

LUZON LABOR UNION, PETITIONER, VS. LUZON BROKERAGE COMPANY, RESPONDENT.

G.R. No. L-6608. December 29, 1954

Ponente: REYES, A., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/66661912814f/>

REYES, A., J.:

This is an appeal by certiorari from a decision of the Court of Industrial Relations, denying the claim for backpay of 425 employees and laborers of the respondent company, who were sent to Bataan at the outbreak of the last war together with the company trucks commandeered by the U.S. Army, there to work as drivers, mechanics, checkers, truck helpers, and laborers (cargadores).

Premised on the hypothesis that the claimants, though made to work for the U. S. Army in December, 1941, nevertheless continued to be in the employ of the company for the duration of the war, the claim was, in addition, founded on a specific promise that they would be given two or three years backpay at war's end, the promise; having been allegedly made by F.H. Myers, president and general manager of the company, and his son T.O. Myers, as an inducement for the men to go to Bataan and brave the perils of war there, and reiterated in 1945 as an inducement for some of the men to give testimony that should enable the company to recover the value of its trucks from the U.S. Army.

The company denied liability for the claims, alleging that such of the claimants as went to Bataan did so by order of the U.S. Army, that no promise of backpay was ever made of them, and that in any event the claim had already prescribed. After hearing, the court found that such promise was really made by F.H. Myers; that relying on such promise, the claimants went to Bataan and rendered service to the U.S. Army (in connection with the transportation of war materials); and that, as the promise was thus accepted, "there was a meeting of the minds between the claimants and the company and consequently the contract of employment existed." The court, however, denied the claim for backpay on the ground of prescription, but awarded a separation pay equivalent to one month's salary to eight of the claimants on the theory that these, notwithstanding their temporary employment by the Army, had remained in the service of the company. The other claimants were not given this award because of earlier separation from the service of the company or for failure of proof.

After going over the record, we find that the ruling below that claimants' action has already prescribed cannot be sustained. Aside from the fact appearing from its articles of incorporation that the company was owned principally by Americans and could therefore be regarded as an enemy corporation (*Filipinas Compañia de Seguros vs. Christern, Huenefeld & Co., Inc.*, G.R. No. L-2294, promulgated May 25, 1951; *S. David Winship vs. Philippine Trust Company*, G.R. No. L-3869, promulgated January 31, 1952) so that the claimants were not at liberty to sue it during the Japanese occupation, there is the further consideration that for the claimants to assert their claim in court they would have to divulge that they had gone to Bataan and helped the U.S. Army transport its war materials, and such revelation would have exposed them to Japanese reprisal. Moreover, it would seem that myers' promise contemplated payment at war's end since the backpay was to be for two or three years.

In our opinion the claim for backpay has not prescribed and the lower court should, therefore, not have limited recovery to one month's separation pay. But while we have come to this general conclusion, we are not in a position to make specific awards for that will have to be determined for each of the 425 claimants and the evidence of record for that purpose would appear to be incomplete because of the denial of a motion for new trial for the presentation of that evidence for most of the claimants. Such being the case, we think that justice would be better served if a new trial were ordered.

The objection to this appeal being too late has been considered but found to be without substantial merit.

Wherefore, the decision complained of is set aside and the case remanded to the court below for new trial. In the new trial the lower court shall be at liberty to decide the question of whether, as insinuated, some claimants have really waived appeal by asking for a writ of execution or receiving the amounts awarded. So ordered. No costs.

Paras, C.J., Pablo, Bengzon, Padilla, Montemayor, Jugo, Bautista Angelo, Labrador, Concepcion, and Reyes, J.B.L., JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.