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FIRST DIVISION

[G.R. No. 110494, November 18, 1996]

REY O. GARCIA, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION, SECOND DIVISION, COMPOSED OF HON. EDNA BONTO-PEREZ AS PRESIDING COMMISSIONER, HON. ROGELIO RAYALA, AS PONENTE COMMISSIONER AND HON. DOMINGO H. ZAPANTA AS COMMISSIONER, AND MAHAL KONG PILIPINAS, INC., RESPONDENTS.

D E C I S I O N

KAPUNAN, J.:

Sometime in September, 1990, petitioner Rey O. Garcia was hired by private respondent Mahal Kong Pilipinas, Inc. (MKPI) to review and edit articles, news items, literary contributions, essays, manuscripts, and other features to be published in the Say Magazine and other publications owned by private respondent.

On March 16, 1992, petitioner's employment was terminated. At that time, he was allegedly receiving a monthly salary of Eight Thousand Pesos (P8,000.00). Consequently, petitioner filed a complaint for illegal dismissal against private respondent with the National Labor Relations Commission (NLRC). The same was docketed as NLRC NCR-00-04-02249-92.

Summons were thereafter duly served on private respondent to appear for a mandatory conference to be held on April 29, 1992.

On the appointed date, private respondent, represented by Necy Avecilla, sought a postponement of the conference. The motion was granted and the date for the conference was reset to May 8, 1992.

On May 8, 1992, private respondent failed to appear prompting the Labor Arbiter to again reset the date of the conference to May 27, 1992 with a warning that failure to appear and to submit its position paper on the said date will be deemed a waiver of its right to be heard and to present its evidence.

On May 27, 1992, both parties appeared. Petitioner filed an amended complaint, a copy of which was served on private respondent in open court. By mutual agreement of the parties, the filing of their respective position papers as well as the next hearing was scheduled on June 9, 1992.

On said date, private respondent again failed to attend. It, however, filed a letter requesting for the postponement of the hearing. Petitioner vigorously objected and instead moved that private respondent be declared in default and that he be allowed to present his evidence *ex parte*. Said motion was granted and petitioner was given one (1) week to submit his position paper and documentary evidence after which the case was to be considered submitted for decision.

On June 11, 1992, petitioner filed his position paper.

On June 15, 1992, private respondent, through a letter from Marilou L. Bocobo, requested Labor Arbiter Nieves V. de Castro for time to answer petitioner's allegations. The letter-request, found to be merely dilatory, was denied.

On August 13, 1992, Labor Arbiter Nieves V. de Castro rendered a decision, the decretal portion of which reads:

WHEREFORE, respondent is hereby directed to reinstate complainant to his former position effective August 16, 1992 with full backwages of P24,000.00 (from March 16, 1992 to August 15, 1992) and all other benefits complainant was receiving prior to his termination with notice to respondent that reinstatement order is immediately executory even pending appeal.

SO ORDERED.[1]

On September 10, 1992, private respondent received a copy of the said decision. However, instead of filing an appeal therefrom, private respondent, through its company president Michael G. Say, wrote yet another letter to the labor arbiter expressing surprise and disappointment over an allegedly erroneous decision. The letter reads in full:

DATE	:	10 September 1992
TO	:	HON. NIEVES DE CASTRO
FROM	:	MAHAL KONG PILIPINAS, INC.
RE	:	MANIFESTATION

This is in response to the notice of judgement we have received this day, from your good office, with decision dated August 13, 1992.

Your decision regarding the reinstating of Mr. Rey Garcia in the company is surprising and appaling (sic). We would like to call your attention to a gross error of judgment.

1. It is not true that the complainant's contract with MAHAL KONG PILIPINAS, INC. took (in) effect in September, 1990. But he used to be the contractor for editing of MAHAL KONG PILIPINAS FOUNDATION, INC., a separate entity from MAHAL KONG PILIPINAS, INC.

   His editing contract with Mahal Kong Pilipinas, Inc. only started last October of 1991.

2. Mahal Kong Pilipinas, Inc. had already closed its office at 2nd Floor Silvertree Bldg., San Miguel Ave., Cor. Shaw Blvd., Pasig, M.M.

3. It is not our intention to delay the position paper. It is just that we have been very busy (in) during the past months closing the office.

4. True, the complainant acted as the editor-in-chief of Say Magazine. The magazine is under contract with him as editor-in-chief wherein we pay him per issue. Regarding the books, he only acted as its honorary editor-in-chief, meaning only in name.

