of the Court of Industrial Relations.

2. ID.; ID.; BROAD POWERS REFERS ONLY TO MATTERS, CONTROVERSIES OR DISPUTES AFFECTING EMPLOYERS AND EMPLOYEES.—Section 1, Commonwealth Act No. 103 which respondent invoke, negates their stand for this section makes it plain that the broad grant of powers to the Court of Industrial Relations refers only to matters, controversies or disputes "arising between, and/or affecting employers and employees."

3. ID.; ID.; REQUISITES TO BE COMPLIED WITH IN ORDER TO GIVE THE INDUSTRIAL COURT JURISDICTION OVER A LABOR CASE.—In the case of Campos et al. vs. Manila Railroad Co., et al., G.R. No. L-17905, dated May 25, 1962, it was held that for the jurisdiction of the Court of Industrial Relations to come into play, the following requisites must be complied with: (a) there must exist between the parties an employer-employee relationship or the claimant must seek his reinstatement; and (b) the controversy must relate to a case certified by the President to the Court of Industrial Relations as one involving national interest, or must have a bearing on an unfair labor practice charge, or must arise either under the Eight-Hour Labor Law or under the Minimun Wage Law. In default of any of these circumstances, the claim becomes a mere money claim that comes under the jurisdiction of the regular courts.

DECISION

This is a petition for certiorari to annul the order of the Honorable Baltazar M. Villanueva of the Court of Industrial Relations and the resolution of that Court in banc denying a motion to dismiss filed by petitioner as respondent in Case No. 13-V-Pang., entitled "Jacinto Arcilla" et al., Petitioners v. Sergio F. Naguiat, respondent."

It appears that respondents were former employees of petitioner in his construction business in Angeles, Pampanga. On January 8, 1959, they sued petitioner in the Court of Industrial Relations for the recovery of basic and extra compensation for work done on Sundays and holidays under Section 4 of the Eight-Hour Labor Law (Commonwealth Act No. 444, as amended) during the period 1956-1957.

In his answer, petitioner, among other things, questioned the jurisdiction of the Court of Industrial Relations and raised the issue anew in a motion to dismiss which he subsequently filed, but the Honorable Baltazar M. Villanueva upheld his jurisdiction over the case in an order dated September 19, 1959, relying on our ruling in Monares v. CNS Enterprises, et al., G.R. No. L-11749, May 29, 1959. Petitioner moved for reconsideration of the order but the Court, sitting in banc, affirmed the disputed order in a resolution dated December 1, 1959. Hence, this petition, petitioner contending, among other things, that the Court of Industrial Relations had no jurisdiction over the case.

While this case was pending, this Court clarified its previous rulings on the jurisdiction of the Court of Industrial Relations and held in Price Stabilization Corp. v. Court of Industrial Relations, et al., G.R No. L-13206, May 23, 1960 that —

> "Analyzing these cases the underlying principle, it will be noted in all of them, though not stated in express terms, is that where the employer-employee relationship is still existing or is sought to be reestablished because of its wrongful severance (as where the employee seeks reinstatement), the Court of Industrial Relations has jurisdiction over all claims arising out of, or in connection with the employment, such as those related to the Minimum Wage Law and the Eight-Hour Labor Law. After the termination of their relationship and no reinstatement is sought, such claims become mere money claims, and come within the jurisdiction of the regular courts.
>
> "We are aware that in 2 cases, some statements implying a different view have been made, but we now hold and declare the principle set forth in the next preceeding paragraph as the one governing all cases of this nature."

Since, at the time of the filing of the complaint, the employer-employee relationship of the parties had been terminated and there being no petition for reinstatement, the claims of respondents Jacinto Arcilla, et al. did not come within the jurisdiction of the Court of Industrial Relations.

In their memorandum in lieu of oral argument, however, respondent ask that we re-examine the doctrine of the Prisco case. They contend that the Court of Industrial Relations was created to afford protection to labor and that Section 1 of Commonwealth Act No. 103 confers broad powers on the Court of Industrial Relations "to consider, investigate, decide, and settle all questions, matters, controversies, or disputes arising between and/or affecting employers and employees or laborers x x x and regulate the relations between them" regardless of the existence of employer-employee relationship between the parties.

There is no merit in the contention. Even Section 1 of the law, which respondents invoke, negates their stand. This section makes it plain that the broad grant of powers to the Court of Industrial Relations refers only to matters, controversies or disputes "arising between, and/or affecting employers and employees."

