

LUZ BARRANTA, PLAINTIFF AND APPELLANT, VS. INTERNATIONAL HARVESTER COMPANY OF THE PHILIPPINES, DEPENDANT AND APPELLEE.

G.R. No. L-18198. April 22, 1963

Ponente: REGALA, J.

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REGALA, J.:

This is an appeal from the order dated August 22, 1960 of the Court of First Instance of Rizal, dismissing plaintiff-appellant's complaint on the ground that it had no jurisdiction over the case. The order was issued during the progress of the trial in the wake of our ruling in *Price Stabilization Corporation vs. Court of Industrial Relations, et al.*, 108 Phil., 134; which clarified previous rulings on the jurisdiction of the Court of Industrial Relations.

The complaint reads:

"COMES NOW the plaintiff, through counsel and for causes of action against the defendant, to this Honorable Court, respectfully alleges:

First Cause of Action

"1. That plaintiff is of legal age and a resident of San Juan, Rizal, while the defendant is a domestic corporation, having its principal office at No. 744 Marquez de Comillas, Manila, where it may be served with summons:

"2. That since May 16, 1947, plaintiff was employed by the defendant company as Secretary to the Treasurer of the defendant company;

3. That due to plaintiff's efficient and satisfactory service, her salary has been periodically increased from P275.00 in 1947, to P532.00 in July, 1955, the last mentioned amount being her salary up to December 12, 1956;

"4. That on December 12, 1956, without any lawful, cause or justifiable ground whatsoever, the defendant, through its president, Paul Wood, verbally informed the herein plaintiff that she was suspended from employment, and on the following day, she was informed by the defendant in writing through the same official, that: 'That effective date of your suspension is as of 5 PM., December 12th, 1956, and for such further period as is required in completing an investigation * * *. Final decision as to your employment will be made after said investigation is completed;'

"5. That since the date of her suspension, no investigation, as apparently assured in writing by the defendant, was ever made known to the plaintiff, nor was she informed of the company's final action on her case; it was only after her attorneys inquired as to the status of her case was she informed in writing on June 3, 1957 that her employment with the defendant company was terminated, 'effective as of the date of suspension, 5 p.m., December 12, 1956;

"6. That plaintiff's suspension and dismissal were both unlawful, and she is entitled to reinstatement with full payment of her salary since December 12, 1956 up to the date of her actual reinstatement, or in the alternative, if reinstatement is not feasible, to all salaries due to her from December 12, 1956 up to the date of a favorable final judgment in her favor, plus at least one month's severance pay, as actual damages;

Second Cause of Action

"7. That plaintiff incorporates in this cause of action, by reference, the allegations contained in paragraphs 1 to 5 of the preceding cause of action;

"8. That aware of its unlawful action in suspending and dismissing the plaintiff from her employment, the defendant company abetted and encouraged no less than 27 employees of the company into filing criminal charges of estafa against the plaintiff, which criminal charges were nevertheless dropped by the Fiscal's office (Manila) or dismissed by the courts of justice after trial and hearing;

"9. That for such encouragement and aid, impelled by unjustifiable motives, in the prosecution of the herein plaintiff, the defendant company is liable to the herein plaintiff for moral and exemplary damages in the sum of P50,000.00;

Third Cause of Action

"10. That plaintiff incorporates in this cause of action, by reference, the allegations contained in paragraphs 1, 2 and 3 of the first cause of action;

"11. That in July, 1952, a pension and savings fund plan was introduced by defendant company whereby employees were required to contribute a certain percentage of their salary to a saving and trust fund and plaintiff herein became a member of said 'Pension and Savings Fund of the International Harvester Company of the Philippines';

"12. That as of December, 1956, plaintiff had a total savings benefit of not less than P1,440.00 which, under the terms of the plan, would be returned to her with interest plus a percentage of the company's contribution amounting to not less than 25% upon termination of her services prior to retirement;

"13. That the defendant company, in utter bad faith and in gross violation of the terms of the pension and savings funds, forwarded and forced upon the plaintiff the sum of only P20.46;

"14. That plaintiff is entitled to her actual savings benefit which should not be less than P1,440.00, plus a percentage of the company's contribution amounting to not less than 25%;

"15. That defendant's violation of the terms of the savings and trust fund and oppressive retention of plaintiff's savings under the plan have caused plaintiff grave moral damages of not less than P50,000.00 as she needed the money very badly when demand therefor was made as her mother was then very ill; plaintiff's mother subsequently died for lack of much needed funds.

