ADMINISTRATIVE LAW

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There is at present a remarkable development in Political Law in so far as the branch of Administrative Law is concerned, and that is the growing size of executive and administrative bodies being vested with the rule-making and adjudicative functions. Considering that Administrative law as a distinct branch of Political Law is of recent development in Philippine jurisdiction unlike in France and other countries of Continental Europe where its existence and development was accepted without question, this movement can truly be called remarkable. It may be a new board, another commission or an added office—all agencies which help courts of justice adjudicate in a simpler, faster and cheaper manner, and assist the legislature promulgate regulation in a more flexible, speedier and less cumbersome fashion. The promotion of general welfare seems to be behind this movement, for the problems which besiege the modern world have multiplied to an alarming proportion that they have to be dealt with in the most expeditious and efficient manner that the state can dispense with. Administrative agencies answer to the need that adjudication be not the exclusive prerogative of the over-burdened courts and that rule-making not be totally imposed on the too-busy legislature if the state is to go on smoothly and with the least difficulties. The need to study and learn more of these agencies can not therefore be over emphasized. It is with these bodies, their jurisdiction, functions and processes, their relation with the courts, the legislature and the executive branch that this survey is all about.

I. RULE-MAKING POWER

A. *Central Bank of the Philippines*

The case of *People v. Maydin* [1] has been added to a line of cases decided on the ruling of *People v. Jollife*.[2] The defendant in the instant case assailed the validity of certain circulars passed by the Central Bank on the ground of lack of presidential approval and because there was no prior declaration of the existence of an exchange crisis made under the provisions of Republic Act 265.

* Member, Student Editorial Board, *Philippine Law Journal*, 1961-62.
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[1] People v. Maydin, G.R. No. L-15381, April 26, 1961.
[2] G.R. No. L-9553, May 18, 1959.

The court said that the Central Bank need not declare the existence of an exchange crisis before it can exercise powers granted to it by the law. It is enough that the power be exercised to carry out the declared purposes in the law and the court added that the circulars involved has the approval of the chief executive.

In Commissioner of *Customs v. Eastern Sea Trading* [3] the power of the CB to regulate no-dollar imports and to pass the corresponding circulars governing them has again been put to question. The stand of the court was unequivocal. It held that the authority of said body to regulate no-dollar imports and the validity of Circulars 454 and 46 have already been passed upon and upheld by the tribunal in the earlier cases [4] which came before it, for the reason that the broad powers of the Central Bank under its charter to maintain our monetary stability and to preserve the international value of our currency under Sec. 2 of RA 265 in relation to Sec. 14 of said Act authorizing the bank to issue such rules and regulations as it may consider necessary for the effective discharge of the responsibilities and the exercise of the powers assigned to the Monetary Board and the Central Bank connote the authority to regulate no-dollar imports. This is owing to the influence and effect that the same may and do have on the stability of our peso and its international value.

B. *Director of Health*

The director of Health passed a regulation which provided that "hydrogenated vegetable lard and hydrogenated vegetable oil shall have no more than 25% of air content to be determined in the manner stated in the FDAD No. 268. This was on the recommendation of the Board of Food Inspection and with the approval of the Secretary of Health. An action for prohibition and preliminary injunction was filed to restrain the enforcement of this regulation because it was rendered in excess of the power of the officials concerned and will cause irreparable injury to certain oil factories for they will have to change formulas for the manufacture of lard and oil, order new containers, discard the present stock, upset production and sale schedule and adversely affect employees who would have to be laid off. When this case [5] came before the court the issue was whether the regulation made was within the power delegated under Sec. 1121 of the RAC which provides that "With the approval of the Secretary of Education, Director of Health, the

[3] G.R. No. L-14279, Oct. 31, 1961.
[4] Pascual v. Commissioner (G.R. No. L-10797, June 30, 1961); Commissioner v. Leuterio (G.R. No. L-9142, Oct. 17, 1959) and Commissioner v. Seree Investment Co. (G.R. No. L-12007, May 16, 1960).
[5] International Oil Factory et al. v. Director of Health, G.R. No. L-13433, May 31, 1961.

