

MAGDALENA ESTATE, INC., ET AL., PETITIONERS, VS. FRANCISCO BANGILAN, ET AL., RESPONDENTS.*G. R. No. L-16357. April 22, 1963*

Ponente: MAKALINTAL, J.

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Petitioners here are the respondents in case No. 1177-V in the Court of Industrial Relations, which was filed by herein respondents Francisco Bangilan et al, with two causes of action. Under the first cause of action it is alleged that herein respondents were hired by petitioners on different dates and in different capacities to work on the Roads Department of the Magdalena Estate, Inc., that after the enactment in 1951 of the Minimum Wage Law, Republic Act No. 602, they were each paid only P3.00 daily, which was less than the statutory minimum; that it was only on or about July 10, 1956 that their wages were increased to P4.00 in compliance with the law; and that they are entitled to the salary differentials covering the years 1953 to July, 9, 1956. The second cause of action has for lone petitioner in the court below herein respondent Maximino Bautista who, aside from the salary differentials claimed by him under the first cause of action, also asks for separation pay on the ground that he was unjustly dismissed from his employment in January 1959, after having been in the service of the Magdalena Estate, Inc., for a period of twelve (12) years.

On July 30, 1959 the respondents below, now petitioners, moved to dismiss the petition on the ground that the Court of Industrial Relations had no jurisdiction to take cognizance of either or both of the two causes of action. The motion was denied in an order of respondent court dated August 27, 1959, on the strength of our decisions in Cayetano Monares vs. CNS Enterprises, et al., G. R. No. L-11749, May 29, 1959, and Reynaldo Gomez vs. North Camarines Lumber Company Inc., G.R. No. L-11949, August 18, 1958. A motion for reconsideration was likewise denied, this time on the ground that the first order of denial was interlocutory in nature. Hence this petition for certiorari and/or prohibition to prevent respondent judges from proceeding with the case.

Since the question raised in the lower court and now posed before us concerns its jurisdiction and therefore goes to its very power or authority to proceed at all in the case, the fact that the order denying the motion to dismiss is interlocutory in nature should not, in our opinion, bar the instant petition from being, as it has been, given due course so that it may be resolved on the merits.

Is an action (1) for recovery of underpayment under the Minimum Wage Law, and (2) for the recovery of separation pay under Republic Act 1052, as amended by Republic Act 1787, within the jurisdiction of the Court of Industrial Relations? With respect to the first item, we are of the opinion that the proper court before which the claim should be presented is the Court of First Instance and not the Industrial Court, particularly where, as in this case, there is no labor dispute involved and the claim pertains exclusively to the past and has nothing to do with current wages. In *Teodora Donato vs. Philippine Marine Officers Association* Court of Industrial Relations, G.R. No. L-12506, May 18, 1959, it is stated:

"Underpayment of the minimum wage or violation of the Minimum Wage Law is not one of the acts of unfair

labor practice enumerated in Republic Act No. 875 particularly. Section thereof, and the jurisdiction of the Industrial Court under Section 5 thereof exclusively refers to the prevention of unfair labor practice, not of having allegedly, underpaid Monales by giving him a salary below the minimum wage fixed by Republic Act 602; so that in our opinion, it is clear that the Industrial Court decided and resolved a point absolutely outside the question and case presented before it and over which it had no jurisdiction,

"Moreover, only the Courts of First Instance have jurisdiction over cases arising from the Minimum Wage Law. Section 16 of said law, Republic Act 602, provides that the Court of First Instance shall have jurisdiction to restrain violations of said act. In the case of Isidoro Cebrero vs. Jose Talamán, 103 Phil. 687. decided on May 16, 1958, involving among other things underpayment by an employer to an employee we said, through Mr. Justice Alex Reyes that under Republic Act 602, known as the Minimum Wage Law, an employee is authorized to bring an action in the regular courts for the recovery of unpaid wages. The Industrial Court with its limited jurisdiction does not come under the category of regular courts."

Section 16 (a) of Republic Act No. 602, referred to in the decision just cited, provides:

"SEC. 16. JURISDICTION OF THE COURTS.—(a) The Court of First Instance shall have jurisdiction to restrain violations of this Act; action by the Secretary or by the employees affected to recover UNDERPAYMENT may be brought in any COMPETENT Court, which shall render its decision on such cases within fifteen days from the time the case has been submitted for decision; in appropriate instances, appeal from the decisions of these courts on any action under this Act shall be in accordance with applicable law.

The present case falls under the provision abovequoted. On the other hand, the Industrial Court has jurisdiction, pursuant to Section 16, subsections (b) and (c), in the event a case . . . involves as sole issue or as one of the issues a dispute as to minimum wages above the applicable statutory minimum . . .;" and "where the demands of minimum wages involve an actual strike ." . . The case at bar does not fall under either of the two categories.

The Monales case relied upon by respondent Judges in the order complained of is not in point. The question there involved, was not underpayment under the Minimum Wage Law, but differential pay, overtime pay, reinstatement to employ and damages," which question was held to be within the jurisdiction of the Industrial Court.

With respect to the claim for separation or terminal pay by respondent Maximino Bautista, the same is not within the jurisdiction of the Industrial Court either. It was so ruled in the case of Hacienda Luisita Estate vs. Artemio Alberto, et al., G.R. No. L-12133, Oct. 31, 1958 where we said:

"Alberto's petition, after relating the dates of employment and separation, merely complained that 'they were removed summarily or separated without justifiable cause.' It described no other concurring or qualifying incidents or data in connection with the removal. The controversy was therefore, a matter not within the scope of the power of the Industrial Court.

The case of Gomez vs. North Camarines Lumber Co., supra, cited in the order denying petitioners' motion to dismiss, is not applicable. It relates a claim not only for separation pay but also for overtime compensation under the Eight-Hour Labor Law, and since the latter is within the jurisdiction of the Industrial Court, we said that it is more in consonance with the ends of justice that both causes of action be cognizable and heard by only one court.

The writ prayed for is granted and respondent Judges of the Court of Industrial Relations are permanently enjoined from taking cognizance of and proceeding with case No. 1177-V now before it. Costs against the other respondents.

Bengzon, C. J., Padilla, Bautista Angelo, Concepcion, Reyes, J.B.L., Paredes, Dizon, and Regala, JJ., concur.

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