SUPREME COURT
SECOND DIVISION

LA CARLOTA SUGAR CENTRAL,
***Petitioner*,**

-versus-

G.R. No. L-20203
May 19, 1975

COURT OF INDUSTRIAL RELATIONS, NATIONAL SUGAR WORKERS UNION (PAFLU) and JOSE VILLANUEVA,
***Respondents*.**
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R E S O L U T I O N

FERNANDO, *J.*:

The main thrust in this Appeal by *Certiorari* against the then existing Court of Industrial Relations is its alleged lack of jurisdiction over money claims for overtime services on Sundays and legal holidays by employees still forming part of the labor force of petitioner firm, La Carlota Sugar Central. At the time the proceedings were had before respondent Court, leading to the challenged awards for overtime pay, there was some lurking doubt as to whether ordinary judicial tribunals or respondent Court had the competence to pass upon the matter. Since then, however, as will subsequently be made clear, the definitive ruling is that respondent Court was vested with the requisite power. As a matter of fact, this very petition yielded the

impression that its stand was not too strongly entrenched in law. For there were indications even then that respondent Court was the proper agency to decide such issue. Petitioner would raise another point, the alleged lack of procedural process. Its effort in that direction is equally unavailing. We affirm.

In the main resolution challenged, respondent Court after stating that a previous order was already final and executory ruled that the employees named in the Examiner's Report were entitled to the additional compensation.[1] Further: "The contention of the respondent that the overtime pay due the petitioners are already included in their salary as agreed upon by them is without foundation for any agreement to waive one's overtime pay is null and void as the same is contrary to law."[2] It was therein likewise stated: "Concerning the last issue, the Court believes that the workers are entitled to the amount paid to them during the entire period stated in the report. Concerning the period prior to 1956 it appears that there are no records existing in the company for such periods. It, therefore, behooves on the petitioning Union to prove by secondary evidence the matter of services rendered on Sundays and legal holidays so as to enable the Court on the basis of such evidence to determine and compute the additional compensation in favor of the petitioners."[3] There was a motion for reconsideration by petitioner firm, and respondent Court in its resolution of May 21, 1962 excluded certain employees, but otherwise found no sufficient justification for altering [its] Order."[4]

As mentioned at the outset, there is no valid ground for reversal.

1. The authoritative precedent on the pivotal question of jurisdiction is supplied by Price Stabilization Corporation vs. Court of Industrial Relations.[5] In that case, this Court, through Justice Barrera, categorically affirmed the underlying principle to be "that where the employer-employee relationship is still existing or is sought to be reestablished because of its wrongful severance (as where the employees seeks reinstatement), the Court of Industrial Relations has jurisdiction over all claims arising out of, or in connection with employment, such as those related to the Minimum Wage Law and the Eight-Hour Labor Law. After

the termination of the relationship and no reinstatement is sought, such claims become mere money claims, and come within the jurisdiction of the regular courts."[6] Since then, up to the time the Court of Industrial Relations was abolished, that ruling had been adhered to.[7] There is thus futility in the attempt of petitioner to impress on this Tribunal that respondent Court was devoid of jurisdiction.

2. Petitioner firm would make much of the due process claim. This plea it would support by the allegation that only respondent National Sugar Workers Union and respondent Jose Villanueva were named as parties. It is its contention then that those employees whose statutory rights for overtime pay as found in the challenged orders were not respected had to file the action as individuals. Again there is misapprehension of the law on the part of petitioner firm. Only lately, in Liberty Manufacturing Workers Union vs. Court of First Instance,[8] this Court reiterated the view that a labor union has the requisite personality to sue on behalf of its members for their individual money claims. It would be an unwarranted impairment of the right to self-organization through formation of labor associations if thereafter such collective entities would be barred from instituting action in their representative capacity. So marked is the respect under the Constitution and the statutes to such a right to self-organization as a result of which it may enter into collective bargaining agreements that in another decision, Mactan Workers Union vs. Aboitiz,[9] it was held by his Court that once such a collective contract is entered into, its benefits extend to all the laborers and employees in the collective bargaining unit. That would include those who do not belong to the labor organization that was chosen to represent the employees. This doctrine goes back to Leyte Land Transportation vs. Leyte Farmers' and Laborers' Union,[10] a 1948 decision. Under the peculiar circumstances on this case where the controversy as to the right to overtime pay for work performed on Sundays and holidays dated back to September 24, 1956, with respondent Court having held a number of hearings with petitioner firm having at all stages resisting, as it ought to, what it considered to be

unwarranted demands, there is an air of implausibility to any allegation that it was denied procedural due process. It was not only duly informed as to the claims it had to meet, but also was thereon fully heard.

WHEREFORE, this appeal by certiorari is dismissed for lack of merit and the challenged orders of respondent Court affirmed. The preliminary injunction issued by this Court is hereby lifted and set aside. Costs against petitioner La Carlota Sugar Central.

Barredo, Antonio, Aquino and Concepcion, Jr., *JJ.*, concur.

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[1] Resolution of February 9, 1962.
[2] Ibid, 4.
[3] Ibid, 4-5.
[4] Resolution of May 21, 1962, 2.
[5] 108 Phil. 134 (1960).
[6] Ibid, 138. In support of the above ruling the following cases were cited: Detective and Protective Bureau Incorporated vs. Guevara, 101 Phil. 1234 (1957); Isaac Peral Bowling Alley vs. United Employees Welfare Association, 102 Phil. 219 (1957); NASSCO vs. Almin, 104 Phil. 835 (1958); and Monares vs. CNS Enterprises, 105 Phil. 1333 (1959).
[7] Cf. Pan American Airways vs. Pan American Employees Asso., L-16275, Feb. 23, 1961, 1 SCRA 527; Philippine Wood Products vs. Court of Industrial Relations, L-15279, June 30, 1961, 2 SCRA 744, Manila Port Service vs. Court of Industrial Relations, L-16994, June 30, 1961, 2 SCRA 777; Tiberio vs. Manila Pilots Asso., L-17661, Dec. 28, 1961, 3 SCRA 768; Bank of America vs. Court of Industrial Relations, L-16904, Dec. 26, 1963, 9 SCRA 748; National Shipyards and Steel Corp. vs. Court of Industrial Relations, L-20838, July 30, 1965, 14 SCRA 755; Red V Coconut Products vs. Court of Industrial Relations, L-21348, July 30, 1968, 17 SCRA 553; Rheem of the Philippines vs. Ferrer, L-22979, Jan. 27, 1967, 19 SCRA 130; National Waterworks vs. NWSA Consolidated Union, L-26894, Feb. 28, 1969, 27 SCRA 227; De Leon vs. Pampanga Sugar Development, L-26844, Sept. 30, 1969, 29 SCRA 628.
[8] L-35252, November 29, 1972, 48 SCRA 273.
[9] L-30241, June 30, 1972, 45 SCRA 577.
[10] 80 Phil. 842.