

ADMINISTRATIVE LAW

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With the apparent indispensability of governmental regulatory agencies, exerting control and making its influence felt in various aspects of society, there arises a need for final definition, reiteration, and clarification of the powers, jurisdiction, and procedure of these same agencies, so that the bodies designed to "carry on certain of the business of government, to dispense certain of the business of government, to dispense certain public callings, to promote the general welfare thru police regulations" may not, ironically, trample upon the very purposes for which they were formed.

Courts have been regarded as the ultimate arbiters of the meaning of the law, and this survey presents the opinions of the High Court as it passed upon the validity thereunder, of acts by the regulatory agencies.

1. Central Bank

The scope of the rule-making power of the Central Bank and the applicability of the penal provisions of section 34 of the Central Bank Act to the regulations promulgated thereunder were clarified in the case of *People v. Exconde*.¹

It appears that Exconde was convicted of violation of C. B. Circular No. 37, limiting to ₱100 the amount of Philippine currency an outgoing passenger could have on his person

Affirming the lower court's decision, and in answer to defendant-appellant's contention, the Court in a lengthy discussion of the Bank's rule-making power said: first, that section 34 of the Central Bank Act is so broad in terms that it was evidently designed to establish penal sanctions for any and all violations of the Act as well as of the regulations legally issued by the Board; second, that although it is true that the making of laws is a non-delegable activity that corresponds exclusively to Congress, nevertheless, the latter may constitutionally delegate the authority to promulgate rules and regulations to implement a given legislation and to effectuate the policies, for the reason that the legislature often finds it impracticable (if not impossible) to anticipate and provide for the multifarious and complex situations that may be met in carrying out the law into effect. All that is required is that the regulations must be germane to the objects and purposes of the law, and conforms to the standards that the law prescribes. This is true here, the expansion and contraction of the money supply being the objective sought to be achieved by the law; third, where the statute provides that the violation of a rule or regulation of an administrative agency shall be a misdemeanor if the rule or regulation is reasonable, the enforcement of the penalty for its violation is sustained by the courts, for the legislature, and not the administrative agency, made the action penal.

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¹ G.R. L-9820, August 30, 1957

2. Commissioner of Immigration (Boards of Inquiry)

No administrative official, or any official, for that matter, is above the law, and his powers are delimited by the law or laws conferring the same. This, in effect, was the decision laid down in two cases involving identical set of facts.

In *Sy Hong, et al. v Commissioner of Immigration*², and again, in *Ang It v. Commissioner of Immigration*,³ it was held that where aliens, although admittedly permanent residents of the Philippines, and being unable to return within the period of the validity of their return certificates, gain admission only as temporary visitors, and the period allowed for their sojourn having expired, they are, under the law, subject to deportation, and the correction by the Commissioner, from "temporary" to "returning" status is illegal and against public policy

The Commissioner only has the authority to determine whether an alien seeking to enter or land in the Philippines shall be allowed to enter or land or shall be excluded (Commonwealth Act 613, section 27(b); and no where else in the law are these Boards (Commissioner) conferred power to determine whether an alien who has already landed or entered as temporary visitor should be admitted for permanent residence. The Court ruled that "no officer can relieve an alien of the departure requirement of section 9 of the Immigration Act under the guise of 'change' or 'correction' for the law makes no distinction, and no officer is above the law."⁴

3. Court of Industrial Relations

That the Court of Industrial Relations has no criminal jurisdiction and therefore has no power to impose penalties was the holding of the Court in *Hotel and Restaurant Freeworkers v. Kim San Cafe, et al.*⁵ In this case, respondents were found guilty of unfair labor practice when in answer to the Union's demand for the improvement of working conditions, they dismissed one Vinluan for engaging in union activities. The Court of Industrial Relations ordered the reinstatement of the worker and in addition, imposed a fine of ₱500.

The Court, on appeal, citing the case of *Scoty's Department Store v. Micalles*,⁶ held, that "notwithstanding the definition of the word 'court' in section 2(a) of Republic Act 875, the power to impose penalties is lodged in the ordinary courts and not in the Industrial Court. The fine imposed is therefore illegal, but the order reinstating Vinluan should be maintained, it being within the jurisdiction of this court."

