

**MAURICIO MIRANO, ET AL., PLAINTIFFS AND APPELLANTS, VS.
MADRIGAL & COMPANY, INC., DEFENDANT AND APPELLEE.***G.R. No. L-14947. February 28, 1963*

Ponente: PAREDES, J.

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This is a case for the recovery of wages due to 25 persons, plaintiffs herein, allegedly as members of the crew of three (3) ships of the defendant company (SS Argus, SS Churruca and SS Hirondelle). The pertinent portions of the complaint filed on April 9, 1953, before the CFI of Manila, recite—

"That in November, 1941, in the City of Manila, Philippines, defendant herein, which was and still engaged in coastwise shipping and maritime commerce, contracted the services of the herein plaintiffs, employed and engaged them as complement or crew of the vessels "SS Argus", "SS Churruca" and "SS Hirondelle", owned by and registered in the name of defendant as shipowner, to bring the above-named vessels to the Port of Hongkong, British Crown Colony, for dry-docking and repairs at the Hongkong shipyards, ***;

That pursuant to such employment, plaintiffs, on November 2, 1941, left the Philippines aboard the above-named vessels of the defendant, arriving at Hongkong, British Crown Colony, on November 5, and had the above-named vessels dry-docked;

* * * * *

That war broke out between the United States and Japan on December 8, 1941, and as a result thereof, plaintiffs herein, on December 15, 1941, were captured by the Imperial Japanese Army, * * * were kept as prisoners and interred aboard the "SS Saiyong" then tied up in Macao, which was towed to Hongkong, where plaintiffs were taken back to the "SS Saiyong" and made to serve as slave labor; that on October 21, 1943, they were brought to the Philippines on board the "SS Saising Maru", and from October 24, 1948 when they arrived in the Philippines, to September 21, 1944, they were impressed in the service of the Japanese Navy and assigned to various ships plying between Luzon, Visayas and Mindanao, under close and heavy guard, until they were able to escape and join their families when the American forces bombed Manila on September 21, 1944;

That the plaintiffs have not been paid their salaries for the period from November 2, 1941 to September 21, 1944, in the following amounts set out after their respective names:

1. Mauricio Mirano—Chief Engineer P15,615.00
2. Salvador Miranda—Carpenter 1,845.97
3. Florentino Domactoy—Fireman 1,370.51
4. Hermogenes Camacho—Able Seaman 1,127.68
5. Amado Villanueva—Helper Fireman 1,120.67
6. Maralitico Palomata—Mess Boy 676.65

7. Eduardo C. Quimpo—Mayordomo	3,740.00
8. Juan Tupas—Timonel	1,098.00
9. Pedro Bugallon—Watchman	1,020.00
10. Gerardo Gaboy—Able Seaman	1,120.67
11. Camilo Alalin—Machinist	1,845.97
12. Alfonso Pavila—Storekeeper	1,197.73
13. Juan Mutia—Mess Boy	676.65
14. Matias Marabe—Oiler	1,516.25
15. Simon Largo—Oiler	1,588.00
16. Epifanio Dumanggas—Timonel	1,980.00
17. Meliton Orias—Seaman	855.00
18. Felipe Serarania—Oiler	2,082.00
19. Basilio Baybayon—Oiler	2,082.00
20. Espiridion Cajilig—Ordinary Seaman	1,723.73
21. Ricardo Pador—Fireman	1,908.76
22. Jose Monsalle—Timonel	1,870.00
23. Olegario Samson—Ayudante	2,550.00
24. Luis Agrandeza—Radio Operator	4,250.00
25. Apolonio Ondoy—Seaman	1,700.00

Total.....P56,561.24

Aside from the above claim for wages, the plaintiffs prayed for P100,000.00 by way of damages, both material and moral, and costs.

Defendant Madrigal and Company on May 9, 1953, moved to Dismiss the complaint on three (3) grounds, to wit—

- (1) Allegations inherently sufficient to constitute cause of action against the defendant Madrigal Company, Inc.;
- (2) Lack of jurisdiction of the trial court over the claim of the nineteen (19) plaintiffs whose claims do not exceed two thousand (P2,000.00) pesos;
- (3) Prescription of action.