Commissioner of customs and the Collector of Internal Revenue shall make and promulgate regulations for the enforcement of the Food and Drugs Act." The court nullified said administrative decision as having been issued in excess of powers delegated by law. It held that the purpose of the Administrative Acts will not be served. Its purpose was "To avoid deception on the public for greater aeration or hydrogenation results in greater bulk and the unsuspecting buyers particularly those purchasing by the slice or scoop are likely to believe erroneously that they get more lard when buying petitioner's products when they purchase them. The reasonings advanced were 1.) Under par. c of Section 1115 of the RAC a food is not adulterated merely because it has a greater bulk than another of similar kind. 2.) Although all forms of adulteration connote some kind of deception not every deception results in adulteration. Under Sec. 1115, a given food is adulterated if it falls under the forms of deception enumerated therein. Thus other forms of deception with respect to food do not adulterate the same within the purview of the Food and Drugs Act, 3.) Petitioners, besides selling by net weight so printed sells shortening even in small packages containing 20 grams at ₱.05 and therefore the contention that aeration in excess of 25% has a deceptive effect in so far the quantity is concerned is untenable. 4.) Manufacturers have no hand in the disposition by retail store of their products. If regulation on the same matter be necessary, the remedy lies with the legislature or the municipal council to require retailers to give appropriate and prominent notice of aeration of shortening they are selling. 5.) Deception as regard the "quantity of food" was not really meant to be considered a case of adulteration governed by section 1115. The decision of the court in this case seems to be unquestioned. This is because of the standing principle that rules promulgated by administrative bodies being "subordinate legislation" they must be founded on some legislative act and must be within the limits established in the Act.

II. JURISDICTION

A. *Court of Industrial Relations*

The jurisdiction of the CIR under the law extends to only four cases which are 1.) labor disputes affecting industries indispensable to the national interest and so certified by the president. 2.) controversies about the Minimum Wage Law under RA 602 3.) Hours of employment under the Eight Hour Law and 4) Unfair Labor practice under Sec. 5-A of RA 875.

The Court in *Sy Huan v. Bautista* [6] held that disputes concerning these four cases in order to fall under the jurisdiction of the CIR must arise while the employer-employee relationship between the parties exists or the employee seeks reinstatement. When such relationship is over and the employee does not seek reinstatement, all claims become mere money claims falling under the jurisdiction of the regular courts. This has been a consistent stand of the court.[7]

Once the court has acquired jurisdiction over a case, this jurisdiction is retained to hear and determine all incidents thereof until all issues should have been finally settled and disposed of. This in substance is what the court said in *Isaac Peral Bowling Alley v. United Employees Welfare Association & CIR* [8] where it held that since the present appeal was but an incident of the case commenced on October 10, 1952, CIR has jurisdiction. Referring to some earlier decisions [9] it was of the opinion that the CIR acquired jurisdiction in these earlier cases under RA 875 while the evidence in this case was received and the order appealed from issued on the authority of CA 103 as amended. The effect is that the CIR cannot be deprived of jurisdiction to settle the incidental questions arising from the main case over which it had power to adjudicate.

That the CIR has no jurisdiction to hear and determine complaint unfair labor practice filed against institutions not organized for profits and consequently not an industrial or business organization was reiterated in *Bureau of Printing v. Bureau of Printing Employees Association.*[10] The supreme court denied that the CIR has jurisdiction because the Bureau of Printing is an office of the government created by the Administrative Code of 1916. Designed to meet printing needs of the government, it is primarily a service bureau and not engaged in business of occupation for pecuniary profits. Same ruling was made in *Department of Public Services Labor Unions v. CIR et. al.*[11] Once the president certified that there exists a labor dispute in an industry indispensable to the national interest, the CIR acquires jurisdiction. It has no other alternative and it cannot throw the case out on the assumption that the certification was erroneous. The power is given to the president and the pro-