The power to order the reinstatement of erring employees accorded to the Court of Industrial Relations by way of reducing excessive punishments imposed upon them was again upheld in *Western Mindanao Lumber Co. v. Mindanao Federation of Labor & CIR*⁷ where the Court observed that "while it is true that this Court, in several cases in the past, has set aside orders for the reinstatement of dismissed laborers whom the Industrial Court had found to be remissed in their duties towards their employer, such decisions have been pre-

2 G.R. L-10224, May 11, 1947

3 G.R. L-10225, March 29, 1957

4 The course open for them to gain permanent admission to the country is to voluntarily depart to some foreign country and procure a visa for admission to the Philippines as permanent residents, from the appropriate consular officials.

5 G.R. L-8100, November 29, 1957

6 G.R. L-8116, August 25, 1957

7 G.R. L-10170, April 25, 1957

licated upon the Industrial Court's abuse of discretion under the circumstances surrounding each particular case rather than upon its lack of power to reduce excessive punishments."

4. Court of Tax Appeals

Several cases⁸ have arisen revolving around the power of the Court of Tax Appeals, or lack of it to restrain the Collector of Internal Revenue to collect taxes allegedly due the government through the summary administrative methods of levy and restraint.

The Court has consistently held that the Court of Tax Appeals has the power to restrain the Collector from enforcing the collection of income tax deficiency by the summary proceedings after the lapse of three years from the time the taxpayer had filed his income tax return, although the government is not precluded from recovering the same by the institution of the corresponding civil action.

And where the Collector of Internal Revenue attempts to collect through summary administrative proceedings after the lapse of said three years, it is illogical and inconsistent for the Court of Tax appeals, having cognizance of the same, to require the filing of a bond as a condition precedent to the enjoining of such act or acts by the Collector which are illegal and therefore null and void.⁹

5. (Integrity Board) Presidential Complaints and Action Commission

Is the defunct Integrity Board or the present PCAC, a board exercising judicial functions whose decisions would therefore be subject to the special civil action of *certiorari*?

The Court passed upon this question in *Ruperto v. Torres*,¹⁰ which arose when charges were filed against a Manila assistant city fiscal, and the Integrity Board, taking cognizance of the same, and after due hearing, recommended the reprimand of the erring fiscal, followed up by a supplementary report calling for his removal.

Dismissing the petition for *certiorari*, the Court ruled: that "a cursory review of Executive Order No. 318 readily reveals that the duties and functions of the Integrity Board are to 'proceed to a thorough and complete investigation of any irregularity in office' and to 'submit to the President the record of such investigation together with its findings and recommendations.' The Board neither adjudicates upon or determines the rights or duties and interests of parties; it is limited to investigating the facts and making findings in respect thereto."

Holding that the test of a judicial function is not the exercise of judicial discretion, but the power and authority to adjudicate upon the rights and obligations of the parties before it; and finding that the Board lacks the power to adjudicate upon the matters submitted before it for investigation and make

⁸ Collector of Internal Revenue v. Cuenco, G.R. L-9117, 9118, April 29, 1957; Collector v. Reyes & CTA, G.R. L-8685, January 31, 1957; Collector v. Zulueta, G.R. L-8840, February 8, 1957; Sambrano v. CTA & Collector, G.R. L-8652, March 30, 1957

⁹ See also Collector of Internal Revenue v. Avelino, G.R. L-9202, November 19, 1956

¹⁰ G.R. L-8785, February 25, 1957

final pronouncements thereon affecting the parties, the Court said that the second requisite for the availability of the action of certiorari¹¹ is wanting.

6. Public Service Commission

Recent decisions have affirmed past Supreme Court holdings to the effect that the Commission may issue provisional permits to continue the operation of public utilities under certain conditions. In *De Leon v. PSC & Vda. de Tengco*,¹² the Commission granted a provisional permit to continue the operation of a bus service by respondent under her original certificate of convenience. The petitioner, contending that such grant constituted a grave abuse of discretion, prayed for certiorari and a writ of preliminary injunction.

The Court, citing several cases of similar import¹³ held that the Commission may provisionally authorize the extension applied for when there is an urgent public need for the approval of the authorization of the service prayed for, and the case cannot be decided within the shortest time possible, that is, the hearing would take considerable time to finish.

