice, and procedure' and to the 'admission to the practice of law' (Article VIII, Sec. 13, of the Constitution), whereas the power to 'define, prescribe and apportion the jurisdiction of the various courts' is within the exclusive province of Congress (Art VIII, sec. 2, of the Constitution), and petitioner's theory would in effect, vest the Court of First Instance of Manila with jurisdiction to issue writs of injunction, certiorari and prohibition affecting corporation, boards, officers or persons outside the City of Manila, which is denied to said Court by the Judiciary Act of 1948, in accordance with the previous legislations thereof (Act No. 136, section 56, par. 7, and Act No. 190, section 162) and the decision of this Court in *Castano vs. Lobingier*, (7 Phil. 91)."

In the light of the foregoing ruling, the petition for certiorari and prohibition with preliminary injunction should have been filed by the petitioner-appellee in the Court of First Instance of Cagayan, which is the court that has jurisdiction to issue the writs prayed for in the petition.

Regarding the issuance of a writ of injunction against the officers who are not within the territorial jurisdiction of the court issuing the same, this Court, in the case of *Mariano, et al. vs. Hon. Carmelino Alvendia, et al.* 109 Phil. 1017, held:

"The jurisdiction of courts of first instance to issue writs of injunction is defined and limited in the Judiciary Act of 1948 (Republic Act No. 296, as amended), which provides in its section 44(h) as follows:

'Sec. 44. Original jurisdiction.—Courts of First Instance shall have original jurisdiction:

x x x x x x x x x

'(h) Said courts and their judges, or any of them, shall have power to issue writs of injunction, mandamus, certiorari, prohibition, quo warranto and habeas corpus in their respective provinces and districts, in the manner provided in the Rules of Court.'

"Under section 2, Rule 60 of the Rules of Court, a preliminary injunction may be granted by the Judge of the Court of First Instance 'in any action pending in his district.' These provisions clearly show that the jurisdiction or authority of courts of first instance to control or restrain acts by means of the writ of injunction is limited to acts which are being committed or about to be committed within the territorial boundaries of their respective provinces and districts."

Another reason why the petition for certiorari should not have been entertained by the lower court is because under section 25, Article VI of the Reorganization Plan No. 20-A of the Department of Labor it is provided that:

"Each Regional Office shall have original and exclusive jurisdiction over all cases falling under the Workmen's Compensation law, * * *"

Section 12, Art. III of said Reorganization Plan No. 20-A likewise provides:

"A decision of a Regional Office shall become final if no appeal is taken to the Commission within fifteen days after the party concerned has been notified thereof; * * *."

Clearly, the Regional Office of the Department of Labor has jurisdiction over cases falling under the Workmen's Compensation Commission (Section 49, Workmen's Compensation Act and Rule 23, Rules of the Workmen's Compensation Commission). In the case at bar, the Regional Office, through its hearing officer, Eugenio Caleda, in the exercise of that jurisdiction has undoubtedly the power to entertain the claim of Francisco Atip filed under said law and in so acting and proceeding with the hearing of said claim he acted within the powers granted by law. True, a question has been raised before said office that the claim for compensation in question was barred under section 24 of the Workmen's Compensation Law and was ruled by the hearing officer Eugenio Caleda to be not well-founded. It may be stated, however, that whether the claim in question had expired or not is a matter for the competent authority concerned, in this case the hearing officer, to determine, and his decision is subject to appeal in due time to the Workmen's Compensation Commission, and ultimately to this Court. Did the respondents-appellants in the present case act contrary to law and in excess of authority in giving course to the claim of Francisco Atip, thereby overruling the contention of the petitioner-appellee, and in deciding to proceed with the hearing of the claim? Did the respondents-appellants act in excess of their jurisdiction, or did they act with grave abuse of discretion, as to warrant the issuance of a writ of certiorari and prohibition? The term "excess of jurisdiction" signifies that the Court, board or officer has jurisdiction over a case but oversteps such jurisdiction while exercising the same. By "grave abuse of discretion" is meant such capricious and whimsical exercise of judgment, equivalent to lack of jurisdiction. Not every error in a proceeding, or every erroneous conclusion of law or of fact, is an act in excess of jurisdiction or an abuse of discretion. If the issue raised before the Regional Office No. 2 of the Department of labor was whether the claim of Francisco Atip was barred or not, and, if in resolving that issue said office found that the claim was filed within the time allowed by law, such finding is within the jurisdiction of the office concerned and We believe the Hearing Officer did not commit an abuse of discretion nor exceeded his jurisdiction. Consequently, if the Hearing Officer had committed any error at all in the exercise of jurisdiction it was only an error of judgment which can be corrected on appeal. The petitioner-appellee did not appeal from the order of the Hearing Officer. Instead he pursued the wrong remedy of filing a petition for a writ of certiorari and prohibition with preliminary injunction before the Court of First Instance of Manila.

Wherefore, the decision appealed from is reversed; the writs of certiorari, prohibition and injunction issued by the lower court are declared null and void, cancelled and rendered without force and effect; and the respondents-appellant are declared with authority to proceed with the hearing and to decide the claim of Francisco Atip; with costs against the petitioner-appellee.

Bengzon, C. J., Bautista Angelo, Concepcion, Reyes, J. B. L., Regala, Makalintal, and Bengzon, J. P., JJ., concur.

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