[6] G.R. No. L-16115, August 29, 1961.
[7] Phil. Wood Products et al. v. CIR et al., G.R. No. L-15279, June 30, 1961; Republic Savings Bank v. CIR, G.R. No. L-16637, June 30, 1961; De los Santos v. Quisumbing, G.R. No. L-15376. June 30, 1961; Pomeroy & Co. v. CIR, G.R. No. L-16057, September 29, 1961; Basa v. Escaño, G.R. No L-16194. Nov. 8, 1961.
[8] G.R. No. L-15625, May 30, 1961.
[9] PAFLU v. Tan, G.R. No. L-9115, Aug. 31, 1961; Administrator of Hacienda Luisita v. Alberto, G.R. No. L-12133, Oct. 31, 1961; Donato v. PHILMAROA, G.R. No. L-12506. May 18, 1961.
[10] G.R. No. L-15751, Jan. 28, 1961.
[11] G.R. No. L-15458, June 28. 1961.

priety of its exercise is a matter that only devolves on him. It is not the concern of the CIR and what matters is that by virtue of the certification, the case was place in its jurisdiction.

Can the CFI issue a writ of preliminary injunction or writ of prohibition against the CIR? The court held in the negative in the case of *Kaisahan ng mga Manggagawa sa La Kampana v. Caluag.*[13] In that case, the CIR issued a writ against Tantongco and the La Campana Starch and Coffee Factory to reinstate the persons named in the order and to pay them back wages. The parties failed to comply with the writ and an action for contempt was filed against them. Later, a writ of execution was issued by the CIR and the sheriff was about to comply with it when Tantongco and the Company filed an action for prohibition with preliminary injunction in the CFI of Manila. The court held the CFI without jurisdiction and made mention of the fact that the CIR is equal in rank with the CFI and thus the latter cannot issue a writ of preliminary injunction and prohibition against the former because said writs may be issued only by a court to another tribunal or officer either judicial or ministerial lower in rank.

B. *Court of Tax Appeals*

Under Sec. 306 of the National Internal Revenue Code, in order to confer jurisdiction on the CTA, it is necessary that the suit for the refund of the taxes be brought with the statutory period of two years and the requirement in that section must have been complied with.[14]

In *Republic of the Philippines v. Dy Chay* [15] the court admitted the existence of a case involving the collection of taxes cognizable by the ordinary courts of law and not by CTA. Under Sections 7 and 11 of RA 1125 CTA only assumes exclusive appellate jurisdiction if and when the same is brought within the reglamentary period of 20 days from the taxpayer's receipt of the decision of the collector and this only take place when appeal is taken by the taxpayer adversely affected by the decision. So that when it is the collector or the government which appeals, the only remedy for them is a judicial action in the ordinary courts of justice.[16]

The CTA exercises exclusive appellate jurisdiction to review decisions of the collector in cases involving disputed assessments. The collector may not overlook the fact that the assessment had

[13] G.R. No. L-17692, July 20, 1961.
[14] Collector v. CTA, G.R. No. L-11494, Jan. 28, 1961.
[15] G.R. No. L-15605, April 15, 1961.
[16] Republic of the Philippines v. Dy Chay (supra).

been disputed by objections to the assessments made at the opportune time. He may not ignore this positive dispute by immediately bringing an action to collect in the CFI depriving the taxpayers of the right to appeal the disputed assessments.[17]

In *Collector v. Yuseco*,[18] Yuseco was questioning the tax assessments made against him by the petitioner and asked for the reconsideration of said assessments. Nothing was done and instead the collector issued a warrant of distraint and levy on his property. A petition for prohibition was filed with the CTA and the court held that the law does not expressly vest the CTA with original jurisdiction to issue writs of prohibition and injunction independently and apart from the appealed case.

