

**A. CONSTEEL CONSTRUCTION COMPANY, INCORPORATED,
PETITIONER, VS. INTERMEDIATE APPELLATE COURT, DANILO C.
REYES, FOR HIMSELF AND AS ATTORNEY-IN-FACT OF FELIXBERTO
MACASPAC, JAIME ...**

G.R. No. 64673. October 21, 1988

Ponente: PARAS, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-64673/>

PARAS, J.:

The issue posed for decision is whether or not the court a quo has jurisdiction over claims for damages arising out of an overseas employment contract.

The antecedent facts of the case are as follows:

On October 23, 1980, private respondents filed a complaint for alleged Breach of Contract with Damages against the petitioner before the Court of First Instance of Pampanga, Fifth Judicial District, docketed as Civil Case No. 5913. Among others, the complaint alleges that in 1978, the petitioner hired private respondents to work in the construction projects undertaken by the petitioner in Saudi Arabia; that prior to their departure from the Philippines, the private respondents and the petitioner signed employment contracts which contained the terms and conditions of their employment; but that while private respondents were working in Saudi Arabia, they were not given adequate compensation or overtime/holiday pay. Neither were they given medical benefits nor adequate meals. Thus, private respondents pray that the petitioner be ordered to pay to them such amount representing the difference between the compensation agreed upon and the compensation actually paid to them, aside from moral and exemplary damages.

The petitioner moved to dismiss the case on the ground that jurisdiction over the nature of the suit pertained to the Bureau of Employment Services pursuant to Section 1 of Presidential Decree No. 1412, which amended Article 15 paragraph (b) of the Labor Code.

Private respondents opposed dismissal, alleging that jurisdiction over the case belonged to the Court of First Instance since not all of their causes of action are capable of pecuniary estimation. Section 44 of the Judiciary Act of 1948 clearly states that the Courts of First Instance shall have exclusive jurisdiction over all civil actions in which the subject of the litigation is not capable of pecuniary estimation.

The judge denied petitioner's motion to dismiss and its motion for reconsideration thereof. On appeal, the Court of Appeals[*] ruled that the court a quo has jurisdiction over the subject matter because reinstatement is not sought and private respondents seek unpaid salaries and damages resulting from alleged breach of contract (pp. 66, Rollo).

Hence, the present petition.

We find for the petitioner. Private respondents' claims indubitably arose out of employer-employee relations

involving overseas employment. All their claims, while couched in different forms of damages, are nonetheless money claims for employment benefits.

The Judiciary Act of 1948 relied upon by the private respondents which governs matters which are not capable of pecuniary estimation is a general law.

Cases arising out of employer-employee relations involving overseas employment, however, are governed by special laws.[**]

WHEREFORE, the Petition is GRANTED. Respondent judge is directed to dismiss Civil Case No. 5913.

SO ORDERED.

Melencio-Herrera, Padilla, Sarmiento, and Regalado, JJ., concur.

[*] Penned by Justice Milagros A. German and concurred in by Justices Jose A. R. Melo and Santiago M. Kapunan.

[**] Presidential Decree No. 1412 (which took effect on June 9, 1978) amended Article 15 paragraph (b) of the Labor Code. That law expressly provides that the Bureau of Employment Services shall have exclusive and original jurisdiction over all matters or cases involving employer-employee relations including money claims arising out of or by virtue of any law or contract involving Filipino workers for overseas employment, except seamen. Presidential Decree No. 1412 was superseded by Presidential Decree No. 1691 on May 1, 1980 which transferred the jurisdiction of the said Bureau over the said cases to the regional offices of the Ministry (now Department) of Labor except in the case of the National Capital Region where the Bureau may exercise such power, whenever the Minister (now Secretary) of Labor deems it appropriate. Finally, Executive Order No. 797 was issued on May 1, 1982 which created the Philippine Overseas Employment Administration and which vested on the said office exclusive jurisdiction over all cases, including money claims involving employer-employee relations arising out of or by virtue of any law or contract involving Filipino workers for overseas employment, including seaman.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.