JURISDICTION

1. Commissioner of Customs

Administrative officials necessarily act within the delimited scope of their authority or else expose their actions to the stigma of nullity. Courts therefore, have time and again, been called upon to define such jurisdiction under which the officials should, or should not have so acted.

In *Leuterio v. Commissioner of Customs*,¹⁴ where it was argued, as a consequence of the seizure and forfeiture of 100 crates of onions belonging to petitioner, in accordance with customs law, that the undervaluation of the onions may not be considered as a violation of the customs law and of the laws and regulations enforced by said bureau.

The Court ruled, in declaring such contention untenable, that the law considers as customs law, not only the provisions of the customs law proper, but also the regulations pursuant thereto, and all other laws and regulations which are subject to enforcement by the Bureau of Customs, or otherwise within its jurisdiction.

2. Commissioner of Immigration

Whether the order deporting the petitioners should be set aside because the law defining the crime of which they were charged and convicted had already expired, was the question which confronted the Court *Ang Beng, et al., v. Commissioner of Immigration*.¹⁵

It appears that petitioners were convicted by the Court of First Instance for violation of the Import Control Law. They were also, charged before the

¹¹ The second requisite is that the tribunal, board, or officer before whom the controversy is brought must have the power and authority to pronounce judgment and render a decision on the controversy construing and applying the laws to that end. If the petitioner herein was of the belief that the Board has no power to subject him to an investigation, his remedy was to refuse to submit to such investigation, or to institute an action of prohibition to enjoin the continuation of the investigation, because the action or prohibition lies against any functions. Here, petitioner filed his action only after the Board had finished its work of investigation and recommendation; hence, there was nothing to enjoin.

¹² G.R. L-11100, April 29, 1957

¹³ *Javellana v. La Paz Ice plant*, 64 Phil. 893; *Transportation Contractors Inc. v. PSC et al.*, G.R. L-7116, August 31, 1954; *Ablaza Transportation Co., Inc. v. Ocampo, et al.*, G.R. L-3563.

¹⁴ G.R. L-9810, April 27, 1957

¹⁵ G.R. L-9621, January 20, 1957

Deportation Board. Pending the appeal of the criminal case in the Court of appeals, the Import Control Law expired, in view of which petitioner's motion for dismissal was granted. The Deportation Board, notwithstanding, submitted its findings and recommendations, on the basis of which the President issued the corresponding order of deportation.

The Commissioner of Immigration did not lose its jurisdiction to enforce the deportation order inasmuch as the benefit of retroactivity and liberal construction which the petitioner claims, accrues only when penal laws are repealed. Here, there is no subsequent repealing law. The law violated expired by its own force. Besides, the order of deportation emanated from a branch of the government which exercises jurisdiction independent from the judiciary, and it is fundamental that an executive order for deportation is *not dependent* on a prior judicial conviction in a criminal case.

3. Court of Agrarian Relations

The Court of Agrarian Relations has no jurisdiction or authority to order the ejectment of respondent tenant from ricelands held by him in tenancy when said land is leased to another who will convert it into a *zacatal*. This was the holding in *Primero v. CAR and Quion*.¹⁶ In explaining its decision, the Court said that "once a tenancy relationship is established, the tenant is entitled to security of tenure with the right to continue working on, and cultivating the land until he is dispossessed of his holdings for just cause provided by law, or the tenancy relationship is terminated legally."

In *Manlapaz v. Pagdanganan*,¹⁷ plaintiff filed a complaint in the Court of First Instance for the collection of rentals due from the defendant. Defendant moved for the dismissal of the case on the ground that the trial court had no jurisdiction, alleging that cases of whatever nature involving agricultural land, as here, should be filed in the Court of Agrarian Relations.

Sustaining the jurisdiction of the trial court, the Court ruled that while it is true that Republic Act 1267, as amended by Republic Act 1409, places all questions and controversies of tenancy under the jurisdiction of the Court of Agrarian Relations, it is indispensable that there should first exist between the parties, a tenancy relationship. Since there was no such relationship between the parties, the relief sought was within the jurisdiction of the ordinary court.

4. Court of Industrial Relations In General

In *Mindanao Bus Employees Labor Union v. Mindanao Bus Co. & CIR*,¹⁸ it was held that since the case is for the collection of overtime wages claimed to be due and unpaid, and does not involve hours of employment under Commonwealth Act 444, this court does not have jurisdiction over the case and correctly dismissed the petition.

