



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

AGNES COELI BUGAOISAN,
Petitioner,

G.R. No. 226208

Present:

CARPIO, J.,
Chairperson,
PERALTA,
PERLAS-BERNABE,
CAGUIOA, and
REYES, JR., JJ.

- versus -

OWI GROUP MANILA and
MORRIS CORPORATION,
Respondents.

Promulgated:

07 FEB 2018

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DECISION

REYES, JR., J.:

This is a petition for review on *certiorari*¹ pursuant to Rule 45 of the Rules of Court, as amended, seeking to partially annul, reverse and set aside the Decision² dated February 24, 2016 and Resolution³ dated August 3, 2016 of the Court of Appeals (CA) in CA-G.R. SP No. 131670, which modified the Decision⁴ of the National Labor Relations Commission (NLRC) dated May 31, 2013 and denied Agnes Coeli Bugaoisan's (petitioner) partial motion for reconsideration, respectively.

¹ Rollo, pp. 31-58.

² Penned by Associate Justice Jhosep Y. Lopez, with Associate Justices Ramon R. Garcia and Leoncia R. Dimagiba concurring; id. at 60-75.

³ Id. at 27-29.

⁴ Id. at 370-384.

Reyes

The Facts

A complaint for constructive illegal dismissal and payment of salary for the unexpired portion of the employment period, moral and exemplary damages, and attorney's fees was filed by the petitioner against respondents OWI Group Manila, Inc. (OWI) and Morris Corporation (Morris) (collectively referred to as the respondents) and Marlene D. Alejandrino before the NLRC. The case was docketed as NLRC NCR OFW CASE No. (L)01-0032-12. In that case, the petitioner alleged that on May 6, 2011 she responded to an advertisement that she saw from OWI regarding a job opening in Australia. She sent a copy of her resume online and was thereafter scheduled for an interview at OWI's office in Makati.⁵

OWI is the agent of Morris here in the Philippines. OWI offered petitioner full time employment after she underwent a series of three interviews and did a cooking demonstration. The following were the terms and conditions of her employment:

Position	Chef
Employee Collective Agreement (ECA) Level	Hospitality, Stream, Level 4
Work Status	Fulltime
Annual Salary	AUS\$60,000 per annum. Please refer to clause 4.13.3 of the accompanying ECA
Superannuation	An additional 9% of the Annual Salary
Leave	152 hours/20 days paid annual leave & 76 hours/10 days paid personal leave (sick and carers)

Appended to the offer of full-time employment was the petitioner's employment contract with Morris, a foreign corporation based in Australia. It was stated that her term of employment was for one year. Petitioner was later medically cleared to work as chef for Morris by OWI's accredited clinic.⁶

On September 25, 2011, petitioner flew from Manila to Perth, Australia. Upon arrival, she was asked to sign another offer of full-time employment by Morris. It was indicated in the offer that her position would be of a breakfast chef and she would receive an annual salary of AUS\$75,000.00. She was likewise entitled to a paid annual leave of 190 hours or 25 days.⁷

⁵ Id. at 61.

⁶ Id. at 62.

⁷ Id.

Meyer

Position	Chef
Annual Salary	AUSS75,000 per annum. Please refer to clause 4.13.3 of the accompanying ECA

x x x x

Morris Corporation Australia Pty Ltd will pay your economy class airfare to Australia and one return flight to the Philippines once your 457 visa or your right to work in Australia has expired. **If your contract is terminated by either party during the first 2 years of employment** with Morris Corporation, you will be expected to return the full cost of the above stated travel.⁸ (Emphasis Ours)

On October 2, 2011, petitioner was deployed to Morris' mining site in Randalls Kalgoorlie, Australia. She was tasked to prepare breakfast buffet for Morris' 85 employees all by herself. Due to the sheer number of employees, petitioner had to work through the night in order to serve breakfast on time. It was only then did she learn that after cooking the dishes, she was also the one who was tasked to wash the dishes. Overwhelmed with her duties and concerned for her safety when she goes to work at night, petitioner raised her concerns to the attention of Morris.⁹

Morris refused to give her an assistant to aid her in her duties because the Randalls mining site is relatively small and the tasks can be done by one chef. Nevertheless, Morris tried to accommodate her by transferring her to its mining site in Golden Grove, Geraldton, Western Australia. The mining site in Golden Grove is bigger but petitioner worked with a team.¹⁰

On October 20, 2011, petitioner was transferred to Morris' mining site in Golden Grove, Geraldton, Western Australia. She still performed the same task only this time she had to prepare a breakfast buffet for Morris' 550 mining workers.¹¹

On the evening of November 12, 2011, while preparing the breakfast for the following day, petitioner felt a tingling sensation followed by numbness on both of her hands. She was referred to Morris' on-site nurse, who gave her pain reliever. She was diagnosed to be suffering from Carpal Tunnel Syndrome (CTS) and was advised to undergo an intensive examination for confirmation.¹²

⁸ Id. at 190.

