

LUZON STEVEDORING CORP., PETITIONER, VS. JOSE P. REYES, ET AL., RESPONDENTS.*G.R. No. L-43469. June 30, 1976*

Ponente: TEEHANKEE, J.

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The Court denies the petitions to review the commission's orders denying the petitions for relief from the Referee's awards on the grounds that the commission correctly ruled that it no longer had any appellate jurisdiction to review the awards which had become final and executory by reason of petitioner's failure to timely appeal the same within the reglementary fifteen-day period from receipt of notice and copy of the award and that the late filing of the petition for relief from judgment outside the reglementary thirty-day period from notice of the award is fatal, besides the fact that petitioner has utterly failed to show that it was prevented by mistake or excusable negligence from taking an appeal.

In the above-entitled petitions, petitioner Luzon Stevedoring Corporation represented by the Office of the Solicitor General as designated general counsel of the Philippine National Oil Commission and its affiliates including herein petitioner since petitioner became a government-owned corporation on April 7, 1975[1] seeks the review and reversal of identical Orders en banc issued in March, 1976 by respondent commission in each of the cases denying petitioner's petition therein for relief from judgment (issued by the Workmen's Compensation Section in October, 1975 granting the private respondents-employees' respective claims for workmen's compensation benefits against petitioner-employer) and ordering the immediate enforcement of the decisions which had already become final and executory, as follows:

"Presented before this Commission is a petition to elevate records for relief from judgment by the respondent thru counsel alleging among other things that they failed to file a timely motion for reconsideration due to volume and pressure of work of the Office of the Solicitor General and they have sufficient grounds to have the decision issued by the Regional Office reviewed pursuant to Sections 1 and 3 of Rule 22 of the Rules of this Commission.

"We find no merit in this contention for the ground mentioned in the said petition is not among those provided for by the Rules of the Commission. The Commission has no longer any jurisdiction to review the decision, the same being already final and executory as held by the Supreme Court in the case of Jacinta J. Ramos vs. Republic of the Philippines (Bureau of Census and Statistics and the Workmen's Compensation Commission), G.R. No. L-41949, February 27, 1976."[2]

The grounds in support of petition (prescinding from variations of form and style in the presentation of the petitions) are that "the commission decided questions of substance contrary to law and jurisprudence and the evidence" in the following particulars:

"1. in denying the petitioner's petition to elevate records for relief from judgment, notwithstanding the fact that the same was based on mistake and/or excusable negligence and it was filed within sixty (60) days from January 17, 1976, when the referee's decision * * * was first referred to petitioner's company attorney, and

within six (6) months from October 29, 1975, when said decision was issued, as provided in Rule 38, Sec. 3 of the Revised Rules of Court;

"2. in applying Rule 22, sec. 3, of its own Rules, instead of Rule 38, sec. 3, of the Revised Rules of Court, with respect to the period within which to file a petition for relief;

"3. in applying the ruling of this Honorable Court in *Ramos vs. Republic* supra, notwithstanding the difference in the factual settings of the two cases;

"4. in not holding that the decision of the referee was not supported by substantial evidence; and

"5. in not holding that the decision of the referee was not in accordance with law." [3]

The questions raised actually amount to one of jurisdiction (as restated by petitioner in another petition [4]), viz, whether this Court's ruling in *Ramos vs. Republic* that "the expiration of the reglementary period for reconsideration or review of an award deprives (the commission) of appellate jurisdiction to review or set aside the award by virtue of its having become final and executory" should govern the petitioner's appeal(s) or "(W)hether or not the Workmen's Compensation Commission can assume jurisdiction to act on the Petition to Elevate Records for Relief from Judgment filed by the (petitioner's) counsel under the circumstances attending the present case."

In a motion for consolidation filed on June 3, 1976, petitioner averred that all these petitions "are based on more or less the same grounds" seeking review and reversal of the commission's dismissal of its petitions for relief from the judgments awarding compensation in favor of respondents-claimants and prayed that they be considered jointly. The Court granted the motion in its Resolution of June 9, 1976 and hence jointly resolves herein all the petitions (dispensing with the comment required of respondent in L-43582).

It is admitted by petitioner that (1) it failed to timely file within the fifteen-day reglementary period from receipt of notice of the decision against it a petition for review by the commission or motion for reconsideration of the said decision for purposes of appeal as required by section 50 of the Workmen's Compensation Act and Rule 19, section 1 of the Commission's Revised (1973) Rules and (2) it likewise failed to avail timely of the newly expressly-recognized right in Rule 22 of the 1973 Revised Rules of the Commission to file a petition for relief from judgment (where the aggrieved party has been unjustly deprived of a hearing or prevented from taking an appeal by reason of fraud, accident, mistake or excusable negligence) within thirty (30) days after the petitioner learns of the decision and not more than three (3) months after such decision was entered.

The commission therefore correctly denied the petitions for relief from judgment on the ground that; no longer had any jurisdiction to review the decisions which were already final and executory, and the petitions at bar must fail.

1. Under sections 50 and 51 of the Workmen's Compensation Act and Rule 19 of the Commission's Rules, an appeal from the decision on the merits of the Hearing Officer or Referee may be taken by an aggrieved party only by filing a petition for review by the commission or motion for reconsideration within fifteen (15) days from receipt of notice thereof. As expressly provided in section 50 of the Act, "Fifteen days after the promulgation of the decision, the same shall become final unless previously appealed" and enforcement thereof by means of a writ of execution, whether *motu proprio* or on motion of the interested party, becomes mandatory as ordained in section 51 of the Act.

2. Since petitioner admittedly failed to timely appeal from the adverse decisions, the commission correctly held itself to be without appellate jurisdiction to review the same in line with *Ramos vs. Republic*, supra, wherein the Court stressed that

"The commission has invariably heretofore adhered strictly to the basic rule that the expiration of the reglementary period for reconsideration or review of an award deprives it of appellate jurisdiction to review or set aside the award by virtue of its having become final and executory. And it has been consistently sustained by this Court which has upheld the commission's rejections of appeals that were filed out of time on the ground that the questioned award or decision had become final and executory whether the late appellant be the claimant-employee or the employer.

"The commission's unexplained departure from this basic rule (which is grounded on considerations of public policy and sound practice that at the risk of occasional error, the judgment of courts and award of quasi-judicial agencies must become final at some definite date fixed by law) is difficult of comprehension and the Court is constrained to stress the obvious and state that this rule of finality is applicable indiscriminately to one and all and regardless of whether respondent employer be a public or private employer." [5]

3. It is of course beyond question that the perfection of an appeal within the statutory or reglementary period is mandatory and jurisdictional and that failure to do so perfect an appeal renders final and executory the questioned decision and deprives the appellate court of jurisdiction to entertain the appeal.[6] The lapse of the appeal period deprives the courts of jurisdiction to alter the final judgment, and as recently reiterated in *Republic vs. Reyes*[7] the prevailing party becomes entitled as a matter of right to its execution and it becomes merely the ministerial duty of the court to order the execution of judgment.

This doctrine is embodied in section 51 of the Workmen's Compensation Act and Rule 19 of the commission's Rules which ordain that as soon as the decision has become final and executory, the Chief of the Unit or duly deputized official of the regional office shall *motu proprio* or on motion of the claimant issue a writ of execution for enforcement of the award granted in the decision.

The doctrine is based upon a fundamental public policy that litigants should know exactly when they may obtain execution and consider the case terminated and hence, a strict observance of the reglementary period within which to exercise the statutory right of appeal has been considered as absolutely indispensable to the prevention of needless delays and to the orderly and speedy discharge of judicial business.[8]

4. As already indicated, petitioner likewise admittedly failed to avail timely of the newly expressly-recognized right in Rule 22 of the Revised (1973) Rules of the Commission to file a petition for relief granted to an "aggrieved party (who) by fraud, accident, mistake or excusable negligence has been unjustly deprived of a hearing therein or has been prevented from taking an appeal" which must be filed within thirty (30) days after the petitioner learns of the decision . . . sought to be set aside and not more than three (3) months after such decision or award was entered", with the petition to be supported by affidavits of merits and of the ground(s) relied upon for setting aside the decision.

Petitioner's contention in this regard is that while its petition for relief was filed beyond the 30-day reglementary period after it learned of the decision (as provided in the Commission Rules), the reglementary period that should apply is that of 60 days provided in Rule 38, section 3 of the Rules of Court, which apply to commission proceedings in a suppletory character, and the commission could not validly shorten the period for the filing of a petition for relief in workmen's compensation cases from 60 days and 6 months (as provided in the Rules of Court) to 30 days and 3 months from knowledge and entry of judgment, respectively.

