

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
SECOND DIVISION**

**MANUEL L. GARCIA,
*Petitioner,***

-versus-

**G.R. No. L-47629
August 3, 1978**

**HON. ANTONIO M. MARTINEZ, JOSE
VELASCO, JR., and EASTERN
BROADCASTING CORPORATION,
*Respondents.***

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D E C I S I O N

AQUINO, J.:

In this Prohibition and Certiorari case, Manuel L. Garcia assails the order of the Court of First Instance of Davao, Davao City Branch VI, denying his motion to dismiss in Civil Case No. 9657, which is an action for damages filed by a dismissed employee against his employer. Garcia contends that the lower court has no jurisdiction over the case and that it is the National Labor Relations Commission (NLRC) that is the appropriate forum for that kind of claim.

It appears that on August 5, 1976 Velasco, Jr. filed a complaint in the lower court against Garcia and Eastern Broadcasting Corporation. He alleged that in March, 1976 he was appointed manager of radio

station DXER in Davao City; that the said radio station is owned by Eastern Broadcasting Corporation and was leased to Garcia; that on July 19, 1976, Garcia, “in a manner oppressive to labor”, “without giving any reason therefor” and in violation of his right to security of tenure, verbally informed him that his services would be terminated on July 31, 1976; that his functions were transferred to an officer-in-charge without any formal turnover and he was divested of his desk; that on that date, July 31, 1976, his appointment as station manager was “arbitrarily and illegally terminated”, and that he suffered actual and moral damages in the sum of P155,000. He claimed also exemplary damages, attorney’s fees and litigation expenses. He did not pray for reinstatement or back salaries.

On October 28, 1976 Garcia filed a motion to dismiss the complaint on the grounds of lack of jurisdiction, lack of cause of action, and nonexhaustion of administrative remedies. A similar motion was filed by Eastern Broadcasting Corporation. The lower court in its order of February 10, 1977 denied the motion to dismiss. Garcia’s petition herein assailing that order was filed on January 13, 1978. Respondent Eastern Broadcasting Corporation agrees with Garcia’s contention that the lower court has no jurisdiction over Velasco’s claim for damages.

Respondent Velasco relies on article 21 of the Civil Code and the ruling in *Quisaba vs. Sta. Ines-Melale Veneer & Plywood, Inc.*, L-38088, August 30, 1974, 58 SCRA 771, to support his stand that the lower court has original exclusive jurisdiction over his claim for damages.

We hold that the case falls within the exclusive jurisdiction of the Labor Arbiter and the National Labor Relations Commission (NLRC). Article 217 of the Labor Code provides:

“ART. 217. Jurisdiction of Labor Arbiters and the Commission.
— (a) The Labor Arbiters shall have exclusive jurisdiction to hear and decide the following cases involving all workers, whether agricultural or non-agricultural:

“(1) Unfair labor practice cases;

- “(2) Unresolved issues in collective bargaining including those which involve wages, hours of work, and other terms and conditions of employment duly indorsed by the Bureau in accordance with the provisions of this Code;
- “(3) All money claims of workers involving nonpayment or underpayment of wages, overtime or premium compensation, maternity or service incentive leave, separation pay and other money claims arising from employer-employee relation, except claims for employee’s compensation, social security and medicare benefits and as otherwise provided in Article 128 of this Code;
- “(4) Cases involving household services; and
- “(5) All other cases arising from employer-employee relation unless expressly excluded by this Code.

“(b) The Commission shall have exclusive appellate jurisdiction over all cases decided by labor Arbiters, compulsory arbitrators, and voluntary arbitrators in appropriate cases provided in Article 263 of this Code.”

The provisions of paragraphs 3 and 5 of Article 217 are broad and comprehensive enough to cover Velasco’s claim for damages allegedly arising from his unjustified dismissal by Garcia. His claim was a consequence of the termination of their employer-employee relation. (Compare with *Ruby Industrial Corporation vs. Court of First Instance of Manila*, L-38893, August 31, 1977, 78 SCRA 499).

There is a factual similarity between this case and the Quisaba case, *supra*, also a Davao case. In that case, Jovito N. Quisaba, a company’s internal auditor who was “constructively” dismissed, sued the company on February 5, 1973 in the Court of First Instance of Davao for the recovery of termination pay and moral and exemplary damages plus attorney’s fees. He did not ask for reinstatement or back salaries.

The representative of the old NLRC in Davao City had informed Quisaba's counsel that the NLRC had no jurisdiction over suits for damages, such as moral, exemplary and other related damages, including attorney's fees, arising out of employee-employer relationship.

It was held in the Quisaba case that the old NLRC had no jurisdiction over Quisaba's claim for damages because that claim was within the exclusive jurisdiction of the regular courts since it was predicated on the "manner" of Quisaba's dismissal and the effects thereof, and not on the right of the employer to dismiss him, and that the case was a civil controversy and not a labor dispute.

The Quisaba case was decided under the following provisions of Presidential Decree No. 21 regarding the jurisdiction of the old NLRC.

"Sec. 2. The Commission (NLRC) shall have original and exclusive jurisdiction over the following:

(1) All matters involving employee-employer relations including all disputes and grievances which may otherwise lead to strikes and lockouts under Republic Act No. 875;

"(2) All strikes overtaken by Proclamation No. 1081; and

"(3) All pending cases in the Bureau of Labor Relations."

It is evident that the jurisdiction of the ad hoc NLRC is of lesser magnitude than that of the existing NLRC and the Labor Arbiters that replaced the defunct Court of Industrial Relations (CIR). It is noteworthy that the cases pending in the CIR and its unexpanded funds, properties and records were transferred to the new NLRC (Arts. 299 and 300, Labor Code).

The CIR was characterized as a special court partaking of the nature of an administrative board vested with executive and judicial functions (*Ang Tibay vs. Court of Industrial Relations*, 69 Phil. 635, 639). The present NLRC is an administrative board partaking of the nature of a special labor tribunal.

Aside from its adjudicative jurisdiction, the NLRC can hold a person in contempt and impose penalties. The Labor Arbiters and the NLRC can execute their decisions by issuing writs of execution enforceable by the sheriff (Arts. 218 and 224, Labor Code).

If the CIR in the exercise of its jurisdiction had the prerogative to award damages (Maria Cristina Fertilizer Plant Employee Assn. vs. Tandayag, L-29217, May 11, 1978), there is no justification for denying that power to the present NLRC. Hence, the Quisaba ruling is not applicable to this case. The law involved in that case is different from the law governing the instant case.

WHEREFORE, the petition for prohibition is granted. Respondent court is directed to dismiss Civil Case No. 9657 without prejudice to refile it with the office of the Labor Arbiter. No costs.

SO ORDERED.

Fernando, J., (Chairman), Barredo, Antonio, Concepcion Jr. and Santos, JJ., concur.