Title: De La Salle-Araneta University vs. Juanito C. Bernardo, G.R. No. 185569 (2011)

Facts:

1. Juanito C. Bernardo commenced work as a part-time lecturer at De La Salle-Araneta University (DLS-AU) on June 1, 1974.

2. Bernardo's teaching contract was renewed for each semester and summer until October 12, 2003.

3. DLS-AU informed Bernardo on November 8, 2003, that due to his age (75), he could not continue teaching.

4. After retiring, Bernardo sought advice from the Department of Labor and Employment (DOLE) about his entitlement to retirement benefits and received opinions affirming his entitlement.

5. DLS-AU, through Dr. Oscar Bautista, refused Bernardo's claim for retirement benefits, citing that only full-time permanent faculty were entitled under the university policy and Collective Bargaining Agreement (CBA).

6. Bernardo, not satisfied, filed a complaint with the NLRC for non-payment of retirement benefits and damages.

Procedural Background:

1. The Labor Arbiter dismissed Bernardo's complaint on December 13, 2004, citing prescription as Bernardo had not filed his claim within three years following compulsory retirement age.

2. Bernardo appealed to the NLRC, which reversed the Labor Arbiter's decision on June 30, 2008, ruling that Bernardo's claim was timely and valid under Republic Act No. 7641.

3. DLS-AU filed a Petition for Certiorari and Prohibition with the Court of Appeals, asserting grave abuse of discretion by the NLRC. The Court of Appeals upheld the NLRC's decision on June 29, 2009, and denied DLS-AU's Motion for Reconsideration on January 4, 2010.

4. DLS-AU subsequently filed a Petition for Review on Certiorari with the Supreme Court.

Issues:

1. Whether part-time employees are entitled to retirement benefits under Republic Act No. 7641.

2. Whether Bernardo's claim for retirement benefits filed beyond the period provided for under Article 291 of the Labor Code had prescribed.

Court's Decision:
Issue 1:

– The Court affirmed that part-time employees are entitled to retirement benefits under Republic Act No. 7641.

– The law does not exclude part-time employees, and sections 1 and 2 of the Implementing Rules of the Labor Code clarify this inclusion.

– The Court emphasized the liberal construction of labor laws to benefit employees, resolving all doubts in favor of labor.

Issue 2:

– The claim did not prescribe because Bernardo's cause of action accrued upon his actual separation from employment, which occurred on November 8, 2003.

– The document upheld the application of estoppel against DLS-AU for extending Bernardo's employment beyond the compulsory retirement age, preventing him from earlier claiming his retirement benefits.

Doctrine:

1. Retirement benefits under Republic Act No. 7641 apply to all employees in the private sector, including part-time employees.

2. The principle of estoppel can extend employment beyond compulsory retirement age, deferring the accrual of a retirement benefits claim.

Class Notes:

– **Retirement Pay Law (RA No. 7641):** Ensures minimum retirement benefits for private sector employees, including part-time.

– **Article 291 of the Labor Code:** Claims must be filed within three years of cause of action accrual.

– **Implementing Rules (Rule II, Book VI of Labor Code):** Specify coverage and exceptions of RA No. 7641, which does not exclude part-time employees.

– **Doctrine of Estoppel:** Prevents an employer from invoking prescription when it extended employment beyond mandatory retirement age.

Historical Background:

This case occurred in the context of evolving labor laws in the Philippines aimed at improving protections for all employees, particularly under Republic Act No. 7641 passed in 1993. The decision clarified the inclusive application of retirement benefits to part-time employees, solidifying the principle that retirement benefits under this law are broad and liberally interpreted in favor of workers.