

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
FIRST DIVISION**

**JOVITO N. QUISABA,  
*Petitioner,***

***-versus-***

**G.R. No. L-38088  
August 30, 1974**

**STA. INES-MELALE VENEER &  
PLYWOOD, INC., Et Al.,  
*Respondents.***

X-----X

**DECISION**

**CASTRO, J.:**

In this Special Civil Action for Certiorari,<sup>[1]</sup> the sole issue of law posed for resolution is whether a complaint for moral damages, exemplary damages, termination pay and attorney's fees, arising from an employer's constructive dismissal of an employee, is exclusively cognizable by the regular courts of justice or by the National Labor Relations Commission created by Presidential Decree No. 21, promulgated on October 14, 1972.<sup>[2]</sup>

On February 5, 1973 the petitioner Jovito N. Quisaba filed with the Court of First Instance of Davao a complaint for moral damages, exemplary damages, termination pay and attorney's fees against the Sta. Ines-Melale Veneer & Plywood, Inc. and its vice-president Robert

Hyde. The complaint avers that Quisaba, for eighteen years prior to his dismissal, was in the employ of the defendant corporation; that on January 11, 1973 the respondent Robert Hyde instructed him to purchase logs for the company's plant; that he refused on the ground that the work of purchasing logs is inconsistent with his position as internal auditor; that on the following day Hyde informed him of his temporary relief as internal auditor so that he could carry out immediately the instructions thus given, and he was warned that his failure to comply would be considered a ground for his dismissal; that on January 16, 1973 he responded with a plea for fairness and mercy as he would be without a job during an economic crisis; that he was demoted from a position of dignity to a servile and menial job; that the defendants did not reconsider their "clever and subterfugial dismissal" of him which for all purposes constituted a "constructive discharge;" and that because of the said acts of the defendants, he suffered mental anguish, serious anxiety, besmirched reputation, wounded feelings, moral shock and social humiliation. The complaint does not pray for reinstatement or payment of backwages.

After the defendants filed their answer, they moved to dismiss the complaint on the ground of lack of jurisdiction of the Davao Court of First Instance, asserting that the proper forum is the National Labor Relations Commission established by Presidential Decree No. 21. Quisaba opposed the motion and at the same time informed the court that in response to a "consulta" presented by his counsel, the NLRC's authorized representative in Davao City opined as follows:

"In response to your query dated September 12, 1973, inquiring as to whether or not the National Labor Relations Commission has jurisdiction over claims or suits for damages, such as moral, exemplary and other related damages including attorney's fees, arising out of employee-employer relationship, we regret to inform you that the National Labor Relations Commission has no such power."

The Commission's disclaimer of jurisdiction notwithstanding, the court a quo, in an order of September 18, 1973, granted the motion to dismiss on the ground that the complaint basically involves an employee-employer relation.

Hence the present recourse.

The jurisdiction of the National Labor Relations Commission is defined by Section 2 of Presidential Decree No. 21 which reads:

“SEC. 2. The Commission 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.”

Although the acts complained of seemingly appear to constitute “matters involving employee-employer relations” as Quisaba’s dismissal was the severance of a pre-existing employee-employer relation, his complaint is grounded not on his dismissal per se, as in fact he does not ask for reinstatement or backwages, but on the manner of his dismissal and the consequent effects of such dismissal.

Civil law consists of that “mass of precepts that determine or regulate the relations that exist between members of a society for the protection of private interests.”<sup>[3]</sup>

The “right” of the respondents to dismiss Quisaba should not be confused with the manner in which the right was exercised and the effects flowing therefrom. If the dismissal was done anti-socially or oppressively, as the complaint alleges, then the respondents violated article 1701 of the Civil Code which prohibits acts of oppression by either capital or labor against the other, and article 21, which makes a person liable for damages if he wilfully causes loss or injury to another in a manner that is contrary to morals, good customs or public policy, the sanction for which, by way of moral damages, is provided in article 2219, No. 10.<sup>[4]</sup>

“Art. 2219. Moral damages may be recovered in the following and analogous cases:

X X X

“(10) Acts and actions referred to in articles 21.”

The case at bar is intrinsically concerned with a civil (not a labor) dispute;<sup>[5]</sup> it has to do with an alleged violation of Quisaba’s rights as a member of society, and does not involve an existing employee-employer relation within the meaning of section 2(1) of Presidential Decree No. 21. The complaint is thus properly and exclusively cognizable by the regular courts of justice, not by the National Labor Relations Commission.

**ACCORDINGLY**, the order of September 18, 1973 is set aside, and this case is hereby ordered remanded to the court a quo for further proceedings in accordance with law. Costs against the private respondents.

**Makalintal, C.J., Teehankee, Makasiar, Esguerra and Muñoz Palma, JJ., concur.**

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[1] The clerk of court of the Court of First Instance of Davao forwarded to this Court the record of the case in view of the appeal interposed by the plaintiff; the appeal raising only a question of law, this Court required the appellant to file a petition for review (Resolution, Dec. 4, 1973). After considering the allegations contained, the issues raised and arguments adduced in the petition for review as well as in the respondents’ comment thereon, this Court resolved to consider the petition as a special civil action and the respondents’ comment as answer, and the case submitted for decision (Resolution, May 17, 1974).

[2] The Labor Code of the Philippines, promulgated on May 1, 1974 and effective six months thereafter, institutionalizes the National Labor Relations Commission established under Presidential Decree No. 21 (arts. 2, 261 and 337, Presidential Decree No. 442).

[3] 1 Sanchez Roman 3.

[4] Cf. *Phil. Refining Co. vs. Garcia*, L-21962, Sept. 27, 1966, 18 SCRA 107.

[5] Cf. *Atlantic Gulf & Pacific Co. of Manila, Inc. vs. Olivar*, L-19526, Sept. 20, 1965, 15 SCRA 59.

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