Where it appears that the issue involved in the main case is interwoven with an unfair labor practice case pending before the Industrial Court as to which its jurisdiction is exclusive, it is evident that it does not come within the jurisdiction of the trial court, even if it involves acts of violence, intimidation, and coercion committed in the course of a labor dispute, as averred in the complaint, which may be enjoined by the Industrial Court. (section 9(d) of Republic Act 875).

¹⁶ G.R. L-10594, May 29, 1957

¹⁷ G.R. L-9840, November 26, 1957

¹⁸ G.R. L-9795, December 28, 1957

¹⁹ SMB Factory Workers' Union v. Judge Victorino & Sanchez, G.R. L-12320, December 20, 1957

Where the action filed with the Industrial Court merely involves the enforcement of a collective bargaining agreement²⁰ or the recovery of damages occasioned by the picketing undertaken by the members of the union, and the rescission of the arrastre and stevedoring contract entered into between the parties,²¹ the Industrial Court cannot take cognizance of the case even if they grow out of an industrial dispute.

The Court, in explaining its ruling on the Industrial Court's jurisdiction said that "the broad jurisdiction is curtailed by Republic Act 875, being limited to specific cases leaving the rest to the regular courts. In all other cases, even if they grow out of a labor dispute, the Industrial Court does not have jurisdiction, the policy of the law being to advance the settlement of disputes between the employees and the employers thru collective bargaining, recognizing that the industrial peace cannot be achieved by compulsion of law,"²² and to empower the court to take cognizance of all cases arising out of labor disputes would put an undue restriction of free enterprise for capital and labor.²³

Government-owned Corporations; Government Instrumentalities

In *Price Stabilization Corporation v. CIR, et al.*, and *Price Stabilization Corporation v. CIR & PRISCO Workers' Union, et al.*,²⁴ the Union filed a petition with the Industrial Court, praying that the PRISCO be ordered to grant some concessions such as salary increases to its workers. Respondent corporation answered, citing as a special defense that it is a government-owned corporation, its budget being subject to the approval of the Office of Economic Coordination, and also, that the salaries and working conditions of its employees were governed by the Revised Administrative Code and other laws, and outside the jurisdiction of the Industrial Court.

The Court, in over-ruling this defense, declared that "petitioner is a government-owned corporation, and operated like any ordinary corporation which may realize profits and incur losses, and the jurisdiction of the Industrial Court in labor disputes involving government-owned corporations is recognized. Moreover, it is well-established doctrine that when the government engages in business, it abdicates part of its sovereign prerogatives and descends to the level of a citizen and thereby subjects itself to the laws and regulations governing the relation of labor and management."

However, the Court ruled differently where the respondent in an unfair labor case filed with the Industrial Court was a government entity, such as was involved in *Angat River Irrigation System v. Angat River Workers' Union & CIR*.²⁵

The Angat River Irrigation System (respondent) was found by the Industrial Court to be a division of the Bureau of Public Works, a governmental instrumentality which cannot be made subject to a strike or a collective bargaining procedure although section 11 (RA 875) gives the employees of the same the right to self-organization. As a governmental entity, the respondent is not the proper party; it has no personality to sue or be sued. In the language of the Court, "in lieu thereof, it is the Republic of the Philippines that should have been sued. However, the government cannot be sued without its consent. Hence, the court did not acquire jurisdiction over the entity by virtue of the labor case filed before it."

20 *Dee Cho Lumber Workers Union v. Dee Cho Lumber Co.*, G.R. L-10080, April 30, 1957

21 *Allied Free Workers Union, et al., v. Judge Apostol, et al.* G.R. L-8876, October 31, 1957

22 *Ibid*

23 *Dee Cho case*, G.R., April 30, 1957

24 G.R. L-9797 & G.R. L-9834, November 29, 19, 1957

25 G.R. L-10943 & 10944, December 28, 1957

5. Court of Tax Appeals

In *Ursula v. CTA & Noel*, and in *Ursal v. CTA & Samson*,²⁶ where the city assessor assessed certain real properties of respondents, which upon protest by its owners, were reduced by the Cebu Board of Assessment Appeals, and the Court of Tax Appeals rightly refused to entertain the appeal brought by the former.