We find no reason to depart from the ruling in the Prisco case. The doctrine of the Prisco case has been reiterated in a long line of decisions.[1] It is now the rule on the matter. A restatement of this doctrine is found in Campos, et al. v. Manila Railroad Co., et al., G.R. No. L-17905, May 25, 1962, in which We held that for the jurisdiction of the Court of Industrial Relations to come into play, the following requisites must be complied with: (a) there must exist between the parties an employer-employee relationship or the claimant must seek his reinstatement; and (b) the controversy must relate to a case certified by the President to the Court of Industrial Relations as one involving national interest, or must have a bearing on an unfair labor practice charge, or must arise either under the Eight-Hour Labor Law or under the Minimum Wage Law. In default of any of these circumstances, the claim becomes a mere money claim that comes under the jurisdiction of the regular courts.

WHEREFORE, the Order of September 19, 1959 and the resolution of December 1, 1959 of the Court of Industrial Relations are hereby set aside, without pronouncement as to costs.

Bengzon, C.J., Padilla, Bautista Angelo, Labrador, Concepcion, Reyes, Barrera, Paredes, Dizon and Makalintal, JJ., concurred.

VIII

Juan Andan, et al., petitioners-appellants vs. The Secretary of Labor, et al., respondents-appellees G.R. No. L-18556, March 29, 1963, Labrador, J.

DEPARTMENT OF LABOR; REGIONAL OFFICES; NO JURISDICTION TO CONSIDER MONEY CLAIMS INCLUDING OVERTIME PAY FILED BY LABORERS.—In the cases of Corominas, Jr., et al. vs. Labor Standards Commission, et al., G.R. No. L-14837, Manila Central University vs. Calupitan, et al.,

[1] National Development Co. v. Court of Industrial Relations, et al., G.R. No. L-15422, Nov. 30, 1962; Board of Liquidators, et al. v. Court of Industrial Relations, et al., G.R. No. L-14366, Oct. 31, 1962; Cagalawan v. Customs Canteen, et al., G.R. No. L-16031, Oct. 31, 1961; Sy Huan v. Bautista, et al., G.R. No. L-16115, Aug. 29, 1961; Cuison v. Gaite, G.R. No. L-16611, March 25, 1961; Elizalde Paint & Oil Factory, Inc. v. Bautista, G.R. No. L-15904, Nov. 23, 1960; Sampaguita Pictures Inc., et al. v. Court of Industrial Relations, et al., G.R. No. L-16404, Oct. 25, 1960; Ajax International Corp. v. Saguritan, et al., G.R. No. L-16038, Oct. 25, 1960; New Angat-Manila Trans. Co., et al v. CIR, et al., G.R. No. L-16289, Dec. 27, 1960.

G.R. No. L-15483; Wong Chun vs. Carlim, et al., G:R. No. L-13940 and Balrodgan Co., Ltd. vs. Fuentes, et al., G.R. No. L-15015, jointly decided by the Supreme Court on June 80, 1961, it was held that the provision of Reorganization Plan No 20-A, particularly Sec. 25 thereof, granting regional offices of the Department of Labor original and exclusive jurisdiction to consider money claims including overtime pay, is not authorized by the provisions of Republic Act 997 which creates and grants power to the Reorganization Commission. For this reason regional offices have been declared in a long line of decisions without jurisdiction to consider money claims filed by laborers.

DECISION

This is an appeal from a judgment of the Court of First Instance of Bulacan, the Hon. Ambrosio T. Dollete, presiding, dismissing a petition for prohibition and certiorari filed by petitioners against the respondents-appellees.

On September 18, 1954, respondents-appellees Eugenio Aguirre, Fernando Navarro, Eufemio Ituralde, Aurelio de la Cruz, Eladio Fortez, Menandro de Guzman and Ismael Cruz filed thru the provincial fiscal two (2) separate informations against Asuncion Cruz and Juan Andan, the herein petitioners-appellants, docketed as Criminal Cases Nos. 2099 and 2100 of the Court of First Instance of Bulacan, for violation of the Minimum Wage Law and of the Eight-Hour Labor Law.

After a joint trial the court on September 12, 1958 rendered judgment finding Asuncion Cruz guilty in both cases and sentencing her to pay a fine of ₱250.00 in each case, Juan Andan was acquitted in both cases.

On November 10, 1958, respondents-appellees filed a complaint for unpaid wages against petitioners-appellants with Regional Office No. 3 of the Department of Labor. A motion to dismiss was filed on the ground of **res judicata** and for lack of jurisdiction to try or hear the complaint. This motion was denied by the Hearing Officer. On January 12, 1959, petitioners-appellants filed a motion for reconsideration of the order denying their motion to dismiss. The Hearing Officer denied the motion for reconsideration. After trial a decision dated February 17, 1959 was rendered sentencing the petitioners herein to pay the respondents the sum of ₱18,904.00 for overtime and unpaid wages and the sum of ₱1,890.00 as attorney's fees. On April 6, 1959, petitioners-appellants filed a petition for extension of time to appeal with the office of the Labor Standards, Bureau of Labor, which petition was denied in an order issued by the respondent Hearing Officer, dated April 6, 1959, and who at the same time issued an order directing the issuance of writ of execution.