Plaintiffs presented an opposition to the above motion to dismiss and said motion was denied on May 30, 1953. A motion for reconsideration filed on July 3, 1953 was denied on July 15, 1953, and on August 4, 1953, defendant answered the complaint. Several pleadings were subsequently presented to the Court by the parties. Defendant filed no less than four (4) more Motions to Dismiss, on various and several grounds, alleged in the first motion and the additional ground of non-liability for being not the proper party. Trial was had and the parties presented

their evidence, both testimonial and documentary after the reception and consideration of which the lower court rendered judgment, the pertinent portions of which read—

* * * * *

"Pursuant to the evidence of the plaintiffs and not denied by the defendant, all of the foregoing plaintiffs that composed the crew of the vessels had signed 'shipping articles' before their departure for Hongkong in November, 1941. These 'shipping articles' by law and by custom constituted the employment contracts of the individual seaman with employer. They contained the terms and conditions agreed upon between them. These 'Shipping Articles' were not produced and presented in the evidence by the plaintiffs claiming that they had been destroyed or lost, by the war. For non-presentation of these important documents, this Court is at a loss to determine the terms and conditions and who were the parties with certainty who had signed said maritime agreements. * * *

* * * * *

It is to be noted in this connection that from the outset, defendant had consistently pleaded for the outright dismissal of this case with respect to plaintiffs Salvador Miranda, Florentino Domactoy, Hermogenes Camacho, Amado Villanueva, Maralitico Palomata, Juan Tupas, Pedro Bugallon, Gerardo Gaboy, Carmelo Alalin, Alfonso Pavila, Juan Mutia, Matias Marabe, Simon Largo, Epifanio Dumangas, Meliton Orias, Espiridion Cajilig, Ricardo Pador, Jose Monsalle, Apolonio Ondoy, for their claims for wages were only P2,000.00 and less than that amount on the ground of lack of jurisdiction on the part of this Court following the provisions of our present Judiciary Act, and the Honorable Judge Demetrio Encarnacion and subsequent rulings of this Court had denied the pleas of the defendant believing that their claim were based on a single written contract of 'shipping articles'. After the complete presentation of the evidence of the plaintiffs, it became evident that each seaman before the start of the voyage had individually signed with alleged defendant the said contract of 'shipping articles'.

* * * * *

So, it is clear that each seaman has an individual cause of action pursuant to his individual 'shipping articles' that he and defendant had executed. Such being the case, the demands for payment of wages by the preceding plaintiffs should have been filed before the Municipal Court of Manila or before any justice of the peace who has jurisdiction to try and sentence the defendant and not before this Court which has no jurisdiction, based on the amounts claimed. Consequently, this Court dismisses this case with respect to the above-mentioned plaintiffs for lack of jurisdiction over the subject matter of the action.

IN VIEW OF THE FOREGOING CONSIDERATIONS, the Court is of the opinion and so holds that this complaint, should be, as it is hereby, dismissed for lack of merits with costs against the plaintiffs."

On May 31, 1958, plaintiffs presented a pleading styled "Motion for Reconsideration and Alternative Motion for New Trial," which was opposed by defendant and denied on September 6, 1958. Only the plaintiffs appealed directly to this Court, and in their appeal they contend that the lower court erred:

- In finding, contrary to the evidence, that Madrigal & Company was not the one that employed plaintiffs to man its vessels 'Argus', 'Hirondelle' and 'Churruca' for the voyage to Hongkong for dry-docking and repairs;
- In holding that defendant-appellee did not waive its defense of non-liability or was not estopped from denying its liability by its admission in its motions to Dismiss and Answer of the existence of employer-employee relationship;
- In holding that, even admitting defendant-appellee employed the plaintiffs-appellants as crew of its vessels to undertake the voyage to Hongkong for Dry-docking and repairs, its obligation to pay them their wages for the

voyage was extinguished by the occurrence of war; and

- In holding that it has no jurisdiction over the claims of plaintiffs-appellants amounting to less than two thousand pesos, when the plaintiffs-appellants collectively signed only one shipping articles for each vessel.

In view of the fact that the trial court made a sweeping dismissal of the entire complaint on action, on the ground of jurisdiction, it seems pertinent that one group of the plaintiffs-claimants should be given a separate consideration from the other. From the factual findings recited in the decision, which We are not authorized to review, because the case was appealed to Us directly, on questions of law (the appellant is deemed to have waived the questions of facts involved), it would seem that the trial court was correct in dismissing the case with respect to the plaintiffs whose claims did not exceed P2,000.00, exclusive of interest and costs, but not Mauricio Mirano (Chief Engineer), whose claim is P15,615.00. The case of those plaintiffs having claims not exceeding P5,000.00 should also be dismissed, in view of the amendment of the Judicial Act of 1948 (sec. 88, Judiciary Act of 1948, as amended by Rep. Act No. 2613, Aug. 1, 1959). It was found by the court that each seaman signed with the defendant a contract, or shipping article; each had an individual cause of action, and had to collect different amounts separately owned by them, depending upon the period and length of service of each, and the way each had complied with the terms and conditions of the shipping article and that the plaintiffs were not all employed in one vessel but in three (3) separate vessels. This being the case, as it is the case, their claims are not of joint nature, and each separate claim furnishes the jurisdictional test.

