

## **BOARD OF LIQUIDATORS AND NATIONAL RESETTLEMENT AND REHABILITATION ADMINISTRATION, PETITIONERS, VS. COURT OF INDUSTRIAL RELATIONS AND EX-LASEDECO EMPLOYEES ASSOCIATION, RESPONDENTS.**

*G.R. No. L-15485. May 23, 1960*

Ponente: BARRERA, J.

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### **BARRERA, J.:**

This is a petition to review on certiorari the decision of respondent Court of Industrial Relations of March 19, 1959, as well as its resolution en banc dated May 4, 1959.

The principal issue in this case, upon the resolution of which depend the others discussed by the parties, is whether the respondent Court of Industrial Relations has jurisdiction to hear and adjudicate the claims of respondent Ex-Lasedeco Employees Association "contained in its petition filed against herein petitioners board of Liquidators (BOL) and National Resettlement and Rehabilitation Administration (NARRA).

Respondent labor organization, in representation of its members, numbering 211 employees and workers formerly employed with the defunct Land Settlement and Development Corporation (LASEDECO) filed a petition in the trial court (in Case No. 1024-V, Court of Industrial Relations), for alleged underpayment of their salaries and wages from November, 1953 to June 18, 1954; separation pay; gratuity claimed to be due them under Republic Act 1160; and for sick and vacation leave pay, plus actual and moral damages. A motion to dismiss on the ground, among others, of lack of jurisdiction of the court, was denied, although the resolution of said specific question was deferred "until after the hearing on the merits, to avoid repetition in the presentation of evidence". After answer and the trial, judgment was rendered declaring the court with jurisdiction and ordering the therein respondent BOL to compute, and the NARRA to pay, (1) the back salaries of claimants-members of therein petitioner Association and, (2) the differential pay in their gratuities, severance pay and vacation and sick leaves of absences.

Their motion for reconsideration having been denied, herein petitioners presented in this Court the instant petition for review on certiorari, complaining that the lower court erred (1) in assuming jurisdiction over the case; (2) in holding petitioner NARRA liable to pay the monetary claims of respondent Ex-Lasedeco Employees Association; and (3) in holding that the cause of action accrued against petitioner NARRA.

Anent the first error assigned above, it appears that claimants—members of respondent Association were all former employees and workers of the defunct LASEDECO, who never were in tile service of either BOL or NARRA; that they do not seek reinstatement to their former jobs; that their first cause of action in their complaint refers to alleged, unpaid back salaries; the second cause of action refers to the collection of separation pay under Republic Act No. 1160; the third cause of action refers to the payment of gratuity, also under Republic Act No. 1160; and the fourth cause of action refers to the cash value of sick and vacation leaves of absences during their past employment. All these obligations, even if true, concern purely civil or monetary obligations, and the action for

their collection, is within the jurisdiction of the Courts of First Instance and not of respondent Court of Industrial Relations.

In the recent case of Price Stabilization Corporation vs. Court of Industrial Relations, et al. (supra, p. 134) this Court had occasion to consider again the question of jurisdiction of the Court of Industrial Relations on similar money claims and after reviewing previous decisions on the matter, we ruled.

"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 the 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 (Mindanao Bus Employees Labor Union [PLUM] vs. Mindanao Bus Co., et al., 102 Phil., 1179; Gomez vs. North Camarines Lumber Co., Inc., 104 Phil., 294; 56 Off. Gaz., [12] 2630) some statements implying a different view have been made, but we now hold and declare the principle set forth in the next preceding paragraph as the one governing all cases of this nature."

In the light of the foregoing, and considering that the members of respondent Association are former employees and workers of the defunct LASEDECO, who were laid off from service therewith in November, 1953, and do not seek reinstatement thereto, we find that respondent Court had no jurisdiction over the present case. With this conclusion we deem it unnecessary to deal with the other errors assigned by petitioner.

Wherefore the questioned decision and resolution of respondent Court of Industrial Relations, are hereby set aside, without costs. So ordered.

Paras, C. J., Bengzon, Montemayor, Bautista Angelo, Labrador, Concepcion and Gutierrez David, JJ., concur.  
Reyes, J.B.L., J., on leave, took no part.

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