

## THIRD DIVISION

[ G.R. No. 216440, February 19, 2020 ]

**JIMMY S. GALLEGO, PETITIONER, VS. WALLEM MARITIME SERVICES, INC., REGINALDO A. OBEN AND/OR SCANDIC SHIP MANAGEMENT, LTD., RESPONDENTS.**

### DECISION

**CARANDANG, J.:**

Before Us is a Petition for Review on *Certiorari*<sup>[1]</sup> under Rule 45 of the Rules of Court filed by petitioner Jimmy S. Gallego (Gallego) against Wallem Maritime Services, Inc. (WALLEM) and its foreign principal Scandic Ship Management, Ltd. (SCANDIC; collectively respondents). The petition assails the Amended Decision<sup>[2]</sup> dated February 28, 2011 of the Court of Appeals (CA) in CA-G.R. SP No. 01314, dismissing the Petition for *Certiorari*<sup>[3]</sup> filed by Gallego based on procedural lapses.

#### Facts of the Case

Gallego claims that he was repeatedly hired by WALLEM on a contractual basis as Marine Engineer since 1981. In 1999, he was rehired by WALLEM as Marine Engineer with a contract term beginning December 1999 until December 10, 2000 on board M/V Eastern Falcon.<sup>[4]</sup>

On August 4, 2000, Gallego's contract term was cut short and he was repatriated to Manila. Gallego claims that he was an intra-company transferee worker for the foreign employer, SCANDIC. For this reason, he proceeded to the office of WALLEM shortly after his repatriation to process his re-engagement for M/V Eastern Falcon or for another vessel. WALLEM advised that Gallego needed to wait for the results of the training of the newly recruited crew members of M/V Eastern Falcon.<sup>[5]</sup>

Several months have passed but Gallego did not receive any word from WALLEM on his re-deployment. Gallego returned to the office of WALLEM numerous times in 2001, 2002 until 2003, only to be told to wait for the results of the new recruits for M/V Eastern Falcon. Due to the empty promises of WALLEM that he would be re-deployed, on July 1, 2004, Gallego filed his complaint for illegal dismissal and nonpayment of salary and benefits against his employers.<sup>[6]</sup>

WALLEM, on the other hand, argues that the termination of Gallego's employment is valid because the vessel, M/V Eastern Falcon, had been sold to another shipping company. In addition, the labor complaint was barred by prescription considering that Gallego's suit had been filed four years after Gallego's repatriation in August 2000. Under the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC), claims arising from the employment shall be filed within three years from the date the cause of action accrues. Thus, Gallego's

claims should be denied because he failed to timely file an action against the employers.<sup>[7]</sup>

In a Decision<sup>[8]</sup> dated December 16, 2004, the National Labor and Relations Commission (NLRC), through Labor Arbiter (LA) Ricardo Barrios, Jr., held that Gallego was illegally dismissed. Gallego cannot be dismissed from his service without any just or valid causes as provided under the labor laws. The LA held that the respondents were "guilty of deliberate fraud in withholding from [Gallego's] knowledge that M/V Eastern Falcon was already sold x x x to another shipping company" when he was disembarked from the vessel.<sup>[9]</sup> There was no proof that Gallego had been informed of the pre-termination of his employment because the vessel, M/V Eastern Falcon, was sold. There was also no proof that WALLEM complied with the provisions of the POEA-SEC on termination of employment. Gallego had only been assured by respondents that he would be re-deployed after the results of the training of the newly recruited crew members of M/V Eastern Falcon were released. The LA held that respondents disregarded Gallego's right to security of tenure, and failed to comply with the twin-notice requirement for a valid dismissal. Gallego was ordered reinstated without loss of seniority rights, privileges, and other benefits afforded to him by law. Respondents were also ordered to pay Gallego his unpaid salaries for fifteen months from September 2000 to December 2001 amounting to US\$29,200.00 and partial backwages from January 2002 to December 2004 amounting to US\$72,076.00. Moral and exemplary damages were also awarded in the total amount of US\$250,000.00.<sup>[10]</sup>

Respondents appealed the Decision with the NLRC, which reversed the decision of the LA. The NLRC held that the action filed by Gallego was barred by prescription. Under Section 30 of the POEA-SEC, a suit on any claim arising from the employment contract of a seafarer shall be filed within three years from the time the cause of action accrues. The NLRC held that the reckoning point to apply the prescriptive period is from the time Gallego was dismissed from employment and repatriated in August 2000. The labor complaint was filed only on July 1, 2004, which is beyond three years from Gallego's repatriation. The NLRC held that Gallego may no longer pursue his claims against the respondents.<sup>[11]</sup>

