

MONCADA BIJON FACTORY, PETITIONER, VS. COURT OF INDUSTRIAL RELATIONS AND UNITED WORKERS UNION, RESPONDENTS.

G.R. No. L-16037. April 29, 1964

Ponente: PADILLA, J.

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PADILLA, J.:

Fifty-eight (58) persons claiming to be workers of the Moncada Bijon Factory, run and operated by Lao Oh Kim, filed with the Court of Industrial Relations a petition dated 13 May 1953, amended on 11 June 1953, praying for payment of wage differentials and of wages for overtime work, for improved working conditions in the factory and for attorney's fees. They alleged that they had worked more than eight (8) hours a day during a period of time stated in their petition or from 1946 to 1953 and had received wages less than the minimum wage provided for by law, and that despite demands by them (petitioners), the respondent failed and refused to pay the wage differentials and wages for overtime work and to provide for improved working conditions.

On 28 May 1953, the petitioners asked the Court to order the respondent to reopen its factory, which was closed on 18 (16) May 1953, to readmit them to work, and to pay their wages.

On 10 June 1953, the respondent moved for the dismissal of the petition for lack of jurisdiction of the Court of Industrial Relations over the subject matter of the petition.

On 11 June 1953, the petitioners asked the Court to hold the respondent in contempt for closing its rice noodle factory and locking them out from the factory.

On 15 June 1953 the petitioners objected to the motion to dismiss.

The motion to dismiss was denied on 10 July and the motion for contempt was amicably settled on 25 March 1955 and dismissed on 28 March 1955.

After a protracted trial, on 21 March 1957, the Court of Industrial Relations rendered judgment, the dispositive part of which is as follows:

From this conclusion, however, is excluded without prejudice the eleven (11) workers who for one reason or another were not presented to testify. WHEREFORE, the respondent and/or Lao Oh Kim, owner and manager of the factory, are hereby ordered to pay the forty-seven (47) petitioners the overtime work rendered by them from the respective dates of their employment up to the time they ceased work on May 16, 1953 when the factory was closed. The respondents should pay at least twenty-five per cent (25%) in addition to their base wage or wages as shown on pages 5, 6, 7 and 8 of this decision prior to the effectivity of Republic Act No. 602 (August 4, 1951), otherwise known as the Minimum Wage Law. One year thereafter, the respondents should pay three pesos (P3.00) a day for every laborer and from August 4, 1952 up to the closing of the factory on May 16, 1958, four pesos (P4.00) a day for every laborer, the factory having been situated at Moncada, Tarlac.

The Chief Examiner of the Examining Division and/or his assistant is hereby directed to compute the overtime pay due the petitioners based on and in accordance with the foregoing directive and thereafter to render Ms report to the Court for further disposition.

On 2 April 1957, the respondents moved for reconsideration and new trial which was argued before the Court en banc and after memoranda had been submitted by both parties, Presiding Judge Jose S. Bautista and Judge Baltazar M. Villanueva voted to affirm the judgment; Judge Arsenio I. Martinez abstained from voting; and Judge Juan L. Lanting and Judge Emiliano C. Tabigue dissented. As there was no judgment on the motion, Judge Amando C. Bugayong, who had been asked to take part in the voting to break the tie, voted to affirm the judgment. Hence this petition or appeal by certiorari seasonably taken to this Court.

The petitioner herein claims that the respondent Court of Industrial Relations: (1) erred in taking jurisdiction of the petition filed by the respondent laborers represented by their Union; and (2) in ordering the payment of back wages in accordance with the Minimum Wage Law, Republic Act No. 602, and wages for overtime work from 1946 to 1953, when the petition was filed on 13 May 1953, for Sections 15 and 17, R.A. No. 602, approved 6 April 1951 and effective from 4 August 1951 as provided for in section 25 thereof, provide:

Sec. 15. (g) In determining when an action is commenced under this section for the purposes of the statute of limitations, it shall be considered to be commenced in the case of any individual claimant on the date when the complaint is filed if he is specifically named as party plaintiff in the complaint, or if his name did not so appear, on the subsequent date on which his name is added as a party plaintiff in such action.

Sec. 17. Statute of Limitation. Any action commenced on or after the effective date of this Act to enforce any cause of action under this Act may be commenced within three years after the cause of action accrued, and every such action shall be forever barred unless commenced within three years after the cause of action accrued.

As to the jurisdiction of the respondent Court to hear and decide the petition filed in this case, there seems to be no legal ground or reason for holding that it lacks such jurisdiction, because the demand for improved conditions in the factory, for payment of wages for overtime work done by the respondent laborers (Eight Hour Labor Law; C. A. No. 444), and of wage differentials based upon or as provided for in the Minimum Wage Law (R. A. No. 602), and the refusal by the petitioner herein to improve the conditions of the factory and to pay such wages, is an industrial dispute which threatens or is likely to occur between the laborers, herein respondents, and the employer, herein petitioner (par. 9 of the amended petition). And although the laborers, respondents herein, then petitioners, did not ask for reinstatement, yet the urgent motion filed by them to order the then respondent, petitioner herein, to reopen its factory which was closed on 18 May 1953 and readmit the laborers, then petitioners, to work in the factory, which was amicably settled on 25 March 1955 and approved by the respondent Court on 28 March 1955 is tantamount to a petition for reinstatement as they were in fact reinstated.

In *Manila Railroad Company vs. Court of Industrial Relations, et al.*, G. R. Nos. L-17871; L-18160; L-18200 and L-18249, 31 January 1964, this Court held:

As the claim and demand for compensation for work done in excess of the hours prescribed by law, which the employer has refused to pay, is a dispute that, if it is not settled, might likely be the cause of, or might lead to, a strike by the workers and employees of the railroad company who are still in its employ, the respondent Court has jurisdiction to take cognizance, hear and decide the controversy.

That part of the judgment under review which orders the payment of unpaid wages for overtime work rendered by the laborers from the respective dates of their employment up to the time they ceased to work on 16 May 1953 when the factory was closed, which must be at least twenty-five per cent of the basic "wage paid at the time, is in

accordance with law, as provided for in C. A. No. 444, which took effect on 3 June 1939, except the unpaid wages for overtime work rendered before 13 May 1947, the collection of which is already barred.[1]

As to the payment of wage differentials and of overtime work if rendered from 4 August 1951, the date when R. A. No. 602 took effect, or P3.00 a day from such date to 4 August 1952, and P4.00 a day thereafter, the payment thereof is in accordance with section 3, par. a (2) of R. A. No. 602.

As to the payment of wage differentials prior to or before 4 August 1951, the laborers, respondents herein, cannot collect, for there was no law then fixing the minimum wage of laborers and employees.

Modified as above stated, the rest of the judgment under review is affirmed, with costs against the petitioner.

Bengzon, C.J., Bautista Angelo, Labrador, Concepcion, Reyes, J.B.L., Barrera, Paredes, Dizon, and Makalintal, JJ., concur.

[1]Article 1145, Civil Code.

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