

## THIRD DIVISION

[ G.R. No. 106722, October 04, 1996 ]

**JOSEMARIA G. ESTRADA, PETITIONER, VS. THE HONORABLE  
NATIONAL LABOR RELATIONS COMMISSION AND PHILIPPINE  
AIRLINES, INC., RESPONDENTS.**

### RESOLUTION

**FRANCISCO, J.:**

Prior to the instant controversy, petitioner Josemaria Estrada<sup>[1]</sup> was the Senior Vice-President -- marketing Group of private respondent Philippine Airlines Inc., (PAL for brevity), responsible "for the development of corporate marketing plans and strategies of PAL and for providing direction on all passenger and cargo sales and services activities at international and domestic airports."<sup>[2]</sup>

In June of 1990, petitioner was implicated by then Solicitor General Francisco Chavez in the much-publicized P2 billion anomaly in PAL.

Accordingly, he administratively charged<sup>[3]</sup> and thereafter preventively suspended. Investigation ensued with the investigating committee recommending petitioner's dismissal from service. On 27 December 1990, petitioner received a resolution passed by the PAL's Board of Directors (Board for Brevity) declaring him resigned from service effective immediately for "loss of confidence and acts inimical to the interest of the company".<sup>[4]</sup> Aggrieved, petitioner sued PAL for illegal dismissal with prayer for backwages, damages and other benefits before the Labor Arbiter. Finding that petitioner was illegally dismissed, the Labor Arbiter ordered PAL to reinstate petitioner to his previous position and to pay him backwages and other benefits.<sup>[5]</sup> On appeal by PAL, the National Labor Relations Commission (NLRC) ordered the dismissal of the petitioner's complaint holding that jurisdiction over the case lies with the Securities and Exchange Commission (SEC)<sup>[6]</sup> Petitioner's motion for reconsideration was denied; hence, this petition for certiorari with the following threshold issues: (1) whether or not the NLRC has jurisdiction over the case for illegal termination filed by petitioner; and (2) whether or not private respondent PAL is estopped from questioning the jurisdiction of the NLRC.

The petition is devoid of merit. We note that the issues raised herein have already been passed upon in *Lozon v. National Labor Relations Commission, et. al.*<sup>[7]</sup> and *Espino v. National Labor Relations Commission, et. al.*<sup>[8]</sup> In fact, in those cases Lozon and Espino, together with herein petitioner Estrada, were among the several Executive Vice-Presidents of PAL who were dismissed by the Board for their involvement in the same P2 billion PAL anomaly. Lozon and Espino, just like herein petitioner, sued PAL for illegal dismissal.<sup>[9]</sup> The Labor Arbiter's decision in their favor was reversed and ordered dismissed by the NLRC on appeal for lack of jurisdiction. On certiorari, the court ruled as follows:

"In *Fortune Cement Corporation v. NLRC*, the Court has quoted with approval the Solicitor General's contention that 'a corporate officer's dismissal is always a corporate act and/or intra-corporate controversy and that nature is not altered by the reason or wisdom which the Board of Directors may have in taking such action.' Not the least insignificant in the case at bench is that petitioner's dismissal is intertwined with still another intra-corporate affair, earlier so ascribed as the "two-billion-peso PALscam,' that inevitably places the case under the specialized competence of the SEC and well beyond the ambit of a labor arbiter's normal jurisdiction under the general provisions of Article 217 of the Labor Code."<sup>[10]</sup>

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"The fact that petitioner sought payment of his backwages, other benefits, as well as moral and exemplary damages and attorney's fees in his complaint for illegal dismissal will not operate to prevent the SEC from exercising its jurisdiction under PD 902-A. While the affirmative reliefs and monetary claims sought by petitioner in his complaint may, at first glance, mislead one into placing the case under the jurisdiction of the Labor Arbiter, a closer examination reveals that they are actually part of the perquisites of his elective position; hence, intimately linked with his relations with the corporation."<sup>[11]</sup>

We fail to see any cogent reason, and none was persuasively presented, why the above ruling should not be applied to the case at bench.

Anent the issue on estoppel, suffice it to state that there is nothing on record to show that PAL was guilty of the same. In fact, we note that initially at the arbitration level, PAL already questioned the jurisdiction of the labor Arbiter on the ground that petitioner's "recourse should have been with the Office of the President."<sup>[12]</sup> While the reason therein proffered by PAL may be incorrect, it did not alter the fact that PAL indeed questioned the jurisdiction of the labor Arbiter. At any rate, our settled rule is that jurisdiction over the subject matter is conferred by law, and may be questioned at anytime even on appeal.<sup>[13]</sup>

**ACCORDINGLY,** the instant petition is hereby **DISMISSED**.

**SO ORDERED.**

*Narvasa, C.J. (Chairman), Davide, Jr., and Melo, JJ., concur.*  
*Panganiban, J., no part.*

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<sup>[1]</sup> In the past, petitioner held the following positions: (1) Assistant to the Director, Fare and Rates (1969); (2) Manager, Staff Service, Marketing and Sales-International (1973-1979); (3) manager, Tariffs-IATA (1974-1977); (4) Director, Tariffs and Regulatory Matters (1977-1980); (5) Director, International passenger Sales (1980); (6) Assistant Vice-President, Int'l. Passenger Sales; (7) Assistant Vice-President, External Affairs; (8) Officer-in-charge, Sales and Services Int'l. (1987); (9) vice-president, Sales and Services Int'l. (1987-1988).