Fourth Cause of Action

"16. That plaintiff's employment with the defendant company entitled her to regular sick leave with pay which can be accumulated up to a maximum period of 72 days;

"17. That plaintiff has not taken any sick leave since the time she was employed by the defendant and she is entitled to at least 72 days sick leave with pay, or an amount equivalent to P1,252.80;

"18. That defendant company has not only suspended and dismissed plaintiff without lawful and justifiable cause, but has also withheld plaintiff's accrued sick leave pay.

ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

"19. That plaintiff has demanded from defendant her reinstatement and the payment to her of her claims as hereinabove set forth, but the defendant has failed and refused to comply with said demands;

"20. That to enforce and protect her rights, plaintiff was forced to litigate and retain the service of undersigned counsel with an obligation to pay attorney's fees in the sum of P5,000.00."

The sole issue here is whether, on the basis of the allegations of the complaint as set forth above, the Court of First Instance of Rizal had jurisdiction over the case.

In dismissing the case, the trial court, citing our decisions held that "in an action for the reestablishment of relationship of employer and employee because of a wrongful severance, it is the Court of Industrial Relations and not the Court of First Instance that has jurisdiction."

This is not accurate. In *Price Stabilization Corp. vs. Court of Industrial Relations*, supra, We held that—

"Analyzing these cases, the underlying principle, it will be noted in all of them, though not stated in express terms, is that where the employer-employee relationship is still existing or is sought to be reestablished because of its wrongful severance (as where the employee seeks reinstatement), the Court of Industrial Relations has jurisdiction over all claims arising out of, or in connection with the employment, such as those related to Minimum Wage Law and the Eight-Hour Labor Law. After the termination of the relationship and no reinstatement is sought, such claims become mere money claims, and come within the jurisdiction of the regular courts."

A more recent definition of the jurisdiction of the Court of Industrial Relations is found in *Campos, et. al. vs. Manila Railroad Co., et al.*, G. R. No. L-17905, May 25, 1962, in which We held:

"We may, therefore, restate, for the benefit of the bench and the bar, that in order that the Court of Industrial Relations may acquire jurisdiction over a controversy in the light of Republic Act No. 875, the following circumstances must be present: (a) there must exist between the parties an employer-employee relationship, or claimant must seek his reinstatement; and (b) the controversy must relate to a case certified by the President to the C.I.R. as one involving 'national interest, or must have a bearing' on an unfair labor practice charge, or must arise either under the Eight-Hour Labor Law, or under the Minimum Wage Law. In default of any of these circumstances, the claim becomes a mere money claim that comes under the jurisdiction of the regular courts." (italics ours.)

A mere claim for reinstatement, therefore, does not suffice to bring a case within the jurisdiction of the Court of Industrial Relations. It is necessary also that the case be one of the four enumerated cases as amplified in the Campos case. Here, a reading of the allegations of the complaint shows that while plaintiff-appellant seeks her reinstatement in the company, nothing is alleged therein to indicate that plaintiff-appellant's dismissal from the service amounted to an unfair labor practice. Neither is it claimed that this is a case certified by the President to the Court of Industrial Relations as involving national interest (Sec. 10, Republic Act No. 875), or a case arising under the Eight-Hour Labor Law (Commonwealth Act No. 444, as amended) or the Minimum Wage Law (Republic Act No. 602).

For plaintiff-appellant merely seeks her reinstatement with back wages, the recovery of moral and exemplary damages suffered as a result of allegedly malicious criminal actions filed against her at the instance of defendant-appellee; the recovery of her contributions to a pension and savings plan; and the recovery of the money value of her accrued sick leave.

The Court of First Instance of Rizal erred therefore in holding that the case is cognizable by the Court of Industrial Relations and in dismissing the case.

Wherefore, the order of August 22, 1960 of the said Court of First Instance is hereby reversed and the trial court is directed to proceed with the trial of this case. No costs.

Bengzon, C. J., Padilla, Bautista Angelo, Conception, Reyes, J. B. L. Paredes, and Makalintal, JJ., concur.

Order reversed.

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