

DELTAVENTURES RESOURCES, INC., PETITIONER, VS. HON. FERNANDO P. CABATO, PRESIDING JUDGE REGIONAL TRIAL COURT, LA TRINIDAD, BENGUET, BRANCH 62; HON. GELACIO L. RIVERA, JR., EXECU...

G.R. No. 118216. March 09, 2000

Ponente: QUISUMBING, J.

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QUISUMBING, J.:

This special civil action for certiorari seeks to annul the Order dated November 7, 1994,[1] of respondent Judge Fernando P. Cabato of the Regional Trial Court of La Trinidad, Benguet, Branch 62, in Civil Case No. 94-CV-0948, dismissing petitioner's amended third-party complaint, as well as the Order dated December 14, 1994,[2] denying motion for reconsideration.

On July 15, 1992, a Decision[3] was rendered by Executive Labor Arbiter Norma Olegario, National Labor Relations Commission - Regional Arbitration Board, Cordillera Autonomous Region (Commission), in NLRC Case No. 01-08-0165-89 entitled "Alejandro Bernardino, et al. vs. Green Mountain Farm, Roberto Ongpin and Almus Alabe", the dispositive portion of which reads as follows:

"WHEREFORE, judgment is hereby rendered declaring the respondents guilty of Illegal Dismissal and Unfair Labor Practice and ordering them to pay the complainants, in solidum, in the amounts herein below listed:

1. Violy Libao P131,368.07
2. Myra Bayaona 121,470.23
3. Gregorio Dulay 128,362.17
4. Jesus Gatcho 126,475.1701
5. Alejandro Bernardino 110,158.20
6. Pilando Tangay 107,802.66
7. Aida Libao 129,967.34
8. Rey Dayap 123,289.21
9. Nestor Rabang 90,611.69
10. Augusto Granados 108,106.03

plus attorney's fees in the amount of P10,000.00.

Respondent Almus Alabe is also ordered to answer in exemplary damages in the amount of P5,000.00 each to all the complainants.

x x x x x x x x

SO ORDERED."[4]

On May 19, 1994, complainants in the abovementioned labor case, filed before the Commission a motion for the issuance of a writ of execution as respondent's appeal to the Commission and this Court[5] were respectively denied.

On June 16, 1994, Executive Labor Arbiter Gelacio C. Rivera, Jr. to whom the case was reassigned in view of Labor Arbiter Olegario's transfer, issued a writ of execution[6] directing NLRC Deputy Sheriff Adam Ventura to execute the judgment against respondents, Green Mountain Farm, Roberto Ongpin and Almus Alabe. Sheriff Ventura then proceeded to enforce the writ by garnishing certain personal properties of respondents. Finding that said judgment debtors do not have sufficient personal properties to satisfy the monetary award, Sheriff Ventura proceeded to levy upon a real property covered by Tax Declaration No. 9697, registered in the name of Roberto Ongpin, one of the respondents in the labor case. Thereafter, Sheriff Ventura caused the publication on the July 17, 1994 edition of the Baguio Midland Courier the date of the public auction of said real property.

On July 27, 1994, a month before the scheduled auction sale, herein petitioner filed before the Commission a third-party claim[7] asserting ownership over the property levied upon and subject of the Sheriff's notice of sale. Labor Arbiter Rivera thus issued an order directing the suspension of the auction sale until the merits of petitioner's claim has been resolved.[8]

However, on August 16, 1994, petitioner filed with the Regional Trial Court of La Trinidad, Benguet a complaint for injunction and damages, with a prayer for the issuance of a temporary restraining order against Sheriff Ventura, reiterating the same allegations it raised in the third party claim it filed with the Commission. The petition was docketed as Civil Case No. 94-CV-0948, entitled "Deltaventures Resources, Inc., petitioner vs. Adam P. Ventura, et. al., defendants." The next day, August 17, 1994, respondent Judge Cabato issued a temporary restraining order, enjoining respondents in the civil case before him to hold in abeyance any action relative to the enforcement of the decision in the labor case.[9]

Petitioner likewise filed on August 30, 1994, an amended complaint[10] to implead Labor Arbiter Rivera and herein private respondent-laborers.

Further, on September 20, 1994, petitioner filed with the Commission a manifestation[11] questioning the latter's authority to hear the case, the matter being within the jurisdiction of the regular courts. The manifestation, however, was dismissed by Labor Arbiter Rivera on October 3, 1994.[12]

Meanwhile, on September 20, 1994, private respondent-laborers, moved for the dismissal of the civil case on the ground of the court's lack of jurisdiction.[13] Petitioner filed its opposition to said motion on October 4, 1994.[14]

On November 7, 1994, after both parties had submitted their respective briefs, respondent court rendered its assailed decision premised on the following grounds:

"First, this Court is of equal rank with the NLRC, hence, has no jurisdiction to issue an injunction against the execution of the NLRC decision. x x x.

