ularly appointed hearing officer or any other employee duly designated by the Regional Administrator to act as hearing officer. But when the claim is uncontroverted and there is no necessity of requiring the claimant to present further evidence, the Regional Administrator may enter an award or deny the claim."

As we analyze the facts of the present case, appellants' contention is not without merits. The claim involved in this action is for compensation for disability due to tuberculosis, alleged to have been caused and aggravated by the nature of plaintiff's employment in the petitioners' service. It is then a claim which falls squarely under Section 2 of the Workmen's Compensation Law (Act No. 3428, as amended by Act No. 3812, Commonwealth Act No. 210 and Republic Act Nos. 772 and 889), which provides:

"Sec. 2. *Grounds for compensation.*— When an employee suffers personal injury from any accident arising out of and in the course of his employment, or contracts tuberculosis or other illnes directly caused by such employment, or either aggravated by or the result of the nature of such employment, his employer shall pay compensation in the sums and to the person hereinafter specified. The right to compensation as provided in this Act shall not be defeated or impaired on the ground that the death, injury or disease was due to the negligence of a fellow servant or employee, without prejudice to the right of the employers to proceed against the negligent party."

And, as the jurisdiction vested by Act No. 3428, as amended, on the Workmen's Compensation Commission to hear and decide claims for compensation coming under its provisions has not been revoked, either expressly or by necessary implication, by Republic Act No. 992, as amended, or by any other subsequent statute, and the regional offices created under Reorganization Plan No. 20-A in the Department of Labor partake of the nature of referees which the Workmen's Compensation Commission had the right to appoint and clothe with jurisdiction to hear and decide such claims (Sec. 48, Act No. 3428, as amended), the provisions of said reorganization plan, insofar as they confer on said regional offices jurisdiction over claims for compensation falling under the Workmen's Compensation Law, is perfectly legal, and their decisions on such claims are valid and binding.

The petitioner cannot claim, to bolster their stand, that the Regional Office No. 3 that rendered said decision had no authority to enforce said decision directly. The records do not disclose that said regional office had made any attempt to do so. Immediately after the petitioners were notified of the decision, they brought this action. Under the circumstances, it cannot be assumed that the Commissioner who is presumed to know the law, would make any such attempt. Rather, it must be assumed that in enforcing said decision said Commissioner and the parties will follow the procedure prescribed in Section 51 of the Workmen's Compensation Law, Act No. 3428, as amended.

The trial court, therefore, committed error in issuing the writ of prohibition restraining enforcement of the decision of the Regional Office No. 3 in question.

For the foregoing, we find that the judgment appealed from is contrary to law. Hence, the same is reversed, and another is hereby entered dismissing the petition by which this action was initiated, with the costs in both instances taxed against the petitioners-appellees.

IT IS SO ORDERED.

Bengzon, C.J., Padilla, Labrador, J.B.L. Reyes, Barrera, Paredes, Dizon and De Leon, JJ., concurred.

Concepcion, J., took no part

IX

Porfirio Diaz and Juanito Elechicon, Petitioners, vs. Hon. Egmidio Nietes and Daniel Evangelista, Defendants, G. R. No. L-16521, Dec. 31, 1960, Reyes, J.B.L., J.

1. RECEIVER; CASES WHEN APPOINTMENT BE MADE BY THE COURT.—It has been repeatedly ruled that where the effect of the appointment of a receiver is to take real estate out of the possession of the defendants before the final adjudication of the rights of the parties, the appointment should be made only in extreme cases and on a clear showing of necessity therefore in order to save the plaintiff from grave and irremediable loss of damage.

2. ID.; REASON FOR THE RULE. — The power to appoint a receiver is a delicate one; that said power should be exercised with extreme caution and only when the circumstances so demand, either because there is imminent danger that the property sought to be placed in the hands of a receiver be lost or because they run the risk of being impaired, endeavoring to avoid that the injury thereby caused be greater than the one sought to be averted. For this reason, before the remedy is granted, the consequences or effects thereof should be considered or, at least, estimated in order to avoid causing irreparable injustice or injury to others who are entitled to as much consideration as those seeking it.

D E C I S I O N

This is a petition for certiorari with a prayer for a writ of preliminary injunction to annul the order of the Court of First Instance of Iloilo in its Civil Case No. 5313 appointing a receiver of the property in litigation and of the products thereof.

