

FIRST DIVISION

[G.R. No. 168910, August 24, 2009]

REPUBLIC CEMENT CORPORATION, PETITIONER, VS. PETER I. GUINMAPANG, RESPONDENT.

R E S O L U T I O N

CARPIO, J.:

This is a petition for review^[1] of the 17 March 2005 Decision^[2] and 7 July 2005 Resolution^[3] of the Court of Appeals in CA-G.R. SP No. 86025. In its 17 March 2005 Decision, the Court of Appeals set aside the 29 January 2004^[4] Order of the National Labor Relations Commission (NLRC) which dismissed the appeal of respondent Peter I. Guinmapang (Guinmapang) for being filed out of time. In its 7 July 2005 Resolution, the Court of Appeals denied the motion for reconsideration of petitioner Republic Cement Corporation (Republic Cement).

Guinmapang was an employee of Republic Cement from May 1996 to 15 August 2001. Guinmapang's last position was supervisor with a monthly salary of P13,100.

On 4 July 2001, Republic Cement issued General Circular No. 101-027 announcing the implementation of a retrenchment program. On 12 July 2001, Guinmapang received a notice from Republic Cement that his services were being terminated effective 15 August 2001 pursuant to the retrenchment program. On the same date, Republic Cement also sent the required notice to the Department of Labor and Employment. However, Guinmapang refused to receive the separation package offered by Republic Cement.

Thereafter, Guinmapang filed a complaint for illegal dismissal and other money claims against Republic Cement.^[5]

On 30 May 2003, the Labor Arbiter ruled in Republic Cement's favor.^[6] The dispositive portion of the 30 May 2003 decision provides:

WHEREFORE, premises considered, let the complaint be, as it is hereby, DISMISSED for lack of merit. However, respondent Republic Cement Corporation, is hereby ordered to pay the complainant his separation pay in the amount of Seventy Eight Thousand Six Hundred Pesos (Php 78,600).

SO ORDERED.^[7]

The Labor Arbiter said that retrenchment to prevent losses is an authorized cause to terminate the employer-employee relationship. According to the Labor Arbiter,

Republic Cement was able to prove that it sustained losses from 1998 to 2000. As to the procedural requirements, the Labor Arbiter found that Republic Cement complied with the notice requirement.

On 23 June 2003, Guinmapang's counsel received a copy of the Labor Arbiter's 30 May 2003 Decision. However, Guinmapang's counsel filed his appeal with the NLRC only on 4 July 2003, one day beyond the 10-day reglementary period to file an appeal.

In its 29 January 2004 Order, the NLRC dismissed Guinmapang's appeal. The 29 January 2004 Order of the NLRC provides:

WHEREFORE, premises considered, the instant appeal, having been filed after the reglementary period, is hereby, DISMISSED.

The Decision herein sought to be appealed, is hereby, AFFIRMED, in toto.

SO ORDERED.^[8]

The NLRC said that the 10-day reglementary period to perfect an appeal is mandatory and jurisdictional in nature. The NLRC added that Guinmapang's failure to file the appeal within the reglementary period rendered the Labor Arbiter's decision final and executory and deprived the NLRC of jurisdiction to alter the judgment, much less to entertain the appeal.

Guinmapang filed a motion for reconsideration. In its 31 May 2004 Order,^[9] the NLRC denied the motion.

Thereafter, Guinmapang filed a petition for certiorari before the Court of Appeals. Guinmapang alleged that the NLRC acted with grave abuse of discretion amounting to lack of jurisdiction when, in affirming the Labor Arbiter's Decision, it held that Guinmapang's retrenchment was legal and that Guinmapang was not entitled to damages, attorney's fees and litigation costs.

The Court of Appeals granted Guinmapang's petition. The 17 March 2005 Decision of the Court of Appeals provides:

WHEREFORE, the petition is GRANTED. Accordingly, the January 29, 2004 Order and the May 31, 2004 Order, which denied the motion for reconsideration thereof, are hereby REVERSED and SET ASIDE. The public respondent is hereby ordered to decide the petitioner's appeal on the merits.

SO ORDERED.^[10]

The Court of Appeals noted that, in their pleadings, both parties discussed the merits of the case. However, since the NLRC's 29 January 2004 Order dealt only with the dismissal of the case for having been filed beyond the 10-day reglementary

period, the Court of Appeals did not rule on the merits of the case. The Court of Appeals limited its discussion of the case to the procedural issue.

The Court of Appeals started by declaring that in labor cases, the rules of procedure are not to be strictly adhered to. The Court of Appeals said that technicalities should not be permitted to stand in the way of equitably and completely resolving the rights and obligations of the parties. The Court of Appeals gave credence to Guinmapang's explanation that the appeal was filed one day late because Guinmapang's counsel suffered from an asthma attack a few days before the last day for the filing of the appeal. The Court of Appeals added that the delay of one day was not deliberate. Moreover, the Court of Appeals found that Guinmapang's Memorandum of Appeal before the NLRC raised valid and meritorious arguments. Therefore, in the interest of justice, the Court of Appeals ruled that the NLRC should have taken cognizance of Guinmapang's appeal even if it was filed out of time.

Hence, this petition.

Republic Cement raises the sole issue:

THE COURT OF APPEALS GRAVELY ERRED IN REVERSING AND SETTING ASIDE THE DECISION OF THE NLRC AND ORDERING IT TO DECIDE THE APPEAL OF RESPONDENT PETER GUINMAPANG ON THE MERITS, DESPITE THE FAILURE OF THE RESPONDENT TO PERFECT HIS APPEAL WITHIN THE TEN (10) - DAY REGLEMENTARY PERIOD FOR APPEALING A DECISION OF THE LABOR ARBITER TO THE NLRC.^[11]

The petition has no merit.

Republic Cement, while acknowledging that technical rules of procedure are not binding in labor cases, argues that the NLRC should not disregard and violate the implementing rules which it had itself promulgated. Republic Cement insists that, in the settlement of labor disputes, delays cannot be countenanced.

On the other hand, Guinmapang argues that in labor cases, the technical rules of procedure are not to be strictly applied. Guinmapang explains that his counsel presented a medical certificate showing that he suffered from "mild resistant asthma" on the last day of filing. Guinmapang maintains that the one day delay was not a gross violation of the rules on filing an appeal.

Article 223 of the Labor Code, the governing law on the timeliness of an appeal from the decisions, awards or orders of the Labor Arbiter, provides that the aggrieved party has 10 calendar days from receipt thereof to appeal to the NLRC. Section 1 of Rule VI of the 2005 Revised Rules of the NLRC implements the said provision of the Labor Code. Section 1 provides:

Section 1. *Periods of Appeal.* - Decisions, awards or orders of the Labor Arbiter shall be final and executory unless appealed to the Commission by any or both parties within ten (10) calendar days from receipt thereof
x x x.