

OSCAR GARCIA, PETITIONER, V. NATIONAL LABOR RELATIONS COMMISSION, GLOBAL EXPERTISE MANAGEMENT, INC./PARK INN HOTEL/FROSERPHINA CALANOG, RESPONDENTS.

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GALAPATE-LAGUILLES, J:

The validity of the amicable settlement is the main issue in this Petition for Certiorari seeking the reversal of the December 30, 2010 Decision and the March 30, 2011 Resolution of the National Labor Relations Commission.

The facts are of record.

On March 4, 2009, Global Expertise Management, Inc., a local manning agency, for and in behalf of its principal, Park Inn Hotel, employed Oscar Garcia to work as Waiter Captain at Park Inn Hotel in Al-Khobar, Saudi Arabia with a salary of 1500 Saudi Riyals. On July 8, 2009, Fadi Al-Muhaisin, the Rooms Division Manager of the hotel, accused Garcia of offering prostitution services to a hotel guest. Garcia was later threatened that his IQAMA would be confiscated and that he would no longer be allowed to work. Consequently, with the help of the Philippine Overseas Labor Office (POLO) in Riyadh, Garcia filed a complaint against Park Inn with the Al-Khobar Urgent Court.

Meanwhile, on July 10, 2009, Garcia failed to report for work. Park Inn, through a written misconduct form warned Garcia that a subsequent violation of the rules and policies of Park Inn and the labor laws of the Kingdom would deprive him of his employment rights. The next day, Garcia was again absent. This was followed by consecutive absences which took place from August 4-15, 2009. On August 15, 2009, the General Manager of Park Inn wrote to the POLO Manager to report Garcia's unauthorized absences. For his absenteeism, Garcia was terminated from employment.

Garcia's complaint earlier filed with the Al-Khobar Urgent Court prospered. During the January 6, 2010 hearing, the court asked Garcia for his demands. Garcia asked for SR50,000 for moral damages but the court denied the claim. Instead, Garcia was asked to choose between lashes or imprisonment for his accuser, Al-Muhaisin. The HR Manager of Park Inn thereafter informed the court that the management was willing to give Garcia all his benefits in exchange for the withdrawal of the complaint. Despite the advice of the POLO Case Officer Abdulgaffor Bacaraman, Garcia agreed to withdraw the complaint. A final settlement agreement was drafted and eventually signed by both parties in the presence of the judge and Case Officer Bacaraman. On January 10, 2010, Garcia signed a settlement form stating that some of his personal belongings were returned to him by Park Inn, and he received all his benefits from the owner of the hotel. Two days later, he signed an Employee Clearance, and certified that he had received Six Hundred Fifty Saudi Riyals from Park Inn in full settlement of all his claims regarding his employment, and that he had no further claim against Park Inn. Afterwards, Garcia was repatriated to the Philippines.

On January 20, 2010, Garcia filed a complaint for illegal dismissal, nonpayment of salary and overtime pay plus damages and attorney's fees.

In his position paper, Garcia claimed that he was terminated from employment without justifiable reason. He

asserted that there was no abandonment as he did not go to work because he felt that it was dangerous for him to do so and he was afraid, confused and desperate. The management took advantage of the situation and preterminated his contract.

Respondents, on the other hand, alleged that Garcia's allegations are baseless. They maintained that Garcia was not illegally dismissed but abandoned his work without giving any notice to his employer and without the intention of returning. Also, his behavior and work attitude, i.e., discriminating other employees/staff, disobedience, not sleeping in the designated sleeping quarter, disharmonious relationship with co-employees, etc. would have all the more justified Park Inn to terminate him.

In a Decision dated June 25, 2010, the Labor Arbiter ruled that Garcia already amicably settled his case and accepted his benefits from respondents, hence, there is no basis for the charge of illegal dismissal. On appeal, the NLRC affirmed the Labor Arbiter's decision, thus:

x x x

In one of the documentary evidences (sic) submitted by the complainant himself, it appears that on February 22, 2010, Labor Attache David Des T. Dicang issued a Memorandum addressed to the OWWA Administrator, Hon. Carmelita S. Dimzon, where the case of the complainant was chronicled including the amicable settlement before the Al-Khobar Lower Court, as follows:

“6 January 2010- Both parties were summoned by the Al-Khobar Court. Post accompanied OFW Garcia, who again presented his case and was asked by Judge Fahd Dokhail Al-Judaie for his demands. Subject reiterated payment of SR50,000 for moral damages but was denied by the judge. Instead, he was asked to choose between lashes or imprisonment for his accuser. Three times subject worker requested remuneration, but was denied each time.

The H.R. Manager then informed the court that management is willing to give subject OFW all his benefits (unpaid salaries, unused vacation leave pay and severance award) if he withdraws his complaint. Mr. Fadi Al-Muhaisin also interjected that OFW Garcia absconded several months ago. xxx.

Despite post's advice, OFW Garcia agreed to withdraw his complaint in exchange for the release of his benefits. A final settlement agreement was drafted and signed by both parties in the presence of the judge. With the case concluded, Case Officer Bacaraman excused himself to attend to another urgent hearing at the Saudi Labor Office (SLO) Al-Khobar.”

Complainant-appellant cannot now dispute the validity of the amicable settlement executed before the Saudi Court, and with the assistance of the case officer Abdulgaffhor Bacaraman of the Philippine Labor Office, Philippine Embassy in Riyadh, K.S.A.

x x x.

Garcia's motion for reconsideration was denied for lack of merit; hence, this petition for certiorari claiming grave abuse of discretion on the part of the NLRC in upholding the validity of the amicable settlement and in denying his monetary claims.