The Court of Tax Appeals has no jurisdiction over appeals brought by the city assessor arising from a difference of opinion between the city assessor and the Board of Assessment Appeals regarding the proper valuation of real properties assessed. Republic Act 1125 creating the Court of Tax Appeals did not grant blanket authority to decide any and all tax disputes. Defining such special court's jurisdiction, the Act necessarily limited its authority to those matters enumerated therein.

6. Workmen's Compensation Commission

In *Wack Wack Golf Country Club, Inc. v. WCC & Valentin*,²⁷ the Court held that the Commission has no jurisdiction to award disability benefits, where the injury on which the claim for compensation rested, happened on or before April 17, 1952, and claimant was receiving more than ₱42 weekly compensation. At the time, employees receiving such salary were expressly excluded from the benefits of the Compensation Act. The elimination of such exclusion from the statutes on June 20, 1952, cannot render compensable facts or events which were not compensable when they happened, even if compensable when the employee was separated from the service.

The Court, however, in the case of *Pan Philippines Corporation v. Workmen's Compensation Commission and Frias*,²⁸ sustained the jurisdiction of the Commission to award accident benefits. It appears that respondent corporation disclaimed liability to pay compensation on the ground that it was a small industry and that, it did not do any business during the occupation, it had no income in 1944, the year preceding the workman's death, all within section 42 of Act 3428, as amended by Act 2812

The Court declared that the Commission had jurisdiction to subject the corporation to the payment of compensation because "organized mining industries are not small industries, and that the phrase 'during the year preceding the one in which the accident occurred was less than ₱20,000' in section 42 of the Act should be interpreted as 'during the business year preceding...' When the law speaks of gross income, it presupposes business activity."

PROCEDURE

A. Standing of the Parties before Administrative Agencies

1. Court of Industrial Relations

When a member is illegally expelled from his union, or the processes provided for, by the constitution of said union have not been followed in effecting the expulsion said member may resort to the courts for protection.²⁹ In this jurisdiction, the illegally or improperly expelled employee should resort to the Industrial Court although the first paragraph of section 17 of Republic Act 875 provides that a minimum of 10% of the members of a labor union may report to the court an alleged violation of internal procedures in the union, the Supreme Court holding that said "minimum refers only to violations which

²⁶ G.R. L-10123 & 10355, April 26, 1957

²⁷ G.R. L-9641, May 24, 1957

²⁸ G.R. L-9807, April 17, 1957

²⁹ Citing American Jurisprudence 864-865

involve a group or a sizable number of the members in which the latter are interested, or which necessarily affect them."⁸⁰

2. Court of Tax Appeals

The Court of Tax Appeals cannot take cognizance of appeals instituted by the Collector of Customs in his official capacity from the decision of the Commissioner of Customs, even granting that he was directed to do so by the Secretary of Finance. The right to appeal is allowed only to persons, associations, or corporations, adversely affected by the same, under the maxim of *inclusio unius est exclusio alterius*. Besides, to permit the Collector of Customs in his official capacity to bring the suit would bring about a precarious situation and the fallacy of an appeal by the government against its own ruling.⁸¹

To the same effect was the ruling laid down in *Ursal v. CTA & Mansueto*,⁸² where the Court held that the city assessor has no personality to appeal to the Court of Tax Appeals from the decisions of the Board of Assessment Appeals, not being a party "adversely affected." The Court also observed that the Court of Tax Appeals as created by Republic Act 1125 is a part of the judicial system, presumably to act only on protest of private parties adversely affected by the tax, custom or assessment.

B. Freedom from Technical Rules of Evidence Due Process Requirements

1. Court of Tax Appeals

Where there is no showing of any specific rules governing the presentation of evidence in the Court of Tax Appeals, the general rules of procedure concerning the order of trial outlined in the Rules of Court shall govern. But this power to deviate from the technical rules of evidence is discretionary, and hence not subject to review by this Court.⁸³

2. Court of Industrial Relations

While it is true that administrative officials are empowered to do away with the technical rules of evidence in their proceedings, the due process requirements remain impregnable. In *Dimayuga, et al. v. Cebu Portland Cement Co.*,⁸⁴ the Court, citing the *Ang Tibay* case, once more reiterated the rule "while the court is free from the rigidity of certain procedural requirements, this does not mean however that it can, in justiciable cases coming before it, ignore or disregard the fundamental and essential requirement of due process in trials and investigations of an administrative character."

