

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
SECOND DIVISION**

**SOUTH MOTORISTS ENTERPRISES,
*Petitioner,***

-versus-

**G.R. No. 87449
January 23, 1990**

**ROQUE TOSOC, ET AL., and HON.
SECRETARY OF LABOR AND
EMPLOYMENT,**

Respondents.

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D E C I S I O N

MELENCIO-HERRERA, J.:

At issue in this Special Civil Action for Certiorari is the jurisdiction of the Regional Directors of the Department of Labor and Employment to act on money claims. Petitioner South Motorists Enterprises (SOUTH MOTORISTS) maintains that said officials are bereft of authority to act on such claims as this falls under the original and exclusive jurisdiction of Labor Arbiters. Respondents maintain otherwise.

The facts are as follows:

Sometime in January of 1983, complaints for non-payment of emergency cost of living allowances were filed by 46 workers, Tosoc, et als., against SOUTH MOTORISTS before the Naga City District Office of Regional Office No. 5 of the then Ministry of Labor. On 10 January 1983 a Special Order was issued by the District Labor Officer directing its Labor Regulation Officers to conduct an inspection and verification of SOUTH MOTORISTS' employment records.

On the date of the inspection and verification, SOUTH MOTORISTS was unable to present its employment records on the allegation that they had been sent to the main office in Manila. The case was then set for conference on 25 January 1983 but had to be reset to 8 February 1983 upon the request of SOUTH MOTORISTS to enable it to present all the employment records on such date. However, on 7 February 1983 SOUTH MOTORISTS asked for another deferment to 16 February 1983 due to its lawyer's tight schedule. On 16 February 1983, SOUTH MOTORISTS again requested for a resetting to 3 March 1983 because of the alleged voluminous records it had to locate and its desire to submit a memorandum regarding complainants' claims. On 2 March 1983, SOUTH MOTORISTS once again requested an extension of 30 days on the ground that the documents were still being prepared and collated and that a formal manifestation or motion would follow. Nothing did.

On 7 March 1983, the assigned Labor Regulation Officers submitted an Inspection Report on the basis of which an Order dated 14 April 1983 was issued by Labor Officer Domingo Reyes directing SOUTH MOTORISTS to pay Tosoc, et als., the total amount of One Hundred Eighty Four Thousand Six Hundred Eighty Nine and 12/100 Pesos (P184,689.12) representing the latter's corresponding emergency cost of living allowances.

SOUTH MOTORISTS moved for reconsideration of the Order, which was denied. On 11 July 1988, the Secretary of Labor and Employment affirmed the appealed Order. On 28 July 1988, SOUTH MOTORISTS moved for reconsideration but this proved unsuccessful. A Second Motion for Reconsideration was filed, which was likewise denied in an Order dated 7 March 1989.

Hence, this Certiorari Petition questioning the monetary award by the Regional Director and, in general, his jurisdiction to validly award money claims.

The Court resolved to give due course to the Petition and to decide the case.

SOUTH MOTORISTS contends that only the Labor Arbiter, who is a trier of facts, may determine after hearing such questions as whether or not an employer-employee relationship exists; whether or not the workers were project workers; whether or not the employees worked continuously or whether or not they should receive emergency cost of living allowances and if entitled, how much each should receive. Thus, SOUTH MOTORISTS submits that this case should be referred to the Labor Arbiter for proper proceedings.

Two provisions of law are crucial to the issue - Article 129 and Article 217 of the Labor Code, as recently amended by Republic Act No. 6715, approved on 2 March 1989. Said amendments, being curative in nature, have retroactive effect and, thus, should apply in this case (BRIAD AGRO vs. DE LA CERNA, G.R. No. 82805, and CAMUS ENGINEERING vs. DE LA CERNA, G.R. No. 83225, 9 November 1989). At this juncture, it should be pointed out in the light of these Briad-Agro cases, including the modificatory Resolution thereon of 9 November 1989, petitioner's invocations of the rulings in Zambales Base Metals, L-73184-88, 26 November 1986, and kindred cases, is now out-dated.

The aforesaid Articles, as amended, respectively read as follows:

“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 cases 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 and 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 claim of each employee or househelper does not exceed five thousand pesos (P5,000.00).”

and

“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 non-agricultural:

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

X X X

Clearly, Regional Directors are empowered to hear and decide, in a summary proceeding, claims for recovery of wages and other monetary claims and benefits, including legal interest, subject to the concurrence of the following requisites:

- 1) the claim is presented by an employee or person employed in domestic or household service, or househelper under the Code;
- 2) the claim arises from employer-employee relations;
- 3) the claimant, no longer being employed, does not seek reinstatement; and

4) the aggregate money claim of each employee or househelper does not exceed P5,000.00 (Art. 129, Labor Code, as amended by R.A. 6715).

But where these requisites do not concur, the Labor Arbiters shall have exclusive original jurisdiction over claims arising from employer-employee relationship except claims for employees' compensation, social security, medicare and maternity benefits (Paragraph 6, Article 217, Labor Code as amended by R.A. 6715).

