

JOSE EDWIN G. ESICO, PETITIONER, VS. ALPHALAND CORPORATION AND ALPHALAND DEVELOPMENT, INC., RESPONDENTS.

G.R. No. 216716, April 07, 2026

Ponente: HERNANDO, J.

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HERNANDO, J.:

For resolution are the Motion for Partial Reconsideration[1] and Supplemental Motion[2] filed by respondents Alphaland Corporation and Alphaland Development, Inc. (collectively respondents Alphaland) of this Court's Decision[3] dated November 17, 2021, reversing and setting aside the Decision[4] dated September 10, 2014 and the Resolution[5] dated January 26, 2015 of the Court of Appeals (CA) in CA-G.R. No. SP No. 134512.

The Antecedents

The instant case arose from a labor dispute between Jose Edwin G. Esico (Esico) and Alphaland.

In a letter-proposal[6] dated March 19, 2010, Esico was offered the position of Risk and Management Security Officer (RSMO) with a monthly basic pay of PHP90,000.00 by PhilWeb Corporation (PhilWeb), a part of Alphaland's group of companies. Though already performing his duties as RSMO as early as March, Esico only signed the letter-proposal on October 28, 2010.[7]

On March 19, 2010, respondents Alphaland concurrently engaged Esico as a rotary wing pilot assigned to fly the Chairperson of Alphaland's group of companies on international and domestic flights.[8] The engagement letter[9] provided that Esico's compensation will be paid by PhilWeb, and that Alphaland will advance the necessary expenses for Esico's training, to wit:

Dear Mr. ESICO,

ALPHALAND DEVELOPMENT, INC. (the "Company") is pleased to engage you in the position of Helicopter Pilot (concurrent with your present duties as Security and Enterprise Risk Management Officer of Philweb Corporation) on the following terms. As we have agreed, your start date will be 19 April 2010.

As Helicopter Pilot of the Company, you will directly report to the Company's Chief Pilot, Mr. Serafin V. Belleza III for flight operations. You will be expected to perform such duties as are normally associated with this position and such duties as are assigned to you from time to time by your immediate superior.

Your compensation will be paid by Philweb Corporation.

Further, the Company agrees to advance the expenses necessary to send you on ground and flight course training for the EC-130 B4, as described in attached Annex A. In turn, you agree to render service to the Company for a minimum period of five (5) years beginning on the start date indicated above. Should you fail to complete this minimum years of service, you shall reimburse the Company for the expenses spent on your training subject to proportionate reduction equivalent to 5% per completed quarter of actual service.

We hope that you and the Company will find mutual satisfaction with your engagement. Kindly indicate your

acceptance of this offer of engagement under the terms set forth herein by signing and returning a copy of this letter to the Company.

Very truly yours,

[signed]

ERIC O. RECTO

Vice Chairman, Alphaland Development, Inc.

Vice Chairman, Philweb Corporation

With my conformity:

[signed]

JOSE EDWIN G. ESICO[10] (Emphasis supplied)

Esico sent an email[11] to Alphaland's Head of Security and Aviation, Mike Asperin[12] (Asperin), expressing his excitement and gratitude over his employment with Alphaland and asking for the latter's recommendation on what salary figure to quote Alphaland for his initial salary as a pilot.[13]

On September 6, 2010, Esico wrote a letter[14] to Alphaland's chief Pilot, Colonel Serafin V. Belleza III (Col. Belleza) informing the latter that he had completed the Eurocopter Flight Training Course and requesting for his representation on re-adjusting Esico's present salary to an appropriate corporate pilot package. The letter reads:

Dear Sir,

Greetings!

I would like to respectfully inform you that the Flight Training (Captain's Course) for EC-130B4 conducted by Eurocopter Phils had been completed last June 28, 2010. Civil Aviation Authority of the Philippines (CAAP) Flight Check requirement to obtain the aircraft type rating license was likewise completed last July 6, 2010. Prior to the said flight training, I joined all flight missions of the Company and acted as Co-Pilot (CP) starting April 19, 2010. I performed various Company Flight Missions and acted Pilot In Command (PIC) after July 6, 2010.

In this regard, I would like to express my sincerest gratitude and appreciation to the Company for this opportunity to work as one of its helicopter pilots.

Further, I would like to inform you that I was interviewed and hired as Risk and Security Management Officer of PhilWeb Corp last March 16, 2010 with a salary corresponds [sic] to the position. On April 19, 2010, I signed a five (5) year employment contract as a Corporate Helicopter Pilot with Alphaland Corp.

In view of these developments, I would like to request your kind representation on re-adjustment of my present salary to an appropriate corporate pilot package.

