

Title: Texon Manufacturing and Betty Chua vs. Grace Millena and Marilyn Millena

Facts:

The case involves the termination of employment of Grace and Marilyn Millena, respondents, by Texon Manufacturing, herein petitioner, and its owner, Betty Chua. Grace Millena was terminated in the summer of 1995 and filed a complaint for money claims on August 21, 1995, while Marilyn Millena was terminated on September 8, 1995, and filed a complaint for illegal dismissal on September 11, 1995. Texon Manufacturing motioned for dismissal on the grounds of prescription but was denied by the Labor Arbiter. Their appeal to the NLRC was dismissed, and the motion for reconsideration was denied. The petitioners then filed for certiorari with the Court of Appeals, which also dismissed the petition. A final motion for reconsideration was denied by the Court of Appeals on December 29, 1999.

Issues:

1. Whether the respondents' money claims and suit were barred by prescription.
2. Whether the appeal by the petitioners to the NLRC should have been sustained by the Court of Appeals in concordance with Article 223 of the Labor Code.

Court's Decision:

The Supreme Court affirmed the decision of the Court of Appeals, stating that the respondents' claims had not yet been prescribed. For Grace Millena, the applicable prescriptive period was three years per Article 291 of the Labor Code, starting from the termination of her employment in 1995, and her complaint was timely filed in August 1995. For Marilyn Millena, her action for illegal dismissal fell under Article 1146 of the New Civil Code, with a prescriptive period of four years from the injury to the plaintiff's rights. Her complaint was filed three days after her termination, thus timely. The appeal of the petitioners to the NLRC was rightfully dismissed due to the interlocutory nature of the order denying the motion to dismiss.

Doctrine:

1. The prescriptive period for money claims under the Labor Code is three years from the time the cause of action accrued.
2. The prescriptive period for filing an action for illegal dismissal is four years under Article 1146 of the New Civil Code.
3. An order denying a motion to dismiss due to its interlocutory nature cannot be appealed until a final judgment on the merits is rendered.

Class Notes:

- **Prescriptive Periods**: Understand the different prescriptive periods for filing labor complaints under the Labor Code and the New Civil Code (three years under Article 291 of the Labor Code for money claims; four years under Article 1146 of the New Civil Code for illegal dismissal).
- **Nature of Orders**: An order denying a motion to dismiss is interlocutory and is not appealable until a final judgment is made.
- **Money Claims vs. Illegal Dismissal**: Distinguish between complaints for money claims and illegal dismissal, and their corresponding prescriptive periods.

Historical Background:

The case emphasizes the legal protections against wrongful termination provided to employees under Philippine law, showcasing the complexity surrounding the issues of prescriptive periods for filing complaints and the procedural nuances in seeking redress for labor disputes. These legal intricacies highlight the evolving nature of labor law and reinforce the judiciary's role in safeguarding employees' rights.