⁹ Id.

¹⁰ Id. at 63.

¹¹ Id.

¹² Id.

Meyer

Petitioner did not heed the advice of the on-site nurse. Instead, she went back to her work. In the morning of November 14, 2011, she was distraught when the tingling sensation and numbness on both of her hands worsened. Consequently, she was again brought to the on-site nurse. Thereafter, she was flown to Perth, Australia for an extensive medical test.¹³

Several physicians, including Morris' preferred physician, conducted a series of medical examinations on petitioner. She was diagnosed to be suffering from Bilateral CTS and was declared unfit to work for several days. Dr. Timothy Hewitt strongly advised her to undergo surgery.¹⁴

Petitioner filed a compensation claim with the Worker's Compensation and Injury Management (WCIM) of Australia to seek compensation for her wages while she was still unfit for work or reimbursement of her medical expenses. Her application, however, was denied.¹⁵

On December 23, 2011, Morris' representative met with petitioner to inform her that she already exhausted her paid annual leaves. Nevertheless, they assured her that they would not be terminating her employment. She must, however, be declared fit for work before they would allow her to report back.¹⁶

Although still employed, petitioner had no other means to support her daily sustenance and the required medication for her CTS due to the fact that she would not be receiving salary until declared fit to go back to work. She decided to tender her resignation letter and left for the Philippines. Thus, she was repatriated and arrived in the Philippines on December 25, 2011. Respondents, commiserating with petitioner's plight, paid for her transportation and reimbursed her expenses for her excess baggage and meal expenses.¹⁷

Respondents were later surprised to learn that petitioner filed a labor complaint against them on January 6, 2012. She averred in her Position Paper¹⁸ that she was illegally dismissed and was not paid her salaries, overtime pay and medical expenses.

In a Decision dated December 28, 2012, the Labor Arbiter (LA) ruled that the petitioner was illegally dismissed from employment. It was found that the respondents committed gross misrepresentation and bad faith in inducing petitioner to work for them. Respondents ordered her to manually

¹³ Id.
¹⁴ Id.
¹⁵ Id.
¹⁶ Id. at 64.
¹⁷ Id.
¹⁸ Id. at 83-103.

Meyer

prepare a breakfast buffet for 600 workers all by herself. According to the LA, petitioner's CTS was caused or at least aggravated by respondents' oppressive acts. Furthermore, the tenor of her resignation letter and the immediate filing of the labor complaint evinced that she did not voluntarily tender her resignation.¹⁹ Thus, the LA disposed as follows:

WHEREFORE, premises considered, judgment is hereby rendered declaring the dismissal of [petitioner] as unjust and illegal. As such, respondents are hereby ordered to pay, jointly and severally, [petitioner] the following sums:

AUS\$137,500.00 - As salary for the remaining period of her 2-year employment contract

Php200,000.00 - As moral damages

Php200,000.00 - As exemplary damages

Ten (10%) percent of the total monetary award as attorney's fees

Payment can be made in Australian Dollars or its equivalent in Philippine Peso at the time of payment.

SO ORDERED.²⁰ (Emphasis and underlining Ours)

On appeal, the NLRC sustained the findings of the LA with regard to the existence of constructive dismissal, the solidary liability of the respondents, and the award of petitioner's salary for the unexpired portion of her two-year employment contract.

Respondents filed a Motion for Reconsideration but the same was denied by the NLRC in its Resolution dated July 22, 2013.

Aggrieved, respondents filed with the CA a Petition for *Certiorari* under Rule 65 assailing the NLRC's decision and resolution, with prayer for issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction.

On February 24, 2016, the CA issued its first assailed Decision in favor of petitioner, the pertinent portion of which reads as follows:

Pursuant to the Master Employment Contract between [petitioner] and [Morris], which was submitted to the Philippine Overseas Employment Agency on 10 June 2011, **the term of the contract for employment was for one (1) year.** Her period of employment started when she arrived in Perth, Australia on 25 September 2011 and ended three (3) months later. Accordingly, **[petitioner] is entitled to receive total amount of AU\$56,250, which represents her salary for the**

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Id.

