



REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SECOND DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **05 May 2021** which reads as follows:*

“G.R. No. 250989 (*Francis Heslet v. MSIC Transportation, Inc.*). — In this petition,¹ petitioner Francis Heslet (Heslet) assails the Court of Appeals’ (CA) Decision² dated September 27, 2018 and Resolution³ dated December 16, 2019 in CA-G.R. SP No. 155895, which deleted the overtime pay and attorney’s fees awarded by the National Labor Relations Commission (NLRC) in his favor.

ANTECEDENTS

In his Complaint⁴ for illegal dismissal and monetary claims, Heslet alleged that respondent MSIC Transportation, Inc. (MSIC) hired him as a Chauffeur assigned to the Department of Foreign Affairs (DFA) in April 2016. Under their fixed-term contract, Heslet will work for 12 hours a day, from 6:00 a.m. to 6:00 p.m., Monday to Friday, for a daily salary of ₱700.00.⁵ Any work rendered on Saturdays upon DFA’s request will be paid at the same rate, and those done more than 12 hours will be paid overtime pay at the rate of ₱75.00 *per* hour. In case he works on a Saturday for MSIC’s clients other than DFA, he will be paid only ₱481.00 for 8 hours of work.⁶ On January 3, 2017, MSIC illegally terminated his contract. Heslet prayed for the payment of unpaid salaries, overtime pay, holiday pay, and 13th month pay, and the reimbursement of illegally deducted cash bond and cost of damage on the vehicle assigned to him.⁷ MSIC, for its part, denied the allegations.⁸

¹ *Rollo*, pp. 11-28.

² *Id.* at 33-41; penned by Associate Justice Remedios A. Salazar-Fernando, with the concurrence of Associate Justices Franchito N. Diamante and Ma. Luisa C. Quijano-Padilla.

³ *Id.* at 43-45.

⁴ *Id.* at 115-116.

⁵ *Id.* at 55.

⁶ *Id.*

⁷ *Id.* at 117-125.

⁸ *Id.* at 132-137.

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On November 27, 2017, the Labor Arbiter (LA) issued his Decision,⁹ finding no illegal dismissal because Heslet was under a fixed-term employment contract. Nevertheless, the LA held MSIC liable for the payment of Heslet’s money claims for unlawful deductions, salary differential, unpaid salary, 13th month pay, and 10% attorney’s fees, in the total amount of ₱70,382.05. All other claims were dismissed for lack of merit.¹⁰

MSIC filed a partial appeal¹¹ with the NLRC, praying that the monetary awards in favor of Heslet be deleted, except for the latter’s unreleased last salary amounting to ₱3,100.00.¹² Heslet did not appeal the LA’s Decision.

In its Decision¹³ dated January 31, 2018, the NLRC observed that Heslet’s salary was based on 12-hour of a workday instead of the standard 8-hour workday, such that his pay falls below the minimum wage. For this reason and considering that there was an unlawful diminution of Heslet’s allowance, the NLRC gave additional awards of ₱83,737.50 as overtime pay plus the corresponding attorney’s fees to Heslet.¹⁴

MSIC’s motion for reconsideration was denied,¹⁵ hence, it brought the matter on *certiorari* to the CA, arguing, among others, that the NLRC erred in awarding overtime pay to Heslet as the latter did not even appeal from the LA’s Decision. As for the attorney’s fees, MSIC contended that

⁹ *Id.* at 193-197.

¹⁰ *Id.* at 197; quoted as follows:

WHEREFORE, premises considered, the complaint for illegal dismissal is hereby **DISMISSED** for lack of merit. However, complainant’s money claims are hereby **GRANTED**. Accordingly, respondent Europcar / MSIC Transportation, Inc. is hereby ordered to pay complainant the following:

- 1] Illegal deductions ----- PhP2,000.00;
 - 2] Salary differential ----- PhP35,170.00;
 - 3] Unpaid salary ----- PhP13,300.00;
 - 4] 13th month pay ----- PhP13,695.50; and
 - 5] 10% Attorney’s fees ----- PhP6,216.55.
- TOTAL AWARD ----- PhP70,382.05**

All other claims are hereby **DISMISSED** for lack of merit.

SO ORDERED. (Emphases in the original.)

¹¹ *Id.* at 198-215.

¹² *Id.* at 198.

¹³ *Id.* at 84-96.

¹⁴ *Id.* at 95-96; quoted as follows:

WHEREFORE, premises considered, the assailed Decision of Labor Arbiter Doctor dated 27 November 2017, is hereby **MODIFIED**. Respondent MSIC Transportation Inc./Europcar is hereby ordered to pay Heslet the following:

- 1. Salary Differential - Php35,170.00
 - 2. Unpaid Salary - