

FIRST DIVISION

[G.R. No. 157907, November 25, 2004]

CHRONICLE SECURITIES CORPORATION AND ROBERTO COYIUTO, JR., PETITIONERS, VS. NATIONAL LABOR RELATIONS COMMISSION, HON. LABOR ARBITER ARIEL C. SANTOS AND NEAL H. CRUZ, RESPONDENTS.

DECISION

YNARES-SATIAGO, J.:

This is a petition for review under Rule 45 of the Rules of Court seeking to set aside the Decision^[1] of the Court of Appeals dated November 13, 2002 in CA-G.R. SP No. 67933, entitled, "*Chronicle Securities Corporation, et al. v. National Labor Relations Commission, et al.*," which denied the Petition for Certiorari^[2] and affirmed the February 28, 2001 Order^[3] of the National Labor Relations Commission.

The factual antecedents of the present petition are as follows:

Sometime in September 1993, petitioners hired private respondent Neal H. Cruz, who was then the executive editor of the *Today* newspaper, as the publicist and the editor in chief of its national daily broadsheet, the *Manila Chronicle*. As compensation for his services, private respondent received a monthly compensation of P60,000.00 plus a brand new car.^[4]

Thereafter, private respondent quit his job with *Today* to assume the duties and responsibilities as the editor in chief of the *Manila Chronicle*. Private respondent went about the task of improving the over-all image of the *Manila Chronicle*. He made full use of its color capabilities and introduced new columns and sections. In time, these initiatives helped improve the financial condition of the *Manila Chronicle*, boosting circulation and increasing advertising revenue.^[5]

However, due to private respondent's role in the publication of a controversial article that was carried by the newspaper sometime in July 1994, petitioners terminated his services. Consequently, private respondent filed a complaint for illegal dismissal against herein petitioners.^[6]

On January 2, 1997, Labor Arbiter Ariel C. Santos rendered a decision^[7] holding that private respondent Neal Cruz was illegally dismissed. The dispositive portion of the Labor Arbiter's decision stated:

WHEREFORE, premises considered, respondent CHRONICLE SECURITIES CORPORATION, ROBERTO COJIUTO (*sic*) JR., AND ONOFRE CORPUZ are hereby held guilty of ILLEGAL DISMISSAL and directed to reinstate complainant to his former position as Editor-in-Chief of *Manila Chronicle*

immediately even pending appeal without loss of seniority rights and other benefits accruing during the pendency of this case. If reinstatement is no longer feasible, then, separation pay of one month for every year of service in addition to full backwages is hereby decreed.

In addition to the above, respondents must comply with the following:

1. Considering that respondents did not interpose any objection to the pleading of complainant that ownership of the vehicle assigned to him as part of the compensation package when he was lured by respondents to join the Manila Chronicle, the same is hereby awarded to him.
2. To pay complainant moral damages in the sum of TEN MILLION (P10,000,000.00) PESOS considering the mental anguish, social shock and besmirched reputation not to mention his near brush with death due to shame and humiliation.
3. As a correction and example for the public good in order to prevent the repetition of the same to employees equally situated like complainant, FIVE MILLION (P5,000,000.00) PESOS is hereby awarded as exemplary damages.
4. Ten percent of all sums owing to complainant is awarded as attorney's fees.

SO ORDERED.

Petitioners appealed the decision with the National Labor Relations Commission (NLRC), which affirmed the labor arbiter's decision with modification by reducing the moral damages to P500,000.00 and exemplary damages to P200,000.00.

Petitioners moved for reconsideration, which was denied on September 15, 1998.^[8] Petitioners then filed a petition for certiorari and prohibition with the Court of Appeals. However, the petition was subsequently dismissed on May 4, 1999.^[9]

Upon the finality of the Court of Appeals' decision, private respondent Neal Cruz filed a Motion for Immediate Execution^[10] of the NLRC's Decision. On October 16, 1999, Labor Arbiter Ariel Santos issued the Writ of Execution.^[11] Petitioners filed a Motion to Quash^[12] the writ of execution, which was denied on August 29, 2000.^[13]

Petitioners received copy of the Order denying their motion to quash on October 10, 2000. Hence, they had until October 20, 2000 to file their appeal. However, on October 20, 2000, Friday, at 3:30 p.m., the NLRC suspended work due to a Luzon wide power blackout.

The following Monday, October 23, 2000, petitioners filed a Manifestation with Urgent Motion to Admit^[14] with the NLRC. Attached to this motion are the petitioners' Notice of Appeal and Memorandum of Appeal. On February 28, 2001, the NLRC denied petitioners' appeal for being filed out of time.^[15] Petitioners' Motion for Reconsideration was likewise denied on August 20, 2001.^[16]

A petition for certiorari was filed by petitioners with the Court of Appeals.^[17] Finding no grave abuse of discretion on the part of the NLRC, the petition was dismissed on November 13, 2002.^[18] Petitioners' Motion for Reconsideration^[19] was likewise denied.^[20]

Hence, this petition for review, assailing the November 13, 2002 Decision and the March 17, 2003 Resolution of the Court of Appeals on the following alleged errors:

1. That the delay in the filing of petitioners' Appeal with the NLRC was justifiable and purely due to extraordinary circumstances, without fault on the part of petitioners and;
2. That the enforcement of the assailed resolutions of the Court of Appeals, the NLRC and the Labor Arbiter would result in the award of a grossly excessive and unconscionable amount to the respondent since the backwages due him were erroneously computed.

Petitioners claim that they were prepared to file their appeal within the prescribed period, were it not for circumstances beyond their control. On October 20, 2000, Friday, Romeo A. Blanca, messenger of petitioners' counsel, left the office at 2:00 p.m. to file the appeal with the NLRC. His itinerary for that afternoon included a trip to the post office to mail a copy of the appeal to the private respondent, then to the NLRC's office in Bookman Building in Quezon Avenue, Quezon City for the filing of the appeal. Purportedly, at around 2:30 p.m. of that day, Mr. Blanca arrived at the Makati City Post Office and was able to send a copy of the Notice of Appeal with Memorandum of Appeal to adverse counsel by registered mail under Registry Receipt No. 16488.^[21] However, when he arrived at the NLRC at around 3:30 p.m., he was informed by the security guard that, owing to a Luzon-wide power failure, the NLRC has suspended its operations as early as 12:00 p.m. of that day. Thus, there was no one at the Docket Section to receive the Notice of Appeal and Memorandum. Mr. Blanca then attempted to file the appeal by registered mail, but post offices were ordered by the Postmaster General to cease operations at 3:30 p.m. that day.^[22] Thus, petitioners were able to file their appeal only the following Monday, October 23, 2000, which resulted in the dismissal thereof.

Petitioners argue that the peculiar facts surrounding their failure to file their appeal on time warrant a review of the dismissal of their appeal by the NLRC.

We agree.

The right to appeal is a purely statutory right. Not being a natural right or a part of due process, the right to appeal may be exercised only in the manner and in accordance with the rules provided therefor. Failure to bring an appeal within the period prescribed by the rules renders the judgment appealed from final and executory.^[23] However, it is always within the power of this Court to suspend its own rules, or to except a particular case from its operations, whenever the purposes of justice require it.^[24]

In not a few instances, we relaxed the rigid application of the rules of procedure to

afford the parties the opportunity to fully ventilate their cases on the merits. This is in line with the time honored principle that cases should be decided only after giving all parties the chance to argue their causes and defenses. Technicality and procedural imperfections should thus not serve as bases of decisions. In that way, the ends of justice would be better served. For indeed, the general objective of procedure is to facilitate the application of justice to the rival claims of contending parties, bearing always in mind that procedure is not to hinder but to promote the administration of justice.^[25]

In *Philippine National Bank, et al. v. Court of Appeals*,^[26] we allowed, in the higher interest of justice, an appeal filed three days late.

In *Republic v. Court of Appeals*,^[27] we ordered the Court of Appeals to entertain an appeal filed six days after the expiration of the reglamentary period; while in *Siguenza v. Court of Appeals*,^[28] we accepted an appeal filed thirteen days late. Likewise, in *Olacao v. NLRC*,^[29] we affirmed the respondent Commission's order giving due course to a tardy appeal "to forestall the grant of separation pay twice" since the issue of separation pay had been judicially settled with finality in another case. All of the aforequoted rulings were reiterated in our 2001 decision in the case of *Equitable PCI Bank v. Ku*.^[30]

Moreover, the facts herein are akin to the case of *Surigao del Norte Electric Cooperative v. NLRC*,^[31] where we upheld the NLRC's order taking cognizance of an appeal filed one day late since the delay in filing was caused by the onslaught of typhoon *Besing*, resulting in the closure of the Surigao Post Office on the last day for the appellant to file her appeal.

Verily, the respondent NLRC's dismissal of the petitioners' appeal in this case failed to consider the valid reasons for not being able to timely file the same.

Anent the second issue raised by the petitioners, *i.e.*, the matter of the proper computation of the backwages due the private respondent, we resolve the same in favor of the petitioners. We have gone through the portions of the records pertinent to the resolution of this issue and we find that the Court of Appeals and the NLRC committed reversible error in laying down the basis for the computation of private respondent's backwages.

There is no question that petitioners illegally dismissed private respondent Neal Cruz. Even petitioners themselves are no longer questioning the findings of the Labor Arbiter and the NLRC on this aspect. Petitioners main concern in this petition is the proper computation of backwages to be awarded to the private respondent who is rightfully entitled to the payment of backwages, the only question that remains is how much?

Backwages, in general, are granted on grounds of equity for earnings which a worker or employee has lost due to his illegal dismissal.^[32] It represents compensation that should be earned but was not collected because an employer has unjustly dismissed an employee.^[33] Thus, the payment of backwages is a form of relief that restores the income that was lost by reason of unlawful dismissal.^[34]