Court of Agrarian Relations

RA 875 as amended by RA 1409 places all questions and controversy of tenancy under the jurisdiction of the CAR. But this assumption of jurisdiction presupposes the existence of a valid tenancy relationship between the parties. Thus, in *Dumlao v. De Guzman* [19] it appears that in a previous civil case for forcible entry and unlawful detainer, one Farrales who constituted herein respondents as tenants was declared a mere intruder on the land. The court ruled that there being no valid tenancy relationship between the parties, the CAR has no jurisdiction. Invoking such ruling, the court denied the jurisdiction of the CAR in *Lastimosa v. Blanco*.[20]

The jurisdiction of CAR includes that of hearing and determining actions for recovery of damages arising from unlawful dismissal or dispossession by a landlord of a tenants' landholding. To hold otherwise would result in the multiplicity of suits and expensive litigations abhorred by the law. Such was the rule laid down in *Militar v. Torcillero and Hon. Blanco*.[21]

In *Santos v. CAR et al.*,[22] the Court ruled that the CIR has no jurisdiction over an unfair labor practice charged brought by agricultural laborers but that the complaint should have been lodged with the CAR considering the broad powers given to it by law even if nothing is said therein relative to unfair labor practice. The subsequent enactment of RA 2263 giving to agricultural workers the right to file an action of this nature merely confirms this jurisdiction of the CAR.

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[17] San Juan v. Collector, G.R. No. L-16814, Sept. 19, 1961.
[18] G.R. No. L-12518, Oct. 28, 1961.
[19] G.R. No. L-12816, Jan. 28, 1961.
[20] G.R. No. L-14697, Jan. 28, 1961.
[21] G.R. No. L-15065, April 28, 1961.
[22] G.R. No. L-17196, Dec. 28, 1961.

The court held that all cases pending the JP when RA 1199 was approved should be transferred to the jurisdiction of the CAR and that the JP has lost its jurisdiction over the subject matter. This was the decision in *Espiritu v. David.*[23]

Commissioner of Civil Service

In a recent case [24] the highest tribunal undertook to explain the nature of the power of the commissioner in so far as the imposition of penalties is concerned, saying that under the RAC, the commissioner is given a great latitude in the imposition of penalties. Citing *Lacson v. Romero* [25] it held that "it will be noted that not only does the law fail to specify that one particular penalty shall be imposed on a particular offense but that the description of the offenses are couched in general terms as to include a variety of acts . . . which acts may be considered reasons demanding proceedings to remove for cause, reduce in the class or grade or to inflict other punishments as provided by law." Thus in the instant case,[26] the conclusion reached was that the contention of petitioner that "not having committed acts of gross misconduct, the penalty imposed by the Civil Service Board of Appeals was excessive" is untenable.

Commission on Elections

"In view of the clear and unmistakable certification of the Commission on Elections (to the effect that there is no discrepancy as to the number of votes received by the mayoralty candidates) which is the very constitutional body called on to supervise the elections, the further intervention of the lower court is unnecessary," ruled by the court in the case of *Lim v. Hon. Maglanoc et al.*[27] affirming the jurisdiction of the Commission.

In another case [28] however, the Commission on Elections refused jurisdiction because the matter involved the ineligibility of the candidate for lack of proper certificate of candidacy.

Commissioner of Immigration

In *Galang v. Court of Appeals,*[29] Tee Hook Chun entered the Philippines with a Filipino passport claiming that he was a Filipino. The Commissioner of Immigration issued an order for his exclusion

[23] G.R. No. L-23135, May 31, 1961.
[24] Camus v. Civil Service Board of Appeals. G.R. No. L-13695, May 31, 1961.
[25] G.R. No. L-3081, Aug. 14, 1949.
[26] Camus v. CSBA (supra).
[27] G.R. No. L-16566, Aug. 31, 1961.
[28] Miralles v. Gariando, G.R. No. L-16584, May 23, 1961.
[29] G.R. No. L-15569, May 30, 1961.

but which was not given effect immediately. On petition of the Department of Foreign Affairs, the fiscal of Manila presented a criminal action against him for violation of Commonwealth Act 613 which punishes all foreigners who falsely represent themselves to be Filipinos to evade the law. The CFI sentenced him to one year imprisonment and to a fine of ₱1,000 and after one year to be deported to Hongkong. On appeal, the accused was allowed to bail out. The Commissioner refused to free him because of his order for exclusion. The Supreme Court laid down that "Although both proceedings arose from the same facts, each proceeding was separate and distinct from each other, the criminal action being for the violation of Sec. 45(e) of the Philippine Immigration Act of 1940 while the administrative proceedings was based on Sec. 29(a) of said Act. The one is not legally inconsistent with the other and the criminal prosecution does not entail waiver of administrative action." It said that the seeming conflicts between the criminal and administrative action affect mainly the time and place at which certain things have to be done. One may yield to the other but only in point of priority or order of execution but neither will nullify the other or imply the renunciation of the latter. Thus, herein the commissioner has to postpone the actual exclusion of the accused until he has served the penalty imposed on him and since it includes deportation, the commissioner can deport him. In such event, he would be "deported" not "excluded" from the country not because the commissioner's authority to order his exclusion has been extinguished, nullified and waived in consequence of the filing of the criminal action but because it would be unnecessary to exercise it in view of the deportation. However, if the criminal case should erroneously fail to include deportation, the commissioner can legally exclude him.[30]