The Court of Industrial Relations may however issue an order without stating the facts and the law in support thereof and still satisfy due process requirements and Article VIII, section 2 of the Constitution where the Court is satisfied with the report of the examiner or referee which already contains a full discussion of the evidence and the findings of fact based thereon. Being in full accord with the report, it is purposeless to repeat what the referee or the examiner has already stated therein. A reference to such report is sufficient.⁸⁵

3. Public Service Commission

Where due process requires that notice for the setting aside of an order be issued to give the parties interested the opportunity to show why such order

⁸⁰ *Kapisanan ng Mga Manggagawa v. Bugay*, G.R. L-8227, March 30, 1957

⁸¹ *Acting Collector of Customs v. CTA & Commissioner of Customs*, G.R. L-8811, October 31, 1957

⁸² G.R. L-10165, August 30, 1957

⁸³ *Perez v. CTA & Araneta*, G.R. L-29193, May 29, 1957

⁸⁴ G.R. L-10213, May 27, 1957

⁸⁵ *Indias v. Philippine Iron Mines Inc.*, G.R. L-9987, April 29, 1957

should not be vacated, but not such notice was given out, such defect was cured, and the right to contest the same was waived, where the party affected, agreed to go thru a retrial of the case on the merits and in fact, introduced evidence anew in support of his application.³⁶

4. Workmen's Compensation Commission

In *Victorias Milling Co., Inc. v. WWC & Villanueva*,³⁷ the employer sought to contest the award on the ground that it was not given the chance to introduce evidence in support of its defense of notorious negligence on the part of the brakeman who was being compensated, in violation of the due process clause. The Court, in over-ruling the contention, said under section 45, the right of the employer to negate responsibility for the injury of the employee may be reinstated by the Commission if the employer submits reasonable grounds for its failure to disclaim said responsibility within the statutory period. And it appears that said employer neither offered any explanation for said failure nor asked the Commission to reinstate his right to controvert the brakeman's claims.

However, where the employer is ordered to pay compensation without the Commission holding a hearing notwithstanding a formal demand by the employer for the same, the Court held that there was a denial of due process because the petitioner was deprived of the opportunity to contest the legality and correctness of the disputed facts about the causality of the injury on the eye of the laborer and his alleged insanity arising therefrom.

The Court held: "We do not lose sight of the fact that under our laws and policies of our government, the labor laws should be construed in favor of the laborer; but, on the otherhand, the fundamental principle of due process of law should be sternly applied alike on both the rich and poor in order to attain proper justice."³⁸

Power to Reopen the Case

1. Commissioner of Immigration

In *Sy Hong, et al. v. Commissioner of Immigration*,³⁹ the Court ruled that decisions of the immigration officials do not constitute *res judicata* so as to bar reexamination of the alien's right to enter or stay. What is more, no vested right can be acquired on a wrong construction of the law by administrative officials, and such wrong interpretation does not place the government in estoppel to correct or overrule the same.

2. Court of Industrial Relations

For procedural purposes, the Industrial Court is a court with well-defined powers vested by the law creating it and with such other powers as generally pertain to a court of justice. As such, the general rule that before a judgment becomes final, the Court that rendered the same may alter or modify it so as to conform with the law and evidence is applicable to this court. The law also provides that after a judge of this court duly designated by the presiding judge therein to hear a particular case, had rendered a decision, any aggrieved party may request for a reconsideration thereof, and the judges of said court shall sit together, the concurrence of three of them being necessary for the pronouncement of a decision, order, or award.⁴⁰

³⁶ *Maclang v. PSC*, G.R. L-9566, February 4, 1957

³⁷ G.R. L-10533, May 13, 1957

³⁸ *Magalona v. WCC & Geronca*, G.R. L-10338, April 30, 1957

³⁹ *supra*

⁴⁰ *Luzon Stevedoring Co., Inc. v. Luzon Marine Department Union, et al.* G.R. L-9265, April 29, 1957

The Court of Industrial Relations is duty-bound to use every and all reasonable means to ascertain the facts in each case speedily and objectively and without regard to technicalities of law or procedure. It is not bound by the technical rules of evidence, and has the express power to reopen a case and grant a new trial with a view to discovering the truth and giving full opportunity to the parties to establish their respective claims.⁴¹