Rest assured that I will continuously perform these two (2) equal important jobs both in flying and security duties to the highest level of Company standards.

Respectfully Yours,

[signed]

Lt. Colonel Jose Edwin G. Esico (Ret) CSP, SC

Corporate Pilot – Alphaland Corp.

Risk and Security Management Officer – PhilWeb Corp.[15] (Emphasis supplied)

On January 28, 2011, PhilWeb adjusted Esico's compensation package from a gross basic pay of PHP 90,000.00

to PHP 115,000.00, reflecting a 27.77% increase in his salary which now included a monthly representation allowance in the amount of PHP 25,000.00.[16]

In May 2011, Esico underwent flight training in the United States of America to operate the brand new Cessna Grand Caravan 208B purchased by Alphaland for the resort development of its affiliate and subsidiary, Alphaland Balesin Island Resort (Balesin Resort). The total training costs of the Cessna flight training amounted to PHP 657,019.00 broken down as follows: (a) course fees of PHP 488,330.00; (b) airfare of PHP 120,937.00; (c) terminal fee of PHP 750.00; (d) per diem of PHP 34,555.00; (d) clothing allowance of PHP 8,628.00; and (e) accommodations of PHP 25,562.00 less the per diem adjustment of PHP 21,743.00.[17]

Meanwhile, Esico has been making verbal attempts to clarify his employment status as a Pilot and RSMO. After his queries were left unanswered, he sent an email[18] with an attached Memorandum[19] dated June 7, 2011 to Asperin and copy furnished Col. Belleza and Atty. Rodolfo Ma. Ponferrada (Alphaland's legal counsel). While Col. Belleza acknowledged receipt of the said email, Esico did not receive any response from Alphaland.

On August 22, 2011, Esico received a Job Offer Sheet[20] for the position of a Pilot from Alphaland. It offered, among others, a total monthly gross pay of PHP 115,000.00 inclusive of a monthly representation allowance of PHP 25,000.00, subject to liquidation. Esico signed the Job Offer Sheet, believing that it was the separate compensation package he had previously requested for as a pilot, apart from his work as RSMO for PhilWeb. However, Esico claimed that Alphaland never paid the salary as stated in the Job Offer Sheet.

On October 26, 2011, Esico received an email from Alphaland's Group Human Resources Head, requesting for a meeting regarding his proposed transfer from PhilWeb to Alphaland for the purpose of serving the latter as a pilot. However, the details as to his transfer were not discussed during the meeting.

On December 23, 2011, Esico discovered that he could no longer access his payroll with PhilWeb. PhilWeb's Human Resource Administrator informed him that it was because of his transfer from PhilWeb to Alphaland effective December 1, 2011.[21]

On July 3, 2012, Esico submitted his resignation letter[22] to Col. Belleza and to Alphaland's Human Resource Manager. In the letter, he stated that his resignation was effective immediately. Due to Esico's pretermination of his contract, Alphaland, through its counsel, sent a demand letter[23] for the reimbursement of Esico's training expenses.

Alphaland filed a complaint for wrongful resignation with damages before the labor arbiter (LA). Upon learning that Esico filed a complaint for illegal dismissal and non-payment of wages against Alphaland, the latter moved that both cases be consolidated, which was granted by the LA.

The Conflicting Rulings of the Labor Tribunals

In its December 12, 2012 Decision,[24] the LA dismissed Esico's complaint for constructive dismissal and granted Alphaland's complaint for wrongful resignation. The dispositive portion of the decision reads:

WHEREFORE, a Decision is hereby rendered DISMISSING the case for illegal dismissal under NLRC-NCR Case No. 07-10970-12 [sic] entitled: Jose Edwin G. Esico v. Alphaland for lack of merit. However, Respondents are ordered to pay [Esico] his proportionate 13th month pay in the amount of [PHP] 45,450.00.

In the case [titled] Alphaland Development, Inc. and/or Christian Grant Y. Tomas vs. Jose Edwin G. Esico, [Esico] is hereby ordered to reimburse Alphaland the amount of [PHP] 997,700.00 representing the portion of

the Eurocopter and Cessna training expenses in proportion to the number of years not yet served by [Esico] in the second case.

SO ORDERED.[25] (Emphasis in the original)

When the case was elevated to the National Labor Relations Commission (NLRC), it granted Esico's appeal, viz.:

WHEREFORE, premises considered, Jose Edwin G. Esico's appeal is GRANTED. The assailed Decision of Labor Arbiter Lilia S. Savari dated December 12, 2012 is MODIFIED.