Director of Labor

Mediation and conciliation except in cases of industries indispensable to the national interest and certified to by the President to the CIR is entrusted to the Department of Labor which shall have as its aim the settling of industrial difference between labor and capital on an essentially voluntary basis. So that in cases of conflict between the employer and the employee in the absence of any unfair labor practice, attempt should be made to settle their differences thru the mediation of the Secretary of Labor or the Conciliation service. On failure of the remedy, recourse may be had to the ordinary courts for the enforcement of the respective

[30] Galang v. Court of Appeals (supra).

rights of the parties in accordance with the terms of their labor agreements.[31]

Director of Land

To confer jurisdiction on the Director of Lands, the land which is the subject matter of the controversy must be public, so held the court in *De los Reyes v. Pastorfide*.[32] As to when a public land becomes a private property, the court ruled that once a patent over a parcel of land is registered and the corresponding certificate of title issued, the land ceases to be part of the public domain and bcomes private property over which the director of land has neither the control or jurisdiction.[33]

Director of Patents

In *Co San v. Director of Patents*,[34] Jose Ong Lian filed with the Philippine Patents Office two applications for the issuance of letter patents on two designs for luggages which were issued in his favor said patents. He contends that the director erred in not accepting as final and conclusive the findings of fact of the Court of Appeals, namely that the petitioner was the prior user of the designs in question. The issue was whether the Director of Patents was bound by the rulings of facts in a criminal case against the petitioner. Holding was in the negative. In cancellation proceedings, the question refers to the validity of the design patents issued to Ong Lian while in the criminal case the inquiry was whether Co San unfairly competed against the luggage of Ong Lian. The first was within the jurisdiction of the Patent Office while the second was under the jurisdiction of the CFI. A judgment of acquittal in a criminal action for fraudulent registration of a trade mark cannot be invoked as res judicata in a civil action based on unfair and malicious competition on the ground that the facts of the latter are different and have not been passed upon in the judgment rendered in the former case.[35]

Workmen's Compensation Commission

The WCC issued a writ of execution addressed to the sheriff who advertised the sale of the property of petitioner to pay the claim of his employees for injuries sustained while in the employ of the former. Was the writ valid? The court said no in a recent case.[36]

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[31] NLU v. Insular La Yebana Tobacco Corporation, G.R. No. L-15663, July 31, 1961.
[32] G.R. No. L-16512, Nov. 29, 1961
[33] G.R. No. L-14702. May 23, 1961.
[34] G.R. No. L-10563, Feb. 23, 1961.
[35] Chua v. Confesor, 59 Phil. 471.
[36] Pastoral v. Commissioner, G.R. No. L-12903, July 31, 1961.

It nullified the writ because the WCC has no power to issue writs of execution of its awards or decisions. The court must issue a judgment based on the decision of the referee and it is the judgment that can be enforced by a writ of execution.