3. Workmen's Compensation Commission

Another administrative body with express power to reopen a case is the Workmen's Compensation Commission.⁴² Republic Act 772, section 13 which grants the same is a recognition of the obvious fact that no matter how competent a commission's diagnosis of claimant's condition and earning prospects at the time of the hearing may be, that condition may later change markedly for the worse, or may improve, or may even clear up altogether.⁴³

The Court however, observed that our law is a little one-sided and is all for the benefit of the employee, for the reason that as may be gathered from the provision, the Commissioner may from time to time cause the examination of the condition of the disabled laborer with a view to extending if necessary the period of compensation.

Limitation on the Power to Reopen the Case

In General

Administrative officials have no power to modify its order after they have been sanctioned by the courts. This was the ruling laid down in the case of the *Philippines v. Pedroso & Jacinto*.⁴⁴

It appears that Rovero was the owner of jewelries subject to seizure and forfeiture and the government waived its right to the same, and in lieu thereof, imposed a fine equal to three times the appraised value of the jewelries. Rovero appealed to the Court of First Instance which affirmed the Commissioner's decision. Upon appeal to the Supreme Court, the decision was once more affirmed in a judgment rendered on June 28, 1951. On August, 1951, the Commissioner of Customs ordered the reappraisal of the jewelries which resulted in the considerable reduction of its appraised value. The Commission made this the basis of the fine which it then proceeded to demand from Rovero.

The Court, passing upon the same said: "We reaffirm our ruling in *Rovero v. Amparo* that administrative officials have no power to remit fines and forfeitures after the courts, on appeal, and in final decisions, have sanctioned such fines and forfeitures."

C. Findings of Fact

1. Court of Industrial Relations

A synthesis of cases on this point⁴⁵ would result in the formulation of a general rule, thus: Findings of fact made by the Industrial Court are conclusive and are binding on the courts, as long as there is sufficient ground and

41 *Chua Workers' Union v. City Automotive Co.*, G.R. L-9784, July 19, 1957

42 *Avecilla Bldg. Corporation v. de Leon, WCC, Carpeso*, G.R. L-10668, September 26, 1957

43 *Ibid.*

44 G.R. L-9527

45 *Western Mindanao Lumber v. Mindanao Federation of Labor & CIR*, *supra*; *National Labor Union v. Sta. Ana*, G.R. L-9150, October 31, 1957; *Malayang Manggagawa ng Ang Tibay Enterprises, et al., v. Ang Tibay, et al.*, G.R. L-8259, December 23, 1957; *Marble Corporations of the Philippines v. Collector of Internal Revenue, Court of Tax Appeals, Secretary of Finance*, G.R. L-8677, December 28, 1957; *Bachrach Motor Co. v. Hipolito*, G.R. L-9278, April 26, 1957; *Laguna-Tayabas Bus Co. v. Vegamora*, G.R. L-9445, April 29, 1957; *Lanuza v. Lat & Beltran*, G.R. L-9555, July 31, 1957

competent evidence to support them, and there appears no abuse of discretion in the determination of the same.

In *Guico v. Estate of Buan*,⁴⁶ the Court explained the reason behind the reluctance of the courts, in fact a prohibition, from passing upon findings of fact of this Commission, as a rule.... "the Commission has exercised supervision over these public utilities and has besides, ready access to information notice, hence, is peculiarly in a position to appraise the needs of any given line and form a fair statement as to the service necessary to meet those needs. In the circumstances, we should do well to defer the judgment of the Commission in that regard and refrain from interfering with the exercise of its discretion except where it clearly appears that such discretion has been gravely abused."

That the decision of the Industrial Court is not based on overwhelming or preponderant evidence is not a sufficient ground for the regular courts to substitute its own judgment, where there is evidence to support that decision.⁴⁷

JUDICIAL INTERFERENCE

When Premature

1. Commissioner of Immigration

In the absence of exceptional circumstances, habeas corpus proceedings to prevent deportation is premature if proceedings are still pending before the Commissioner of Immigration. The courts will not interfere with the administrative hearing at this stage of the proceedings since the Board of Commissioners of the Bureau of Immigration is the agency primarily entrusted with the final determination of petitioner's right to stay permanently in the Philippines.