It is hereby declared that Esico was illegally constructively dismissed from his employment. Alphaland Corporation and Alphaland Development, Inc. are ordered to solidarily pay the following monetary awards to Esico:

1) Full backwages from the time he was illegally constructively dismissed on July 5, 2012 up to finality of this decision, which, as of April 14, 2013, have already accumulated [PHP] 2,205,000.00;

2) Separation pay equivalent to one (1) month pay per year of service, reckoned from his first day of employment up to the finality of this decision, a fraction of at least six (6) months being considered as one (1) whole year, which, as of April 14, 2013 has already accumulated to [PHP] 690,000.00;

3) Unpaid salaries totaling [PHP] 3,680,000.00; and

4) Attorney's fees equivalent to ten percent (10%) of his total monetary award.

Jose Edwin G. Esico is ABSOLVED from any liability to reimburse Alphaland the amount of [PHP] 997,700.00.

The award for proportionate 13th month pay of [PHP] 45,450.00 is AFFIRMED.

SO ORDERED.[26]

In its Decision[27] dated September 10, 2014, the CA granted Alphaland's petition and reinstated the LA's Decision with modification:

WHEREFORE, premises considered, the petition for certiorari filed by Alphaland Development, Inc. and Alphaland Corporation is hereby GRANTED. The Decision dated April 30, 2013 and the Resolution dated January 10, 2014 issued by public respondent NLRC are hereby ANNULLED and SET ASIDE. The Decision dated December 12, 2012 of the Labor Arbiter in the consolidated cases — NLRC-NCR-Case No. 07-10970-12 and NLRC-NCR-Case No. 08-11647-12 — is REINSTATED with MODIFICATION, to read as follows:[. . .] WHEREFORE, a Decision is hereby rendered DISMISSING the case for illegal dismissal under NLRC-NCR-Case No. 07-01970-12 [sic] [titled]: Jose Edwin G. Esico vs. Alphaland for lack of merit. However, Respondents are ordered to pay Complainant his proportionate 13th month pay in the amount of [PHP] 45,450.00.

In the case [titled] Alphaland Development, Inc. and/or Christian Grant Y. Tomas vs. Jose Edwin G. Esico, Respondent Jose Edwin G. Esico, is hereby ordered to reimburse Alphaland the amount of [PHP] 977,720.00 representing the portion of the Eurocopter and Cessna training expenses in proportion to the number of years not yet served by Respondent Esico in the second case.

[. . .]

SO ORDERED.[28] (Emphasis in the original)

To recall, this Court, in its Decision[29] dated November 17, 2021, found that the CA committed a reversible error in granting Alphaland's Petition for Certiorari and setting aside NLRC's Decision dated April 30, 2013 and

the Resolution dated January 10, 2014. We ruled that the LA and NLRC did not have jurisdiction over Alphaland's complaint for wrongful resignation and damages docketed as NLRC-NCR Case No. 08-11647-12, finding that Alphaland's claim against Esico is based on law on contracts. We also held that Esico's failure to immediately move for the dismissal of NLRC-NCR Case No. 08-11647-12 and oppose its consolidation with his complaint for illegal dismissal did not bar him from assailing the issue on jurisdiction for the first time since it may be raised at any stage of the proceedings and is not lost by waiver or by estoppel. On the issue of constructive dismissal, We found that Esico failed to prove by substantial evidence that Alphaland's acts amounted to constructive dismissal.

We also likewise ruled that the employment contract between the parties were ambiguous and as such, should be construed strictly against Alphaland. Corollary thereto, We recomputed Esico's unpaid salaries under the various contracts he signed with Alphaland.

The dispositive portion of this Court's Decision reads:

WHEREFORE, the petition for review on certiorari is GRANTED. The September 10, 2014 Decision and January 26, 2015 Resolution of the Court of Appeals in CA-G.R. SP No. 134512 are REVERSED and SET ASIDE. A new judgment is rendered: 1. DISMISSING NLRC-Case No. 08-11647-12 for lack of jurisdiction on the part of the Labor Arbiter and the National Labor Relations Commission.

2. In NLRC-NCR Case [No.] 07-01970-12, respondents Alphaland Corporation and Alphaland Development, Inc. are ordered to PAY petitioner Jose Edwin G. Esico:

- Unpaid salaries in the amount of [PHP] 3,047,500.00;
- Attorney's fees of ten percent (10%) of the award in paragraph (a); and
- Interest of six percent (6%) per annum of the total judgment award from finality of this Decision until full satisfaction thereof.

