



NEWS RELEASE

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Court of Appeals upholds POEA's jurisdiction over recruitment violation cases

The Court of Appeals (CA) recently ruled that lower courts has no jurisdiction over cases decided by the Philippine Overseas Employment Administration in the exercise of its adjudicatory power.

Administrator Rosalinda Dimapilis-Baldoz said that effectively, lower courts cannot issue temporary restraining orders or writs of injunction preventing the implementation of POEA orders against erring recruitment agencies.

On April 23, 2007, the Court of Appeals issued a Decision nullifying the October 8, 2004 Resolution and July 22, 2005 Joint Order rendered by RTC Branch 212 of Mandaluyong City which enjoined the implementation of the POEA's order of cancellation of the license of PRIMA Manpower Services, Inc. (PRIMA).

In her decision, Associate Justice Rosmari D. Carandang said the lower court committed grave abuse of discretion amounting to lack or excess of jurisdiction when it issued the assailed Resolution and Joint Order despite evident lack of jurisdiction to take cognizant of the complaint.

Under section 1, Rule 1, Part VI of the 2002 POEA Rules and Regulations Governing the Recruitment and Deployment of Land-based Workers, the POEA has original and exclusive jurisdiction over to hear and decide all cases which are administrative in character, involving or arising out of violations of recruitment rules and regulations including refund of fees collected from the workers and violations of the conditions for issuance of license to recruit workers.

The Secretary of Labor and Employment shall have exclusive jurisdiction to act on appeals/petitions for review of recruitment violation case and other case decided by the POEA.

The Court of Appeals also found PRIMA guilty of forum shopping when it filed a complaint in the lower court and then filing an appeal before the Secretary of Labor and Employment.

The case originated from a complaint filed by an applicant against PRIMA for excessive collection of placement fee and non-issuance of appropriate receipt in violation of the POEA rules. In an Order dated August 30, 2004, the POEA found PRIMA guilty of the the charges and imposed on it the penalties of cancellation of license and fine in the amount of P40,000.

On September 2, 2004, PRIMA filed a complaint of annulment of the POEA Order and issuance of a temporary restraining order before the Regional Trial Court of Mandaluyong City, Branch 212. In the Resolution of September 10, 2004, Judge Rizalina Capco-Umali granted PRIMA's application for TRO.

On October 22, 2004, PRIMA filed with DOLE a Notice of Appeal from the POEA Order dated August 30, 2004.

On November 10, 2005, the CA granted POEA's application for TRO and on January 26, 2006, the same Court issued a writ of preliminary mandatory injunction enjoining the lower court and PRIMA from enforcing the Orders of the lower court pending the resolution of the petitions under it.

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