

**FILIPRO, INC. AND HILARION TANTOCO BROKERAGE,
INCORPORATED, PETITIONERS AND APPELLEES, VS. F. A. FUENTES,
ET AL., RESPONDENTS AND APPELLANTS.***G.R. No. L-17781. December 29, 1962*

Ponente: PAREDES, J.

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On March 24, 1958, thirty-one (31) persons, alleging that they had been employed by the petitioners on various dates between the years 1946 and February 17, 1958, and that they were dismissed on the latter date without just cause and previous notice, filed with the Department of Labor, Regional Office No. 3, a claim for supposed separation pay with legal rate of interest amounting to P14,215.50. The claim was docketed as Case No. R-03-LS-1206, the hearing of which was scheduled before labor Officer J. Benedicto. Before the scheduled date of hearing, petitioners presented with the CFI of Manila a Petition for Prohibition with Preliminary Injunction, the pertinent allegations of which recite—

"5. That the contemplated proceedings in said office on the above-mentioned complaint as Stated in the preceding paragraph hereof, constitute a judicial function, and the respondents F. A. Fuentes and J. Benedicto have no valid authority under the law to undertake or conduct such proceedings.

6. That Republic Act No. 997, as amended by Republic Act No. 1241, under which the said respondents F. A. Fuentes and J. Benedicto purport to derive their powers to conduct such judicial proceedings on the said case merely created a Commission to reorganize the executive branch of the government; that said Commission had no authority under the law to confer judicial or quasi-judicial powers upon the Department of Labor, particularly its Regional Office No. 3, where none existed before, and if the said Commission was granted such authority, the same would be an unconstitutional delegation of legislative powers upon the said Commission;

7. That unless this Honorable Court issues a restraining order commanding the said respondent Administrator and Hearing Officer of Regional Office No. 3, Department of Labor, to desist from continuing with the contemplated judicial proceedings on said case, the same respondents will conduct a trial on the merits of said case, render judgment thereon, and finally may issue writs of execution to enforce said judgment, although they have no power or authority to do so."

On June 12, 1958, upon the filing of a P500.00 bond, the Court issued a preliminary writ, ordering the respondents F. A. Fuentes and J. Benedicto to desist, pending final determination of the case, from proceeding with the hearing of the claim for separation pay No. R03-LS-No.1206. Under date of June 24, 1958, respondents file their Answer and after the usual objections, admissions and denials, they interposed nine (9) Special and Affirmative Defenses, contending, in the main, that the power and authority to hear and decide cases of the same nature as the one at bar had been validly delegated to them by Republic Act No. 997, as amended by Act No. 1241, the rules and regulations of which to implement such delegation having been contained in Reorganization Plan No. 20-A, more particularly Sec. 25, thereof which provided that the regional offices shall have original and exclusive jurisdiction over all cases falling under the Workmen's compensation Law and money claims arising

from violations of labor standards and working conditions.

On October 20, 1960, the lower court rendered judgment, the pertinent portions of which state—

"The Court hence concludes that the Regional offices in the Department of Labor have not been legally created so that respondents F. A. Fuentes and J. Benedicto as Administrator of Regional Office No. 3 of the Department of Labor and hearing officer, respectively, have no authority to receive and hear the complaint of their herein co-respondents filed against herein petitioners.

IN VIEW OF THE FOREGOING, the writ of prohibition herein prayed for is hereby granted and respondents F. A. Fuentes and J. Benedicto as Administrator of regional Office No. 3, Department of Labor, and Hearing Officer in said office, respectively, are hereby ordered to desist from further proceeding with Case No. R-03-LS-1206 filed against herein petitioners.

This proceeding is without pronouncement as to costs."

The above judgment is the subject of the instant appeal, respondents-appellants maintaining the validity of Reorganization Plan No. 20-A.

There is no need for us to elaborate on the merits of the instant appeal by respondents. This Court in a number of cases had already settled the matter, thus:—

"* * *. So that it was not the intention of Congress, in enacting Rep. Act No. 997, to authorize the transfer of powers and jurisdiction granted to courts of justice from these, to the officials to be appointed or office to be created by the Reorganization Plan. * * *. The Legislature could not have intended to grant such powers to the Reorganization Commission, an executive body, as the Legislature may not and cannot delegate its powers to legislate or create court of justice to any other agency of the Government. * * * the provision of Reorganization Plan No. 20-A, particularly Sec. 25, which grants to the regional offices original and exclusive jurisdiction over money claims of laborers, is null and void, said grant having been made without authority of Rep. Act No. 997 (Corominas, Jr., et al. vs. Labor Standards Commission, et al., MCU vs. Calupitan, et al., Wong vs. Carlim, et al., Balrodgan Co., et al., vs. Fuentes, et al., 112 Phil., 551; Pitogo vs. Sen Bee Trading Co., et al., 112 Phil., 842; all cited in Cagalawan vs. Customs Canteen, et al., G. R. No. L-16031, Oct. 31, 1961)

The above doctrine was reiterated in the case of Worldwide Paper Mills, Inc., vs. Labor Standards Commission, et al., G.R. No. L-17016, April 25, 1962.

Conformably with all the foregoing, the decision appealed from should be, as it is hereby affirmed. No costs.

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

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