Second, the NLRC retains authority over all proceedings anent the execution of its decision. This power carries with it the right to determine every question which may be involved in the execution of its decision. x x x.

Third, Deltaventures Resources, Inc. should rely on and comply with the Rules of the NLRC because it is the principal procedure to be followed, the Rules of Court being merely supplementary in application, x x x.

Fourth, the invocation of estoppel by the plaintiffs is misplaced. x x x. [B]efore the defendants have filed their

formal answer to the amended complaint, they moved to dismiss it for lack of jurisdiction.

Lastly, the plaintiff, having in the first place addressed to the jurisdiction of the NLRC by filing with it a Third Party Claim may not at the same time pursue the present amended Complaint under the forum shopping rule."^[15]

Their motion for reconsideration having been denied by respondent Judge,^[16] petitioner promptly filed this petition now before us.

In spite of the many errors assigned by petitioner,^[17] we find that here the core issue is whether or not the trial court may take cognizance of the complaint filed by petitioner and consequently provide the injunctive relief sought. Such cognizance, in turn, would depend on whether the acts complained of are related to, connected or interwoven with the cases falling under the exclusive jurisdiction of the Labor Arbiter or of the NLRC.

Petitioner avers that court a quo erred in dismissing the third-party claim on the ground of lack of jurisdiction. Further, it contends that the NLRC-CAR did not acquire jurisdiction over the claim for it did not impugn the decision of the NLRC-CAR but merely questioned the propriety of the levy made by Sheriff Ventura. In support of its claim, petitioner asserts that the instant case does not involve a labor dispute, as no employer-employee relationship exist between the parties. Nor is the petitioner's case related in any way to either parties' case before the NLRC-CAR hence, not within the jurisdiction of the Commission.

Basic as a hornbook principle, jurisdiction over the subject matter of a case is conferred by law and determined by the allegations in the complaint^[18] which comprise a concise statement of the ultimate facts constituting the petitioner's cause of action.^[19] Thus we have held that:

"Jurisdiction over the subject-matter is determined upon the allegations made in the complaint, irrespective of whether the plaintiff is entitled or not entitled to recover upon the claim asserted therein - a matter resolved only after and as a result of the trial."^[20]

Petitioner filed the third-party claim before the court a quo by reason of a writ of execution issued by the NLRC-CAR Sheriff against a property to which it claims ownership. The writ was issued to enforce and execute the commission's decision in NLRC Case No. 01-08-0165-89 (Illegal Dismissal and Unfair Labor Practice) against Green Mountain Farm, Roberto Ongpin and Almus Alabe.

Ostensibly the complaint before the trial court was for the recovery of possession and injunction, but in essence it was an action challenging the legality or propriety of the levy vis-a-vis the alias writ of execution, including the acts performed by the Labor Arbiter and the Deputy Sheriff implementing the writ. The complaint was in effect a motion to quash the writ of execution of a decision rendered on a case properly within the jurisdiction of the Labor Arbiter, to wit: Illegal Dismissal and Unfair Labor Practice. Considering the factual setting, it is then logical to conclude that the subject matter of the third party claim is but an incident of the labor case, a matter beyond the jurisdiction of regional trial courts.

Precedent abound confirming the rule that said courts have no jurisdiction to act on labor cases or various incidents arising therefrom, including the execution of decisions, awards or orders.^[21] Jurisdiction to try and adjudicate such cases pertains exclusively to the proper labor official concerned under the Department of Labor and Employment. To hold otherwise is to sanction split jurisdiction which is obnoxious to the orderly administration of justice.^[22]

Petitioner failed to realize that by filing its third-party claim with the deputy sheriff, it submitted itself to the jurisdiction of the Commission acting through the Labor Arbiter. It failed to perceive the fact that what it is really controverting is the decision of the Labor Arbiter and not the act of the deputy sheriff in executing said order

issued as a consequence of said decision rendered.

Jurisdiction once acquired is not lost upon the instance of the parties but continues until the case is terminated.[23] Whatever irregularities attended the issuance an execution of the alias writ of execution should be referred to the same administrative tribunal which rendered the decision.[24] This is because any court which issued a writ of execution has the inherent power, for the advancement of justice, to correct errors of its ministerial officers and to control its own processes.[25]

The broad powers granted to the Labor Arbiter and to the National Labor Relations Commission by Articles 217, 218 and 224 of the Labor Code can only be interpreted as vesting in them jurisdiction over incidents arising from, in connection with or relating to labor disputes, as the controversy under consideration, to the exclusion of the regular courts.