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Id. at 310.

Meyer

unexpired portion of her employment contract.²¹ (Emphasis and underlining Ours)

The dispositive portion of the CA Decision dated February 24, 2016, reads:

WHEREFORE, there being no grave abuse of discretion amounting to lack or excess of jurisdiction committed by the NLRC, the petition is **DISMISSED** for lack of merit. The Decision of the NLRC dated 31 May 2013 is hereby **AFFIRMED with MODIFICATION**. **[Petitioner] is awarded with the amount of AUS\$56,250 or its current equivalent in Philippine Peso, representing her unpaid salaries for the unexpired portion of her one (1) year employment contract.** The rest of the Decision stands. A legal interest of 6% per annum of the total monetary awards from finality of this decision until full satisfaction is likewise imposed.

The [LA] is hereby **ORDERED** to compute the total monetary benefits awarded and due the [petitioner] in accordance with this decision.

SO ORDERED.²² (Emphasis and underlining Ours)

Petitioner moved for partial reconsideration of the CA decision insofar as it ruled that petitioner's Overseas Employment Contract was only for one (1) year, instead of two (2) years as ruled by the LA and the NLRC.

On August 3, 2016, the CA issued its assailed Resolution²³ denying petitioner's Motion for Reconsideration, the pertinent portions of which read as follows:

Thus, we note from the Master Employment Contract that the [petitioner] signed and submitted with the Philippine Overseas Employment Agency on 10 June 2011, that it was explicitly states [sic] that the **duration of her contract was for one (1) year.**

Certainly, employment contracts that were approved and verified by the Department of Labor and Employment (DOLE) may still be substituted or altered from the time the parties actually signed the same up to its expiration even without approval of the DOLE. Provided, however, that the employee was not prejudiced and the modifications made were in accordance with the minimum standards, terms and conditions of employment set by the POEA-SEC for contracts of employment of land-based workers.

Here, it is not clear from the letter of offer of full time employment that [petitioner's] employment contract was extended to two (2) years. All the same, the absence of [petitioner's] signature in the said letter evinced the fact that [petitioner] did not accept such

²¹ Id. at 74.

²² Id. at 74-75.

²³ Id. at 27-28.

Meyer

offer. Settled is the rule that contracts are perfected by mere consent. That is, a contract is perfected upon the meeting of the offer, which must be certain, and the absolute acceptance upon the thing and the cause which shall constitute the contract.²⁴ (Emphasis and underlining Ours)

Hence, this petition.

The Issues

- I. WHETHER OR NOT THE CA GRAVELY ERRED WHEN IT RULED THAT PETITIONER'S EMPLOYMENT CONTRACT WITH MORRIS WAS FOR ONLY ONE (1) YEAR AS PER ITS POEA MASTER EMPLOYMENT CONTRACT
- II. WHETHER OR NOT SAID CONTRACT WAS VALIDLY MODIFIED BY MORRIS' SUBSEQUENT "OFFER OF FULLTIME EMPLOYMENT" FOR AT LEAST TWO (2) YEARS THUS ENTITLING HER TO THE UNPAID SALARIES FOR THE UNEXPIRED PORTION OF THE TWO-YEAR CONTRACT.²⁵

Ruling of the Court

In a petition for review on *certiorari* under Rule 45, only questions of law may be raised, in contrast with jurisdictional errors which are essentially the basis of Rule 65. Simply put, in a Rule 65, petition for *certiorari* filed with the CA, the latter must limit itself to the determination of whether or not the inferior court, tribunal, board or officer exercising judicial or quasi-judicial functions acted *without, in excess of or with grave abuse of discretion* amounting to lack or excess of jurisdiction.

In resolving said questions of jurisdiction, the CA ruled in favor of petitioner and public respondent NLRC. It affirmed the findings of the NLRC, ruling that no grave abuse of discretion could be attributed to the latter when it issued its Decision dated May 31, 2013 and Resolution dated July 22, 2013. However, the appellate court modified the aforesaid decision by reducing the award of unpaid salaries due the petitioner on the ground that the basis should be the first contract of employment which had a duration of only one (1) year.

²⁴ Id.

²⁵ Id. at 38-39.

