

SOUTHWESTERN SUGAR & MOLASSES (FAR EAST), INC., PETITIONER, VS. THE COURT OF INDUSTRIAL RELATIONS AND SERAPIO D. VELASCO, RESPONDENTS.

G.R. No. 17219, August 29, 1961

Ponente: LABRADOR, J.

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LABRADOR, J.:

This is a petition for certiorari to review a Resolution dated February 19, 1960, of the Court of Industrial Relations sitting en banc, affirming an order dated February 3, 1960 of Associate Judge Amado C. Bugayong. The order of Judge Bugayong denied the motion to dismiss filed by the Southwestern Sugar & Molasses Company (Far East) Inc. in case No. 1277-V, entitled "Serapio D. Velasco, complainant, vs. Southwestern Sugar & Molasses Company (Far East), Inc., respondent."

Under date of October 2, 1959, Serapio D. Velasco filed a complaint against the Southwestern Sugar & Molasses Company with the Court of Industrial Relations for payment of overtime pay in the amount of P3,834.65 and attorney's fees in the sum of P300.00. On November 3, 1959, the respondent company filed a motion to dismiss. The first ground supporting the motion is that the claim or demand has already been released by the payment of P582.00, to the complainant who accepted the same in an amicable settlement dated February 18, 1958, as a complete satisfaction of his claims against the company. The second ground is that the court has no jurisdiction over the subject matter of the case, citing the decisions of this Court in the cases of Chua Worker's Union vs. City Automotive Co., et al., G. R. No. L-11655, April 29, 1959 and C. Monares vs. CNS Enterprises, et al., G. R. No. L-11749, May 29, 1959. An opposition to the motion to dismiss was filed by the complainant, claiming that the amicable settlement signed by him is null and void for being contrary to the provisions of Section 6 of Commonwealth Act No. 444 and that, contrary to respondent's contentions, the decision in the case of C. Monares vs. CNS Enterprises, supra, confers jurisdiction over overtime pay upon the Court of Industrial Relations.

On February 3, 1960, Judge Amado C. Bugayong denied the motion to dismiss, holding that the amicable settlement mentioned in the said motion is for the payment of a "settlement pay" in lieu of return to service and that if the amount is to be considered as payment for overtime work, then the amicable settlement is null and void for being violative of the provisions of Sec. 6 of Commonwealth Act No. 444. As regards jurisdiction, Judge Bugayong upheld the court's power and authority to try and decide the instant case.

A motion for reconsideration of the order was filed by the respondent company but the Court sitting en banc on February 5, 1960, affirmed the disputed Resolution. Hence this petition for certiorari.

The sole question to be resolved in this Court is whether or not the lower court has jurisdiction to try and decide the instant case for overtime pay. It is not disputed that complainant is not seeking reinstatement. Neither does it appear that his removal from the company was due to an unfair labor practice on the part of the petitioner company. The issue should be resolved against the jurisdiction of the lower court. It is well-settled in this jurisdiction that all cases involving money claims of laborers or employees, where no reinstatement is sought, or

unfair labor practice involved, fall within the jurisdiction of the regular courts of justice. We have held, thus:

"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, 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." (Price Stabilization Corporation vs. Court of Industrial Relations, et al., 108 Phil., 134).

Even in the decision of this Court in a previous case (C. Monares vs. CNS Enterprises, supra), relied upon by the respondents herein, the rule above-quoted is the same. The fact, however, that this Court in said case ruled in favor of the jurisdiction of the Court of Industrial Relations can not be used as an argument in favor of its jurisdiction in the instant case, simply because the complainant in the Monares case sought in addition to payment for overtime work, his reinstatement in the service.

Wherefore, the Resolution of the lower court dated February 19, 1960, sought herein to be reviewed, is hereby declared null and void, and the complaint filed against the petitioning company is hereby dismissed. With costs against the respondent Serapio D. Velasco.

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

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