The records of this case show that the award of One Hundred Eighty Four Thousand Six Hundred Eighty Nine and 12/100 Pesos (P184,689.12) given by the District Labor Officer on 14 April 1983 is itemized as follows:

1.	Anatalio Cado	P3,203.20
2.	Macario Gavino	6,332.48
3.	Vito T. Euste	6,073.76
4.	Domingo Ricafort	3,843.84
5.	Roger Paulo	4,176.48
6.	Elias Clarianes	4,201.12
7.	Ernesto Brequillo	4,176.48
8.	Santiago Asares	4,114.88
9.	Marcelito Verdadero	4,127.20
10.	Elias Pascua	4,348.96
11.	Francisco Herrera	3,991.68
12.	Efren San Joaquin	3,979.36
13.	Dominador Payo	4,201.12
14.	Jesus Militante	4,201.12
15.	Ubaldo Osoc, Jr.	2,156.00
16.	Salvador Clarianes	3,843.84
17.	Vicente Lovendino	1,416.80
18.	Jose Brequillo	6,049.12
19.	Domingo Cis	7,884.80
20.	Alberto Agreda	5,396.16
21.	Amancio Galoa	6,418.72
22.	Eduardo Brequillo	2,858.24
23.	Luis Clarianes	4,127.20
24.	Roque Tosoc	6,418.72

25.	Hilarion P. Guinoo	6,086.08
26.	Carlos Plegino	1,478.40
27.	Felipe Cea	6,024.48
28.	Salvaor Calamba	4,040.96
29.	Ramo Marco	4,669.28
30.	Edde del Castillo	4,201.12
31.	Loe Guinoo	3,868.48
32.	Marcelino Habla	1,096.48
33.	Roberto Guinoo	5,938.24
34.	Efren Andalis	4,114.88
35.	Solomon Tosoc	2,722.72
36.	Cornelio Ballares	3,006.08
37.	Ernesto Osoc	6,024.48
38.	Bernardo Gabrillo	1,490.72
39.	Romeo Abarro	2,722.72
40.	Rogelio Usinar	2,722.72
41.	Fortunato Sola	1,453.76
42.	Romeo Calpi	2,821.28
43.	Rogelio Villamor	2,772.00
44.	Jose Banday	4,817.12
45.	Alberto Cornelio	2,882.88
46.	Pablo Olarte	2,192.96

TOTAL: P184,689.12

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In accordance with Articles 129 and 217 of the Labor Code, as amended, supra, those awards in excess of P5,000.00, particularly those given to Macario Gavino, Vito T. Euste, Jose Brequillo, Domingo Cis, Alberto Agreda, Amancio Galona, Roque Tosoc, Hilarion P. Guinoo, Felipe Cea, Roberto Guinoo and Ernesto Osoc, each of which exceeds P5,000.00, should be ventilated in a proceeding before the Labor Arbiters. The other awards, or those not in excess of P5,000.00 and having no issue of reinstatement set forth, should be affirmed.

As to the matter that the respondent Secretary of Labor and Employment erred in affirming the award based on a mere Inspection Report, we see no reason for SOUTH MOTORISTS to complain as it was afforded ample opportunity to present its side. It failed to present

employment records giving as an excuse that they were sent to the main office in Manila, in violation of Section 11 of Rule X, Book II of the Omnibus Rules Implementing the Labor Code providing that:

“All employment records of the employees of an employer shall be kept and maintained in or about the premises of the workplace. The premises of a workplace shall be understood to mean the main or branch office or establishment, if any, depending upon where the employees are regularly assigned. The keeping of the employee’s records in another place is prohibited.”

SOUTH MOTORISTS also caused the resettings of all subsequent hearings from 25 January 1983 to 8 February 1983, then to 16 February 1983, then to 3 March and finally, again requested for another 30-day-extension on the ground that the documents, were still being prepared and collated. Having been given the opportunity to put forth its case, SOUTH MOTORISTS has only itself to blame for having failed to avail of the same (Adamson and Adamson, Inc. vs. Judge Amores, G.R. No. 58292, 23 July 1987, 152 SCRA 237). What is more, its repeated failure to attend the hearings, and to submit any motion as manifested may be construed as a waiver of its right to adduce evidence to controvert the worker’s claims.

WHEREFORE, the award of One Hundred Eighty Four Thousand Six Hundred Eighty Nine and 12/100 (P184,689.12) is hereby **MODIFIED**. The individual claims of Macario Gavino, Vito T. Euste, Jose Brequillo, Domingo Cis, Alberto Agreda, Amancio Galona, Roque Tosoc, Hilarion P. Guinoo, Felipe Cea, Roberto Guinoo and Ernesto Osoc, each of which exceeds P5,000.00, are hereby remanded to the Labor Arbiter for proper disposition. All other individual awards not in excess of P5,000.00 are hereby **AFFIRMED**. Costs against petitioner.

SO ORDERED.

Paras, Padilla, Sarmiento and Regalado, JJ., concur.