The petition is bereft of merit.

The Supreme Court has repeatedly underscored that in a petition for certiorari under Rule 65 of the Rules of Court, the petitioner should establish that the respondent court or tribunal acted in a capricious, whimsical, arbitrary or despotic manner in the exercise of its jurisdiction as to be equivalent to lack of jurisdiction. This is so because “grave abuse of discretion” is well-defined and not an amorphous concept that may easily be manipulated to suit one’s purpose. Resort to judicial review of the decisions of the NLRC by way of a special civil action of

certiorari under Rule 65 is limited only to issues of want or excess of jurisdiction and grave abuse of discretion on the part of the labor tribunal. It does not include an inquiry as to the correctness of the evaluation of the evidence which was the basis of the labor agency in reaching its conclusion. Arguably, there may even be some error in judgment. This, however, is not within the office of the extraordinary remedy of certiorari. Findings of fact of quasi-judicial agencies, like the NLRC, which have acquired expertise in the specific matters entrusted to their jurisdiction are accorded by this Court not only respect but even finality if supported by substantial evidence.

Here, Garcia failed to support his imputation of grave abuse of discretion. Nothing was presented to show that the NLRC exercised its judgment whimsically, arbitrarily or despotically by reason of passion and hostility. Garcia failed to discuss how or why the conclusions of the NLRC were made with grave abuse of discretion. Instead, he limited his discussion on his version of the case, which had already been rejected both by the Labor Arbiter and the NLRC. Garcia basically questioned the factual findings of the labor tribunals. However, it is axiomatic that findings of fact made by Labor Arbiters and affirmed by the NLRC are not only entitled to great respect, but even finality, and are considered binding if the same are supported by substantial evidence. Since Garcia presented an issue of fact, his petition for certiorari collapses in view of the identical findings of the Labor Arbiter and the NLRC.

But even if We delve on the merits of the petition, the same cannot fare any better. Garcia clearly failed to substantiate his claim that there was no actual settlement between him and the respondents.

We emphasize that a compromise agreement is a contract whereby the parties make reciprocal concessions to avoid a litigation or put an end to one already commenced. Not all waivers and quitclaims are invalid as against public policy. If the agreement was voluntarily entered into and represents a reasonable settlement, it is binding on the parties and may not later be disowned simply because of a change of mind. It is only where there is clear proof that the waiver was wangled from an unsuspecting or gullible person, or the terms of settlement are unconscionable on its face, that the law will step in to annul the questionable transaction. But where it is shown that the person making the waiver did so voluntarily, with full understanding of what he was doing, and the consideration for the quitclaim is credible and reasonable, the transaction must be recognized as a valid and binding undertaking.

In this case, in spite of the advice of the labor officer, Garcia agreed to withdraw his complaint in exchange for the release of his benefits. The settlement form and the Employee Clearance he signed reveal that he received all his benefits from Park Inn. He also declared in both documents that the benefits he obtained are in full settlement of all his claims against the hotel regarding his employment. Considering that he voluntarily opted for settlement, with full understanding of what he was entering into, the agreement is binding on him and the other signatories thereto and may not be repudiated on nebulous grounds.

Anent the illegal dismissal case filed by Garcia, perusal of the records discloses that he was validly terminated for his unauthorized absences. It is undisputed that when he first failed to report without notice to his employer on July 10, 2009, he was notified and given a fair warning that a subsequent violation of the rules and policies of Park Inn and the Saudi labor laws would deprive him of his employment rights. Instead of heeding the warning, however, he continually failed to go to work without explanation. Thus, he was terminated. Park Inn's decision to terminate him is concededly a valid exercise of management prerogative to protect its interest.

Even assuming that he was illegally dismissed, his claim for the payment of benefits would still fail. As aptly held by the labor tribunals, the case for illegal dismissal has no leg to stand on in view of the documents he signed stating that the benefits he received constitute full settlement of his claims against the employer. At the risk of being repetitive, the agreement is binding, and Garcia cannot discard it on a whim.

Too, Garcia's claim for moral damages, exemplary damages and attorney fees must be denied. For moral damages to be recovered, it must be shown that an injury was suffered by the claimant and that such injury sprang from any of the cases stated in Articles 2219 and 2220. Moral damages is emphatically not intended to enrich a party at the expense of another. It is awarded only to enable the injured party to obtain means, diversion, or amusements that will serve to alleviate the moral sufferings he underwent, by reason of another's culpable action and must, perforce, be proportionate to the suffering inflicted.

In the instant case, Garcia has not convincingly shown that he suffered "mental anguish" for certain acts of respondents which fell under any of the cases enumerated in Articles 2219 and 2220 of the Civil Code. Accordingly, for lack of factual and legal basis, the award of moral damages must be set aside.

In the same vein, to warrant the award of exemplary damages, "[t]he wrongful act must be accompanied by bad faith, and an award of damages would be allowed only if the guilty party acted in a wanton, fraudulent, reckless or malevolent manner." Here, there is no evidence to show that the respondents' acts are unwarranted, or that they acted with bad faith in their dealings with Garcia. Thus, exemplary damages cannot be awarded.

The claim for attorney's fees must suffer the same fate. The power of the court to award attorney's fees demands factual, legal and equitable justification; its basis cannot be left to speculation and conjecture. The general rule is that attorney's fees cannot be recovered as part of damages because of the policy that no premium should be placed on the right to litigate.

FOR THESE REASONS, the petition is DISMISSED.

SO ORDERED.

Punzalan Castillo (Chairperson) and Paredes, JJ., concur.

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