Before the WCC may acquire any jurisdiction over a case, it has been repeatedly held that an employer-employee relationship must first be established. This rule was again applied in the case of *MRR v. WCC et al.*[37]

In the cases of *Corominas v. Labor Standard Commission et al.*,[38] *Wong Chun v. Carlin*[39] and *Balrodgan v. Fuentes et al.*[40] the court ruled that the grant to the regional offices of original and exclusive jurisdiction by the Reorganization Plan 20-A over money claims including overtime pay, vacation pay, etc. is not authorized by RA 997, the legislature not having intended to grant authority to the Reorganization Commission to deprive courts of their jurisdiction over said claims. Pronouncements to the same effect were again made in subsequent cases of *Equitable Banking Corp. v. Regional Office 3*,[41] *Sebastian v. Gerardo.*[42] In the later case of *San Miguel Brewery, Inc. v. WCC*,[43] the Supreme Court clarified its stand on the point and held that it never ruled that the Regional Offices have no authority to pass upon workmen's compensation claims under the Plan. On the contrary, in its decision in the case of *Miller v. Mardo*[44] and related cases[45] the court said that "on the basis of the foregoing considerations we hold and declare that the Reorganization Plan 20-A in so far as it confers judicial powers to the Regional Offices over cases other than those falling under the Workmen's Compensation Law is invalid and of no effect." The same holdings were made in the subsequent cases of *Tan v. De Leos*,[46] *La Mallorca and Pambusco v. Ramos et al.*[47] and *Everlasting Pictures Inc. v. Fuentes et al.*[48]

Is the jurisdiction of the WCC to hear, consider and make and award dependent on the existence of the grounds for granting the award as provided by law or the timeliness of the filing of the claim? This was the issue raised in the *Century Insurance Co. v. Fuentes et al.*[49] The answer of the court was simple and direct. It said

[37] G.R. No. L-14204, June 30, 1961.
[38] G.R. No. L-14837, June 30, 1961.
[39] G.R. No. L-13940, June 30, 1961.
[40] G.R. No. L-15015, June 30, 1961.
[41] G.R. No. L-14442, June 30, 1961.
[42] G.R. No. L-15849, June 30, 1961.
[43] G.R. No. L-18730, Sept. 16, 1961.
[44] G.R. No. L-15138, July 31, 1961.
[45] Cu Bu Liong v. Estrella et al., G.R. No. L-14212; Berja v. Fernandez, G.R. No. L-14757; PASUDECO v. Plomantes, G.R. No. L-14738, July 31, 1961.
[46] G.R. No. L-15254, Sept. 16, 1961.
[47] G.R. No. L-15476, Sept. 19, 1961.
[48] G.R. No. L-16512, Nov. 29, 1961.
[49] G.R. No. L-16039, Aug. 31, 1961.

that the mere fact that a claim was presented before the WCC or its hearing officer beyond the period prescribed by the Statute is not a ground for holding that said commission has no jurisdiction, for the question of timely presentation is one of the facts or issues to be determined by the WCC itself at the hearing.

III. PROCEDURE

A. *Standing of the Parties Before Administrative Agencies*

1. Court of Industrial Relations—

The CIR has jurisdiction as long as an employer-employee relationship is still existing or sought to be reestablished.[50]

That the employees be at least 31 in number for the CIR to acquire jurisdiction of the case is not required of those claiming payment for overtime services and minimum wages and seeking reinstatement.[51]

B. *Due Process*—

1. Court of Industrial Relations—

Once an award of the CIR has become executory, it no longer is subject to alterations and modifications. Tenets of equity require that all issues passed upon in final orders that have become executory be deemed conclusively disposed of and definitely closed for otherwise there would be no end to litigations, thus setting at naught the main role of courts of justice which is to assist in the enforcement of rule of law and the maintenance of peace and order by setting justiciable controversies with finality.[52]

2. Workmen's Compensation Commission—

In claims for compensation, hearing exparte may be done if due to any party's fault, the hearing can not be held pro parte.[53]

But the failure of the employer to controvert the claims of the petitioner when he had knowledge of it is deemed to be waiver of his right to interpose any defense and he could not now be allowed to complain that he was denied due process. The WCC Act authorizes the Commissioner or the referee to take the testimony of witnesses of the claimant or receive ex parte evidence even without notice to the adverse party provided such other party is given an opportunity to rebut the same by necessary evidences. What the

[50] Phil. Wood Products v. CIR, *et al.*, G.R. No. L-15279, June 30, 1961.
[51] *Ibid.*
[52] Galvez v. PLDT *et al.*, G.R. No. L-16370, Oct. 31, 1961.
[53] Phil. Cotton Development Corp. v. W.C. Commissioner, G.R. No. L-16871, May 19, 1961.