"The point wherein the parties are not in agreement is whether the claim of each plaintiff or the aggregate claims of all 18 the measure of jurisdiction. This question has been the subject of decisions by American Courts, In *Hackner vs. Guaranty Trust Co. of New York*, 4 Fed. Rules, Serv. 278, W. S. Circuit Court of Appeals, Second Circuit, Jan. 13, 1941; 117 F. (2nd) 95, it was held that, 'When two or more plaintiffs, each having a separate and distinct demand, join in a single suit, the demand of each must be of the requisite jurisdictional amount. Aggregation of the claims to make up the jurisdictional amount is permitted only if the claims are of joint nature, as * * *. As American Jurisprudence, Vol. 14, p. 413, puts it, 'Where several claims have separate and distinct demands against a defendant or defendants, which may properly be joined in a single suit, the claims can not be added together to make up the required jurisdictional amount; each separate claim furnishes the jurisdictional test.'"

* * * * *

"* * * In other words, the court takes into account what one party would recover and not what is adjudged to all the parties or some of them.

It is in effect argued that plaintiff's could, through collusion, shift the court's jurisdiction if individual demands rather than their aggregate were used as the criterion. It is the other way around; it is the adoption of the opposite theory, as we see it, which would open the door to manipulation. Several plaintiffs wishing to avoid trial in the justice of the peace court could combine their demands in one complaint so as to put the action beyond the jurisdiction of the inferior court." (*A. Soriano y. Cia vs. Jose, et al.*, 86 Phil., 523; 47 Off. Gaz. 12 Supp. p. 156).

"While some doubt had arisen in the past as to whether the jurisdiction of a court depends, in cases where claims or causes of action between the same parties are embodied in a single complaint, on the amount of each single claim or upon the totality of the demand in all the causes of action, we have finally held in the cases of *Soriano vs. Omila*, 97 Phil., 62; 51 Off. Gaz., No. 7, p. 3465, and *Campos Rueda Corporation vs. Sta. Cruz Lumber Co., Inc.* 98 Phil., 627; 52 Off. Gaz. No. 3, p. 1387, that the jurisdiction of the court depends upon the totality of the demand in all the causes of action irrespective of whether the plural causes constituting the total claim arose out of the same or different transaction. The only exceptions to this rule are (1) where the claims joined under the same complaint are separably owned by, or due to, different parties, in which case each

separate claim furnished the jurisdictional test (*Arganza, et al. vs. International Colleges*, 90 Phil., 470; *Soriano y Cia vs. Jose*, supra; and (2) where not all the causes of action joined are demands or claims for money." (*Teresa Felix Vda. de Rosario vs. Justice of the Peace of Camiling, Tarlac, et al.* 99 Phil., 693; 52 Off. Gaz. 5153).

Furthermore, Section 88 of the Judiciary Act, as amended by Rep. Act No. 2613, Aug. 1, 1959, heretofore cited, now provides—

"Sec. 88. Original jurisdiction in civil cases.—In all civil actions, including those mentioned in Rules fifty-nine and sixty-two of the Rules of Court, arising in his municipality or city, and not exclusively cognizable by the Court of First Instance, the justice of the peace and the judge of a municipal court shall have exclusive original jurisdiction where the value of the subject matter or amount of the demand does not exceed five thousand pesos, exclusive of interests and costs. Where there are several claims or causes of action between the same parties embodied in the same complaint, the amount of the demand shall be the totality of the demand in all the causes of action, irrespective of whether the causes of action arose out of the same or different transactions; but where the claims or causes of action joined in a single complaint are separately owned by or due to different parties, each separate claim shall furnish the jurisdictional test. * * *"

In view hereof, the judgment appealed from, in so far as the appellant Salvador Miranda, Florentino Domactoy, Hermogenes Camacho, Amado Villanueva, Maralitico Pa-lomata, Eduardo C. Quimpo, Juan Tupas, Pedro Bugallon, Gerardo Gaboy, Camilo Alalin, Alfonso Pavila, Juan Mutia, Matias Marabe, Simon Largo, Epifanio Dumanggas, Meliton Arias, Felipe Lorarania, Basilio Baybayon, Espiridion Cajilig, Ricardo Pador," Jose Monsalle, Olegario Samson, Luis Agrandez and Apolonio Ondoy are concerned, is AFFIRMED. The appealed judgment with, respect to plaintiff Mauricio Mirano (Chief Engineer), is SET ASIDE, and the Court of origin is hereby directed to render a decision on the merits, as the evidence and the law on the matter may warrant. With costs against the plaintiffs-appellants.

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

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