

Authority of Labor Arbiters to Grant Moral Damages

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25 *ATENEO L.J.* 1 (1981)

SUBJECT(S): LABOR LAW

KEYWORD(S): MORAL DAMAGES, LABOR ARBITERS, JURISDICTION

The Article is a survey of labor statutes and jurisprudence that answers whether or not Labor Arbiters have the authority to grant moral damages. It begins by citing and discussing Article 217 of Presidential Decree No. (P.D.) 442 or "A Decree Instituting a Labor Code, thereby Revising and Consolidating Labor and Social Laws to Afford Protection to Labor, Promote Employment and Human Resources Development and Ensure Industrial Peace based on Social Justice" (Labor Code) which outlines the jurisdiction of a Labor Arbiter. The cases of *Garcia v. Martinez*, *Benzon v. Sta. Ines*, *Robert v. Hyde*, and *Manalabe v. Hilton International* are cited to support the view that a Labor Arbiter is allowed to grant moral damages.

Thereafter, the amendments made by P.D. 1367 and P.D. 1691 are provided. The Author cites the decision of the court in the motion for reconsideration of *Garcia v. Martinez* where the Supreme Court ruled that Article 217 of the Labor Code, because of the amendments, was already prohibiting Labor Arbiters from granting moral damages.

Reference is also made to Article 248 of *Batas Pambansa Blg. 70* or "An Act to Strengthen the Constitutional Right of Workers to Self-Organization and Free Collective Bargaining and to Penalize Unfair Labor Practices, Further Amending for the Purpose Articles, 244, 247, 248, 249, 250, and 289 (Book V) of Presidential Decree Numbered Four Hundred Forty-Two, as Amended, Otherwise Known as The Labor Code of the Philippines." The Author finds difficulty in harmonizing this law with P.D. 1691. Under the latter, Labor Arbiters are prohibited from entertaining claims for moral damages. The former, meanwhile, grants the jurisdiction to Labor Arbiters over civil damages arising from unfair labor practices.

To reconcile the two, the Author concludes that Labor Arbiters may grant moral damages arising from unfair labor practices. They may not, however, entertain claims for moral damages if the said damages did not arise from unfair labor practice.