GLORIA JEAN R. CHAVES, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION, ST. BRIDGET SCHOOL AND SISTER MARY TARCILA ABAÑO, RGS, RESPONDENTS.

G.R. NO. 166382. June 27, 2006

Ponente: PUNO, J.

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PUNO, J.:

First, the facts.

Petitioner Gloria Jean R. Chaves started teaching at respondent St. Bridget School in school year 1988-1989. In March 1995, petitioner successfully defended her theses and earned a degree of Master of Arts in Education, major in Educational Administration. To reward herself, she took a leave of absence during the 1996-1997 school year to travel. After returning, she reassumed her position as Academic Coordinator for the school year 1997-1998. The next school year, she again taught English to third-year high school students at the respondent school. Due to her conscientious performance of her teaching duties, the petitioner received a rating of "Very Good" for school years 1998-2000.

Sometime in June 2000, petitioner went to the offices of the Professional Regulation Commission (PRC) to inquire regarding the written examination to acquire a certificate of registration and professional license. A PRC employee informed her that she need not take the written examination as she taught for five years prior to 1995 and obtained a Master's Degree in Education. Thereafter, the PRC personnel gave petitioner a list of documents to submit by September 2000. Unfortunately, petitioner was unable to meet the deadline due to extreme work pressure.

In the meantime, employer-employee relations at the respondent school had soured. On February 6, 2001, the petitioner and her fellow faculty members began holding meetings to discuss the advantages and disadvantages of forming a faculty union. On March 9, 2001, the faculty members elected the temporary officers of the proposed faculty union and elected petitioner as secretary of the union. The group also decided that the union name would be "St. Bridget School Faculty Union." It was clear to the faculty members present that forming a union would likely have repercussions. On March 19, 2001, union president Mr. Jerold Yap emphasized the need to keep their plans of forming a faculty union a secret and Mr. Rolly Casuaga, a fellow union member, mentioned that the respondent school may find reasons to terminate their employment. Despite these concerns, a majority of the faculty members present at the March 22, 2001 faculty meeting voted to form the union.

During the period when the secret meetings were being conducted, petitioner returned to the PRC on March 2001 with the required documents to secure the issuance of a certificate of registration and professional license without examination. The PRC personnel informed the petitioner that the September 2000 deadline for the submission of requirements was not extended. However, they advised her to await announcements from the newly appointed Secretary of Education as to possible policy changes.

On June 7, 2001, former Secretary of Education, Raul S. Roco, sent a letter to Fr. Roderick Salazar, President of

the Catholic Educational Association of the Philippines, which stated, viz.:

> This refers to your letter of June 4. You will recall that on March 5, I informed COCOPEA members at a meeting at the Department of Education, Culture and Sports with the Fund for Assistance to Private Education that Secretary of Justice Hernando Perez was amenable to review RA 7836 in light of the non-impairment clause in the Constitution. The Secretary of Justice was also concerned with the academic freedom guarantees to institutions of higher learning. I requested COCOPEA officials then to put together the appropriate query describing the effects of, and difficulties, created by the law. I mentioned this again at the meeting with the private school educators at the Educators Congress last 24 April at the Manila Midtown Hotel. To date, however, the appropriate paper has not reached me.
>
> Time is now upon us. Nonetheless, the Secretary of Justice and I will await your letter so that the Constitutional and legal issues can be reexamined. In the meantime, for public policy reasons and to protect the welfare of the students in both public and private schools, please maintain status quo of your teaching staff and ensure that the right to education is protected and enhanced.[1]

On June 13, 2001, respondent Sr. Mary Tarcila summoned the petitioner to her office and handed her a letter. The contents thereof are reproduced below:

> MEMO NOTE
>
> TO: GLORIA JEAN CHAVES
>
> FROM: THE PRINCIPAL
>
> DATE: June 13, 2001
>
> RE: Your PRC License under R.A. 7836
>
> This is to document measures that have been taken in connection with requiring compliance with Republic Act 7836. Sometime towards the end of March 2001, your attention was personally called upon (sic) to do something about your PRC registration. I made you to (sic) understand that you will give me some document from PRC, BEFORE THE BEGINNING OF School year 2001-2002 that you have complied with the above legislation.
>
> The school year 2001-2002 has formally opened today and I have not received any such document from you, neither have I any information that you are taking concrete steps to regularize your status as a Professional teacher under the above-mentioned law.
>
> In view of the foregoing you are hereby given until July 15, 2001 to show cause why a case of neglect of duty under Republic Act 7836 may not be brought against you and this is notice of termination as well in case of failure to do so.
>
> Your immediate compliance with this directive will be to your advantage. Please comply accordingly. (Emphases supplied)[2]

The petitioner was taken aback by the letter as she did not recall that any order was made by respondent Sr. Tarcila to that effect. Thereafter, petitioner went to the PRC offices on June 15, 2001 to secure a document certifying that she was in the process of complying with the requirements of Republic Act No. 7836, as instructed. During the visit, petitioner was informed that the previous PRC deadline in September 2000 was not extended. Petitioner was advised to return to the PRC offices in January 2002 to apply for test permits for the August 2002 examinations as the deadline for applying for the August 2001 examinations had expired last May 2001. She was also given a Certificate of Appearance to submit to respondent Sr. Mary Tarcila which stated that: 1) petitioner inquired regarding the application for conversion/registration without examination; 2) petitioner inquired

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regarding the requirements for the LET exam; and 3) petitioner was advised to take the LET exam in 2002.

