

**VALDERRAMA LUMBER MANUFACTURERS COMPANY, INC.,
PETITIONER AND APPELLANT VS. THE ADMINISTRATOR, AND THE
HEARING OFFICER, RESPONDENTS AND APPELLEES.**

G. R. No. L-17783. June 30, 1962

Ponente: BARRERA, J.

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BARRERA, J.:

Carlos Fernandez and others, former employees and laborers of petitioner Valderrama Lumber Manufacturers Co., Inc., filed claims against the latter, for overtime pay, salary differential, and separation pay, with Regional Office No. V of the Department of Labor at Iloilo City (docketed as Case No. 712 [606 LS]). Having failed to settle the case amicably, respondent Hearing Officer of the Regional Office set the claims for hearing and reception of evidence, and actually conducted hearing on the same on August 26, 1958. Before any further proceeding could be had, petitioner company instituted the present action for prohibition, with preliminary injunction in the Court of First Instance of Negros Occidental (docketed as Special Civil Action No. 4989) against respondents Administrator and Hearing Officer of said Regional Office. In due time, the Court of First Instance granted the preliminary injunction, restraining respondents from further proceeding with the case. In said action, petitioner company assailed the exercise by respondents of jurisdiction over said money claims, claiming that the same "fall under the exclusive jurisdiction of the ordinary courts of justice". Respondents, in their answer dated October 3, 1958, contended that "Regional Offices of the Department of Labor have been vested with original and exclusive jurisdiction over all cases falling under the Workmen's Compensation Law, or cases affecting all money claims arising from Labor Standard Laws", by virtue of Reorganization Plan No. 20-A, as implemented by Executive Order No. 218 of the President, issued on December 10, 1956 and Rules and Regulations Nos. 1 and 2-A of the Labor Standards Commission, dated January 16, 1957 and December 16, 1957.

Issues having been joined, the case was tried and after trial, the Court of First Instance, on August 26, 1960, rendered a decision dismissing the case and dissolving the preliminary injunction previously granted. Said decision in part reads:

"As Reorganization Plan No. 20-A has been admittedly approved by Congress (which is constitutionally empowered to define, prescribe and apportion the jurisdiction of the various courts) and thereby became a part of Republic Act No. 997, as amended, and the respondents have relied thereon assuming and exercising jurisdiction over Case No. 712 (606 LS), the instant petition is rendered groundless.

* * * * *

"WHEREFORE, the petition is dismissed and the writ of preliminary injunction heretofore issued dissolved, without special pronouncement as to costs.

"So ordered."

Dissatisfied with said decision, petitioner company appealed to us.

Petitioner-appellant claims that the trial court erred (1) in not holding that Reorganization Plan 20-A can not have the efficacy of a law because it was not validly passed as a statute and because it departed from the announced objectives of the Reorganization Act; and (2) in giving force to said Reorganization Plan 20-A, considering that the same is a void legislation because it constitutes an invasion of judicial power of the courts and, therefore, was an unconstitutional exercise of legislative power.

Those two issues have already been disposed of in a number of cases we have recently decided.

In the case of *Miller vs. Mardo*, 112 Phil. 792 and companion cases, promulgated on July 31, 1961, passing upon the same question of whether with the adjournment of the sessions of Congress without said body passing a resolution disapproving or adopting Reorganization Plan 20-A, as provided in Section 6 (a) of Republic Act 997, such reorganization plan became a law, this Court held:

"Such a procedure of enactment of law by legislative inaction is not countenanced in this jurisdiction. By specific provision of the Constitution—

'No bill shall be passed or become a law unless it shall have been printed and copies thereof in its final form furnished its Members at least three calendar days prior to its passage, except when the President shall have certified to the necessity of its immediate enactment. Upon the last reading of a bill no amendment thereof shall be allowed, and the question upon its passage shall be taken immediately thereafter, and the yeas and nays entered on the Journal.' (Sec. 21 [a], Art. VI).

'Every bill passed by the Congress shall, before it becomes a law, be presented to the President. If he approves the same, he shall sign it; but if not, he shall return it with his objections to the House where it originated, which shall enter the objections at large on its Journal and proceed to reconsider it. If, after such reconsideration, two-thirds of all the Members of such House shall agree to pass the bill, it shall be sent, together with the objections, to the other House by which it shall likewise be reconsidered, and if approved by two-thirds of all the Members of that House, it shall become a law. In all such cases, the votes of each House shall be determined by yeas and nays, and the names of the Members voting for and against shall be entered on its Journal. If any bill shall not be returned by the President as herein provided within twenty days (Sundays excepted) after it shall have been presented to him, the same shall become a law in like manner as if he had signed it, unless the Congress by adjournment prevent its return, in which case it shall become a law unless vetoed by the President within thirty days after, adjournment.' (Sec. 20-[1], Art. VI of the Constitution).

"A comparison between the procedure of enactment provided in section 6 (a) of the Reorganization Act and that prescribed by the Constitution will show that the former is in distinct contrast to the latter. Under the first, consent or approval is to be manifested by silence or adjournment or by 'concurrent resolution'. In either case, the contemplated procedure violates the constitutional provisions requiring positive and separate action by each House of Congress. It is contrary to the 'settled and well-understood parliamentary law (which requires that the) two houses are to hold separate sessions for their deliberations, and the determination of the one upon a proposed law is to be submitted to the separate determination of the other.' (Cooley, *Constitutional Limitations*, 7th ed., p. 187).

"Furthermore, Section 6 (a) of the Act would dispense with the 'passage' of any measure, as that word is commonly used and understood, and with the requirement of presentation to the President. In a sense, the section, if given the effect suggested in counsel's argument, would be a reversal of the democratic processes required by the Constitution, for under it, the President would propose the legislative action by submitting the plan, rather than approve or disapprove the action taken by Congress. * * * ."

With respect to the second issue raised herein, we said in the same *Miller* case [1], that while the Government Survey and Reorganization Commission was empowered by Republic Act 997 to create or abolish departments,

offices, agencies or functions which may be necessary for the efficient conduct of the government service, those "functions" which may thus be created, refer merely to administrative, not judicial ones. In declaring the invalidity of the conferment of judicial powers on the regional offices not previously exercised by said offices, this Court said:

" * * * . For the Government Survey and Reorganization Commission was created to carry out the reorganization of the Executive Branch of the National Government (See Section 3 of R.A. No. 997, as amended by R.A. No. 1241), which plainly did not include the creation of courts. And the Constitution expressly provides that 'the Judicial power shall be vested in one Supreme Court and in such inferior courts as may be established by law (Sec. 1, Art. VIII of the Constitution). Thus, judicial power rests exclusively in the judiciary."

Wherefore, the decision appealed from is hereby reversed and set aside, and the writ of preliminary injunction previously issued and later dissolved by the trial court is revived, reinstated and made permanent, without costs. So ordered.

Padilla, Bautista Angelo, Labrador, Concepcion, Reyes, J. B. L., Paredes, Dizon, Regala, and Makalintal, JJ., concur.

[1] See also *Corominas vs. Labor Standards Commission*, 112 Phil., 551; and companion cases, June 30, 1961; *Equitable Banking Corp. vs. Regional Office 3*, L-14442, June 30, 1961; *Earnshaw Docks & Honolulu Iron Works vs. Mardo*, 112 Phil., 787; *Liwanag vs. Central Azucarera*, 112 Phil., 834; *Lectura vs. Regional Office 3*, 112 Phil., 837 and companion cases, *Pampanga Sugar Development Co. vs. Fuentes*, 112 Phil., 784.

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