The contention is manifestly untenable. The Rules of the Commission to govern specifically the processing, hearing and adjudication of workmen's compensation cases were duly promulgated by virtue of the authority vested in the commission by section 7-A of the Workmen's Compensation Act[9] , as further amended by Republic Act 4119, and have the force and effect of law. The Rules of Court which apply only in a suppletory character certainly cannot prevail over the express provisions and reglementary periods specified in the

Commission's Rules.

It should be further borne in mind that before the adoption of the 1973 Commission Rules, there was no provision in its Rules for the filing of petitions for relief from judgment, and while the Court had stated in broad terms that the commission in proper cases may grant relief from judgment of a referee under Rule 38 of the Rules of Court applied suppletorily, the commission itself in explaining the salient features of the 1973 Rules likewise expressly noted that in *Hoc Huat Trading vs. Santos*[10] the Court "thru Chief Justice Concepcion, stated that 'decisions in workmen's compensation cases, become, by express statutory prescription, final and executory after fifteen (15) days from notice thereof, unless previously appealed, or a petition for review has been filed within the same period. As a consequence, it is debatable, to say the least, whether or not Rule 38 of the Rules of Court could apply thereto without in effect modifying the law, which the Supreme Court cannot do * * *. * * * the spirit of Act No. 3428, to promote the expeditious disposal of workmen's compensation cases, * * *, seems to be incompatible with the application thereto of Rule 38 of the Rules of Court'", and emphasized that the revision of the Rule now expressly providing for the filing of a petition for relief from judgment within 30 days and within 3 months from knowledge and entry of judgment, respectively, "is aimed at disposal of the cases with reasonable dispatch". The commission further stressed that "(A)nother important device intended to discourage frivolous resort to this rule, thus minimizing, if not entirely rooting out, unnecessary delays, is the requirement that before a writ of execution already in the hands of the sheriff for enforcement can be suspended pending resolution of the petition for relief, is the posting of a supersedeas bond by the petitioner with the Commission in an amount equivalent to the liability adjudged".

5. Applying mutatis mutandis what the Court has stated time and again with reference to the reglementary 60-day period from knowledge of judgment within which a litigant may petition for relief from judgment under Rule 38 of the Rules of Court, such a period, and in workmen's compensation cases the 30-day period, considering the purpose behind it and the Workmen's Compensation Act to promote the expeditious disposition of workmen's compensation claims, "is absolutely fixed, inextendible, never interrupted; and cannot be subjected to any condition or contingency. Because the period fixed is itself devised to meet a condition or contingency, the equitable remedy is an act of grace, as it were, designed to give the aggrieved party another and last chance"[11] and failure to avail of such last chance within the period fixed is fatal.

6. Prescinding from the fatal lapse of the 30-day reglementary period from knowledge of judgment, the cases at bar are those of compensation claims duly filed in October, 1974 and March, 1975[12] and likewise duly controverted by petitioner after which the Referee rendered in duecourse in October, 1975 the decisions awarding compensation, copies of which were likewise duly served on and received by petitioner in December, 1975. Petitioner alleges generally that "due to the takeover of the petitioner by the government and consequent reorganization of its legal department, it was only on January 17, 1976 (beyond the 30-day period) that the said decision was referred to Atty. Aida E. Layug, one of petitioner's company attorneys".[13]

Petitioner asserts that its petition for relief - first, from its failure to timely appeal from the referee's decision to the commission within the 15-day reglementary period from notice of the decision and second, from its failure to timely file the petition for relief itself within the 30-day reglementary period from notice of the decision - "is based on mistake and/or excusable negligence under the following facts: This case was originally handled by a lawyer who is no longer connected with the petitioner. After the petitioner was taken over by the Government, its legal department was reorganized. Subsequently, this case was reassigned to Atty. Layug, one of petitioner's attorneys. The decision of the referee (ANNEX 'C'), which was received by the General Manager of the petitioner on December 6, 1975, was referred to her only on January 17, 1976. Due to the number of cases reassigned to her, Atty. Layug was not able to immediately verify the date when the said decision was received by the

company."[14]

The facts asserted do not constitute mistake or excusable negligence. The equitable remedy of relief from judgment is available only in exceptional cases and the facts showing mistake or excusable negligence (for not timely taking an appeal from judgment, notice and copy of which had been duly served the petitioner) must be clearly and convincingly shown. Here, petitioner had become a government-owned corporation since April 7, 1975[15] and certainly had ample time (eight months) to reorganize its legal department to attend to its legal matters and cases.