5. You stated '... dismissal from employment ...' How can he be dismissed from employment when he was not even employed by the company. Again, I would like to remind you that Mr. Rey Garcia is only a contractor, whom we contracted to do the magazine editing for us. He was not directly under us.

6. How can we reinstate the complainant when there is no more **SAY MAGAZINE**. The magazine has been shut down last March, 1992.

We believe that Mr. Garcia is only doing this to extort money from us. I hope you will not allow yourself to be his instrument in this wrongdoing.

Thank you very much.

Sincerely yours,

(**SGD**.)
MICHAEL G. SAY
Chief Executive
Officer[2]

As aforestated, no appeal was filed from the said decision, hence, the same became final and executory. Accordingly, a writ of execution was issued on November 13, 1992.

Subsequently, private respondent filed a motion to quash the writ of execution but the same was not acted upon.

On November 25, 1992, private respondent filed a petition for preliminary injunction with respondent NLRC.

On January 14, 1993, respondent NLRC issued a resolution disposing thusly:

NLRC NCR IC No. 00319-92 (NLRC NCR CASE No. 00-04-02249-92) entitled Mahal Kong Pilipinas Inc. and Michael Say *vs.* Hon. de Castro, Rene Masilungan and Rey Garcia--- CONSIDERING the petition filed by petitioner on November 25, 1992, the oral report of the Labor Arbiter assigned in this case, and the records of the main case (NLRC NCR Case No. 00-04-02249-92), the Commission (Second Division) RESOLVED to treat the letter of Michael Say, Chief Executive Officer of Mahal Kong Pilipinas, Inc., received by the Docket Section, National Capital Region, NLRC, on September 10, 1992, (as an appeal) which shall be resolved, in relation to the subject petition, by the said Division.[3]

Petitioner moved for a reconsideration of the said resolution contending that the subject decision had long become final and executory.

On March 10, 1993, respondent NLRC issued a resolution ruling thusly:

> WHEREFORE, premises considered, the decision dated August 13, 1992 is vacated and set aside and the writ of execution is hereby declared quashed. Thus, a new decision is hereby rendered remanding the case for reception of evidence with dispatch.

SO ORDERED.[4]

Obviously aggrieved, petitioner filed the instant petition predicated on the following assignment of errors, *viz:*

> A
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> PUBLIC RESPONDENTS ACTED IN GRAVE ABUSE OF DISCRETION, AMOUNTING TO LACK OF JURISDICTION IN TREATING UNVERIFIED LETTER OF PRIVATE RESPONDENT'S CHIEF EXECUTIVE OFFICER, MICHAEL G. SAY, AS AN APPEAL BY SAID RESPONDENT FROM THE DECISION, DATED AUGUST 13, 1992 RENDERED BY LABOR ARBITER NIEVES V. DE CASTRO;
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> B
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> PUBLIC RESPONDENTS ACTED WITH GRAVE ABUSE OF DISCRETION, AMOUNTING TO A VIRTUAL REFUSAL TO PERFORM THE DUTY ENJOINED OR TO ACT AT ALL IN CONTEMPLATION OF LAW, WHEN IT EXERCISED ITS POWER OF REVIEW IN AN ARBITRARY OR DESPOTIC MANNER TO THE PREJUDICE OF PETITIONER IN FAVORABLY ACTING ON PRIVATE RESPONDENT'S APPEAL DESPITE NON-POSTING OF THE REQUISITE CASH OR SURETY BONDS; and
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> C
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> PUBLIC RESPONDENTS ACTED IN AN ARBITRARY AND DESPOTIC EXERCISE OF POWER IN REMANDING THE CASE TO THE LABOR ARBITER.[5]

The assignment of errors boils down to the lone issue of whether or not respondent NLRC acted with grave abuse of discretion or in excess of jurisdiction in treating the letter of Michael G. Say as an appeal from the labor arbiter's decision of August 13, 1992.

We rule that it did. In blatant disregard for the rule mandating strict and rigorous compliance with the reglementary period for appeals, respondent NLRC took cognizance of a mere letter from private respondent's president expressing disappointment over what was perceived to be an appalling judgment of Labor Arbiter de Castro and treated said letter as private respondent's appeal from the said decision.

The first paragraph of Article 223 of the Labor Code, as amended by R.A. 6715, provides: