

## THIRD DIVISION

**[ G.R. No. 117890, September 18, 1997 ]**

**PISON-ARCEO AGRICULTURAL AND DEVELOPMENT CORPORATION, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION AND NATIONAL FEDERATION OF SUGAR WORKERS-FOOD AND GENERAL TRADE (NFSW-FGT)/ JESUS PASCO, MARTIN BONARES, EVANGELINE PASCO, TERESITA NAVA, FELIXBERTO NAVA, JOHNNY GARRIDO, EDUARDO NUÑEZ AND DELMA NUÑEZ, RESPONDENTS.**

### D E C I S I O N

**PANGANIBAN, J.:**

In the proceedings before the labor arbiter, only the unregistered trade name of the employer-corporation and its administrator/manager were impleaded and subsequently held liable for illegal dismissal, backwages and separation pay. On appeal, however, the National Labor Relations Commission *motu proprio* included the corporate name of the employer as jointly and severally liable for the workers' claims. Because of such inclusion, the corporation now raises issues of due process and jurisdiction before this Court.

#### The Case

Assailed in this petition for certiorari under Rule 65 of the Rules of Court is the Decision<sup>[1]</sup> of Public Respondent National Labor Relations Commission<sup>[2]</sup> in NLRC Case No. V-0334-92<sup>[3]</sup> promulgated on September 27, 1993 and its Resolution<sup>[4]</sup> promulgated on September 12, 1994 denying reconsideration. Affirming the decision<sup>[5]</sup> dated September 2, 1992 of Executive Labor Arbiter Oscar S. Uy, the impugned NLRC Decision disposed thus:<sup>[6]</sup>

WHEREFORE, judgment is hereby rendered affirming the decision of Executive Labor Arbiter Oscar S. Uy, dated September 2, 1992, subject to the amendments and modification stated above and ordering the respondent-appellant, Jose Edmundo Pison and the respondent Pison-Arceo Agricultural and Development Corporation to pay jointly and severally the claims for backwages and separation pay of the complainant-appellees in the above-entitled case, except the claims of Danny Felix and Helen Felix, in the amount specified below:

<b>Name</b>	<b>Backwages</b>	<b>Separation Pay</b>	<b>Total</b>
<b>1. Jesus Pasco</b>	P14,729.00	P12,818.06	P27,547.06

<b>2. Evangeline Pasco</b>	14,729.00	12,874.81	27,603.81
<b>3. Martin Bonares</b>	14,729.00	9,035.06	23,764.06
<b>4. Mariolita Bonares</b>	14,729.00	8,455.00	23,184.00
<b>5. Felixberto Nava</b>	14,729.00	13,505.31	28,234.31
<b>6. Teresita Nava</b>	14,729.00	3,417.31	18,146.31
<b>7. Johnny Garrido</b>	8,489.00	4,463.94	12,952.94
<b>8. Eduardo Nuñez</b>	8,489.00	11,399.44	19,888.44
<b>9. Delma Nuñez</b>	8,489.00	9,507.94	17,996.94

In addition, the respondent-appellant and the respondent corporation are ordered to pay attorney's fees equivalent to ten (10%) percent of the total award."

The dispositive portion of the assailed Resolution, on the other hand, reads:<sup>[7]</sup>

"WHEREFORE, the decision in question is hereby modified in the sense that the monetary award of Mariolita Bonares be [sic] deleted. Except for such modification, the rest of the decision stands."

Arguing that the National Labor Relations Commission did not have jurisdiction over it because it was not a party before the labor arbiter, petitioner elevated this matter before this Court via a petition for certiorari under Rule 65.

Acting on petitioner's prayer<sup>[8]</sup>, this Court (First Division) issued on January 18, 1995 a temporary restraining order enjoining the respondents from executing the assailed Decision and Resolution.

### **The Facts**

As gathered from the complaint<sup>[9]</sup> and other submissions of the parties filed with Executive Labor Arbiter Oscar S. Uy, the facts of the case are as follows:

Together with Complainants Danny and Helen Felix, private respondents - Jesus Pasco, Evangeline Pasco, Martin Bonares, Teresita Nava, Felixberto Nava, Johnny Garrido, Eduardo Nuñez and Delma Nuñez, all represented by Private Respondent National Federation of Sugar Workers-Food and General Trade (NSFW-FGT) -- filed on June 13, 1988 a complaint for illegal dismissal, reinstatement, payment of backwages and attorney's fees against "Hacienda Lanutan/Jose Edmundo Pison." Complainants alleged that they were previously employed as regular sugar farm workers of Hacienda Lanutan in Talisay, Negros Occidental. On the other hand, Jose Edmundo Pison claimed that he was merely the administrator of Hacienda Lanutan which was owned by Pison-Arceo Agricultural and Development Corporation.

As earlier stated, the executive labor arbiter rendered on September 2, 1992 a decision in favor of the workers-complainants, the dispositive portion of which

reads:

WHEREFORE, premises considered, judgment is hereby rendered ordering respondent Jose Edmundo Pison/Hda. Lanutan, Talisay, Negros Occidental, to PAY the following complainants their backwages (one year) plus separation pay in the following amounts, to wit:

<b>Name</b>	<b>Backwages</b>	<b>Separation Pay</b>	<b>Total</b>
<b>1. Jesus Pasco</b>	P14,729.00	P12,818.06	P27,547.06
<b>2. Evangeline Pasco</b>	14,729.00	12,874.81	27,603.81
<b>3. Martin Bonares</b>	14,729.00	9,035.06	23,764.06
<b>4. Mariolita Bonares</b>	14,729.00	8,455.00	23,184.00
<b>5. Felixberto Nava</b>	14,729.00	13,505.31	28,234.31
<b>6. Teresita Nava</b>	14,729.00	3,417.31	18,146.31
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<b>8. Eduardo Nuñez</b>	8,489.00	11,399.44	19,888.44
<b>9. Delma Nuñez</b>	8,489.00	9,507.94	17,996.94

plus ten percent (10%) of the total award as attorney's fees in the amount of P17,550.34 or in the total amount of ONE HUNDRED NINETY THREE THOUSAND FIFTY THREE AND 71/100 (P193,053.71), all these amounts to be deposited with this Office within ten (10) days from receipt of this decision. The claim of complainants Danny and Helen Felix are hereby DENIED for lack of merit."

In affirming the decision of the executive labor arbiter, public respondent ordered "respondent-appellant, Jose Edmundo Pison and the respondent Pison-Arceo Agricultural and Development Corporation to pay jointly and severally the claims for backwages and separation pay" of private respondents. The motion for reconsideration dated October 14, 1993 was apparently filed by Jose Edmundo Pison for and on his own behalf only. However, Pison did not elevate his case before this Court. The sole petitioner now before us is Pison-Arceo Agricultural and Development Corporation, the owner of Hacienda Lanutan.

### **The Issue**

Petitioner submits only one issue for our resolution:<sup>[10]</sup>

Public Respondent NLRC acted without or in excess of jurisdiction or with grave abuse of discretion when it included motu proprio petitioner corporation as a party respondent and ordered said corporation liable to pay jointly and severally, with Jose Edmundo Pison the claims of private respondents."

In essence, petitioner alleges deprivation of due process.

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

The petition lacks merit.

Petitioner contends that it was never served any summons; hence, public respondent did not acquire jurisdiction over it. It argues that "from the time the complaint was filed before the Regional Arbitration Branch No. VI up to the time the said case was appealed by Jose Edmundo Pison to the NLRC, Cebu, petitioner Corporation was never impleaded as one of the parties x x x." It was only in the public respondent's assailed Decision of September 27, 1993 "that petitioner Corporation was wrongly included as party respondent without its knowledge." Copies of the assailed Decision and Resolution were not sent to petitioner but only to Jose Edmundo Pison, on the theory that the two were one and the same. Petitioner avers that Jose Edmundo Pison "is only a minority stockholder" of Hacienda Lanutan, which in turn is one of the businesses of petitioner.<sup>[11]</sup> Petitioner further argues that it did not "voluntarily appear before said tribunal" and that it was not "given (any) opportunity to be heard";<sup>[12]</sup> thus, the assailed Decision and Resolution in this case are void "for having been issued without jurisdiction."<sup>[13]</sup>

In its memorandum, petitioner adds that *Eden vs. Ministry of Labor and Employment*,<sup>[14]</sup> cited by public respondent, does not apply to this case. In *Eden*, "petitioners were duly served with notices of hearings, while in the instant case, the petitioner was never summoned nor was served with notice of hearings as a respondent in the case."<sup>[15]</sup>

At the outset, we must stress that in quasi-judicial proceedings, procedural rules governing service of summons are not strictly construed. Substantial compliance thereof is sufficient.<sup>[16]</sup> Also, in labor cases, punctilious adherence to stringent technical rules may be relaxed in the interest of the working man; it should not defeat the complete and equitable resolution of the rights and obligations of the parties. This Court is ever mindful of the underlying spirit and intention of the Labor Code to ascertain the facts of each case speedily and objectively without regard to technical rules of law and procedure, all in the interest of due process.<sup>[17]</sup> Furthermore, the Labor Code itself, as amended by RA 6715,<sup>[18]</sup> provides for the specific power of the Commission to correct, amend, or waive any error, defect or irregularity whether in the substance or in the form of the proceedings before it<sup>[19]</sup> under Article 218 (c) as follows:

(c) To conduct investigation for the determination of a question, matter or controversy within its jurisdiction, proceed to hear and determine the disputes in the absence of any party thereto who has been summoned or served with notice to appear, conduct its proceedings or any part thereof in public or in private, adjourn its hearings to any time and place, refer technical matters or accounts to an expert and to accept his report as evidence after hearing of the parties upon due notice, direct parties to be joined in or excluded from the proceedings, correct, amend, or waive any error, defect or irregularity whether in substance or in form, give all such