

FEAGLE CONSTRUCTION CORPORATION, PETITIONER, VS. MAURO DORADO, EDUARDO LIBRANDO, REYNALDO DECEPIDO, DIONISIO BERGONIA, RENATO TIANGCO, EUGENIO MACAWILI, SALVADOR ARDEZA AND NATI...

G.R. No. 86042. April 30, 1991

Ponente: GANCAYCO, J.

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GANCAYCO, J.:

Before the Court is the motion for reconsideration filed by petitioner of the resolution of the Court dated November 23, 1989 dismissing the petition on the ground that the issues raised being particularly factual and there is no sufficient showing that the findings contained in the questioned judgment are not supported by substantial evidence or that said judgment is tainted with grave abuse of discretion.

After a careful consideration of the motion and the comment thereto of respondents, on March 26, 1990 the Court granted the motion, reinstated the petition, giving due course to the petition and required the parties to submit their simultaneous memoranda. The said memoranda have been submitted and so the case is now due for resolution.

Private respondents have been working in Saudi Arabia for three to five years with Algosabi-Bison, Ltd. (AB for short). Sometime in 1983, AB started encountering financial difficulties because of the sudden drop in the price of oil in Saudi Arabia.[1] Thus, in 1983, the remittance of allotments to beneficiaries of Filipino workers employed with AB were delayed. Nevertheless, their salaries were fully paid before they left Saudi Arabia to return to the Philippines.

During all these years, petitioner never charged its Filipino workers, including private respondents, for sending them to work for AB. Petitioner even advanced all the mobilization expenses such as medical fees, passport fees and visa application fees which were supposed to be reimbursed by AB. Because of the financial problems of AB which could not reimburse petitioner for the mobilization expenses, petitioner decided to stop sending back to Saudi Arabia Filipino workers who had returned to the Philippines.

Sometime in July 1984, the Filipino workers employed with AB who had returned, including private respondents, requested for a meeting with the management of petitioner. They pleaded with petitioner to send them back to Saudi Arabia because they were jobless in the Philippines. Mr. Florentino B. Aguila, president of petitioner, explained to them that petitioner would not want to send any workers back to Saudi Arabia because of the big risk to them as AB was encountering financial difficulties.

However, the Filipino workers insisted that rather than remain jobless in the Philippines, they would rather take their chance in Saudi Arabia. They assured petitioner that they were willing to assume the risk in case the remittance of their salaries would be delayed. They said that they would seek the assistance of the Saudi Arabia Labor Office in case the remittance of their salaries would be delayed. They offered to sign any written statement

or waiver pledging that they would not hold petitioner liable for any delay or non-payment of their unpaid salaries and any other amount due them from AB. It was under these circumstances that petitioner reluctantly agreed to send private respondents to Saudi Arabia.[2]

In accordance with their commitment, private respondents signed their respective statements or waivers which read as follows:

"That I am willing to go back to work to ABL fully aware of the above situation;

"That I shall not pressure Feagle Construction Corporation to paying my delayed salaries while ABL has not fully paid its obligations and that I shall only claim my back salaries upon the settlement of the ABL obligations, partly if ABL payments are remitted partly, or fully, in case of full settlement of ABL obligations."

While the private respondents were in Saudi Arabia, they received their salaries directly from AB from whom they demanded direct payment. When AB went into bankruptcy in 1986, all the Filipino workers in its employ, including private respondents, filed a complaint with the Saudi Labor Office at Dammam. All of them dealt with the liquidator of AB directly and in their individual capacities. So the liquidator issued to each of them a certificate stating the amount payable to each of them as soon as funds are available. Said workers, including private respondents agreed to have the liquidator pay them through their bank accounts after the liquidation of the company and the availability of funds.[3]

To assist the workers, including private respondents, petitioner wrote the liquidator to follow-up the claims of the Filipino workers. The liquidator confirms its agreements with private respondents that they would be paid directly and even refused to furnish petitioner a list of the individual claimants and the amounts due each of them on the ground that these matters were confidential.

The above facts are undisputed.

Under the laws of Saudi Arabia, the claims of Filipino workers have first priority for payment. Although private respondents were promised their payments from the liquidator they filed a complaint for non-payment of wages and other benefits against petitioner and Florentino Aguila and Rene Aguila in the Office of the Philippine Overseas and Employment Agency.

