

ABOITIZ SHIPPING CORPORATION, PETITIONER, VS. HON. DIONISIO C. DELA SERNA, IN HIS CAPACITY AS UNDER-SECRETARY OF LABOR AND EMPLOYMENT; HON. LUNA C. PIEZAS, IN HIS CAPACITY AS D...

G.R. No. 88538. July 25, 1991

Ponente: PADILLA, J.

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PADILLA, J.:

Before the Court is petitioner's motion for recon-sideration of the decision rendered in the present case, dated 25 April 1990, dispositive portion of which reads:

"WHEREFORE, the assailed Order dated 9 February 1989 of the respondent Undersecretary of Labor and Employment affirming the Order dated 13 October 1988 of the Regional Director is hereby AFFIRMED, with the modification that Mr. Elizardo Manuel shall be excluded from the list of complain-ants at bar who are entitled to money awards of P1,884.00 each. Petition is DISMISSED."

In this motion for reconsideration, the principal contention of petitioner is that inasmuch as the aggregate amount of the claims involved in the case is P1,350,828.00, which exceeds the P5,000.00 limit set by the law for the exercise by the Regional Director of his jurisdiction over employees' money claims against employers, arising from employer-employee relations, the case should be referred to the Labor Arbiter, not the Regional Director, for adjudication.

The Court's recent resolution in the case of *Servando's Incorporated vs. the Secretary of Labor and Employment* (G.R. No. 85840) is controlling in the present case, particularly on the issue of the jurisdictions of Labor Arbiters and Regional Directors over money claims of employees against employers. In fact, the resolution of the present motion was deferred until after the Court En Banc had resolved the issues in *Servando's*. On 5 June 1991, the Court En Banc promulgated its resolution in *Servando's*, which ruled that the original and exclusive jurisdiction to hear and decide employee's money claims arising from employer-employee relations exceeding the aggregate amount of P5,000.00 for each employee, is vested in the Labor Arbiter (Article 217([a] [6], Labor Code, as amended),[1] and that this is confirmed by the provisions of Article 129, Labor Code, as amended,[2] which excludes from the jurisdiction of the Regional Director or any hearing officer of the Department of Labor and Employment (DOLE) the power to hear and decide claims of employees arising from employer-employee relations exceeding the amount of P5,000.00 for each employee.[3]

Petitioner further contends that, even if the employees' claims do not exceed the aggregate amount of P5,000.00 for each employee, the respondent Regional Director can not exercise his visitatorial and enforcement power granted under Article 128[4] of the Labor Code, inasmuch as the present case falls under the "exception clause" provided in paragraph (b) thereof, which reads:

"x x x

(b) The provisions of Article 217 of this Code to the contrary notwithstanding and in cases where the relationship of employer-employee still exist, the Minister of Labor and Employment or his duly authorized

representatives shall have the power to order and administer, after due notice and hearing, compliance with the labor standards provisions of this Code and other labor legislation based on the findings of labor regulation officers or industrial safety engineers made in the course of inspection, and to issue writs of execution to the appropriate authority for the enforcement of their orders, except in cases where the employer contests the findings of the labor regulation officer and raises issues which cannot be resolved without considering evidentiary matters that are not verifiable in the normal course of inspection. (Underscoring ours)

x x x."

While it is true that Article 128(b) of the Labor Code provides for the exception under which the Regional Director may be divested of his jurisdiction over claims not exceeding P5,000.00 for each employee, the following three (3) elements must concur to justify such exception:

- "(a) the petitioner (employer) contests the findings of the labor regulations officer and raises issues thereon;
- (b) that in order to resolve such issues, there is a need to examine evidentiary matters; and
- (c) that such matters are not verifiable in the normal course of inspection." [5]

We do not find justification for applying said "exception clause" in the case at bar. As held in *SSK Parts Corporation vs. Camas*, supra, "although the petitioner contested the Regional Director's finding of violations of labor standards committed by the petitioner, that issue was resolved by an examination of evidentiary matters which were verifiable in the ordinary course of inspection. Hence, there was no need to indorse the case to the appropriate arbitration branch of the National Labor Relations Commission (NLRC) for adjudication (Sec. 2, Rules Implementing Executive Order 111)."

Petitioner reiterates its contention that the findings of fact of the respondent public officials were not based on substantial evidence and that there was misapprehension of facts. We do not agree with this submission. We find the questioned orders of the respondent public officials to be supported by substantial evidence. As ruled in the questioned decision, factual findings of labor officials are, generally, conclusive and binding on this Court when supported by substantial evidence.

On the other hand, private respondent moves for a clarification of this Court's decision dated 25 April 1990, on whether the second paragraph of the Order of respondent Regional Director, dated 13 October 1988 is also affirmed in the decision of this Court. [6]

The dispositive portion of the above cited Regional Director's Order reads:

"WHEREFORE, premises considered, the Aboitiz Shipping Corporation is hereby Ordered to pay the herein listed complainants the total amount of ONE MILLION THREE HUNDRED FIFTY THOUSAND EIGHT HUNDRED TWENTY EIGHT and 00/100 PESOS (P1,350,828.00) representing underpayment of daily allowance of TWO (P2.00) PESOS per day reckoned from 16 February 1982 to 15 February 1985.

FURTHER, the Aboitiz Shipping Corporation is hereby Ordered to pay each and every one of its employees the deficiency in allowance of two (P2.00) PESOS per day from 16 February 1985 on ward until this Order is fully complied with."

The dispositive part of this Court's decision dated 25 April 1990, as quoted in the first paragraph of this resolution, is quite clear; hence, no clarification thereof is needed.

ACCORDINGLY, petitioner's motion for reconsideration and private respondent's motion for clarification of the decision dated 25 April 1990 are DENIED. This denial is final.

SO ORDERED.

Melencio-Herrera, (Chairman), Paras, Sarmiento, and Regalado, JJ., concur.

[1] Article 217 (a) (6) which provides:

"Art. 217. Jurisdiction of 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 nonagricultural:

xxx xxx xxx

(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 (P5,000.00), whether or not accompanied with a claim for reinstatement.

xxx xxx xxx"

(emphasis supplied)

[2] Article 129 which provides:

"Art. 129. Recovery of wages, simple money claims and other benefits. - Upon complaint of any interested party, the Regional Director of the Department of Labor and Employment or any of the duly authorized hearing officers of the Department is empowered, through summary proceeding and after due notice, to hear and decide any matter involving the recovery of wages and other monetary claims and benefits, including legal interest, owing to an employee or person employed in domestic or household service or househelper under this Code, arising from employer-employee relations: Provided, That such complaint does not include a claim for reinstatement: Provided, further That the aggregate money claims of each employee or house helper do not exceed Five thousand pesos (P5,000.00). x x x." (emphasis supplied)

[3] Note that in the present case, the Regional Director, in his Order dated 13 October 1988, found that each of the seven hundred seventeen (717) complainants was entitled to a uniform amount of P1,884.00.

[4] Article 128. Visitorial and enforcement power. - (a) The Secretary of Labor or his duly authorized representatives, including labor regulation officers, shall have access to employers records and premises at any time of the day or night whenever work is being undertaken therein, and the right to copy therefrom, to question any employee and investigate any fact, condition or matter which may be necessary to determine violations or which may aid in the enforcement of this Code and of any labor law, wage order or rules and regulations issued pursuant thereto.

[5] SSK Parts Corporation vs. Camas, G.R. No. 85934, et al., 30 January 1990, 181 SCRA 675

[6] Rollo, pp. 1002-1004

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