Meyer

On the other hand, the NLRC decision affirmed the ruling of the LA insofar as it concerned, among others, the award of petitioner's unpaid salaries for the unexpired portion of her employment contract which was adjudged to be two (2) years, *viz.*:

WHEREFORE, premises considered, judgment is hereby rendered declaring the dismissal of [petitioner] as unjust and illegal. As such, respondents are hereby ordered to pay, jointly and severally, [petitioner] the following sums:

AUSS137,500.00 - As salary for the remaining period of her 2-year employment contract

Php200,000.00 - As moral damages

Php200,000.00 - As exemplary damages

Ten (10%) percent of the total monetary award as attorney's fees.

Payment can be made in Australian Dollars or its equivalent in Philippine Peso at the time of payment.

SO ORDERED.²⁶ (Emphasis and underlining Ours)

The primary issue now that must be resolved is whether or not the CA was correct when it went beyond the issues of the case and the assigned errors raised by respondents when it filed the *certiorari* petition under Rule 65.

The Rules of Court is clear and unambiguous in this regard. A petition for *certiorari* is governed by Rule 65 of the Revised Rules of Court, which reads:

Section 1. *Petition for certiorari.* - When any tribunal, board or officer exercising judicial or quasi-judicial functions has acted without or in excess of its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of its or his jurisdiction, and there is no appeal, or any plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered annulling or modifying the proceedings of such tribunal, board or officer, and granting such incidental reliefs as law and justice may require.

x x x x

To eradicate confusion, what respondents filed with the CA was a special civil action for *certiorari*, under Rule 65 of the Revised Rules of Court. The issues raised by respondents before the appellate court ascribed grave abuse of discretion on the part of the NLRC in resolving the merits of the case. If respondents wanted to question the matter regarding contract

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Id. at 310.

Meyer

duration, it should have raised the issue at the earliest possible opportunity or raised it as error on the part of the NLRC, thus, strengthening its claim of abuse of discretion committed by the latter. This issue, however, remained unraised.

A writ of *certiorari* may be issued only for the correction of errors of jurisdiction or grave abuse of discretion amounting to lack or excess of jurisdiction. It cannot be used for any other purpose, as its function is limited to keeping the inferior court within the bounds of its jurisdiction.²⁷

The supervisory jurisdiction of a court over the issuance of a writ of *certiorari* cannot be exercised for the purpose of reviewing the intrinsic correctness of a judgment of the lower court - on the basis either of the law or the facts of the case, or of the wisdom or legal soundness of the decision.²⁸ Even if the findings of the court are incorrect, as long as it has jurisdiction over the case, such correction is normally beyond the province of *certiorari*.²⁹ Where the error is not one of jurisdiction, but an error of law or fact - a mistake of judgment - appeal is the remedy.³⁰

Applying this to the case at bench, the supervisory jurisdiction of the CA under Rule 65 was confined only to the determination of whether or not the NLRC committed grave abuse of discretion in deciding the issues brought before it on appeal. To recapitulate, the CA is allowed to consider the factual issues only insofar as they serve as the basis of the jurisdictional error imputed to the lower court or in this case, the NLRC.

What, then, is the “question of law” that must be resolved by this Court in a Rule 45 petition assailing a decision of the CA on a Rule 65 *certiorari* petition?

In the case of *Montoya v. Transmed Manila Corporation/Mr. Ellena, et al.*,³¹ the Court ruled:

In a Rule 45 review, we consider the correctness of the assailed CA decision, in contrast with the review for jurisdictional error that we undertake under Rule 65. Furthermore, Rule 45 limits us to the review of questions of law raised against the assailed CA decision. In ruling for legal correctness, we have to view the CA decision in the same context that the petition for *certiorari* it ruled upon was presented to it; we have to examine the CA decision from the prism of whether it correctly determined the presence or absence of grave abuse of discretion in the NLRC decision before it, not on the basis of whether the NLRC decision

²⁷ *Tagle v. Equitable PCI Bank, et al.*, 575 Phil. 384, 396 (2008), citing *Land Bank of the Philippines v. Court of Appeals*, 456 Phil. 755, 784 (2003).

²⁸ *Land Bank of the Philippines v. Court of Appeals*, *id.*

²⁹ *Ala-Martin v. Sultan*, 418 Phil. 597, 604 (2001).

³⁰ *Spouses Samson v. Judge Rivera*, 472 Phil. 836, 849-850 (2004).

³¹ 613 Phil. 696 (2009).