Petitioner's general manager's failure to refer the decisions received in December, 1975 to its legal department for the filing of a proper appeal, and the failure in turn of the lawyer assigned "to immediately verify the date when the said decision was received by the company" and to file even a petition for extension of time to appeal as permitted by the commission Rules, while amounting certainly to neglect, is not, to say the least, the excusable neglect essential to the exceptional relief provided in the cited Rule. (It need not be stressed that timely petitions from the government counsel, as well as from private parties, for reasonable extensions of time to perfect an appeal have invariably received the favorable consideration of the courts and quasi-judicial agencies.) As succinctly stated by the now Chief Justice in *Republic vs. Lim*[16], "in failing to take the necessary and appropriate precautions required by the circumstances, which resulted in (its) being unable to take an appeal from the said award of the referee", the petitioner "has only (itself) to blame".

7. The Court therefore upholds and commends the commission for recognizing its lack of appellate jurisdiction to review the questioned decisions which had already become final and executory, as recently reaffirmed in *Ramos vs. Republic*, *supra*, and pursuant to the dictates of statutory mandate and doctrinal jurisprudence, and thereby relieving this Court from the needless burden of having to set aside its action had it arbitrarily resolved the matter otherwise.[17]

With this resolution of the principal jurisdictional issue, the secondary general grounds asserted by petitioner in support of its petition that the referee's decisions were not supported by substantial evidence and were not in accordance with law are rendered moot. The said decisions, having become final and executory, constitute the law of the case and may not be reviewed all over again.

Suffice it to state that in most of the cases, petitioner seeks to question all over the Referee's factual findings of disability and loss or impairment of earning capacity of the respondents-employees[18] (and even "concedes" in one case the compensability of the complained illness but seeks a reduction of the award[19]) which questions may properly be raised only, if at all, in a timely appeal; and as to its allegation of "strong reasons to suspect" that "some of the claimants - are fictitious individuals"[20], the adoption of appropriate precautionary measures in the identification of the claimant at the time of satisfaction and discharge of the judgment should adequately forestall the possibility of such "fictitious individuals" wrongfully receiving the fruits of judgment.

ACCORDINGLY, the petitions at bar are denied, save that in L-43469 where the petition was previously denied for lack of merit under the Court's separate Resolution of May 17, 1976, the motion for reconsideration of said Resolution is denied for lack of merit.

Castro, C.J., Makasiar, Muñoz Palma, and Martin, JJ., concur.

[1] Petition in L-43645, page 1.

[2] Annex F, Petition in L-43645, Italics supplied.

[3] Petition in L-43579, page 12.

[4] Petition in L-43538, page 6.

[5] Emphasis supplied.

[6] See 2 Moran's Rules of Court 1970 ed. 421 and 2 Martin's Rules of Court, 1973 ed., p. 496 and cases cited; Galima vs. Court of Appeals, 16 SCRA 140 (1966), per Reyes, J.B.L., J.

[7] L-36610, June 18, 1976 and cases cited, per Esguerra, J.

[8] Alvero vs. de la Rosa, 76 Phil. 428.

[9] The pertinent provision of the cited Act reads: "The Commission may promulgate rules and regulations governing its internal functions as a quasi-judicial body including the power of each member to decide appealed cases from a referee, allowance for appeal from the decision of an individual member to the Commission en banc, and other allied rules covering jurisdiction to review, modify, or affirm all rules and regulations prepared by the Bureau."

[10] 24 SCRA 441, 446 (1968).

[11] See Cañete vs. CFI of Zamboanga del Sur, 24 SCRA 543 (1968) and 2 Moran's Rules of Court, 1970 ed. 238, et seq., and cases cited.

[12] Petition in L-43579, page 1.

[13] Idem, par. 7; note in parentheses supplied.

[14] Idem, page 10.

[15] Supra, fn. 1.

[16] 42 SCRA 163, 169 (1971).

[17] See Ruelan vs. Republic, L-42323, April 30, 1976 and Talip vs. Workmen's Compensation Commission, L-42574, May 31, 1976.

[18] See Petition in L-43579, et al.

[19] Petition in L-43645, p. 3.

[20] Petition in L-43579, page 6.

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