

BAY VIEW HOTEL, INC., PETITIONER, VS. MANILA HOTEL WORKERS' UNION-PTGWO, HONORABLES JOSE S. BAUTISTA, ARSENIO I. MARTINEZ, BALTAZAR M. VILLANUEVA AND AMANDO C. BUGAYONG, JUDGES ...

G.R. No. L-21803. December 17, 1966

Ponente: SANCHEZ, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/bd175922cd8d/>

SANCHEZ, J.:

Following are the grievances lodged in the Court of Industrial Relations (herein referred to as CIR)[1] by respondent union against petitioner, Bay View Hotel, Inc., on September 27, 1962, viz:

"3. That the respondent [petitioner herein], in violation of Commonwealth Act No. 444, better known as the Eight-Hour Labor Law, has not been paying full overtime compensation to the employees who have worked and have been working for more than eight hours a day due to the exigency of the service and those also who have worked and have been working on Sundays and legal holidays;

4. That the respondent, in violation of Sec. 10, letters (f) and (g), of Republic Act No. 602, better known as the Minimum Wage Law, has been deducting the amount of P2.00 from each employee every month allegedly for medical fees thus reducing the salaries of the employees without the consent of the employees concerned;

5. That the respondent has not also been paying or has not been refunding in full to the employees concerned the collection from the customers of the Manila Hotel of the extra 'service charge' in lieu of 'tips' to the waiters or roomboys and which therefore are supposed to be paid to said employees but respondent has not been able to pay or refund in full said collection to the employees concerned;

6. That the respondent has not been complying with the grant of vacation leave of three (3) days a year in accordance with the Collective Bargaining Contract between the respondent and the Hotel Employees Union, another union in the respondent premises which is the collective bargaining agency in the Collective Bargaining Contract with the respondent;

7. That the respondent has been dismissing many of the members of the petitioner union since the organization and registration of the petitioner herein with the Department of Labor on May 31, 1962 beginning with the dismissal of the Treasurer, Ramiro Zamora, and Manuel Braga, board member, on the same date and thereafter, has dismissed and has been dismissing from the service its employees who are members of the petitioner union without just cause or for union activities up to this date, numbering 65 employees in all, 41 of whom were refused admission by an illegal lock-out in the Laundry Department of the respondent on August 26, 1962, and [of] the Bamboo Room on September 10, 1962, whose names and dates of dismissal are herewith attached as Annex 'A' and made a part of this petition;"

On January 16, 1963, petitioner moved to dismiss. Grounds: (1) CIR has no jurisdiction; and (2) the dismissals and lockout alleged, constitutive of unfair labor practice, are the subject matter of Case 3387-ULP before another branch of the CIR.

On March 11, 1963, CIR Judge Emiliano C. Tabigne sustained the motion, dismissed the petition for want of jurisdiction.

On August 15, 1963, the CIR en banc resolved to reverse Judge Tabigne's order. It declared itself with jurisdiction "under the Com. Act No. 103, and the ruling in the Prisco case" since "the number of the complainants involved exceeds thirty (30), they are still employees of the respondent, their claims arose out of employment relation, and the labor dispute may cause a strike or lock-out". The court gave due course to the complaint. As expected, Judge Tabigne dissented. Petitioner now brings this matter to us on certiorari.

- Petitioner's case is planted upon the averment that respondent's causes of action are not covered by any one of those enumerated in the 1956 case of PAFLU vs. Tan, 99 Phil. 854, 882. There, this Court confined the CIR's jurisdiction to the following cases:

"x x x (1) when the labor dispute affects an industry which is indispensable to the national interest and is so certified by the President to the industrial court (Section 10, Republic Act No. 875); (2) when the controversy refers to minimum wage under the Minimum Wage Law (Republic Act No. 602); (3) when it involves hours of employment under the Eight-Hour Labor Law (Commonwealth Act No. 444); and (4) when it involves an unfair labor practice [Section 5, (a). Republic Act No. 875]."

But the court below asserted jurisdiction on the authority of PRISCO vs. CIR, et al., L-13806, May 23, 1960. In that case, this Court reviewed the cases decided since PAFLU and then stated:

"Analyzing these cases, the underlying principle, it will be noted in all of them, though not stated in express terms, is that where the employer-employee relationship is still existing or is sought to be reestablished because of its wrongful severance (as where the employee seeks reinstatement), the Court of Industrial Relations has jurisdiction over all claims arising out of, or in connection with employment, such as those related to the Minimum Wage Law and the Eight-Hour Labor Law. After the termination of the relationship and no reinstatement is sought, such claims become mere money claims, and come within the jurisdiction of the regular courts.