SO ORDERED.[30] (Emphasis in the original)

In its Motion for Partial Consideration and Supplemental Motion before this Court, Alphaland proffers the following arguments:

- The contracts entered into between [Alphaland] and [Esico] are not ambiguous.[31]
- [Esico] should not be awarded two (2) separate compensations.[32]
- [Alphaland's] liability for an obligation should be based on a legal source and not from an ambiguity.[33]
- The doctrine of "equal pay for equal work" should be applied.[34]

The issues raised by Alphaland have been exhaustively passed upon in the assailed Decision. Thus, We need not belabor on these disquisitions any further. However, after a painstaking review of the factual milieu of this case and the applicable legal precepts, We find that a partial modification of Our earlier ruling is in order.

We now hold that labor tribunals have jurisdiction over Alphaland's claim of wrongful resignation and damages against Esico. In the recent case of *Comscentre Phils., Inc. v. Rocio*,[35] the Court held that labor tribunals have jurisdiction over an employer's money claim arising from an employee's pretermination of the employment contract. In the said case, an employee signed an employment contract with a minimum employment length of 24 months in consideration of the expenses to be incurred by the employer for the former's training as a network engineer. The contract stated that should the employee terminate the employment before the lapse of the 24-month period, an indemnity or employment bond of PHP 80,000.00 shall be paid. After about four months of

working, the employee informed the company of her intention to resign. Comscentre's Human Resource Manager and Support Manager reminded her of the employment bond. The employee however raised her concern directly to Comscentre's Australian Human Resource Manager, which was deemed a violation of company policy. After being preventively suspended, the employee filed a case against Comscentre for illegal suspension and money claims before the LA, while Comscentre interposed a counterclaim for payment of the employment bond. We held:

Further, in *Supra Multi-Services, Inc. v. Labitigan*, while we recognized that Article 224 of the Labor Code had been invariably applied to claims for damages filed by an employee against the employer, we held that the law should also apply with equal force to an employer's claim for damages against its dismissed employee, provided that the claim arises from or is necessarily connected with the fact of termination and should be entered as a counterclaim in the illegal dismissal case. Thus, the "reasonable causal connection with the employer-employee relationship" is a requirement not only in employees' money claims against the employer but is, likewise, a condition when the claimant is the employer.

Here, the controversy was rooted in respondent's resignation from the company within twenty-four (24) months from the time she got employed in violation of the "Minimum Employment Length" clause of her employment contract. When respondent informed petitioners of her intention to resign merely five (5) months after she got hired, they reminded respondent of her obligation to pay the "employment bond" of Eighty Thousand Pesos ([PHP]80,000.00) as indemnity for the expenses the company incurred in her training as Network Engineer. This prompted respondent to seek clarification by e-mail from Comscentre's Australian Human Resource Manager Lianne Glass. But as it was, petitioners found respondent's act of directly addressing her query to Manager Glass to be in violation of company directives. For this supposed infraction, she was suspended until September 9, 2011, the date her resignation was to take effect. Consequently, respondent sued petitioners for illegal suspension and money claims before the labor arbiter. Petitioners, in turn, pursued their claim for payment of "employment bond" in the same proceedings.

It is clear that petitioners' claim for payment is inseparably intertwined with the parties' employer-employee relationship. For it was respondent's act of prematurely severing her employment with the company which gave rise to the latter's cause of action for payment of "employment bond" As aptly found by the NLRC, petitioners' claim was "an offshoot of the resignation of [respondent] and the complications arising therefrom and which eventually led to the filing of the case before the Labor Arbiter." Verily, petitioners' claim falls within the original and exclusive jurisdiction of the labor tribunals.

On this score, we further sustain the NLRC's finding that respondent is liable for payment of "employment bond" pursuant to her undertaking in the employment contract. She herself has not disputed this liability arising as it did from her breach of the minimum employment period clause.[36] (Emphasis supplied, citations omitted)

We find the foregoing applicable to the case at bar. Esico tendered his resignation letter[37] dated July 3, 2012 effective on July 5, 2012. To recall, the April 19, 2010 letter[38] engaging Esico as a pilot concurrently with his RSMO position expressly provided a minimum length of service of five years in consideration of Alphaland's expenses for Esico's ground and flight course training for EC-130 B4. It also expressly provided for Esico's obligation to reimburse the company should the former fail to comply with the minimum years of service. Esico even signed his conformity to the letter. The pertinent portion of the letter reads:

Further, the Company agrees to advance the necessary expenses to send you on ground and flight course training for the EC-130 B4, as described in Annex A. In turn, you agree to render service to the Company for a minimum period of five (5) years beginning on the start date indicated above. Should you fail to complete this minimum years of service, you shall reimburse the Company for the expenses spent on your training subject to proportionate reduction equivalent to 5% percent per completed quarter of actual service.[39]

The same agreement was further adopted by Alphaland in Esico's training for the Cessna Caravan plane in its August 10, 2011 letter^[40] which reads:

Further to the terms of your engagement in the position of Pilot for ALPHALAND DEVELOPMENT, INC. (the "Company"), and in consideration of the Company's agreement to advance the necessary expenses to send you on ground and flight course training for the Cessna plane, as described in Annex A hereof, you further undertake to render service to the Company for a minimum period of five (5) years beginning May 1, 2011. Should you fail to complete this minimum years of service, you shall reimburse the Company for the expenses spent on your training subject to proportionate reduction equivalent to 5% percent per completed quarter of actual service.^[41]

Evidently, Esico failed to comply with the minimum years of service when he resigned before the lapse of the five-year period as stated in the contracts despite undergoing Eurocopter and Cessna training courses at the expense of Alphaland.

When Esico filed a complaint for illegal dismissal and Alphaland filed for "wrongful resignation and damages" with the LA, both cases were consolidated in accordance with Section 3, Rule IV of the NLRC Rules of Procedure.^[42] In seeking payment for the expenses incurred for Esico's training, Alphaland's claim is related to the parties' employer-employee relationship since it was Esico's act of prematurely terminating the employment contract which gave rise to Alphaland's cause of action for reimbursement of the training expenses, similar to that of the employment bond in Comscentre. Alphaland's claim was also an offshoot of Esico's resignation and the complications arising therefrom which led to their complaints before the LA.^[43] Thus, Alphaland's claim falls within the original and exclusive jurisdiction of the labor tribunals. A contrary ruling would open the possibility of conflicting findings between the labor tribunals in the constructive dismissal case on one hand, and the claim for damages for wrongful resignation before the regular courts on the other. The labor tribunals may make a finding of constructive dismissal, while regular courts may grant Alphaland's claim for damages arising from the pretermination of the employment contract, negating the fact of constructive dismissal.

Alphaland's claim for damages is further supported by Article 224 of the Labor Code which states that the LA and the NLRC have original and exclusive jurisdiction involving all workers in the following cases:

ARTICLE 224. [217] Jurisdiction of the Labor Arbiters and the Commission. — (a) Except as otherwise provided under this Code, the Labor Arbiters shall have original and exclusive jurisdiction to hear and decide, within thirty (30) calendar days after the submission of the case by the parties for decision without extension, even in the absence of stenographic notes, the following cases involving all workers, whether agricultural or non-agricultural: (1) Unfair labor practice cases; (2) Termination disputes; (3) If accompanied with a claim for reinstatement, those cases that workers may file involving wages, rates of pay, hours of work and other terms and conditions of employment; (4) Claims for actual, moral, exemplary and other forms of damages arising from the employer-employee relations; (5) Cases arising from any violation of Article 264 of this Code, including questions involving the legality of strikes and lockouts; and (6) Except claims for Employees Compensation, Social Security, Medicare and maternity benefits, all other claims arising from employer-employee relations, including those of persons in domestic or household service, involving an amount exceeding five thousand pesos ([PHP]5,000.00) regardless of whether accompanied with a claim for reinstatement. (Emphasis supplied)

In a number of cases, this Court has previously recognized the labor tribunals' jurisdiction over an employer's claim of damages arising out of the employer-employee relationship. In *Bañez v. Valdevilla*^[44] which was also

cited by Comscentre, an indefinitely suspended employee filed a complaint for illegal dismissal against the employer before the LA. The LA ruled in favor of the employee and the NLRC dismissed the employer's appeal for being filed out of time. Thereafter, the employer filed a complaint for damages before the regular courts. We ruled that the regular courts had no jurisdiction over the complaint for damages^[45] since the damages claimed were intrinsically linked to their employer-employee relationship. In doing so, We concluded that labor tribunals have jurisdiction to award not only the reliefs provided by labor laws, but also damages governed by the Civil Code,^[46] viz.:

There is no mistaking the fact that in the case before us, private respondent's claim against petitioner for actual damages arose from a prior employer-employee relationship. In the first place, private respondent would not have taken issue with petitioner's "doing business of his own" had the latter not been concurrently its employee. Thus, the damages alleged in the complaint below are: first, those amounting to lost profits and earnings due to petitioner's abandonment or neglect of his duties as sales manager, having been otherwise preoccupied by his unauthorized installment sale scheme; and second, those equivalent to the value of private respondent's property and supplies which petitioner used in conducting his "business".

....

Neither can we uphold the reasoning of respondent court that because the resolution of the issues presented by the complaint does not entail application of the Labor Code or other labor laws, the dispute is intrinsically civil. Article 217(a) of the Labor Code, as amended, clearly bestows upon the Labor Arbiter original and exclusive jurisdiction over claims for damages arising from employer-employee relations – in other words, the Labor Arbiter has jurisdiction to award not only the reliefs provided by labor laws, but also damages governed by the Civil Code.^[47] (Emphasis supplied, citations omitted)

In *San Miguel Corporation v. Etcuban*,^[48] this Court considered the action for declaration of nullity of the "contract of termination" as a claim for damages emanating from an employer-employee relationship based on the employer's concocted financial distress and fraudulent retrenchment program. As such, We found a reasonable causal connection between the employee's claim for damages and their separation from employment. Thus, We held that jurisdiction over the claim for damages lies with the LA:

In the present case, while respondents insist that their action is for the declaration of nullity of their "contract of termination," what is inescapable is the fact that it is, in reality, an action for damages emanating from employer-employee relations. First, their claim for damages is grounded on their having been deceived into serving their employment due to SMC's concocted financial distress and fraudulent retrenchment program — a clear case of illegal dismissal. Second, a comparison of respondents' complaint for the declaration of nullity of the retrenchment program before the labor arbiter and the complaint for the declaration of nullity of their "contract of termination" before the RTC reveals that the allegations and prayer of the former are almost identical with those of the latter except that the prayer for reinstatement was no longer included and the claim for backwages and other benefits was replaced with a claim for actual damages. These are telltale signs that respondents' claim for damages is intertwined with their having been separated from their employment without just cause and, consequently, has a reasonable causal connection with their employer-employee relations with SMC. Accordingly, it cannot be denied that respondents' claim falls under the jurisdiction of the labor arbiter as provided in paragraph 4 of Article 217.^[49] (Emphasis supplied)

As previously pronounced in *Bañez*, "whereas this Court in a number of occasions had applied the jurisdictional provisions of Article [224] to claims for damages filed by employees, [W]e hold that by the designating clause 'arising from the employer-employee relations' Article [224] should apply with equal force to the claim of an employer for actual damages against its dismissed employee, where the basis for the claim arises from or is necessarily connected with the fact of termination, and should be entered as a counterclaim in the illegal dismissal case."^[50] Thus, the reasonable causal connection requirement for jurisdictional purposes is satisfied if the

employer's claim for damages is intertwined with the employee's termination or separation from work.

In one occasion, the Court even had the opportunity to discuss whether the LA has jurisdiction to decide an issue on the transfer of ownership of a company vehicle assigned to the employee. We ruled that since the transfer of ownership of the vehicle to the employee was connected to his/her separation from the employer and thus necessarily arising from the parties' employer-employee relationship, the employer's claim fell within the LA's jurisdiction.[51]

In another similar case, We held in *Milan v. National Labor Relations Commission*[52] that the labor tribunals have jurisdiction over the employer's demand of the return of its properties in their employees' possession by virtue of their status as employees as follows:

In this case, respondent Solid Mills claims that its properties are in petitioners' possession by virtue of their status as its employees. Respondent Solid Mills allowed petitioners to use its property as an act of liberality. Put in other words, it would not have allowed petitioners to use its property had they not been its employees. The return of its properties in petitioners' possession by virtue of their status as employees is an issue that must be resolved to determine whether benefits can be released immediately. The issue raised by the employer is, therefore, connected to petitioners' claim for benefits and is sufficiently intertwined with the parties' employer-employee relationship. Thus, it is properly within the labor tribunals' jurisdiction.[53] (Emphasis supplied)

At this juncture, the Court takes this opportunity to stress that mere reference to the Civil Code in the reliefs sought will not necessarily result in a civil dispute. While Civil Code provisions on human relations and damages may be used as bases of one's claim, jurisdiction still rests with the labor tribunals if the issue primarily involves an employer-employee relationship.[54] Otherwise stated, the civil ramifications of an employee or employer's claim will not automatically place it outside the realm of labor disputes[55] since labor tribunals have jurisdiction over claims for all forms of damages arising from the employer-employee relationship.[56]

However, there are indeed still actions for damages where the employer-employee relationship is merely incidental and the cause of action is grounded on a different source of obligation.[57] Claims for damages based on tort, malicious prosecution, and payment of unpaid loans fall under the jurisdiction of the regular courts since these claims do not arise from the parties' employee-employer relations.[58] Thus, it behooves this Court to further demarcate the fine line between money claims arising from employer-employee relations and those merely incidental thereto.

In *San Miguel Corporation v. National Labor Relations Commission*,[59] the company introduced a cash incentive program to award employees who would propose business ideas found to be beneficial to the company. Finding the employee's proposal unqualified, the employer did not award any cash grant. The employee insisted his idea was used by the company and filed a complaint with the Arbitration Branch of the then Ministry of Labor and Employment, claiming entitlement to the cash grant. In that case, this Court pronounced that it is the regular courts that has jurisdiction to determine the enforceability of the contractual obligation of the company to award the employee with the cash grant and explained it in this wise:

Applying the foregoing to the instant case, the Court notes that the SMC Innovation Program was essentially an invitation from petitioner Corporation to its employees to submit innovation proposals, and that petitioner Corporation undertook to grant cash awards to employees who accept such invitation and whose innovation suggestions, in the judgment of the Corporation's officials, satisfied the standards and requirements of the Innovation Program and which, therefore, could be translated into some substantial benefit to the Corporation. Such undertaking, though unilateral in origin, could nonetheless ripen into an enforceable contractual (*facio ut des*) obligation on the part of petitioner Corporation under certain circumstances. Thus, whether or not an

enforceable contract, albeit implied and innominate, had arisen between petitioner Corporation and private respondent Vega in the circumstances of this case, and if so, whether or not it had been breached, are preeminently legal questions, questions not to be resolved by referring to labor legislation and having nothing to do with wages or other terms and conditions of employment, but rather having recourse to our law on contracts.[60] (Emphasis supplied, citations omitted)

In *Portillo v. Lietz*,^[61] an employee signed an employment contract which contained a "Goodwill Clause" or non-compete clause for three years after termination of employment, subject to payment of liquidated damages in case of breach thereof. After the employee resigned, the company found out that the former was hired by its direct competitor. Meanwhile, the employee's demands for her unpaid salaries were unheeded prompting her to file a complaint with the NLRC for payment of unpaid salaries, damages, and attorney's fees. On the other hand, the employer set up the defense of legal compensation anchoring its claim on the liquidated damages due to breach of the Goodwill Clause. In the aforementioned case, We held that the breach of the employee's undertaking was civil in nature since there is no dispute as to the termination of employment. We further emphasized that the Goodwill Clause or non-compete clause is a contractual undertaking effective after the cessation of the employer-employee relationship. Thus, the employer's claim, which was not anchored on the termination of the employee's services per se, rests on regular courts.^[62] The same conclusion was reached by this Court in *Dai-Chi Electronics Manufacturing Corporation v. Villarama, Jr.*^[63] and *Yusen Air and Sea Service Philippines, Inc. v. Villamor*.^[64]

Comparing the foregoing to the case at bar, it is clear that Alphaland's claim for wrongful resignation and damages rests on labor tribunals. Their claim arose from Esico's resignation and pretermination of the employment contract, making him liable to reimburse the company for the Eurocopter and Cessna training expenses. Had he not preterminated the contract, Alphaland would have no claim for wrongful resignation and damages. Accordingly, the requirement of a reasonable causal connection between Alphaland's claim for wrongful resignation and the parties' employer-employee relations is indubitably satisfied. Thus, the labor tribunals correctly assumed jurisdiction over Alphaland's claim.

While Alphaland is liable to Esico for his unpaid money claims, Esico, too, is liable to Alphaland for the reimbursement of his training expenses.

ACCORDINGLY, Alphaland's Partial Motion for Reconsideration and Supplemental Motion are DENIED. This Court's Decision dated November 17, 2021 is AFFIRMED with MODIFICATION as follows:

1. In NLRC-Case No. 08-11647-12, petitioner Jose Edwin G. Esico is ordered to PAY Alphaland Corporation and Alphaland Development, Inc. PHP 977,720.00 representing the portion of the Eurocopter and Cessna training expenses in proportion to the number of years not served.
2. In NLRC-NCR Case No. 07-01970-12, respondents Alphaland Corporation and Alphaland Development, Inc. are ordered to PAY petitioner Jose Edwin G. Esico:
a. Unpaid salaries in the amount of PHP 3,047,500.00;^[65] and
b. Attorney's fees often percent (10%) of the award in paragraph (a);

All monetary awards shall be subject to the interest rate of 6% per annum from the date of finality of this Resolution until full payment.

SO ORDERED.

Inting, Lopez, Dimaampao, and Singh, JJ., concur.

[1] Rollo, vol. 2, pp. 955-965.

[2] Id. at 999-1015.

[3] Id. at 924-954.

[4] Rollo, vol. 1, pp. 48-74. The September 10, 2014 Decision in CA G.R. SP No. 134512 was penned by Associate Justice Maria Elisa Sempio Diy and concurred in by Associate Justices Apolinario D. Bruselas, Jr. and Rodil V. Zalameda (now a member of this Court) of the Special Sixteenth Division, Court of Appeals, Manila.