On April 24, 1959, petitioners filed the petition for Certiorari and Prohibition with Preliminary Injunction in the Court of First Instance of Bulacan. In an order dated June 5, 1959, the said court directed the issuance of a writ of preliminary injunction enjoining the respondents from carrying out the decision of Regional Office No. 3 of the Department of Labor. The writ was issued on August 8, 1950. On January 16, 1961, the lower court rendered the decision dismissing the action. So it also dissolved the writ of preliminary injunction.

In this appeal appellants contend that the lower court erred in:

1. Holding that the defense of **res judicata** cannot be availed of in the proceedings had before Regional Office No. 3 of the Department of Labor; and
2. Holding that said Regional Office No. 3 had jurisdiction to hear and try the complaints filed by the respondents-appellees before it.

On the question of jurisdiction of the Regional Office No. 3 of the Department of Labor, the Court finds and declares that said Regional Office has no jurisdiction to hear and try the complaint filed before it by the appellees. In the cases of Corominas, Jr., et al, vs. Labor Standards Commission, et al., G.R. No. L-14837, Manila Central University vs. Calupitan, et al., G.R. No. L-15483; Wong Chun vs. Carlim, et al., G.R. No. L-13940 and Balrodgan Co., Ltd. vs. Fuentes, et al., G.R. No. L-15015 jointly decided by the Supreme Court on June 30, 1961, it was held that the provision of Reorganization Plan No. 20-A, particularly Sec. 25 thereof, granting regional offices of the Department of Labor original and exclusive jurisdiction to consider money claims including overtme pay, is not authorized by the provisions of Republic Act 597 which creates and grants power to the Reorganization Commission. For this reason regional offices have been declared in a long line of decisions without jurisdiction to consider money claims filed by laborers. The second assignment of error is therefore sustained.

As regional offices of the Department of Labor have no jurisdiction to consider claims of the respondents-appellees it is unnecessary for us to pass upon the first ground of appeal.

Wherefore the decision appealed from is hereby reversed, the decisions rendered by Regional Office No. 3 are hereby set aside and all proceedings therein in relation to the claims against petitioners as well as the orders issued by said Regional Office No. 3 are hereby declared null and void. With costs against respondents-appellees.

Bengzon, C.J., Padilla, Bautista Angelo, Concepcion, J.B.L. Reyes, Barrera, Paredes, Dizon, and Makalintal, JJ., concurred.

Regala, J., took no part.

IX

J.M. Tuason & Co., Inc., et al., Plaintiffs-appellees, vs. Ricardo Baloy, defendant-appellant, G.R. No. L-1627, May 30, 1963, Dizon, J.

RELIEF FROM JUDGMENT; LACK OF ALLEGATIONS OF FACTS IN AFFIDAVIT TO PROVE EITHER FRAUD, ACCIDENT, MISTAKE OR EXCUSABLE NEGLIGENCE. — Appellant's Motion for Relief from Judgment is not supported by the corresponding affidavit of merit and does not allege any showing of fraud, accident, mistake or excusable negligence to serve as a valid basis of the petition. While the petition for relief was verified, it sets forth no fact or set of facts, sufficient to constitute one of the grounds for relief under Rule 38 of the Rules of Court. And as the lower court stated in the appealed order, the petition was not accompanied with an affidavit of merit. On pages 12 to 15 of the Record on Appeal, there appears an affidavit of merit subscribed by counsel of appellant. HELD: As it appears printed in the Record on Appeal after the opposition filed by appellee in which the insufficiency of the petition for relief was raised because of the absence of an affidavit of merit to support the same, it may be presumed that this affidavit was prepared to meet and solve the situation. It is, however, clearly insufficient to cure the defect of the petition, because the allegations of fact made therein do not prove either fraud, accident, mistake or excusable negligence, nor do they show a valid defense in favor of the party seeking relief.

DECISION

This is an appeal from the order of the Court of First Instance of Rizal (Branch of Quezon City) denying appellant's petition for relief from a final and executory judgment rendered on December 16, 1959 in Civil Case No. Q-4290.

It appears that on June 7, 1959, appellee filed the abovementioned case against appellant to recover possession of a parcel of land contalning an area of approximately 560 sq. meters, to have him remove his house and other constructions therefrom, and to recover the monthly sum of ₱165.00 as rental from the date he unlawfully occupied the property in April 1949, until possession thereof has been restored to appellee. Appellant filed his answer and, after trial on the merits, the Court rendered

(Continued on page 191)