In due course, on October 7, 1987, a decision was rendered by the Administrator of said office, the dispositive part of which reads as follows:

"ACCORDINGLY, judgment is rendered ordering the respondents, jointly and severally with their foreign principal, Algosabi-Bison, Ltd., to pay the amounts due them as specified in their individual certifications issued by the Board of Liquidators, or the equivalent thereof in Philippine Currency at the time of payment, as herein below indicated opposite the names of the individual complainants, representing unpaid wages/salaries and other benefits, to wit:

Mauro Dorado — Saudi Riyal

8,811

Eduardo Librandia SR

19,648

Reynaldo Decepidia SR

18,925

Renato Tiangco SR

13,715

Dionisio Borgonia SR

11,749

Eugenio Macawili SR

12,536

Salvador Ardeza SR

7,672

Respondents are likewise ordered to pay the sum equivalent to five (5) percent of the total award due the herein complainants representing attorney's fees.

SO ORDERED."[4]

Petitioner appealed the decision to the National Labor Relations Commission (NLRC). On October 14, 1983, a decision was rendered by the said Commission affirming the appealed decision with the modification that Florentino Aguila and Rene Aguila are liable only to the claim in their official capacity as officers of FEAGLE Construction Corporation.

Hence, this petition for certiorari with a prayer for the issuance of a restraining order or writ of preliminary injunction filed in this Court alleging therein that the respondent NLRC committed a grave abuse of discretion as follows:

"1.

THE RESPONDENT COMMISSION ACTED WITHOUT AND/OR IN EXCESS OF ITS JURISDICTION AND WITH GRAVE ABUSE OF DISCRETION WHEN IT DECLARED THE PETITIONER JOINTLY AND SEVERALLY LIABLE WITH ALGOSAIBI-BISON, LTD. TO PAY THE PRIVATE RESPONDENTS' CLAIM DESPITE THE ABSENCE OF EMPLOYEE-EMPLOYER RELATIONSHIP BETWEEN THE PETITIONER AND THE PRIVATE RESPONDENTS.

2.

THE RESPONDENT COMMISSION ACTED WITHOUT AND/OR IN EXCESS OF ITS JURISDICTION AND WITH GRAVE ABUSE OF DISCRETION WHEN IT RESOLVED AN ISSUE WHICH WAS NEVER PRESENTED, PLEADED AND RAISED BY THE PRIVATE RESPONDENTS.

3.

THE RESPONDENT COMMISSION ACTED IN EXCESS OF ITS JURISDICTION AND GRAVELY ABUSED ITS DISCRETION WHEN IT UNJUSTIFIABLY REFUSED TO CONSIDER AND IGNORED THE PROMISSORY OBLIGATION AS WELL AS THE RELEASE AND QUITCLAIM EXECUTED BY THE PRIVATE RESPONDENTS IN FAVOR OF THE PETITIONER.

4.

THE RESPONDENT COMMISSION ACTED IN EXCESS OF ITS JURISDICTION AND GRAVELY ABUSED ITS DISCRETION WHEN IT RENDERED A DECISION WHICH WOULD INEVITABLY CAUSE, PROMOTE AND ENHANCE INEQUITY AND INJUSTICE.

5.

THE RESPONDENT COMMISSION GRAVELY ABUSED ITS DISCRETION WHEN IT MAINTAINED AND ADHERED WITH (SIC) ITS ERRONEOUS DECISION AFORESTATED BY DENYING PETITIONER'S MOTION FOR RECONSIDERATION."[5]

The petition is impressed with merit.

During the pendency of this case, on motion of petitioner, and without objection of respondents, this case was proposed to be consolidated with G.R. No. 82310 inasmuch as the issues raised in both cases are similar.[6]

On June 18, 1990, this Court rendered its decision in G.R. No. 82310 and G.R. No. 87998, entitled FEAGLE Construction Corporation vs. Gavino Gayda, et al. and FEAGLE Construction Corporation vs. Joseph Orpilla, et al., respectively. The environmental facts of said cases are the same as of the present case. Thus, the Court reproduces with approval its disquisition in the earlier decision as follows:

"We agree with Public Respondents that the general rule as provided for in Section 1, Rule II of the rules and regulations of the Philippine Overseas Employment Administration is that every licensed private recruitment agency shall be jointly and solidarily liable with the employer for all claims and liabilities which may arise in connection with the implementation of the contract of employment.

