

RAMON VELEZ, PETITIONER AND APPELLEE, VS. GABINO SAAVEDRA, ET AL., RESPONDENTS. GAVINO SAAVEDRA, P. G. MALIWANAG AND PELAGIO GUTIERREZ, RESPONDENTS AND APPELLANTS.

G.R. No. L-16386. January 31, 1962

Ponente: PAREDES, J.

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PAREDES, J.:

Pelagio Gutierrez, allegedly an employee of petitioner Ramon Velez, filed with the Regional Office No. 7 of the Department of Labor, a complaint (Case No. LSC-RO7-50) seeking recovery of unpaid wages and separation pay. After hearing, conducted by Gabino Saavedra, Hearing Officer of the Regional Office, and P.G. Maliwanag, Associate Commissioner, Labor Standards Commission, judgment was rendered sentencing Ramon Velez to pay Pelagio Gutierrez the sum of P1,280.00. A writ for the execution of the judgment was issued thru the Provincial Sheriff of Misamis Occidental. Claiming that he (Velez) would suffer great and irreparable damage and injury, unless the execution of the judgment was restrained and alleging that Regional Offices and the Labor Standard Commission are not clothed with authority to decide cases of similar nature and that there is no other plain, speedy and adequate remedy in the ordinary course of law, Velez filed a petition for Prohibition with Injunction, with the CFI of Misamis Occidental, (Civil Case No. 2152) praying that an order issue:

(a)

directing and commanding the respondent Associate Commissioner of the Labor Standards Commission, Department of Labor, to certify, transmit and elevate to this Honorable Court the original records of said office in case No. LSC-RO7-50 (Pelagio Gutierrez vs. Ramon Velez, for Unpaid Wages and Separation Pay);

(b)

declaring as null and void the decision as well as the writ of execution sought to be enforced by the respondents;

(c)

commanding said respondents to desist from enforcing the decision and the writ of execution already referred to;

(d)

that upon the filing of a bond, a writ of preliminary injunction be issued against respondents enjoining them

from proceeding with the aforesaid decision and writ of execution and;

(e)

declaring and holding as unconstitutional and null and void ab-initio the rules and regulations of the Labor Standards Commission, otherwise known as Reorganization Plan No. 20-A.

On November 10, 1958, and upon the filing of a P2,000.00 bond, the CFI issued a writ of Prohibition and Injunction.

Separate Answers were filed by the Respondents, all of which were premised on the constitutionality of Reorganization Plan No. 20-A, and the authority of the Hearing Officers and Commissioners of the Labor Standards Commission to hear and adjudicate cases similar to the one under consideration.

Respondents therein moved to dismiss the petition on the alleged ground that it was filed to delay the payment of wages due to respondent Gutierrez, which was in effect denied when on June 26, 1959, the lower court handed down an Order, which was amended on August 10, 1959, of the following tenor:

"The Court, after having discovered an error in the order dated June 26, 1959, hereby amends the dispositive part of the said order to read as follows:

" 'WHEREFORE, premises considered, the petition is hereby GRANTED, making the injunction permanent, without special pronouncement as to costs.' "

The above Order is now before Us on appeal, the Solicitor General urging a reversal thereof on two counts, to wit:

(1) The lower court erred in holding, in effect, that Reorganization Plan No. 20-A is unconstitutional; and

(a) The lower court erred in granting the petition.

The other respondent-appellant Gutierrez adopted the brief of the Solicitor General. Appellee did not file his brief.

We have had occasions to dispose of the issues at bar in several recent cases:

"In G. R. No. L-14837, respondent Arturo Delaniel brought a complaint against petitioners Jose Corominas, Jr. and Coromdnas, respondent claiming to be a driver of the petitioners from January 6, 1956 to August 31, 1956, for which services he was not given both overtime and separation pay. He prayed for judgment for the amount due him for overtime service rendered and for separation pay. Judgment having been rendered in favor of Delaniel by the hearing officer of the regional office, appeal therefrom was prosecuted to the Labor Standards Commission, which reduced the amount of the judgment to P1,184.28, with legal interest and attorney's fees. A 'motion to quash' the decision was denied, and, instead, the commissioner of Labor Standards ordered its execution. Thereupon petitioners filed this petition for certiorari with prohibition before us, alleging that Reorganization Plan No. 20-A is null and void; that the Labor Standards Commission and Regional Office No. 3 have no authority and jurisdiction to take cognizance of the claims for overtime and separation pay of respondent Delaniel, in view of which it is prayed that the decision be declared null and void and the sheriff be enjoined from executing the same. * * *.

A cursory study of these provisions of Republic Act No. 997 will show that nowhere therein is there a grant of authority to the Government Survey and Reorganization Commission to grant powers, duties and functions to offices or entities to be created by it which are not already granted to the offices or officials of the Department of Labor. Section 4 above quoted authorizes the elimination of overlapping services, activities and functions,

and the consolidation of agencies or instrumentalities exercising said duties and functions. There is no grant of power to allocate to the bodies and offices to be created or set up functions, powers and duties not then already vested in the various offices and officials of the Department of Labor. Section 3 limits the powers of reorganization by the Commission to the offices, bureaus and instrumentalities of the Executive Branch of the Government only. So that it was not the intention of Congress, in enacting Republic Act No. 997, to authorize the transfer of powers and jurisdiction granted to the courts of justice from these to the officials to be appointed or offices to be created by the Reorganization Plan. Congress is well aware of the provisions 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 authorised to create courts of justice, or to take away from these their jurisdiction and transfer said jurisdiction to the officials appointed or offices created under the Reorganization Plan. The Legislature may not and cannot delegate its power to legislate or create courts of justice to any other agency of the Government (*Chinese Flour Importers' Assoc. vs. Price Stabilization Board*, 83 Phil., 459; 46 Off. Gaz., 5466; *Surigao Consolidated vs. Collector of Internal Revenue*, 94 Phil., 492; 50 Off. Gaz., 1018; *U.S. vs. Shreveport*, 287 U.S. 77, 77 L. Ed. 175 and *Johnson vs. San Diego*, 42 B. 249).

* * * * *

In consequence, we are constrained to hold and declare the provision of 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. *

* *"

(*Jose Corominas, Jr. and Corominas & Co., Inc. vs. Labor Standards Commission, et al.*, Manila Central University vs. Calupitan, et al., *Wong Chun, alias Ha Hing, vs. Diego Carlim*, Regional Office No. 8 of the Department of Labor and Sheriff of Manila and *Balbogan Co., Ltd.*, and *Mauro B. Ganzon vs. F. A. Fuentes*, et al., 112 Phil., 551; 59 Off. Gaz., [43] 7432).

(See also *Miller vs. Mardo*, 112 Phil., 792; 59 Off. Gaz., [14] 2307 1961; *Caltex (Phil.) Inc. vs. Villanueva*, et al., 112 Phil., 897; *V. Tan vs. De Leon*, 113 Phil., 9 and *La Mallorca vs. Ramos*, et al., 113 Phil., 72).

In view hereof, the order granting the writ of prohibition and making the injunction permanent in the case at bar, should be, as it is hereby affirmed, without pronouncement as to costs.

Bengzon, C. J., Padilla, Bautista Angelo, Labrador, Concepcion, Reyes, J. B. L., Barrera, Dizon, and De Leon, JJ., concur.

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