act seeks to safeguard against is not lack of previous notice but the denial of the opportunity to be heard on the claim.[54]

3. Collector of Internal Revenue—

In actions for refund of taxes, in order not to deprive the taxpayer of his day in court and the prompt adjudication of his case, he is left by necessity to presume and conclude before the expiration of the two-year prescriptive that his claim for refund has been denied by the Collector of Internal Revenue, if no action was taken thereon by the latter during the said period. The taxpayer need not wait indefinitely for a decision or ruling which may or may not be forthcoming and which he has no legal right to expect because the law does not say that the Collector of Internal Revenue *must* act on the petition within the said period.[55]

IV. JUDICIAL INTERFERENCE

A. *Exhaustion of Administrative Remedies*

It is a well settled rule in administrative law that until all administrative remedies have been exhausted, a judicial recourse for the settlement of the controversy has generally been held to be premature.[56]

1. Director of Lands—

In the case of *Pineda v. CFI of Davao et al.*[57] which involved a controversy over a public land, the court ruled that the rule that administrative remedies must be exhausted before there can be a recourse to the courts, merely implies an absence of a cause of action and does *not* affect the jurisdiction of the court either over the parties or over the subject matter of the case. Accordingly even if issue in the civil case had been who as between the parties had a better title to a public land, still the court would have retained its jurisdiction. However, had its attention been called to the proceedings then pending before the Bureau of Lands, it could have dismissed the case for lack of cause of action. But this was not done in the present case and the decision is valid and binding since the court had jurisdiction to render it. The same principle was reiterated in the subsequent cases of *Balmonte v. Marcelo*,[58] and *Atlas Consolidated Mining and Development Corp. v. Hon Jose Mendoza (CFI Judge) et al.*[59]

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[54] Fuentes v. Binamira, G.R. No. L-14965, Aug. 31, 1961.
[55] CIR v. Court of Tax Appeals, G.R. No. L-11494, Jan. 28, 1961.
[56] Pineda v. CFI of Davao, *et al.*, G.R. No. L-12602, April 25, 1961.
[57] *Ibid.*
[58] G.R. No. L-12918, April 25, 1961.
[59] G.R. No. L-15809, Aug. 30, 1961.

The court explained the effect of dismissal because of lack of exhaustion in the case of *Sarabia v. Sec. of Agriculture and Natural Resources*,[60] saying that such is a dismissal on the merits and as the petitioner's appeal to the Supreme Court was filed out of time, the judgment became final and res judicata in all subsequent actions or suits on the same points and matter raised in said petition by the petitioner. Also in the case of *Cebedo et al. v. Director of Lands et al.*,[61] the court refused to issue a writ of prohibition, saying that the failure of the appellants to appeal to the Secretary of Agriculture from the orders of the Director of Lands would bar from them prohibition, this writ being issued only in the absence of appeal or any other plain, speedy and adequate remedy in the ordinary course of law.

But in subsequent rulings on other cases,[62] the court qualified its stand by confining the applications of the principle as a condition precedent to the filing of a judicial action to controvercies arising out of the dispositions of disposable lands of the public domain. It is inapplicable to private lands, not even to those acquired by the government by purchase for resale to individuals.

2. Commissioner of Immigration—

In *Bayer v. Board of Commissioners of Bureau of Immigration*,[63] the deportation proceedings brought against petitioner had not been terminated because before the Board of Immigration Commissioners could render a decision therein, petitioner made a request for his temporary release under a bond pending his voluntary departure when he again violated his permit by not leaving on the date specified, the Board couldn't act again because the petitioner made appeals to the Chief Executive to grant him political asylum. It was upon denial of these requests that he filed present petition for certiorari with preliminary injunction without waiting for decision of immigration authorities. The court ruled there appears to be no order or decision of the immigration authorities that could be the object of certiorari proceedings and it does not appear that they are unduly delaying their decision. Hence the courts will not interfere.