In this case, however, We find it necessary to deviate from the general rule. First, because of changed circumstances, and second, because of individual agreements between petitioner and private respondents which cannot be considered void because the same cannot be considered contrary to law.

It is the uncontradicted contention of petitioner that 13 of private respondents filed their claims for salaries due in January, February and March of 1986, when their contracts of employment expired in 1985.

It is also clear that private respondents executed new and different contracts of employment directly with Algosaibi-Bison, Ltd. without the participation and consent of the petitioner. The former contracts with the petitioner expired and private respondents entered into new contracts of employment with the Algosaibi-Bison, Ltd., without the participation of petitioner.

The claims of private respondents were made directly with the liquidator of Algosaibi-Bison, Ltd. and they agreed to wait for the promised payment. Again the petitioner had nothing to do with those claims.

We simply cannot ignore that petitioner was reluctant to send the private respondents back to Saudi Arabia because as early as 1983, the Algosaibi-Bison, Ltd. started encountering financial difficulties because of the drop in the price of oil. Private respondents were the ones who insisted that they be allowed to resume employment. They were informed of the risks involved relating to the financial reverses of the employer. They insisted to return to Saudi Arabia and they agreed to sign individual statements, which they did, to the effect that each one of them did not hold petitioner responsible for delay or non-payment of their salaries and any amounts due them from Algosaibi-Bison, Ltd.

These individual statements voluntarily signed by the private respondents to convince the reluctant petitioner to send them back to Saudi Arabia, notwithstanding their knowledge of the financial reverses of this employer, are eloquent individual waivers of their rights against petitioner. They were informed of the risk involved in

returning to an employer in serious financial distress. They insisted on returning to work, even persuading petitioner to allow them to do so, by waiving the possible liability of petitioner. Under these circumstances, when private respondents were insisting to return to work despite the warning, We cannot consider their written waivers as to petitioner's responsibilities void. They were not victims of deceit or deception. They entered into those waivers with open eyes and clear minds. They were aware of the imminent danger and the great risks involved in their renewed ventures.

We also consider that as of record in the past, petitioner never took advantage of private respondents. They were always treated fairly and in accordance with law. Private respondents did not question the good faith of Petitioner. Their former employer Algosai-Bison, Ltd. went into bankruptcy in 1986 and petitioner had nothing to do with that. Private respondents filed their claims directly with the Liquidator of their former employer Algosai-Bison, Ltd. They were given certificates of the amounts due them, to be given preference under the laws of Saudi Arabia. They were to be paid directly, again without participation of the petitioner. Petitioner wrote the Liquidator just to help private respondents, so that their claims may be expedited.

Holding, therefore, that in view of the circumstances proven in this case, and the very clear waiver of liability individually signed by private respondents in favor of petitioner, the petitioner cannot be held jointly and solidarily liable with the employer Algosai-Bison, Ltd. for the claims of private respondents. All other issues need no longer be discussed."

The said ruling is squarely applicable to this case and disposes of this case accordingly.

Hence, when an overseas worker persuades the local representative of the principal or recruiter to send him abroad to work despite the refusal of said local representative or recruiter to accede to the request due to the unstable condition in the area of work desired so much so that the regular payment of the remuneration of the employee or worker and his security of tenure cannot be assured, and still such employee or worker insists on taking a calculated risk by signing a waiver rendering the local representative or recruiter free from any liability to said employee or laborer arising from such overseas employment, thus in such instance, the local representative or recruiter cannot be jointly and severally held liable with the foreign principal or employer for any claim of such employee or worker arising thereunder.

One additional note should be emphasized. As the liquidator had a standing commitment to pay what is due private respondents, the claim of private respondents should be paid by the liquidator. Indeed, it is not improbable that private respondents may have collected by now partially if not fully what is due them. For this additional reason, the Court cannot allow the private respondents to unjustly enrich themselves by collecting twice from the liquidator and petitioner.

WHEREFORE, the petition is given due course and is GRANTED. The decision of the NLRC dated October 14, 1983 is hereby set aside and another decision is hereby rendered dismissing the complaint. No costs.

SO ORDERED.

Narvasa, (Chairman), Cruz, Griño-Aquino, and Medialdea, JJ., concur.

[1] Annex F to the Petition.

[2] Annexes I to I-3 to the Petition.

[3] Annexes L to L-6 to the Petition.

[4] Pages 61-62, Rollo.

[5] Pages 9-10, Rollo.

[6] Page 245, Rollo.

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