Mejia

on the merits of the case was correct. In other words, we have to be keenly aware that the CA undertook a Rule 65 review, not a review on appeal, of the NLRC decision challenged before it. This is the approach that should be basic in a Rule 45 review of a CA ruling in a labor case.³²

Similarly, the petition before the Court involves mixed questions of law and fact. Respondents, in its Comment claim that the present petition must be denied for the reason that only questions of law must be raised in a petition for review under Rule 45. They are correct.

To reiterate, the CA correctly affirmed the findings of the NLRC in that: (1) petitioner was illegally dismissed; and (2) petitioner was entitled to her unpaid salaries for the unexpired portion of the employment contract, damages and attorney's fees. However, it departed from the issues presented by the parties and decided by the labor tribunals when it modified the award of unpaid salaries to petitioner notwithstanding the fact that neither party ever raised as an issue the matter regarding duration of petitioner's employment contract. The labor tribunals ruled that the award of unpaid salaries should be the amount corresponding to the unexpired portion of the employment contract which is two (2) years. The CA, on the other hand, modified the award on the ground that the second contract was not clear as to whether or not the original duration of one (1) year had been extended. Thus, applying the pertinent provisions of the Civil Code regarding perfection of contracts, it posits that the one (1) year period should be applied.

Without an iota of doubt, this is a question of fact that is outside the scope of a petition for review under rule 65. The CA is only tasked to determine whether or not the NLRC committed grave abuse of discretion in its appreciation of factual issues presented before it by any parties. The CA is not given unbridled discretion to modify factual findings of the NLRC and LA, especially when such matters have not been assigned as errors nor raised in the pleadings.

With regard to the issues brought to the Court in this present petition, it bears stressing that this Court's review of a CA ruling is limited to: (i) ascertaining the correctness of the CA's decision in finding the presence or absence of grave abuse of discretion; and (ii) deciding any other jurisdictional error that attended the CA's interpretation or application of the law.³³

Clearly, the appellate court found no grave abuse of discretion committed by the NLRC as enunciated in the dispositive portion of its assailed decision, *viz.*:

³² Id. at 706-707.

³³ See Dissenting Opinion of Associate Justice Arturo Brion in *Abbott Laboratories Philippines, et al. v. Pearlle Ann Alcaraz*, 714 Phil. 510, 549 (2013).

Meyer

WHEREFORE, there being no grave abuse of discretion amounting to lack or excess of jurisdiction committed by the NLRC, the petition is **DISMISSED** for lack of merit x x x.³⁴


There being no grave abuse of discretion, the CA erred when it ruled that petitioner's employment contract with Morris was for only one (1) year.

The Court is precluded from doing an independent review of this factual matter since it has already been decided by the labor tribunals, unless the CA, in the *certiorari* petition, ascertains that the NLRC acted with grave abuse of discretion. Absent such determination, factual findings of the NLRC are deemed conclusive and binding even on this Court.

In light of the foregoing, the Court considers the findings of fact of the LA, as affirmed by the NLRC, final and conclusive, in the absence of proof that the latter acted *without, in excess of or with grave abuse of* discretion amounting to lack or excess of jurisdiction.

WHEREFORE, premises considered, the petition is hereby **GRANTED**. The Decision dated February 24, 2016 and Resolution dated August 3, 2016 of the Court of Appeals in CA-G.R. SP No. 131670 are **AFFIRMED with MODIFICATION** insofar as the award of petitioner Agnes Coeli Bugaoisan unpaid salaries is concerned. The Decision dated May 31, 2013 of the National Labor Relations Commission with respect to the award of unpaid salaries to petitioner Agnes Coeli Bugaoisan for the unexpired portion of her two-year contract with respondents OWI Group Manila, Inc. and Morris Corporation is hereby **REINSTATED**.

SO ORDERED.


ANDRES B. REYES, JR.
Associate Justice

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Rollo, p. 74.

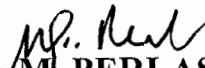
WE CONCUR:



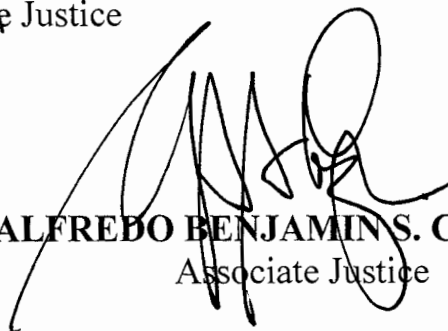
ANTONIO T. CARPIO
Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice



ALFREDO BENJAMINS S. CAGUIOA
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



ANTONIO T. CARPIO
Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



MARIA LOURDES P. A. SERENO
Chief Justice