On or around July 6, 2001, petitioner handed the Certificate of Appearance to respondent Sr. Mary Tarcila. To petitioner's surprise, the respondent returned the certificate to her without comment after glancing at its contents.

One week later, or on July 13, 2001, Mrs. Felina Naca, an Information Office Clerk at the respondent school, handed petitioner a termination letter as she was about to leave the school campus at around 5:00 p.m. The letter stated in part, viz.:

> Considering that as of date you have not provided the required documentation, YOU ARE HEREBY TERMINATED AS OF JULY 15, 2001 due to your failure to acquire a teacher's license or to take [the] necessary steps in order to get the required exams this August 2001. (Emphasis supplied)[3]

The following day or on June 14, 2001, petitioner went to the respondent school to meet with respondent Sr. Mary Tarcila. However, when petitioner asked to speak with Sr. Tarcila, she was informed that Sr. Tarcila was out. Undaunted, petitioner and a Mr. Willy Lipayon proceeded to the Sister's house, talked with Sr. Clare, and presented copies of documents as proof of her efforts to secure her PRC license. Sr. Clare informed petitioner that respondent Sr. Mary Tarcila would be back between 4:00 and 4:30 p.m.

At 6:15 p.m., petitioner was finally able to talk to respondent Sr. Mary Tarcila but only through the intercom system. The latter refused to see the petitioner and told her that the documents that the petitioner presented were meaningless. Respondent Sr. Tarcila asserted that what she required was a letter explaining what the petitioner had been doing regarding her application for a license. However, to the petitioner's recollection, and based on respondent Sr. Tarcila's memorandum dated June 13, 2001, no mention was made by the latter as to the type of document she required from the PRC.

On June 16, 2001, petitioner reported to the respondent school at 7:10 a.m. However, the guard at the school gate physically restrained the petitioner, in full view of her students, from entering the school premises. At that time, Sr. Mary Tarcila had given instructions to the guards not to allow the petitioner to enter the school premises due to her termination. Two of the petitioner's colleagues, Mr. Dio Sta. Maria and Mr. Jog Yap, saw the petitioner at the school gate and offered to help. They proceeded to see respondent Sr. Tarcila to convince her to talk with petitioner. Their efforts were for naught as Sr. Tarcila informed them that petitioner would be considered absent for the day.

That afternoon, petitioner's lawyer, Atty. Francis V. Sobreviñas, wrote a demand letter to respondent Sr. Mary Tarcila, which stated:

> In the interest of justice and fair play, demand is hereby made upon you to do the following:
>
> - Recall or revoke the termination letter of July 13, 2001;
>
> - Apologize in writing for the wrong you have done to her;
>
> - Immediately reinstate Ms. Chaves to her former position without loss of benefits and seniority.[4]

Respondent Sr. Tarcila did not act upon the demand letter. Consequently, petitioner filed her complaint for illegal dismissal with the National Labor Relations Commission (NLRC) Arbitration Branch of the National Capital Region on September 14, 2001.

Despite respondent Sr. Tarcila's insistence on petitioner obtaining her PRC license, the former engaged the services of unlicensed fresh graduates to replace petitioner and Mr. Casuaga. Moreover, while only petitioner and Mr. Casuaga were dismissed, there were 15 other unlicensed teachers at the respondent school at the time of their

dismissal.

On March 8, 2002, the Labor Arbiter issued a decision in favor of respondents, which petitioner received on May 2, 2002. The dispositive portion of the decision reads, viz.:

> Indeed, there is just and valid cause for the termination of complainant from her employment.
>
> For insufficiency of evidence, the claims for unfair labor practice and money claims are hereby dismissed.
>
> SO ORDERED.[5]

Petitioner then filed an Appeal Memorandum with the respondent NLRC on May 10, 2002. On June 30, 2003, the respondent NLRC rendered its decision which was received by the petitioner on August 25, 2003. The NLRC decision partially granted the appeal, ruled that petitioner was illegally dismissed, and ordered respondent school to reinstate her to her former position without loss of seniority rights and privileges, and pay her full backwages and other benefits from the date of her dismissal up to the date of her actual reinstatement. However, the NLRC decision denied petitioner's claims of unfair labor practice, and moral and exemplary damages for lack of merit.

On August 8, 2003, the respondents filed their Motion for Reconsideration. Petitioner likewise filed her Motion for Partial Reconsideration on September 2, 2003, assailing the NLRC decision only insofar as it denied the award of attorney's fees and moral and exemplary damages, and failed to make a finding of unfair labor practices.