Having established that jurisdiction over the case rests with the Commission, we find no grave abuse of discretion on the part of respondent Judge Cabato in denying petitioner's motion for the issuance of an injunction against the execution of the decision of the National Labor Relations Commission.

Moreover, it must be noted that the Labor Code in Article 254 explicitly prohibits issuance of a temporary or permanent injunction or restraining order in any case involving or growing out of labor disputes by any court or other entity (except as otherwise provided in Arts. 218 and 264). As correctly observed by court a quo, the main issue and the subject of the amended complaint for injunction are questions interwoven with the execution of the Commission's decision. No doubt the aforecited prohibition in Article 254 is applicable.

Petitioner should have filed its third-party claim before the Labor Arbiter, from whom the writ of execution originated, before instituting said civil case. The NLRC's Manual on Execution of Judgment,[26] issued pursuant to Article 218 of the Labor Code, provides the mechanism for a third-party claimant to assert his claim over a property levied upon by the sheriff pursuant to an order or decision of the Commission or of the Labor Arbiter. The power of the Labor Arbiter to issue a writ of execution carries with it the power to inquire into the correctness of the execution of his decision and to consider whatever supervening events might transpire during such execution.

Moreover, in denying petitioner's petition for injunction, the court a quo is merely upholding the time-honored principle that a Regional Trial Court, being a co-equal body of the National Labor Relations Commission, has no jurisdiction to issue any restraining order or injunction to enjoin the execution of any decision of the latter.[27]

WHEREFORE, the petition for certiorari and prohibition is DENIED. The assailed Orders of respondent Judge Fernando P. Cabato dated November 7, 1994 and December 14, 1994, respectively are AFFIRMED. The records of this case are hereby REMANDED to the National Labor Relations Commission for further proceedings.

Costs against petitioner.

SO ORDERED.

Bellosillo, (Chairman), Mendoza, Buena, and De Leon, Jr., JJ., concur.

[1] Rollo, pp. 7 - 14.

[2] Id. at 15.

[3] Id. at 63-76.

[4] Id. at 75-76.

[5] Id. at 185.

[6] Id. at 219 - 223.

[7] Id. at 83 - 85.

[8] Id. at 147.

[9] Id. at 90 - 91.

[10] Id. at 51-61.

[11] Id. at 113 - 118.

[12] Id. at 124 - 128.

[13] Id. at 92- 101.

[14] Id. at 102 - 112.

[15] Id. at 11 - 12.

[16] Id. at 15.

[17] Id. at 24 - 25.

[18] *Bernardo, Sr. v. CA*, 263 SCRA 660, 671 (1996); *Sandel v. CA*, 262 SCRA 101, 110 (1996); *San Miguel Corporation v. NLRC*, 255 SCRA 133, 143 (1996); *Amigo v. CA*, 253 SCRA 382, 389 (1996).

[19] Sec. 3, Rule 6, Revised Rules of Court.

[20] *Multinational Village Homeowners Ass., Inc. v. CA, et. al.*, 203 SCRA 104, 107 (1991).

[21] *Tipait v. Reyes*, 218 SCRA 592, 595 (1993); *Velasco v. Ople*, 191 SCRA 636, 641-642 (1990).

[22] *Balais v. Velasco*, 252 SCRA 707, 721 (1996); *Associated Labor Unions (ALU-TUCP) v. Borromeo*, 166 SCRA 99, 102 (1988).

[23] *Gimenez v. Nazareno*, 160 SCRA 1, 5 (1988).

[24] *Pucan v. Bengzon*, 155 SCRA 692, 700 (1987).

[25] *Balais v. Velasco*, 252 SCRA 707, 720 (1996).

[26] Rule VI of the NLRC's Manual on Execution of Judgment, Section 2. Proceedings. - If property levied upon be claimed by any person other than the losing party or his agent, such person shall make an affidavit of his title thereto or right to the possession thereof, stating the grounds of such right or title and shall file the same with the sheriff and copies thereof served upon the Labor Arbiter or proper officer issuing the writ and upon the prevailing party. Upon receipt of the third party claim, all proceedings with respect to the execution of the property subject of the third party claim shall automatically be suspended and the Labor Arbiter or proper officer issuing the writ shall conduct a hearing with due notice to all parties concerned and resolve the validity of the claim within ten (10) working days from receipt thereof and his decision is appealable to the Commission within 10 working days from notice, and the Commission shall resolve the appeal within the same period.

However, should the prevailing party put up an indemnity bond in a sum not less than the value of the property levied, the execution shall proceed. In case of disagreement as to such value, the same shall be determined by the Commission or Labor Arbiter who issued the writ."

[27] *New Pangasinan Review, Inc. v. NLRC*, 196 SCRA 56, 66 (1991).

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