

EVERLASTING PICTURES, INC., ET AL., PETITIONERS AND APPELLEES, VS. F. A. FUENTES, ET AL., RESPONDENTS AND APPELLANTS.

G.R. No. L-16512. November 29, 1961

Ponente: BAUTISTA ANGELO, J.

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BAUTISTA ANGELO, J.:

On October 24, 1958, Atty. Bienvenido Hernandez filed a complaint for unpaid wages in behalf of Ruben M. David and Fernando Santos before Regional Office No. 3 of the Department of Labor against Diomedes David and spouses Bonifacio and Chita Ongpauco which was later amended changing the party respondents to Everlasting Pictures, Inc. and Godofredo Magat. In view of respondents' failure to appear on the date of hearing in spite of the notice served on them, complainants were allowed to present their evidence ex parte after which the hearing officer rendered decision on January 20, 1959 ordering respondents to pay jointly and severally the amount of P300.00 to Ruben M. David and P110.00 to Fernando Santos, with legal interest thereon from October 29, 1958 until fully paid.

On April 8, 1959, respondents filed a petition for relief alleging that their failure to appear at the hearing was due to accident, mistake and excusable negligence, but the petition was denied. Subsequently, a writ of execution was issued by the regional administrator, and after the requisite notice of sale was made, the sheriff sold at public auction some personal properties belonging to respondent Everlasting Pictures, Inc. and one Chita Ongpauco applying the proceeds to the partial satisfaction of the judgment. Contending that the sheriff is again taking steps to enforce the decision by selling other properties of respondents and that the hearing officer and/or the regional administrator had no valid authority under Reorganization Plan No. 20-A to take cognizance of the claim nor to issue a writ of execution for the enforcement of the decision, respondents filed an action in the Court of First Instance of Manila praying, among other things, that the regional administrator as well as the sheriff be enjoined from further enforcing the decision rendered against them and that damages be awarded in their favor.

On December 1, 1959, the court a quo rendered decision on the pleadings, there being no dispute as to the facts, holding that Reorganization Plan No. 20-A is unconstitutional thereby enjoining defendants from taking any further step leading to the enforcement of the decision, but dismissing plaintiffs' claim for damages.

Dissatisfied with this decision, defendants appealed directly to this Court contending that the court a quo erred in declaring unconstitutional Reorganization Plan No. 20-A on the following grounds: (1) that said Plan has not taken away any power from the ordinary courts of justice; (2) that the Plan was approved by Congress in a lawful manner, and (3) the promulgation of said Plan does not constitute undue delegation of power.

The questions raised are not new. Since this case was decided by the court a quo and while the appeal taken by defendants from said decision was pending consideration, several cases had been decided by this Court wherein similar issues were raised and the proper interpretation was placed on the validity of said Plan relative judicial powers, theretofore exercised by the regional officer or by the Workmen's Compensation Commission, one off

such cases being *Corominas, Jr. et al., vs. Labor Standards Commission, et al.*, 112 Phil., 551; 59 Off. Gaz., (43) 7432 wherein this Court made the following pronouncements:

"A cursory study of these provision of Republic Act No. 997 will show that nowhere therein is there a grant of authority to the Government Survey and Reorganization Commission to grant powers, duties and functions to offices or entities to be created by it, which are not already granted to the offices or officials of the Department of Labor. Section 4 above quoted authorizes the elimination of overlapping services, activities and functions, and the consolidation of agencies or instrumentalities exercising said duties and functions. There is no grant of power to allocate to the bodies and offices to be created or set up functions, powers and duties not then already vested in the various offices and officials of the Department of Labor. Section 3 limits the powers of reorganization by the Commission to the offices, bureaus and instrumentalities of the Executive Branch of the Government only; So that it was not the intention of Congress in enacting Republic Act No. 997, to authorize the transfer of powers and jurisdiction granted to the courts of justice, from these to the officials to be appointed or offices to be created by the Reorganization Plan. Congress is well aware of the provisions of the Constitution that judicial powers are vested only in the Supreme Court and in such courts as the law may establish. The Commission was not authorized to create courts of justice, or to take away from these their jurisdiction and transfer said jurisdiction to the officials appointed or offices created under the Reorganization Plan. The Legislature could not have intended to grant such powers to the Reorganization Commission, an executive body, as the Legislature may not and cannot delegate its power to legislate or create courts of justice to any other agency of the Government. (*Chinese Flour Importers' Association vs. Price Stabilization Board*, 89 Phil., 439; *Surigao Consolidated vs. Collector of Internal Revenue*, 94 Phil., 492; 50 Off. Gaz. (3) 1015; *U. S. vs. Shreveport*, 287 U.S. 77, 77 L. ed. 175 and *Johnson vs. San Diego*, 42 P. 249, cited in 11 Am. Jur. 921-992.)"