On September 22, 2003, the NLRC issued its Resolution denying petitioner's and respondents' Motions for Reconsideration for lack of merit.

Subsequently, both parties filed petitions for certiorari with the Court of Appeals challenging the respondent NLRC's decision. The petition for certiorari of the petitioner was filed on November 11, 2003, docketed as CA-G.R. SP No. 80457, and entitled "Gloria Jean R. Chaves vs. National Labor Relations Commission, St. Bridget School and Sister Mary Tarcila Abaño, RGS." In support of her petition, the petitioner alleged grave abuse of discretion on the part of the NLRC in so far as it failed to recognize the existence of unfair labor practices and denied the awarding of attorney's fees and moral and exemplary damages. The petition of the respondents was docketed as CA-G.R. SP No. 80605 and entitled "St. Bridget School and Sr. Tarcila Abaño, RGS vs. National Labor Relations Commission and Gloria Jean R. Chaves."

On January 23, 2004, petitioner filed a Motion for Consolidation with the Second Division of the Court of Appeals where CA-G.R. SP No. 80605 was pending, praying that the case be consolidated with CA-G.R. SP No. 80457 pending before the Eighth Division of the same court. The Second Division of the Court of Appeals failed to act on the motion.

On June 25, 2004, the Eighth Division of the Court of Appeals rendered a decision in CA-G.R. SP No. 80457, affirming the decision of the NLRC, and dismissing the petitioner's petition.

Petitioner filed a Motion for Partial Reconsideration on July 26, 2004 arguing that the Court of Appeals erred in ruling that the petitioner was not entitled to moral and exemplary damages and attorneyï¿½s fees. The motion was denied by the Court of Appeals in its resolution issued on December 6, 2004.

On January 7, 2005, petitioner filed a Motion for Extension of Time praying that she be given up to February 12, 2005 to file her petition with this Court. About a month later, or on February 8, 2005, petitioner filed her petition for certiorari under Rule 45 of the 1997 Rules of Civil Procedure with this Court raising the following errors: 1) the Court of Appeals erred in not ruling that the petitioner is entitled to moral and exemplary damages; and 2) the Court of Appeals erred in not ruling that the petitioner is not entitled to attorney's fees. The petition was docketed as G.R. No. 166382, and is the case at bar.

We rule for the petitioner.

For attorney's fees, moral and exemplary damages to be granted, the plaintiff must prove that the facts of his case fall within the enumerated instances in the Civil Code. Thus, moral damages may only be recovered where the dismissal or suspension of the employee was attended by bad faith or fraud, or constituted an act oppressive to labor, or was done in a manner contrary to morals, good customs or public policy. In other words, the act must be a conscious and intentional design to do a wrongful act for a dishonest purpose or some moral obliquity.[6] Exemplary damages, on the other hand, may only be awarded where the act of dismissal was effected in a wanton, oppressive or malevolent manner.[7] In this case, the NLRC ruled that there was insufficient evidence to prove the foregoing elements,[8] and the Court of Appeals sustained the NLRC's decision.[9] These rulings were made despite the NLRC's conclusion that "undue discrimination" was committed by the respondents in dismissing the petitioner.[10] In view of these findings, and given that the contemptible manner that the petitioner was treated is extant from the records, we rule that the NLRC and Court of Appeals erred in disallowing the award of attorney's fees, and moral and exemplary damages in favor of the petitioner.

IN VIEW WHEREOF, the petition is GRANTED. The decision of the Court of Appeals promulgated on June 25, 2004 and its resolution promulgated on December 6, 2004 are AFFIRMED with MODIFICATIONS. In addition to petitioner's reinstatement to her former position without loss of seniority rights and privileges, and full backwages and other benefits from the date of her dismissal up to the date of her actual reinstatement, the petitioner is hereby AWARDED attorney's fees in the amount of P10,000.00, moral damages in the amount of P25,000.00, and exemplary damages in the amount of P25,000.00.

SO ORDERED.

Sandoval-Gutierrez, Corona, Azcuna, and Garcia, JJ., concur.

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[1] Rollo, pp. 416-417.

[2] Rollo, p. 417.

[3] Rollo, p. 419.

[4] Rollo, p. 420.

[5] Rollo, p. 423.

[6] Philippine Airlines, Inc. v. NLRC, et al., G.R. No. 132805, February 2, 1999, 302 SCRA 582; Republic Act No. 386, Articles 2219(10) and 2220 (1949).

[7] Garcia v. NLRC, G.R. No. 110518, August 1, 1994, 234 SCRA 632; NASECO v. NLRC, G.R. No. L-69870, November 29, 1988, 168 SCRA 122; Republic Act No. 386, Article 2232 (1949).

[8] Rollo, pp. 364-365.

[9] Rollo, pp. 41-42.

[10] Rollo, pp. 363-364.

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