[5] Id. at 76-90. The January 26, 2015 Resolution in CA-G.R. SP No. 134512 was penned by Associate Justice Maria Elisa Sempio Diy and concurred in by Associate Justices Apolinario D. Bruselas, Jr. and Rodil V. Zalameda (now a member of this Court) of the Former Special Sixteenth Division, Court of Appeals, Manila.

[6] Id. at 96-100.

[7] Id. at 51.

[8] Id.

[9] Id. at 91-92.

[10] Id. at 91.

[11] Id. at 93-95.

[12] Also spelled as Aspirin in some parts of the records.

[13] Rollo, vol. 1, pp. 93-94.

[14] CA rollo, p. 100.

[15] Id.

[16] Id. at 101.

[17] Id. at 240.

[18] Id. at 164.

[19] Id. at 165-166.

[20] Id. at 167.

[21] Id. at 171.

[22] Id. at 186-188.

[23] Id. at 190-191.

[24] Id. at 302-322.

[25] Id. at 322.

[26] Id. at 62-64.

[27] Rollo, vol. 1, pp. 48-74.

[28] Id. at 73.

[29] Rollo, vol. 2, pp. 924-954.

[30] Id. at 952-953.

[31] Id. at 956-960, 999-1005.

[32] Id. at 960-962.

[33] Id. at 1005-1011.

[34] Id. at 1011-1012.

[35] 869 Phil. 147, 156 (2020) [Per J. Lazaro-Javier, First Division].

[36] Id. at 156-157.

[37] Rollo, vol. 1, p. 124.

[38] Id. at 91.

[39] Id.

[40] Id. at 111.

[41] Id.

[42] SECTION 3. CONSOLIDATION OF CASES AND COMPLAINTS. – Where there are two or more cases or complaints pending before different Labor Arbiters in the same Regional Arbitration Branch involving the same employer and common principal causes of action, or the same parties with different causes of action, the subsequent cases or complaints shall be consolidated with the first to avoid unnecessary costs or delay. Such consolidated cases or complaints shall be disposed of by the Labor Arbiter to whom the first case was assigned.

In case of objection to the consolidation, the same shall be resolved by the Executive Labor Arbiter. An order resolving a motion or objection to consolidation shall be inappealable.

[43] See *Domondon v. National Labor Relations Commission*, 508 Phil. 541, 553 (2005) [Per J. Puno, Second Division].

[44] 387 Phil. 601 (2000) [Per J. Gonzaga-Reyes, Third Division].

[45] Id. at 612.

[46] Id. at 611.

[47] Id. at 609-611.

[48] 377 Phil. 733 (1999) [Per J. Kapunan, First Division].

[49] Id. at 747.

[50] *Bañez v. Valdevilla*, 387 Phil. 601, 608 (2000) [Per J. Gonzaga-Reyes, Third Division].

[51] *Domondon v. National Labor Relations Commission*, 508 Phil. 541, 552-553 (2005) [Per J. Puno, Second Division].

[52] 753 Phil. 217 (2015) [Per J. Leonen, Second Division].

[53] Id. at 234.

- [54] *Rodriguez, Jr., v. Aguilar, Sr.*, 505 Phil. 468, 481 (2005) [Per J. Panganiban, Third Division].
- [55] *San Miguel Corp. v. Etcuban*, 377 Phil. 733, 748 (1999) [Per J. Kapunan, First Division].
- [56] *Rodriguez, Jr., v. Aguilar, Sr.*, 505 Phil. 468, 485 (2005) [Per J. Panganiban, Third Division].
- [57] *Bañez v. Valdevilla*, 387 Phil. 601, 611 (2000) [Per J. Gonzaga-Reyes, Third Division].
- [58] *Id.* (Citations omitted)
- [59] 244 Phil. 741 (1988) [Per J. Feliciano, Third Division].
- [60] *Id.* at 752-753.
- [61] 697 Phil. 232 (2012) [Per J. Perez, Second Division].
- [62] *Id.* at 244-245.
- [63] 308 Phil. 287, 294 (1994) [Per J. Quiason, First Division].
- [64] 504 Phil. 437, 443-447 (2005) [Per J. Garcia, Third Division].
- [65] Salaries due to Esico: 1) As pilot for the period of April 19, 2010 to November 30, 2011 with monthly compensation of [PHP] 115,000.00 equivalent to [PHP] 2,242,500.00; and 2) As RSMO for the period December 1, 2011 to July 3, 2012 with monthly compensation of [PHP] 115,000.00 equivalent to [PHP] 805,000.00.

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