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FIRST DIVISION

[G.R. Nos. 73184-88. November 26, 1986]

ZAMBALES BASE METALS, INC., *petitioner, vs.* **THE MINISTER OF LABOR, DEPUTY MINISTER OF LABOR, REGIONAL DIRECTOR DAVID KONG and ROSALIO BANGAYAN, ET AL.,** *respondents.*

SYLLABUS

LABOR AND SOCIAL LEGISLATION; LABOR ARBITER; HAS JURISDICTION OVER MONEY CLAIMS FILED BY EMPLOYEES. — It is obvious from Art. 217 of the Labor Code that only the labor arbiter could decide the cases filed by the employees as they involved "money claims" falling under No. 3 of the enumeration. As for the regional director, the authority he invokes under Article 128 of the Labor Code confers upon him only visitorial powers over the employer's premises and records, including the right to require compliance with the labor standards provisions of the Code, such as those relating to industrial safety. Nowhere in the said article is the regional director empowered to share the "original and exclusive jurisdiction" conferred on the labor arbiters by Article 217. Inasmuch as the proceedings before the regional director were null and void *ab initio* for lack of jurisdiction, the complaints for wages and other benefits filed by the employees against the petitioner should be remanded to the labor arbiter for appropriate action. Considering the previous admission of non-payments manifested by the petitioner's representative, which will probably not be denied or in any event should be easily verified through the petitioner's records, it is hoped that resolution of these cases will be effected with the least possible delay.

APPEARANCES OF COUNSEL

Demosthenes S. Baban for petitioner.
David V. Kong, Jr. for private respondents.

DECISION

CRUZ, *J.*:

Thirty employees of the petitioner filed with the Office of the Regional Director, Region IX, Ministry of Labor, complaints for

Supreme Court E-Library

unpaid wages, 13th month pay, and service incentive leave pay.[1] The regional director required the petitioners to submit its employment records and payrolls for verification, during which its representative admitted the non-payments charged by the employees.[2] Even so, the petitioner moved that the cases be referred to the labor arbiter as the regional director had, it claimed, no jurisdiction over the matter.[3] The motion was not acted upon; later, on the basis of his investigation, the regional director issued an order directing the petitioner to pay the complainants "and other affected workers" (numbering 570 in all) the total amount of P3,672,883.00.[4] Appealed to the Ministry of Labor, the order was sustained on September 27, 1984,[5] and the motion for reconsideration filed by the petitioner was denied on October 21, 1985.[6] The petitioner is now before us on *certiorari*, raising the same question of jurisdiction.

The issue is simple enough. The applicable provision is Article 217 of the Labor Code, which states as follows:

"ART. 217. *Jurisdiction of Labor Arbiters and the Commission.* — (a) The Labor Arbiters shall have the original and exclusive jurisdiction to hear and decide within thirty (30) working days after submission of the case by the parties for decision, the following cases involving all workers, whether agricultural or non-agricultural:

"1. Unfair labor practice cases;

"2. Those that workers may file involving wages, hours of work and other terms and conditions of employment;

"3. All money claims of workers, including those based on nonpayment or underpayment of wages, overtime compensation, separation pay and other benefits provided by law or appropriate agreement, except claims for employees' compensation, social security, medicare and maternity benefits;

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[1] *Rollo*, pp. 5-6; Annexes "B " to "F " of the Petition.

[2] *Ibid.*, p. 30.

[3] Annex "G"; Rollo, p. 21.

[4] *Rollo*, pp. 30-46; "the other affected workers" were represented in an earlier complaint filed by the National Federation of Labor.

[5] *Ibid.*, pp. 48-51.

[6] *Id.*, p. 52.

Supreme Court E-Library

"4. Cases involving household services; and

"5. Cases arising from any violation of Article 265 of this Code, including questions involving the legality of strikes and lockouts.

x x x x x x x x x."

This article does not even need construction. It is obvious therefrom that only the labor arbiter could decide the cases filed by the employees as they involved "money claims" falling under No. 3 of the enumeration. As for the regional director, the authority he invokes under Article 128 of the Labor Code confers upon him only visitorial powers over the employer's premises and records, including the right to require compliance with the labor standards provisions of the Code, such as those relating to industrial safety. Nowhere in the said article is the regional director empowered to share the "original and exclusive jurisdiction" conferred on the labor arbiters by Article 217.

Inasmuch as the proceedings before the regional director were null and void *ab initio* for lack of jurisdiction, the complaints for wages and other benefits filed by the employees against the petitioner should be remanded to the labor arbiter for appropriate action. Considering the previous admission of non-payments manifested by the petitioner's representative, which will probably not be denied or in any event should be easily verified through the petitioner's records, it is hoped that resolution of these cases will be effected with the least possible delay.

WHEREFORE, the questioned Orders of the Ministry of Labor dated September 27, 1984 and October 25, 1985, are hereby set aside. The employees' complaints are remanded to the corresponding labor arbiter, with the direction that the same be heard and decided without delay. Costs against the petitioner.

SO ORDERED.

Yap (Chairman), Narvasa, Melencio-Herrera, and *Feliciano, JJ.*, concur.