B. *Finding of Fact*

1. Court of Industrial Relations

When testimony on a question of fact is doubtful, the findings

[60] G.R. No. L-16002, May 23, 1961.
[61] G.R. No. L-12777, May 23, 1961.
[62] Baladjay v. Castrillo. G.R. No. L-14756, April 26, 1961; de Lemos v. Castañeda, G.R. No. L-16237, Oct. 27, 1961; Kimpo v. Kintanar, G.R. No. L-16476,
[63] G.R. No. L-16932, Sept. 29, 1961.

of fact of the CIR which had a better opportunity to examine and appraise the factual issues certainly deserve respect.[64] But before these findings can enjoy this stamp of finality, the cardinal rules stated in *Ang Tibay v. CIR* [65] must first be satisfied.[66] Same principle was reiterated in the cases of *San Carlos Milling Co. v. Allied Worker's Assoc. of the Philippines*,[67] *Tomacruz v. CIR* [68] and *NLU v. Zip Venetian Blind*.[69] Unless there is a showing that CIR had abused its discretion to an extent amounting to a lack or excess of jurisdiction, the Supreme Court will not review its findings of fact.[70]

That the grantee of the certificate had failed to comply with her commitment for reasons which to the Commission do not appear justifiable and hence should be deemed to have forfeited the privilege granted her, is an evaluation of fact which is reasonably supported by evidence of record, both oral and documentary and should not be disturbed.[71]

2. Workmen's Compensation Commission—

It is well settled that findings of fact made in decisions appealed from will not be reviewed by this Court unless there has been a grave abuse of discretion in making said findings by reason of the total absence of competent evidence in support thereof. Such competent evidence which is also substantial in support of the finding contested in the case at bar, admittedly exists.[72]

3. Director of Lands—

The decision rendered by the Director of Lands and approved by the Secretary of Agriculture on a question of fact is conclusive and is not subject to judicial review in the absence of a showing that such decision was rendered in consequence of fraud, imposition or mistake other than error of judgment in estimating the value or effect of evidence. This is so, on the theory that the subject has been thoroughly weighed and discussed and it must be given faith and credit, but not so when there is disagreement.[73]

Consequently where error or fraud taints the administrative decision, the same remains subject to review by courts of justice, and the latter may do so at the instance of any interested party.[74]

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[64] Nat'l Fastener Corp. of Phil. v. CIR, G.R. No. L-15834, Jan. 20, 1961.
[65] 69 Phil. 635.
[66] Ormoc Sugar Co. Inc. v. Osco. Worker's Fraternity L. Union et al., G.R. No. L-15826. April 23, 1961.
[67] G.R. No. L-15435-15723, March 17, 1961.
[68] G.R. No. L-16542-43, May 31, 1961.
[69] G.R. No. L-15827-8, May 31, 1961.
[70] San Miguel Brewery Inc. v. Santa, G.R. No. L-12686, Aug. 31, 1961.
[71] Farlñas v. Estate of Florencio Buan, G.R. No. L-12306-7, Nov. 29, 1961.
[72] Basaysay v. Workmen's Compensation Commission, G.R. No. L-16438, Nov. 29, 1961.
[73] Abic *et al.* v. Constantino *et al.*, G.R. No. L-12460, May 31, 1961.
[74] Sanchez v. Tansi, G.R. No. L-16736, June 30, 1961.

C. *Finality of Administrative Decisions*—

Workmen's Compensation Commission—

The WCC has no power to issue a writ of execution of its awards or decision. The interested party must file in a court of record in the jurisdiction in which the accident occurs, a certified copy of the referee's final decision and the court that can be enforced by a writ of execution issued by said court. The powers given to WCC can't validly include the power to execute its own decisions for to do so will be to diminish the jurisdiction and judicial powers of courts of record.[75] This ruling was reiterated in *La Mallorca-Pambusco v. Isip et al.*[76] and *Everlasting Pictures Inc. et al. v. Fuentes et al.*[77]

[75] Famorca v. W.C.C. *et al.*, G.R. No. L-16921, Sept. 27, 1961.
[76] G.R. No L-16945, Oct. 19, 1961.
[77] G.R. No. L-16512, Nov. 29, 1961.