

**Title:** Boy Scouts of the Philippines vs. National Labor Relations Commission et al., G.R. No. 81862

**Facts:**

1. **Employment and Termination:**

- Fortunato C. Esguerra, Roberto O. Malaborbor, Estanislao M. Misa, Vicente N. Evangelista, and Marcelino P. Garcia were terminated from their employment with the Boy Scouts of the Philippines (BSP) in February 1985.
- They were assigned to the BSP Camp in Makiling, Los Baños, Laguna.

2. **Transfer Orders and Opposition:**

- On October 19, 1984, the BSP Secretary-General issued Special Orders for their transfer from Makiling to Asuncion, Davao del Norte, effective November 20, 1984.
- The private respondents opposed the orders and appealed to the BSP National President on November 4, 1984.

3. **Pre-Transfer Briefing and Further Opposition:**

- On November 6, 1984, a pre-transfer briefing was held at BSP's National Headquarters in Manila to assure the respondents of salary maintenance and relocation allowances.
- The respondents continued to oppose the transfer.

4. **Complaint for Illegal Transfer:**

- On November 13, 1984, they filed a complaint for illegal transfer with the Ministry of Labor and Employment, alleging economic hardship due to the transfer.

5. **Administrative Charges for Insubordination:**

- On November 21, 1984, they were required to explain their refusal to accept their boat tickets and relocation allowances.
- The BSP President and Secretary-General issued warnings that such disobedience could lead to dismissal.

6. **Suspension and Dismissal:**

- The respondents were suspended for five days in January 1985.
- On February 12, 1985, the respondents' employment was terminated effective February 15, 1985.

7. **Amendment of the Complaint:**

- On February 22, 1985, the respondents amended their complaint to include illegal

dismissal and unfair labor practice.

8. **Labor Arbiter and NLRC Rulings:**

- On July 31, 1985, the Labor Arbiter dismissed the complaint.
- On February 27, 1987, the NLRC reversed the Labor Arbiter's decision, ordering their reinstatement and payment of backwages.

9. **Petition for Certiorari:**

- The BSP filed a Petition for Certiorari with the Supreme Court questioning the NLRC's jurisdiction over the matter.

**Issues:**

1. **Jurisdiction of NLRC:**

- Whether the Boy Scouts of the Philippines is a government-owned or controlled corporation with an original charter, and thus part of the Civil Service, which would imply NLRC had no jurisdiction over the dispute.

**Court's Decision:**

1. **Jurisdiction of Faculty:**

- The Supreme Court ruled that the BSP is a government-controlled corporation with an original charter.
- As such, its employees are part of the Civil Service, meaning disputes involving BSP employees fall under the jurisdiction of the Civil Service Commission, not the NLRC.

2. **Setting Aside NLRC's Decisions:**

- The NLRC's decisions were null and void as they lacked jurisdiction over the case.
- All previous orders and resolutions of the Labor Arbiter and the NLRC were also set aside.

**Doctrine:**

1. **Coverage of Civil Service:**

- All employees of government-owned or controlled corporations with an original charter are covered by the Civil Service and governed by Civil Service laws and regulations.
- The NLRC has no jurisdiction over cases involving employees of such entities.

**Class Notes:**

- **Key Concepts:**

- **Government-Owned or Controlled Corporations (GOCCs):** Entities directly chartered by special law and controlled by the government.

- **Civil Service Coverage**: Includes all employees of GOCCs with original charters.
- **Jurisdiction**: Labor disputes involving employees of GOCCs fall under the Civil Service Commission, not the NLRC.

**Legal Provisions:**

- **Article IX (B) (2) (1) of the 1987 Constitution**: Defines the scope of the Civil Service.
- **Commonwealth Act No. 111 and Presidential Decree No. 460**: Governs the organizational structure and functions of the BSP.
- **Administrative Code of 1987, Section 2 (4), (5), (12)**: Defines government agencies, instrumentalities, and chartered institutions.

**Historical Background:**

- The case arose during the transitional period of the Philippine political landscape, from Marcos to post-Marcos era, reflecting the re-evaluation of the governance of quasi-public entities. The 1987 Constitution and Administrative Code adjustments were responses to reforming public administration and clarifying civil-service entailments.