Civil Case No. 5313 is an action filed by Daniel Evangelista on October 7, 1959 against Porfirio Diaz and Juanito Elechicon for the recovery of the possession of a portion of 12 hectares out of Lot No. 4651 of the Dumangas, Iloilo, Cadastre. The amended complaint alleges that plaintiff is the owner of the aforesaid lot, the same having been adjudicated to him in the project of partition in Special Proceedings No. 815 of the same Court, which partition the probate court has already approved and under which the adjudicatees have already received their respective shares; that defendants are in the possession of the property in question under an unlawful claim of ownership; that defendants have heeded none of the demands made by plaintiff for them to vacate the premises; that said property is first-class riceland, with a net yearly produce of 200 bultos of rice equivalent to P3,000; that the produce of said land for the crop year 1959-60 is about to be harvested; and that the appointment of a receiver is necessary, and the most convenient and peaceable means to preserve, administer, and dispose of the property in question and its 1959-60 harvest.

In answer, defendants aver that they are not claiming the land in question as owners but as lessees thereof for a period of five years, in accordance with a contract of lease signed by them with the administratrix of said property, Rosario Evangelista (plaintiff's daughter), on March 30, 1959; that said land pertains to Group I of the project of partition in Special Proceedings No. 815 and for that reason, the Court did not have jurisdiction to appoint a receiver over the same in this case; and that the allegations of the complaint do not warrant the appointment of a receiver.

The opposition to the motion for receivership notwithstanding, the lower court, on November 14, 1959, issued an order placing the property in litigation and its produce under receivership. This order reads:

"It appearing that the verified complaint and from Annexes 'A', 'A'-1, 'A'-2, and 'B' that the plaintiff-petitioner for the appointment of Receiver has an interest in the property described in the complaint as owner thereof, the same being a part of his share in the partition of the intestate estate of his father (Special Proceedings No. 815 of the Court of First Instance of Iloilo) and, therefore, entitled to the products of the said property; and it being alleged that the said products

are in imminent danger of being lost or removed unless a Receiver is appointed to take charge of and preserve the same, GERUNDIO DIASNES, of Dumangas, Iloilo, is hereby appointed as RECEIVER of the property in litigation as well as the products thereof, and upon putting up a bond of SIX THOUSAND PESOS (₱6,000.00), approved by this Court, the said RECEIVER may qualify and assume his duties as such."

Defendants moved for the reconsideration of the above order, claiming that the lot in question is in *custodia legis* in Special Proceedings No. 815 and can not, therefore, be the subject of a receivership in this case; that while it is true that said lot had been assigned to plaintiff in the project of partition in said proceedings, the probate court, in approving said partition, withheld the order of distribution and the closing of the estate "pending the submission by the administration and the heirs of the written conformity of the creditors, namely, the RFC and the PNB to such distribution and eventual assumption by the heirs of the liabilities of the estate"; and finally, that it does not appear from the complaint that plaintiff has such interest in the property in litigation and its produce, and that such property is in danger of being lost, removed, or materially injured, as to justify the appointment of a receiver. This motion having been denied, defendants filed the present petition for certiorari reiterating substantially their arguments in their motion for reconsideration in the court below, and urging that the order appointing a receiver was issued in grave abuse of discretion and in excess of jurisdiction by the court a quo. Upon petitioners' filing of a bond in the amount of ₱2,000.00, we issued a writ of preliminary injunction to restrain the lower court from enforcing the order complained of.

We see no sufficient cause or reason in the instant case to justify placing the land in question in receivership. While it does appear from the pleadings in the court below that title or ownership over said land is with plaintiff by virtue of the order of partition in Special Proceedings No. 815 adjudicating said property to him, it likewise appears, however, that petitioners are in the material possession thereof, not under any claim of title or ownership, but pursuant to a lease contract signed with them by plaintiff's daughter, Rosario Evangelista, the former administrator or agent of plaintiff over said property. In fact, plaintiff admitted in his answer to the present petition that he did "let his daughter manage the said property" (par. 1 of Affirmative and Special Defenses, Answer, p. 2). Until, therefore, the lease agreement signed between Rosario Evangelista, as agent of plaintiff, and defendants is judicially declared void for want of authority of the agent to execute the same, defendants are entitled to continue in the possession of the premises in question, unless powerful reasons exist for the lower court to deprive them of such possession and appoint a receiver over said property. These powerful reasons are wanting in this case. Indeed, there is even no showing here that the property in question and its pending harvest are in danger of being lost, or that defendants are committing acts of waste thereon or that defendants are insolvent and cannot repair any damage they cause to plaintiff's rights. In truth, the complaint alleges no interest on the part of the plaintiff in the crops subjected to receivership.

