

MAXIMO GOMEZ, PLAINTIFF AND APPELLANT, VS. FOOKIEN TIMES COMPANY, INC., DEFENDANT AND APPELLEE.*G. R. No. L-17916. April 30, 1963*

Ponente: BAUTISTA ANGELO, J.

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On November 19, 1957, Maximo Gomez filed a verified complaint with the Regional Office No. 3, Department of Labor, against the Fookien Times Company, Inc. covering four causes of action, among which, the first refers to separation pay in the amount of P1,000.00, the second to overtime pay from July 16, 1947 to September 30, 1957 in the amount of P13,527.90, the third to 25% additional pay for Sundays and legal holidays for the same period in the amount of P1,059.98, and the fourth to another 25% additional pay in excess, of eight hours of work on Sundays and holidays for the same period in the amount of P3,312. 20, plus attorney's fees and damages.

On January 16, 1958, the company filed its answer stating as to the first cause of action that Gomez is not entitled to separation pay under the provisions of Republic Act 1787 because he failed to comply with the lawful orders of the management and has abandoned his work. With regard to the second, third and fourth causes of action, Gomez is not entitled to what he is claiming because he had not rendered the supposed services mentioned therein aside from the fact that, if they were true, they were already barred by the statute of limitations.

After hearing, the hearing officer Paulino S. Perez rendered judgment dismissing the complaint for lack of merit. From this judgment, Gomez appealed to the Labor Standards Commission which, after the submission of the memoranda of the parties as required by its rules and regulations, rendered decision which in effect modified that of the hearing officer by awarding to Gomez the amount of P31.97 as overtime pay and the amount of P750.000 as separation pay, or a total of P781.97, with legal interest thereon from October 21, 1957. The rest of the decision was reversed.

On. March 16, 1960, the company gave notice of its intention to appeal from the decision insofar only held that Gomez was dismissed without cause thereby awarding him the amount' of P750.00 as separation pay.

On April 4, 1960, Maximo Gomez also gave notice of his intention to appeal, but having failed to perfect the same within the 30-day period required by Section 44 of the Rules and Regulations of the Labor Standards Commission, it was denied by the Commission en banc. In due course, this order of the Commission became final and executory,

However, on May 26, 1960, much beyond the reglementary period provided for in the rules abovementioned, Maximo Gomez filed a complaint before the Court of First Instance of Manila by way of appeal from the decision of the Labor Standards Commission wherein he tried to collect from the company practically the same overtime, separation pay, and additional compensation which he demanded before' the Regional Office of the Department of Labor, although the amounts were substantially reduced, to which defendant company filed a motion to dismiss based mainly on the ground that the court has no jurisdiction to act thereon it appearing that plaintiff Gomez had failed to appeal in due time from the judgment rendered by the Labor Standards Commission en banc. This

motion was sustained by the court. Consequently, it denied the appeal of plaintiff Gomez, and declared the decision of the Commission final and executory. His motion for reconsideration was also denied for lack of merit.

In the meantime, the appeal interposed by the Fookien Times Company, Inc. was given due course and in connection therewith the record of the case was transmitted to the Court of First Instance of Manila in accordance with Section 20 (b) of Reorganization Plan 20-A and Section 26 of Executive Order No. 218 of the President of the Philippines dated December 10, 1956, issued in accordance with Republic Act No. 997, as amended by Republic Act No. 1241,

During the trial of the case, insofar as the appeal interposed by the company is concerned, oral and documentary evidence was presented by the parties, and thereafter the court rendered judgment dismissing the complaint filed by Maximo Gomez. In its decision, the court found that, Gomez refused to follow a lawful order given to him in connection with his employment and so he was separated from the service with cause. Gomez interposed the present appeal.

In a long line of decisions heretofore rendered by this Court, we held that Reorganization Plan No. 20-A, particularly Section 25, which grants to the regional offices original and exclusive jurisdiction over money claims of laborers, is null and void, said grant having been made without authority by Republic Act No. 997.[1] It was not the intention of Congress in enacting Republic Act 997 to authorize the transfer of the jurisdiction granted to the courts of justice to the officials to be appointed or offices to be created by the Reorganization Plan. Congress is well aware of the provision of the Constitution that judicial powers are vested, "only in the Supreme Court and in such courts as the law may establish." The Commission was not authorized to create courts of justice, or to take away from them their jurisdiction and transfer it to the officials to be appointed or offices to be created under the Reorganization Plan. The legislature could not have intended to grant Such powers to the Reorganization Commission, an executive body, as the legislature may not and cannot delegate its power to legislate to any other agency of the government (*Tiberio vs. Manila Pilots Association*, L- 17661, December 28, 1961).

It follows that the decision of the hearing officer, as well as that of the Labor Standards Commission en banc, are null and void and without effect. The decision rendered by the court a quo which is based merely on the appeal taken by the company from the decision of the Labor Standards Commission cannot also have any valid effect, its basis being a nullity. As a consequence, the proceedings had before the court a quo as well as before the hearing officer and the Labor Standards Commission are illegal and should be declared wholly ineffective.

Wherefore, the decision appealed from is reversed. The complaint filed by Maximo Gomez is dismissed. - No costs.

Bengzon, C. J., Labrador, Concepcion, Paredes, Regala, and Makalintal, JJ., concur.

Barrera, J., concurs in the result

[1] *Corominas, et al. vs. Labor Standards Commission, et al.*, L- 14837, June 30, 1961; *Manila Central University vs. Calupitan, et al.*, L-15483, June 30, 1961; *Miller vs. Mardo, et al.*, L-15138, July 31, 1961; *Lectura vs. Regional Office No. 3, et al.*, L-15582, L-16061 and L-16685, July 31, 1961; *Phil. Tobacco Flue-Curing & Redrying Corporation vs. Sabugo, et al.*, L-16017, August 31, 1961; *Tan vs. De Leon, et al.*, L-15254, September 16, 1961; *Everlasting Pictures, Inc., et al vs. Fuestes, et al.* L-16512, November 29, 1961.

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