

PHILIPPINE WOOD PRODUCTS AND ALFREDO UY, PETITIONERS, VS. COURT OF INDUSTRIAL RELATIONS, TEODORICO GORME, ET AL., RESPONDENTS.

G.R. No. 15279, June 30, 1961

Ponente: PADILLA, J.

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PADILLA, J.:

On 6 January 1958 Teodorico Gorme, Manuel Capili, Alejandro Montilla, Making Purisima, Mario Gorme, Democrito Montajes, Joaquin Omapoy and Simeon Flores (hereafter referred to as the respondents) filed a petition in the Court of Industrial Relations (hereafter referred to as the respondent court) for recovery of the total sum of P2,777 due them, which is the difference between what had been paid to them and what should have been paid to them, respectively, as minimum wage under the provisions of Republic Act No. 602; P2,684.87, the total amount due them, respectively, for services rendered beyond eight hours and/or during legal holidays under the provisions of Commonwealth Act No. 444; P1,040 as one month separation pay in lieu of notice under the provisions of Republic Act No. 1052, as amended; and P2,500 as attorney's fees. In addition, they prayed for reinstatement to their respective positions with back wages from 30 December 1954, the date of their dismissal, and for other just and equitable relief (CIR case No. 1095-V, Annex A). On 28 January 1958 the petitioners filed a motion to dismiss on the ground that the respondent court has no jurisdiction of the case because it involves "collection or recovery of overtime, differential and separation pays allegedly due" and unpaid to" the respondents, and that their petition states no cause of action because they have not alleged in their petition "that the dispute is causing or is likely to cause a strike or lockout." (Annex B). On 12 February 1958 the respondent court dismissed the respondents' petition on the ground that it has no "jurisdiction over claims for workers' wages, overtime compensation or separation pay;" and that as regards the question of reinstatement with back pay, it can only take cognizance of the case "in connection with an unfair labor practice case instituted under the Industrial Peace Act" and even if it still has the power of compulsory arbitration under Commonwealth Act No. 103, as amended, still it cannot take cognizance of the case "because the jurisdictional requisites prescribed by Section 4 of the said Act are lacking. (Annex C).

On 2 October 1958 the respondents filed with the respondent court a petition to reopen CIR case No. 1095-V on the ground that in the case of Gomez vs. North Camarines Lumber Company, Inc., 104 Phil., 294; 56 Off. Gaz., (12) 2630; the Supreme Court held that claims for overtime services, minimum wage and separation pay are within the jurisdiction of the respondent court, hence it has jurisdiction of their petition (Annex D). On 7 October 1958 the petitioners filed an "opposition to petition to reopen case," dated 6 October 1958, on the ground that the order of dismissal already had become final and constituted "res adjudicata." (Annex E). On 4 February 1959 the respondent court entered an order holding that the case having been dismissed for lack of jurisdiction, the dismissal could not constitute "res adjudicata" and ordering that the case be reopened and set for hearing (Annex F). On 11 February the petitioners filed a motion for reconsideration and on 21 February 1959, "memorandum of arguments in support of motion for reconsideration" (Annexes G & H). On 5 March 1959 the petitioners filed an

objection to the respondents' motion for reconsideration (Annex I). On 16 March 1959 the respondent court in banc denied the petitioners' motion for reconsideration (Annex J).

Contending that in entering the orders dated 4 February 1959, granting the respondents' motion to reopen CIR case No. 1095-V and setting it for hearing (Annex F), and 16 March 1959, denying the petitioners' motion for reconsideration, the respondent court had acted without or in excess of jurisdiction and/or with grave abuse of discretion, the petitioners pray for a writ to annul and set aside the orders complained of and to direct the respondent court to desist from further proceeding in the case.

The petitioners' position is that there being no dispute or controversy between them and the respondents affecting their relation as employer and employee, causing or likely to cause a strike or lockout, because the respondents are no longer under their employ, and that there number being less than thirty, the respondent court has no jurisdiction of the case; and that granting that it has, the dismissal of the respondents' petition already having become "final, executory and conclusive," constituted a bar to the reopening of the case (CIR No. 1095—V).

The petitioners' position is untenable. It is now the settled rule, expressed in *Price Stabilization Corporation vs. Court of Industrial Relations and PRISCO Workers' Union, et al.*, (108 Phil., 134), "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." The respondents' original petition filed in the respondent court on 6 January 1958 was for recovery of overtime pay and minimum wage under the Eight Hour Labor and Minimum Wage Laws and for recovery of separation pay or for reinstatement to their respective positions with back pay (Annex A). Hence the Court of Industrial Relations has jurisdiction of the case. That the employees be thirty-one in number for the Court to acquire jurisdiction of their case is not required of those claiming payment for overtime services and minimum wage and seeking reinstatement. The dismissal of the respondents' original petition should not be taken against them for at the time of its dismissal by the respondent court on 12 February 1958, the respondent court merely followed the prevailing rule in *PAFLU vs. Tan*, 99 Phil., 854; 52 Off. Gaz., 5836 and similar cases. But after the dismissal of their petition the respondents filed their claims against the petitioners in the Regional Office No. 3 of the Department of Labor. However, in view of the promulgation by this Court of its decisions in *Gomez vs. North Camarines Lumber Company*, supra, on 18 August 1958 and *NASSCO vs. Almin*, 104 Phil., 835; 56 Off. Gaz., (9) 1899, holding that the respondent court has jurisdiction over claims for overtime services, minimum wage and separation pay, the respondent court believed that it could, and rightly so, reopen the respondents' case before their respective claims could be finally adjudicated by the regional office of the Department of Labor. The confusion brought about by the contradictory rules in *PAFLU vs. Tan* and subsequent cases, on the one hand, which caused the dismissal of the respondent's case by the respondent court, and *Gomez vs. North Camarines Lumber Company* and *NASSCO vs. Almin*, on the other hand, which led to its reopening by the same court, should not be attributed to the respondents and they should not be made to suffer by it.

The writs prayed for are denied, with costs against the petitioners.

Bengzon, C.J., Labrador, Reyes, J.B.L., Barrera, Paredes, Dizon, De Leon, and Natividad, JJ., concur.

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