Upon the other hand, defendants occupied and planted the land in question in good faith as lessees, and it is only just and equitable that they be allowed to continue in their possession and harvest the fruits of their labor (subject to their obligation to pay their lessor his due share in the harvest) until the respective rights of the parties in this case to the possession of the land in question are finally resolved and adjudicated. This Court has repeatedly ruled that where the effect of the appointment of a receiver is to take real estate out of the possession of the defendants before the final adjudication of the rights of the parties, the appointment should be made only in extreme cases and on a clear showing of necessity therefore in order to save the plaintiff from grave and irremediable loss of damage (Mendoza v. Arellano, 36 Phil. 59; De la Cruz v. Guinto, G.R. No. L-1315, Sept. 25, 1947; Calo and San Jose v. Roldan, 76 Phil. 455; Municipality of Camiling v. De Aquino, G.R. No. L-11476, Feb. 28, 1958; De los Reyes v. Bayona, G.R. No. L-13832, March 29, 1960).

Moreover, the trial court seems to have overlooked that as has often been held, "the power to appoint a receiver is a delicate one; that said power should be exercised with extreme caution and only when the circumstances so demand, either because there is imminent danger that the property sought to be placed in the hands of a receiver be lost or because they run the risk of being impaired, endeavoring to avoid that the injury thereby caused be greater than the one sought to be averted. For this reason, before the remedy is granted, the consequences or effects thereof should be considered or, at least, estimated in order to avoid causing irreparable injustice or injury to others who are entitled to as much consideration as those seeking it", (Velasco & Co. v. Gochico & Co., 28 Phil. 39; Claudio, et al. vs. Zandueta, 64 Phil. 812; Calo v. Roldan, 76 Phil. 454).

WHEREFORE, the orders of November 14, 1959 and December 10, 1959 are set aside, and the writ of preliminary injunction issued by this Court on February 3, 1960 is made permanent. Costs against respondent Daniel Evangelista.

Bengzon, Padilla, Bautista Angelo, Concepcion, Barrera, Gutierrez David, Paredes, and Dizon, JJ., concurred.

X

Concordia Cagalawan, Plaintiff-appellant, vs. Customs Canteen, et al., Defendants-appellees, G.R. No L-16031, October 31, 1961, *Paredes, J.*

1. COURT OF INDUSTRIAL RELATIONS; JURISDICTION; WHEN IT HAS NO JURISDICTION OVER MONEY CLAIMS.— Under the law and jurisprudence the Court of Industrial Relations' jurisdiction extends only to cases involving (a) labor disputes affecting an industry which is indispensable to the national interest and is so certified by the President to the Court (Sec. 10, Rep. Act No. 875); (b) controversy about the minimum wage, under the Minimum Wage Law, Rep. Act No. 602; (c) hours of employment, under the Eight-Hour Labor Law, Comm. Act No. 444 and (d) unfair labor practice (Sec. 5 [a], Rep. Act No. 875). And such disputes, to fall under the jurisdiction of the CIR, must arise while the employer-employee relationship between the parties exists or the employee seeks reinstatement. When such relationship is over and the employee does not seek reinstatement, all claims become money claims that fall under the jurisdiction of the regular courts (Sy Huan vs. Judge Bautista, et al., G.R. No. L-16115, Aug. 29, 1961; and cases cited therein).

2. ID.; ID.; WHEN IT HAS NO POWER TO GRANT REMEDY UNDER ITS POWER OF MEDIATION AND CONCILIATION.— In the absence of unfair labor practice, the CIR has no power to grant remedy under its general powers of mediation and conciliation, such as reinstatement or back wages.

3. ID.; ID.; NO JURISDICTION ON VIOLATION OF SEPARATION PAY LAW; ORDINARY COURT, JURISDICTION OF.— A violation of the law on separation pay (Rep. Act No. 1052, as amended by Rep. Act No. 1787), involves, at most, a breach of an obligation of the employer to his employee or vice versa, to be prosecuted like an ordinary contract or obligation — a breach of a private right which may be redressed by a recourse to the ordinary court.

D E C I S I O N

On December 24, 1957, Concordia Cagalawan, filed a claim against the Manager, Customs Canteen (Ramona Pastoral), before the Regional Office No. 8, Department of Labor, Davao City for