Exceptional circumstances which would justify the regular courts to interfere by way of habeas corpus with a case pending before the Board are a showing that the deportee is being indefinitely imprisoned under the pretense of awaiting a chance for deportation, or a showing that the Government admits that it cannot deport him, or that the detainee is being held for too long a period.⁴⁸ However, the ordinary courts are not precluded from entertaining appeals from the decision of the Board after it has rendered its decision. Decisions of the Board are not final but subject to review by the courts.

The rule enunciated above applies where petitioner, admittedly residing permanently in the country, leaves for abroad, and upon returning, surrenders his re-entry permit and given back his alien certificate of registration.⁴⁹ This same rule was also applied in the case of *Perez & Tan Tin Tin v. Board of Special Inquiry No. 1 of Bureau of Immigration and the Deportation Board*,⁵⁰ where the Philippine citizenship of the deportees was not admitted or did not conclusively appear from the evidence, and in fact, reliable evidence showed that the petitioners are aliens who have succeeded in gaining entry into this country thru false representations.

46 G.R. L-9769, August 30, 1957

47 *Isaac Peral Bowling Alley v. United Employees Association & Court of Industrial Relations*, G.R. L-9831, October 30, 1957

48 Cited in *Johnson v. Commissioner of Immigration*, G.R. No. L-9888, May 29, 1957

49 *Ibid.*

50 G.R. L-9236, May 29, 1957

2. Court of Industrial Relations

In *Aguilar v. Salumbides*,⁵¹ petitioner, claiming overtime wages and differentials, appealed to the Court from the Industrial Court's decision denying his claim. The Court however, in dismissing his appeal, among others said that the alleged denial by the court *in banc* of the motion for reconsideration of the order sought to be reviewed must be attached to the petition for review. The allegation must be supported by the court order attached to the petition for if there had been no such denial of the motion for reconsideration *in banc*, the present petition would have been brought prematurely.

When Decision Becomes Final

In *Rizal Cement Co., Inc. v. Hon. Bautista, et al.*,⁵² the Court had occasion to determine when the decision of the Industrial Court becomes final. In holding that an order for back wages, accompanying the order for reinstatement should take effect after ten days, which is March 27, 1955, from the date of receipt of the decision of the Industrial Court *in banc*, which is March 16, 1955, the Court said that ordinarily, a court decision becomes final only after the expiration of the period of appeal; and in case of appeal, only after the appellate court has finally ruled upon the appeal. In the Industrial Court, however, an appeal does not stay execution of the decision sought to be reviewed, unless the Industrial Court orders otherwise, which was not true here. It should be noted however, that the decisive order in the Industrial Court is not the order of a single judge, but the order of the court *in banc* denying a motion for reconsideration.

The Court ruled in *Yucuanseh Drug Co., Inc. et al. v. NLU & Soriano*,⁵³ that the order of the Industrial Court becomes final where appellants fail to appeal as provided for in section 6 of Republic Act 875. This section provided that an aggrieved party may appeal to the Supreme Court within 10 days from any order of the Court of Industrial Relations from its date of issuance. And where the appellants, instead of appealing, files a petition for a special civil action of certiorari, during which the period for appeal expires, such mistaken choice of remedy cannot excuse them from the period of limitation.

Scope of Judicial Review

1. Court of Industrial Relations

Appeals to the Supreme Court from the decisions of the Court of Industrial Relations are limited to questions of law,⁵⁴ and where the issues raised by the petitioner are matters that purely concern appreciation of evidence, which would only draw the Court into the task of sifting the proof presented and adduced at the hearing, the Court will not take cognizance of the same. It is well-established that the Court is not empowered to look into the correctness of the findings of fact in an award, order, or decision of the Court of Industrial Relations, and that as long as there is evidence to support a decision of the Industrial Court, it may not revoke or reverse said decision just because it is not based on overwhelming preponderant evidence.⁵⁵

⁵¹ G.R. L-10124. December 28, 1957

⁵² G.R. No L-10812. July 26, 1957

⁵³ G.R. No L-9900. April 30, 1957

⁵⁴ *Ibid.*

⁵⁵ G.P.T.C. Employees Union v. CIR & Puyat Timber Concession. G.R. No. L-10339. November 29, 1957

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