And more recently this Court, speaking of the given to the: Workmen's Compensation Commission to issue a writ of execution by the rules promulgated by it under. Reorganization Plan No. 20-A, laid down the following ruling:

"It would appear evident, therefore, that the powers given to the W.C.C. by the Reorganization Acts, cannot validly include the power to amend Sec. 51 of the Workmen's Compensation Law, heretofore quoted, for to do so would be diminish the jurisdiction and the judicial power and functions vested by law on the courts of record, by virtue of said section 5 to issue or order a writ of execution by the promulgation, of a judgment, which power or authority the Workmen's Compensation Commission never had, before the Reorganisation Acts had been passed. Where the inquiry to be made-involves questions of law as well as facts, where it affects a legal right, and where the decision may result in the terminating or destroying that right, the powers to be exercised and the duties to be discharged are essentially judicial (11 Am. Jur. 904); and being judicial, such powers are granted to or vested upon a court or judicial tribunal (*Rhode Island vs. Mass.* 37 U.S. [12 Peters] 657, 738 Lied. [U.S.] 1233, 1266). And there is no gainsaying the fact, that under this concept, an order for the execution of a decision or award of the Workmen's Compensation Commission is essentially a judicial power or function of the court." (*Pastoral vs. The Commissioners of the Workmen's Compensation Commission, et al.*, 112 Phil. 742.)

In the light of the foregoing decisions, it is clear that respondent regional administrator has no power to issue the writ of execution requested by his correspondents to enforce the balance of the decision rendered in their favor.

With regard to the claim that Reorganization Plan No. 20-A was approved by Congress in a lawful manner, suffice it for us to quote hereunder what we said in the case of *Bill Miller, et al. vs. Atanacio A. Mardo, et al.*, 112 Phil, 792, (59 Off. Gaz., [14] 2307):

"It is an established fact that the Reorganization Commission submitted Reorganization Plan No. 20-A to the President who, in turn, transmitted the same to Congress on February 14, 1956. Congress adjourned its sessions without passing a resolution disapproving or adopting the said reorganization plan. It is now contended that, independent of the matter of delegation of legislative authority (discussed earlier in this

opinion), said plan, nevertheless, became a law by non-action on the part of Congress, pursuant to the above-quoted provision.

"Such a procedure of enactment of law by legislative inaction is not countenanced in this jurisdiction. * * * "A comparison between the procedure of enactment provided in section 6 (a) of the Reorganization Act and that prescribed by the Constitution will show that the former is in distinct contrast to the latter. Under the first, consent or approval is to be manifested by silence or adjournment or by 'concurrent resolution'. In either case, the contemplated procedure violates the constitutional provisions requiring positive and separate action by each House of Congress. It is contrary to the settled and well-understood parliamentary law (which requires that the) two houses are to hold separate sessions for their deliberations, and the determination of the one upon a proposed law is, to be submitted to the separate determination of the other.' (Cooley, Constitutional Limitations, 7th ed., p. 187).

"Furthermore, Section 6 (a) of the Act would dispense with the 'passage' of any measure, as that word is commonly used and understood, and with the requirement of presentation to the President. In a sense, the section, if given the effect suggested in counsel's argument, would be a reversal of the democratic processes required by the Constitution, for under it, the President would propose the legislative action by submitting the plan, rather than approve or disapprove the action taken by Congress. Such a procedure would constitute a very dangerous precedent opening the way, if Congress is so disposed, because of weakness or indifference, to eventual abdication of its legislative prerogatives to the Executive who, under our Constitution, is already one of the strongest among constitutional heads of state. To sanction such a procedure will be to strike at the very root of the tri-departmental scheme of our democracy."

Wherefore, the decision appealed from is affirmed, without pronouncement as to costs.

Bengzon, C. J., Padilla, Labrador, Concepcion, Reyes, J. B. L., Barrera, Paredes, Dizon, and De Leon, JJ., concur.

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