We are aware that in 2 cases,[2] some statements implying a different view have been made, but we now hold and declare the principles set forth in the next preceding paragraph as the one governing all cases of this nature."

Then, amongst the many cases thereafter, restatements were made in Sy Huan vs. Bautista, et al., L-16115, August 29, 1961, and Campos, et al., vs. Manila Railroad Co., et al., L-17905, May 25, 1962. In Sy Huan, we said:

"The jurisdiction of the Court of Industrial Relations, under the law and the jurisprudence, extends only to cases involving (a) labor disputes affecting an industry which is indispensable to the national interest and so certified by the President to the Court, Section 10, Republic Act No. 875; (b) controversy about the minimum wage under the Minimum Wage Law, Republic Act No. 602; (c) hours of employment under the Eight-Hour Labor Law, Commonwealth Act No. 444; and (d) unfair labor practice. Section 5 (a) Republic Act No. 875. PAFLU vs. Tan, 52 O.G. 5836. xxx And such disputes and controversies, in order that they may fall under the jurisdiction of the Court of Industrial Relations, must arise while the employer-employee relationship between the parties exists, or the employee seeks reinstatement. When such relationship is over and the employee does not seek reinstatement, all claims become money claims that fall under the jurisdiction of the regular courts. Price Stabilization Corporation vs. Court of Industrial Relations, et al, x x x".

And in Campos, the language we employed was:

"We may, therefore, restate, for the benefit of the bench and the bar, that in order that the Court of Industrial Relations may acquire jurisdiction over a controversy in the light of Republic Act No. 875, the following circumstances must be present: (a) there must exist between the parties an employer-employee relationship, or the claimant must seek his reinstatement; and (b) the controversy must relate to a case certified by the

President to the CIR as one involving national interest, or must have a bearing on an unfair labor practice charge, or must arise either under the Eight-Hour Labor Law, or under the Minimum Wage Law. In default of any of these circumstances the claim becomes a mere money claim that comes under the jurisdiction of the regular courts."

Later pronouncements reiterate the Campos case. As matters now stand, the doctrine enunciated in Campos still prevails.[3]

- A rule so highly esteemed and honored for so long a time is that jurisdiction over the subject matter is determined by the allegations of the complaint,[4] the truth of which is to be theoretically admitted.[5]

With this precept on hand, we now proceed to analyze the recitals in the petition.

There is an employer-employee relationship. And those dismissed seek reinstatement. The initial requirement of the Campos rule is thus satisfied.

Next we go to the claims of respondent union.

The first refers to a violation of Commonwealth Act 444. Petitioner herein, so the union asserts, "has not been paying full overtime compensation to the employees" who worked more than eight hours a day and also on Sundays and holidays.

The second involves a transgression of Republic Act 602. Petitioner, it is alleged, "has been deducting the amount of P2.00 from each employee every month allegedly for medical fees thus reducing the salaries of the employees" without their consent.

These two fall clearly within the orbit of the Campos decision. For, they are claims that "arise either under the Eight-Hour Labor Law, or under the Minimum Wage Law".[6]

Another claim: The alleged dismissals of union members, including union officials, numbering 65 in all, and lockout of 41 of that number — "without just cause or for union activities". This is an unfair labor practice charge[7] over which the CIR unquestionably has jurisdiction.[8]

We are not unmindful of the admission made by the respondent union in its opposition of January 19, 1963 — to the motion to dismiss — that "the dismissal and lockout made by respondent [petitioner herein], as alleged in the complaint, have been duly investigated by the Prosecuting Division" of the CIR "and assigned to another branch" of said court as Case No. 3387-ULP.[9] This fact alone will not dislodge jurisdiction from the CIR. The complaint in the case at bar, we must remember, was presented on September 27, 1962, long before the union made the admission aforesaid on January 19, 1963. And, it is not known whether ULP case was filed before the present complaint was received in court. Or, whether said ULP case was but an offshoot of that complaint. If the latter be the case, then the charge of unfair labor practice here is necessarily interwoven with the ULP case. And, said charge, should not be dismissed. Because, jurisdiction once acquired is not lost.

Two grievances remain.

One is that petitioner "has not been refunding in full" to the waiters and roomboys the amounts collected from customers as extra "service charge" in lieu of "tips". The other is that petitioner has failed to comply "with the grant of vacation leave of three (3) days a year in accordance with the Collective Bargaining Contract".