Gallego filed his Petition for *Certiorari*<sup>[12]</sup> under Rule 65 with the CA arguing that his cause of action arose only in February 2003, when he realized that WALLEM had no intention to process his re-deployment; and not from the time of his repatriation in August 2000. In a Decision<sup>[13]</sup> dated September 27, 2006, the CA ruled in favor of Gallego. The CA held that the NLRC erred in considering Gallego's repatriation in August 2000 as the reckoning point in applying the rule on prescription. Facts show that after repatriation, he had been told to wait for the result of the training of the newly recruited crew members of M/V Eastern Falcon. Gallego was given assurances that he would be rehired and was never told that his contract was shortened due to the sale of the ship. The CA agreed with Gallego that his cause of action accrued in February 2003, "for it was then that x x x Wallem made its last false promise to petitioner for the latter's reinstatement and so committed an act or omission 'constituting a breach of the obligation of the defendant [to] the plaintiff.'" Gallego's cause of action could have accrued when he previously requested for re-deployment because the company assured him many times of rehiring so Gallego has not decided to assert his right at that time. The CA considered that the issues had not yet been joined. Since the cause of action accrued only in February 2003, the filing

of the labor complaint on July 1, 2004 had not prescribed and finding that Gallego was dismissed from employment before the end of his contract on December 10, 2000, the CA ordered payment of the unexpired portion of the contract equivalent to four months and six days. The CA awarded moral and exemplary damages in the amount of US\$2,000.00 and US\$5,000.00, respectively, since respondents acted with bad faith and wanton disregard of Gallego's rights to security of tenure and to due process.<sup>[14]</sup>

Unsatisfied with the foregoing decision, respondents filed their Motion for Reconsideration.<sup>[15]</sup> In an Amended Decision<sup>[16]</sup> dated February 28, 2011, the CA dismissed the petition filed by Gallego. The Decision dated September 27, 2006 of the CA was declared null and void for lack of jurisdiction over the persons of respondents. There was no proof of service on the respondents of any order or resolution from the CA ordering the respondents to file comment to the petition. There was also no proof that respondents filed a motion or any pleading seeking an affirmative relief before the case was submitted for resolution by the CA. Further, the CA issued a Resolution ordering Gallego to correct the formal defects of his petition and to secure the services of a counsel.<sup>[17]</sup> Rather than correcting the formal defects, Gallego filed an Extremely Urgent Manifestation and Motion to file a Supplemental Petition. Since the CA did not act upon the Supplemental Petition,<sup>[18]</sup> the same was expunged from the record. The CA acted on his original petition. The CA found it defective and eventually dismissed Gallego's original petition for failure to prosecute.

Gallego filed the instant Petition for Review on *Certiorari*.<sup>[19]</sup> He argues that the CA acted capriciously in holding that there was lack of jurisdiction over respondents for failure of the CA to furnish the latter court processes and notices. Such failure to notify respondents of the proceedings and pleadings to be filed was not his doing. Therefore, he cannot be held accountable for such fault. The CA applied technical and procedural rules rigidly at the expense of dispensing justice. Further, it was erroneous for the CA to hold that Gallego failed to prosecute his case. It was by his own earnest efforts that he initially filed the Petition for *Certiorari* even without the assistance of a legal counsel, and a decision was rendered by the CA on his Supplemental Petition.

Respondents emphasize the procedural lapses in Gallego's Petition for *Certiorari*. They also argue that the instant petition lacked procedural requirements under Rule 45 of the Rules of Court, particularly, lack of a legible certified true copy of the assailed decision, lack of a duly executed verification and certificate of non-forum shopping, and lack of an affidavit of service.<sup>[20]</sup>

### **The Court's Ruling**

Procedural rules should not be belittled or dismissed because they are tools designed to facilitate the adjudication of cases.<sup>[21]</sup> Court procedure should be strictly followed. They may be relaxed for the most persuasive of reasons, especially, to relieve a litigant of an injustice not commensurate with the degree of his thoughtlessness in not complying with the prescribed procedure.<sup>[22]</sup> Here, We find no reason to dismiss Gallego's petition because he has sufficiently complied with the requirements under Rule 45 of the Rules of Court. In Our Resolution<sup>[23]</sup> dated October 21, 2015,<sup>[24]</sup> We took note and accepted Gallego's compliance of the