

FIRST DIVISION

[G.R. No. 199027, June 09, 2014]

**THE OFFICE OF THE SOLICITOR GENERAL (OSG), PETITIONER,
VS. THE HONORABLE COURT OF APPEALS AND THE MUNICIPAL
GOVERNMENT OF SAGUIRAN, LANAOS DEL SUR, RESPONDENTS.**

DECISION

REYES, J.:

This resolves the Petition for *Certiorari*^[1] filed by the Office of the Solicitor General (OSG) to assail the Resolutions dated October 18, 2010^[2] and August 25, 2011^[3] of the Court of Appeals (CA) in CA-G.R. SP No. 02816-MIN, where the CA denied the OSG's motion to be excused from filing for and on behalf of respondent Municipal Government of Saguiran, Lanao del Sur (Municipality of Saguiran) the memorandum, or any other pleading that would be required by the appellate court relative to the appeal.

The Antecedents

The Municipality of Saguiran was named a respondent in a petition for mandamus^[4] filed with the Regional Trial Court (RTC) of Lanao del Sur by the former members of the *Sangguniang Bayan* of Saguiran, namely, Macmod P. Masorong, Amrosi Macote Samporna, Alanie L. Dalama, Hassan P. Amai-Kurot and Cadalay S. Rataban. Therein petitioners sought to compel the Municipality of Saguiran to pay them the aggregate amount of P726,000.00, representing their unpaid terminal leave benefits under Section 5 of the Civil Service Commission Memorandum Circular Nos. 41, Series of 1998 and 14, Series of 1999.^[5] The Municipality of Saguiran sought the trial court's dismissal of the petition through its Verified Answer with Affirmative Defenses and Counterclaim^[6] which was signed by Municipal Mayor Hadjah Rasmia B. Macabago and Municipal Treasurer Hadji Mautinter Dimacaling.

On January 6, 2009, the RTC issued an Order^[7] dismissing the petition on the ground that the act being sought by therein petitioners was not a ministerial duty. The RTC explained that the payment of terminal leave benefits had to undergo the ordinary process of verification, approval or disapproval by municipal officials.^[8] It, nonetheless, directed the Municipality of Saguiran to include in its general or special budget for the year 2009 the subject claims for terminal leave benefits.

Dissatisfied with the RTC's directive for the inclusion of the subject claims in the municipality's budget, the Municipality of Saguiran partially appealed the order of the RTC to the CA. On December 14, 2009, the appellate court issued a notice^[9] requiring the OSG to file a memorandum for the Municipality of Saguiran within a non-extendible period of 30 days.

The OSG initially moved for a suspension of the period to file the required memorandum, explaining that it had not received any document or pleading in connection with the case.^[10] It asked for a period of 30 days from receipt of such documents within which to file the required memorandum. On April 23, 2010, the OSG's motion was denied by the CA on the ground that the relief sought was not among the remedies allowed under the Rules of Court. The OSG was instead given a non-extendible period of 90 days from notice within which to file the memorandum.^[11]

On August 5, 2010, the OSG filed a Manifestation and Motion^[12] requesting to be excused from filing the memorandum on the ground of lack of legal authority to represent the Municipality of Saguiran. It reasoned that the Municipality of Saguiran had to be represented by its legal officer, pursuant to Article XI(3)(i) of Republic Act No. 7160, otherwise known as the Local Government Code of 1991 (LGC).

On October 18, 2010, the CA issued the assailed Resolution^[13] denying the OSG's motion on the following basis:

The OSG alleges:

"The Office of the Solicitor General (OSG), to this Honorable Court, respectfully manifests that it has no legal authority to represent any of the respondent-appellants [sic] in the above-captioned case as its mandate is limited to the representation of 'the Government of the Philippines, its agencies and instrumentalities and its officials and agents in any litigation, proceeding, investigation or matter requiring the services of lawyer.'"

We are at a loss as to how the OSG views a local government unit then if it does not consider the same part of the Government of the Philippines or an agency or instrumentality thereof; but to enlighten the said Office, the Supreme Court in *Province of Camarines Sur vs. Court of Appeals, Et. Al.* held that a local government unit, in the performance of its political functions, is an agency of the Republic and acts for the latter's benefit.

^[14] (Citations omitted)

The OSG moved to reconsider, but this was denied by the CA via the Resolution^[15] dated August 25, 2011.

The Present Petition

Hence, this Petition for *Certiorari* founded on the following ground:

THE HONORABLE [CA] COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN COMPELLING THE OSG TO REPRESENT THE MUNICIPAL GOVERNMENT OF SAGUIRAN, LANA DEL SUR (A LOCAL GOVERNMENT UNIT) IN ITS LAWSUIT.^[16]

The OSG argues that the legal officer of a local government unit must represent it in its lawsuits, citing the provisions of the LGC and jurisprudence which bar local government units from obtaining the services of a lawyer other than their designated legal officers.

The Court's Ruling

The petition is meritorious.

The OSG's powers and functions are defined in the Administrative Code of 1987 (Administrative Code), particularly in Section 35, Book IV, Title III, Chapter 12 thereof, which reads:

Sec. 35. *Powers and Functions.* – The Office of the Solicitor General shall represent the Government of the Philippines, its agencies and instrumentalities and its officials and agents in any litigation, proceeding, investigation or matter requiring the services of a lawyer. When authorized by the President or head of the office concerned, it shall also represent government-owned or controlled corporations. The Office of the Solicitor General shall constitute the law office of the Government and, as such, shall discharge duties requiring the services of a lawyer. It shall have the following specific powers and functions:

(1) Represent the Government in the Supreme Court and the Court of Appeals in all criminal proceedings; represent the Government and its officers in the Supreme Court, the Court of Appeals, and all other courts or tribunals in all civil actions and special proceedings in which the Government or any officer thereof in his official capacity is a party;

x x x x

A cursory reading of this provision may create the impression that the OSG's mandate under the Administrative Code is unqualified, and thus broad enough to include representation of a local government unit in any case filed by or against it, as local government units, indisputably, form part of the Government of the Philippines. Towards a proper resolution of the pending issue, however, the OSG's mandate under the Administrative Code must be construed taking into account the other statutes that pertain to the same subject of representation in courts. As the Court explained in *Philippine Economic Zone Authority v. Green Asia Construction & Development Corporation*:^[17]

Statutes are in *pari materia* when they relate to the same person or thing or to the same class of persons or things, or object, or cover the same specific or particular subject matter.

It is axiomatic in statutory construction that a statute must be interpreted, not only to be consistent with itself, but also to harmonize with other laws on the same subject matter, as to form a complete,