

AZUCENA MAGALLANES, EVELYN BACOLOD and HEIRS OF JUDITH COTECSON, Petitioners, vs. SUN YAT SEN ELEMENTARY SCHOOL, PAZ GO, ELENA CUBILLAN, WILLY ANG GAN TENG, BENITO ANG, and TEOT...

G.R. No. 160876. January 18, 2008

Ponente: SANDOVAL-GUTIERREZ, J.

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SANDOVAL-GUTIERREZ, J.:

For our resolution is the instant Petition for Review on Certiorari seeking to reverse the Resolution of the Court of Appeals (Seventh Division) dated October 29, 2001 in CA-G.R. SP No. 67068; its Resolution of May 8, 2003 denying the motion for reconsideration; and its Resolution of October 10, 2003, denying the motion for reconsideration of the Resolution of May 8, 2003.

The facts of the case are:

Azucena Magallanes, Evelyn Bacolod, Judith Cotecson (represented by her heirs), petitioners, Grace Gonzales, and Bella Gonzales were all employed as teachers in the Sun Yat Sen Elementary School in Surigao City.

Paz Go and Elena Cubillan are principals of the said school. Willy Ang Gan Teng and Benito Ang are its directors, while Teotimo Tan is the school treasurer. They are all respondents herein.

On May 22, 1994, respondents terminated the services of petitioners. Thus, on August 3, 1994, they filed with the Sub-Regional Arbitration Branch No. X, National Labor Relations Commission (NLRC), Butuan City, complaints against respondents for illegal dismissal, underpayment of wages, payment of backwages, 13th month pay, ECOLA, separation pay, moral damages, and attorney's fees. Likewise, on August 22, 1994, petitioner Cotecson filed a separate complaint praying for the same reliefs.

On June 3, 1995, Labor Arbiter Rogelio P. Legaspi rendered a Decision declaring that petitioners were illegally dismissed from the service and ordering respondents to reinstate them to their former or equivalent positions without loss of seniority rights, and to pay them their backwages, salary differential, 13th month pay differential, and service incentive leave benefits "as of June 20, 1995." Respondents were likewise directed to pay petitioners moral and exemplary damages.

On appeal by respondents, the NLRC, in its Decision dated February 20, 1996, reversed the Arbiter's judgment, holding that petitioners are contractual employees and that respondents merely allowed their contracts to lapse.

Petitioners timely filed a motion for reconsideration, but it was denied by the NLRC in its Resolution dated April 17, 1996.

Petitioners then filed with the Court of Appeals a petition for certiorari, docketed as CA-G.R. SP No. 50531.

On October 28, 1999, the Court of Appeals (Special Sixteenth Division) rendered its Decision,[1] the dispositive

portion of which reads:

WHEREFORE, the instant petition is GRANTED with respect to petitioners Cotecson, Bacolod, and Magallanes, the questioned Resolutions of the NLRC dated February 20 and April 1996 are hereby REVERSED and SET ASIDE as to them.

The Decision dated July 3, 1995 of the Labor Arbiter is hereby REINSTATED as to the said petitioners except as to the award of moral and exemplary damages which is hereby DELETED.

SO ORDERED.

The Court of Appeals (Special Sixteenth Division) ruled that in lieu of reinstatement, petitioners Cotecson, Bacolod, and Magallanes “shall be entitled to separation pay equivalent to one month salary and backwages computed from the time of their illegal dismissal up to the time of the promulgation of its Decision.” With respect to Bella Gonzales and Grace Gonzales, the Court of Appeals found that that they have not acquired the status of regular employees having rendered only two years of service.

Consequently, their dismissal from the service is valid. Under the Manual of Regulations for Private Schools, only full-time teachers who have rendered three (3) years of consecutive service shall be considered permanent.

Respondents filed a motion for reconsideration but it was denied by the appellate court in its Resolution dated January 13, 2000.

Respondents then filed with this Court a petition for certiorari, docketed as G.R. No. 142270. However, it was dismissed for lack of merit in a Minute Resolution dated April 12, 2000. Their motion for reconsideration was denied with finality by this Court on July 19, 2000.

Meanwhile, on October 4, 2000, petitioners filed with the Labor Arbiter a motion for execution of his Decision as modified by the Court of Appeals.

In an Order dated January 8, 2001, the Labor Arbiter computed the petitioners’ monetary awards reckoned from the time of their illegal dismissal in June 1994 up to October 29, 1999, pursuant to the Decision of the Court of Appeals (Special Sixteenth Division) in CA-G.R. SP No. 50531. Respondents interposed an appeal to the NLRC (docketed as NLRC Case No. M-006176-2001), contending that the computation should only be up to June 20, 1995 (the date indicated in the Labor Arbiter’s Decision).

In an Order dated March 30, 2001, the NLRC modified the Labor Arbiter’s computation and ruled that the monetary awards due to petitioners should be computed from June 1994 up to June 20, 1995.

Petitioners then filed a petition for certiorari with the Court of Appeals, docketed as CA-G.R. SP No. 67068, raffled off to the Seventh Division. However, in its Resolution of October 29, 2001, the petition was dismissed outright for their failure to attach to their petition copies of the pleadings filed with the Labor Arbiter, thus:

No copies of the pleadings filed before the Labor Arbiter appear to have been attached to the petition in violation of the provisions of Section 1, Rule 65 and Section 3, Rule 46 of the 1997 Rules of Civil Procedure, as amended, which requires that the petition:

x x x shall be accompanied by a clearly legible duplicate original or certified true copy of the judgment, order, resolution or ruling subject thereof, such material portions of the record as are referred to therein and other documents relevant or pertinent thereto x x x

WHEREFORE, the instant petition is DISMISSED OUTRIGHT pursuant to Section 3, Rule 46 of the 1997 Rules of Civil Procedure.

SO ORDERED.

Petitioners filed a motion for reconsideration, but they erroneously indicated therein the case number as CA-G.R. SP No. 50531, instead of CA-G.R. SP No. 67068. Their error was compounded by stating that the petition was with the Special Sixteenth Division, instead of the Seventh Division. As a result, the Special Sixteenth Division issued a Minute Resolution dated April 22, 2002 which merely noted the motion, thus:

The petitioners' motion for reconsideration dated November 22, 2001 and filed by registered mail on November 26, 2001 is merely noted since there was no October 29, 2001 resolution that was issued in this case which the motion for reconsideration seeks to be reconsidered.

On realizing their mistake, petitioners then filed with the Seventh Division a Motion to Transfer The Case to it.

In a Resolution promulgated on May 8, 2003, the Seventh Division denied petitioners' Motion To Transfer The Case on the ground, among others, that the motion is "non-existent" since it does not bear the correct case number, hence, could not be attached to the records of CA-G.R. SP No. 67068.

Unfazed, petitioners filed a motion for reconsideration, but it was denied by the Seventh Division in its Resolution of October 10, 2003.

At first glance, the petition before us appears to be a futile attempt to revive an extinct motion denied by the appellate court (Seventh Division) by reason of technicality. But in the interest of speedy administration of justice, we should not only delve in technicalities. We shall then address these two issues: (1) whether the Court of Appeals (Seventh Division) erred in holding that affixing a wrong docket number on a motion renders it "non-existent;" and (2) whether the issuance by the NLRC of the Order dated March 30, 2001, amending the amounts of separation pay and backwages, awarded by the Court of Appeals (Sixteenth Division) to petitioners and computed by the Labor Arbiter, is tantamount to grave abuse of discretion amounting to lack or excess of jurisdiction.

On the first issue, the Court of Appeals (Seventh Division) is correct when it ruled that petitioners' motion for reconsideration of its Resolution dated October 29, 2001 in CA-G.R. SP No. 67068 is "non-existent." Petitioners' counsel placed a wrong case number in their motion, indicating CA-G.R. SP No. 50531 (Special Sixteenth Division) instead of CA-G.R. SP No. 50531 (Seventh Division), the correct case number. In *Llantero v. Court of Appeals*,^[2] we ruled that where a pleading bears an erroneous docket number and thus "could not be attached to the correct case," the said pleading is, for all intents and purposes, "non-existent." As aptly stated by the Special Sixteenth Division, it has neither the duty nor the obligation to correct the error or to transfer the case to the Seventh Division. In *Mega Land Resources and Development Corporation v. C-E Construction Corporation*,^[3] which likewise involves a wrong docket number in a motion, we ruled that the duty to correct the mistake falls solely on the party litigant whose fault caused the anomaly. To hold otherwise would be to impose upon appellate courts the burden of being nannies to appellants, ensuring the absence of pitfalls that hinder the perfection of petitions and appeals. Strictly speaking, it is a dogma that the mistake or negligence of counsel binds the clients^[4] and appellate courts have no share in that burden.

However, we opt for liberality in the application of the rules to the instant case in light of the following considerations. First, the rule that negligence of counsel binds the client may be relaxed where adherence thereto would result in outright deprivation of the client's liberty or property or where the interests of justice so require.^[5] Second, this Court is not a slave of technical rules, shorn of judicial discretion – in rendering justice, it is guided by the norm that on the balance, technicalities take a backseat against substantive rights. Thus, if the application of the rules would tend to frustrate rather than promote justice, it is always within this Court's power

to suspend the rules or except a particular case from its application.[6]

This case involving a labor dispute has dragged on for over a decade now. Petitioners have waited too long for what is due them under the law. One of the original petitioners, Judith Cotecson, died last September 28, 2003 and has been substituted by her heirs. It is time to write finis to this controversy. The Labor Code was promulgated to promote the welfare and well-being of the working man. Its spirit and intent mandate the speedy administration of justice, with least attention to technicalities but without sacrificing the fundamental requisites of due process.[7]

We recall that in CA-G.R. SP No. 50531, the Court of Appeals (Special Sixteenth Division) held that petitioners Cotecson, Bacolod, and Magallanes “shall be entitled to separation pay equivalent to one month salary and backwages computed from the time of their illegal dismissal up to the time of the promulgation of this decision.” This Decision was promulgated on October 28, 1999. The respondents’ motion for reconsideration was denied by the Court of Appeals (Former Special Sixteenth Division) on January 13, 2000. On April 12, 2000, this Court dismissed respondents’ petition for certiorari, docketed as G.R. No. 142270, and denied their motion for reconsideration with finality as early as July 19, 2000.

Clearly, the Decision in CA-G.R. SP No. 50531 had long become final and executory. The Labor Arbiter computed the monetary awards due to petitioners corresponding to the period from June 1994 to October 28, 1999, in accordance with the Decision of the Court of Appeals (Special Sixteenth Division). The award for backwages and money claims is in the total sum of P912,086.15.

It does not escape our attention that upon respondents’ appeal from the Labor Arbiter’s Order computing the benefits due to petitioners, the NLRC modified the final and executory Decision of the Court of Appeals (Special Sixteenth Division) when it decreed that the monetary award due to petitioners should be computed up to June 20, 1995 only (not October 28, 1999), thus, amounting to a lesser amount of P147,673.16.

We sustain petitioners’ contention that the NLRC, in modifying the award of the Court of Appeals, committed grave abuse of discretion amounting to lack or excess of jurisdiction. Quasi-judicial agencies have neither business nor power to modify or amend the final and executory Decisions of the appellate courts. Under the principle of immutability of judgments, any alteration or amendment which substantially affects a final and executory judgment is void for lack of jurisdiction.[8] We thus rule that the Order dated March 30, 2001 of the NLRC directing that the monetary award should be computed from June 1994, the date petitioners were dismissed from the service, up to June 20, 1995 only, is void.

WHEREFORE, we GRANT the petition. The challenged Resolutions dated October 29, 2001, May 8, 2003, and October 10, 2003 in CA-G.R. SP No. 67068 are REVERSED. The Order of the NLRC dated March 30, 2001 in NLRC Case No. M-006176-2001 is SET ASIDE. The Order of the Labor Arbiter dated January 8, 2001 is REINSTATED.

SO ORDERED.

Puno, C.J. (Chairperson), Corona, Azcuna and Leonardo-De Castro., JJ., concur.

[1] Rollo, pp. 104-115.

[2] G.R. No. 28421, July 20, 1981, 105 SCRA 609.

[3] G.R. No. 156211, July 31, 2007, p. 15.

[4] Tan v. Tan, G.R. No. 123805, June 29, 2004, 433 SCRA 44, 48, citing Amatorio v. People, 397 SCRA 445 (2003).

[5] Southtech Development Corp. v. National Labor Relations Commission, G.R. No. 149590, January 12, 2005, 448 SCRA 64.

[6] Great Southern Maritime Services Corp. v. Acuña, G.R. No. 130189, February 22, 2005, 452 SCRA 422, 435, citing Fulgencio v. National Labor Relations Commission, 412 SCRA 41 (2003).

[7] Sigma Personnel Services v. National Labor Relations Commission, G.R. No. 108234, June 30, 1993, 224 SCRA 181; Dimasig v. National Labor Relations Commission, G.R. No. 118101, September 18, 1996, 261 SCRA 779; Samar II Electric Cooperative, Inc. v. National Labor Relations Commission, G.R. No. 116692, March 21, 1997, 270 SCRA 290; Samahan ng Manggagawa sa Moldex Products, Inc. v. National Labor Relations Commission, G.R. No. 119467, February 1, 2000, 324 SCRA 242.

[8] Francisco v. Bautista, G.R. No. 44167, December 19, 1990, 192 SCRA 388, 394.

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