Whether the two causes just mentioned, standing alone, belong to the domain of the CIR, we need not now consider. The industrial court has jurisdiction over the main causes of action with respect to minimum wage, overtime compensation and unfair labor practice. Which places the complaint herein in its entirety, including the

two, within the jurisdiction of the industrial court. Because, all of said claims arose out of the same employment.

- But, petitioner takes the position that jurisdiction over one is not jurisdiction over all.

This Court, however, already had occasion to rule in a case^[10] similar in factual context to the present, as follows:

"x x x But considering that in this case, plaintiff-appellant's main claim is for the collection of overtime compensation, which comes within the jurisdiction of the Industrial Court, We see no reason for dividing the 2 causes of action, involved herein and for holding that one falls within the jurisdiction of one court and the remaining cause of action of another court, x x x"

We find reinforcement of this view in PRISCO, supra, where express pronouncement was made that as long as the employer-employee relationship exists or is sought to be re-established, the industrial court "has jurisdiction over all claims arising out of, or in connection with, employment".^[11]

We are unprepared to break away from the teaching in the cases just adverted to. To draw a tenuous jurisdictional line is to undermine stability in labor litigations. A piecemeal resort to one court and another gives rise to multiplicity of suits. To force the employees to shuttle from one court to another to secure full redress is a situation gravely prejudicial. The time to be lost, effort wasted, anxiety augmented, additional expense incurred — these are considerations which weigh heavily against split jurisdiction. Indeed, it is more in keeping with orderly administration of justice that all the causes of action here "be cognizable and heard by only one court: the Court of Industrial Relations."^[12]

FOR THE REASONS GIVEN, the petition for certiorar is hereby denied and the appealed resolution of the Court of Industrial Relations en banc of August 15, 1963 is hereby affirmed. Costs against petitioner Bay View Hotel, Inc.

SO ORDERED.

Concepcion, C.J., Reyes, J.B.L., Barrera, Dizon, Regala, Makalintal, Bengzon, J.P., Zaldivar and Ruiz Castro, JJ., concur.

[1] Case No. 1755-V, entitled "Manila Hotel Workers' Union-PTGWO, petitioner, vs. Bay View Hotel, Inc., operator of the Manila Hotel, respondent".

[2] Mindanao Eus Employees Labor Union (PLUM) vs. Mindanao Bus Co., et al., L-9795, December 28, 1957; Gomez vs. North Camarines Lumber Co., L-11945, August 18, 1958.

[3] Naguiat vs. Arcilla, et al., L-16602, February 28, 1963; Araullo vs. Monte de Piedad Savings Bank, et al., L-17840, April 23, 1963; Barranta vs. International Harvester Company of the Philippines, L-18198, April 22, 1963; National Mines & Allied Workers' Union vs. Philippine Iron Mines, Inc., et al., L-19372, October 31, 1964; Mercado vs. Elizalde & Co., Inc., L-18962, December 23, 1964; Oriental Tin Cans Workers' Union vs. Court of Industrial Relations, et al., L-17695, February 26, 1965; Edward J. Nell Corporation vs. Cubacub, et al., L-20842, June 23, 1965.

[4] Suanes vs. Almeda Lopez, 73 Phil. 573-574; Atlantic Gulf & Pacific Company of Manila, Inc., etc. vs. Olivar, et al., L-19526, September 20, 1965.

[5] Insular Sugar Refining Corporation vs. Court of Industrial Relations, et al., L-19247; May 31, 1963; Edward J. Nell Corporation vs. Cubacub, et al., supra.

[6] (a) As to overtime compensation, see also: *NASSCO vs. Almin, et al.*, L-9055, November 28, 1958; *Monares vs. CNS Enterprises, et al.*, L-11749, May 29, 1959. (b) On the question of propriety of deductions made from wages, see *Benguet Consolidated Mining Company vs. Coto Labor Union*, L-12394, May 29, 1959.

[7] Section 4 (a) (4), Industrial Peace Act.

[8] Section 5, Industrial Peace Act.

[9] Quoted from the Order of Judge Tabigne dated March 11, 1963.

[10] *Gomez vs. North Camarines Lumber Co., Inc.*, L-11945, August 18, 1958, which involves two claims: separation pay and overtime compensation. See also; *Pambujan Sur United Mine Workers vs. Samar Mining Co., Inc.*, 94 Phil. 932, 938.

[11] Italics supplied.

[12] *Gomez vs. North Camarines Lumber Co.*, *supra*.

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.