

LOUIE L. VARGAS, PLAINTIFF-APPELLANT, VS. AKAI PHILIPPINES, INC., DEFENDANT-APPELLEE.

UDK No. 7927. December 14, 1987

Ponente: GANCAYCO, J.

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GANCAYCO, J.:

Louie L. Vargas filed a suit for damages against AKAI Philippines, Inc. alleging that he was an employee of the defendant from 29 August 1979 to 15 March 1981 as Marketing Assistant for Advertising but that he voluntarily resigned on 16 March 1981; that he was not paid his salary from March 15, 1981 amounting to P824.65, vacation leave conversion amounting to P429.82, the proportionate 13th month pay of P426.04 or a total of P1,680.51 in spite of repeated demands; that the flimsy excuse of the defendant is that plaintiff failed to return three (3) pieces of valuable equipment when in truth and in fact plaintiff had returned the same so that because of said imputation plaintiff claims moral damages in the amount of P250,000.00 and nominal, temperate, and exemplary damages as the Court may determine, P5,000.00 for expenses of litigation, P20,000.00 for attorney's fees plus an amount equivalent to 25% of the damages to be awarded to plaintiff and the cost of the suit.

An answer to the complaint was filed by the defendant traversing the same and asking in turn that plaintiff be made to pay the defendant the value of the unreturned equivalent after deducting plaintiff's claim plus moral damages, attorney's fees and cost of the suit.

The trial of the case proceeded wherein plaintiff presented his evidence. After the close of plaintiff's case, the counsel for the defendant withdrew and another counsel entered his appearance for the defendant. Said new counsel then filed a motion to dismiss the complaint on the ground that the Court has no jurisdiction over the action or suit as jurisdiction thereof is vested with the National Labor Relations Commission (NLRC). In an Order of June 5, 1985, the court a quo granted the motion by dismissing the complaint for lack of jurisdiction.

Hence the plaintiff appealed to the then Intermediate Appellate Court docketed as CA-G.R. No. CV-07815, wherein after the parties filed their respective briefs a Resolution was promulgated by the 5th Division on August 18, 1987 that the question of jurisdiction raised is within the exclusive competence of this Court, so the records of the case were transmitted to this Court.

We find no merit in this appeal. An examination of the complaint and the evidence adduced show that the cause of action arose from the employee-employer relationship of the parties. Under the Labor Code as amended by P.D. No. 1691 dated May 1, 1980 it is provided as follows:

""The Labor Arbiter shall have the original exclusive jurisdiction to hear and decide the following cases involving all workers, whether agricultural or non-agricultural:

1. x x x.
2. x x x.
3. All money claims of workers, including those based on non-payment or underpayment of wages, overtime

compensation, separation pay and other benefits provided by law or appropriate agreement, except claims for employees compensation, social security, medicare and maternity benefits.

4. x x x.

5. All other claims arising from employer-employee relations, unless expressly excluded by this Code."

Plaintiff however contends that his complaint is essentially an action for damages arising from the imputation of the defendant that he failed to return certain equipment after his resignation from employment and that the recovery of unpaid wages and other benefits is just incidental to this main action. The Court is not persuaded. A reading of the complaint shows that it is an action for recovery of unpaid wages and other benefits due him as a resigned employee of the defendant. The allegations of damages arose from the said employee-employer relationship.

The "money claims of workers" provided for by law over which the labor arbiter has original and exclusive jurisdiction is comprehensive enough to include claims for moral damages of a dismissed employee against his employer.[1] The courts have no jurisdiction over claims for moral and exemplary damages arising from the illegal dismissal of an employee.[2] Thus, the dismissal of this case for lack of jurisdiction by the Regional Trial Court (RTC) over the claims for damages arising from the employee-employer relationship which is within the jurisdiction of the NLRC is well taken.[3]

Plaintiff then argues that the defendant having submitted himself to the jurisdiction of the court and participated in the trial where evidence of plaintiff was adduced, cannot now adopt an inconsistent posture attacking the jurisdiction of the court to which he had submitted voluntarily citing *Royales vs. Intermediate Appellate Court*. [4] *Royales* is not applicable in this case for it involves an ejectment case where the decision had become final and executory when the failure to avail of the barangay conciliation process was raised and where defendant did not appear to present his defense.

The general rule must apply in this case that lack of jurisdiction over subject matter cannot be waived and maybe raised at anytime.[5]

WHEREFORE, the appeal is DISMISSED for lack of merit without pronouncement as to costs.

SO ORDERED.

Teehankee, C.J., Narvasa, Cruz, and Paras, JJ., concur.

[1] *Getz Corporation vs. CA*, 160 SCRA 87; *Pepsi Cola vs. Martinez*, 112 SCRA 580, 587.

[2] *Agudo vs. Vellejos*, 113 SCRA 69; *Ebon vs. de Guzman*, 113 SCRA 52.

[3] *Medina vs. Castro Bartolome*, 116 SCRA 597; *Getz Corporation vs. CA*, *supra*.

[4] 127 SCRA 470, G.R. No. 65072, Jan. 31, 1984.

[5] Section 2, Rule 9, Rules of Court, *Tijam vs. Sibonghanoy*, 23 SCRA 35-36 (1968); *Crisostomo vs. Court of Appeals*, 32 SCRA 54, 58 (1970); *Zulueta vs. Pan American World Airways*, 49 SCRA 1, 6 (1973).

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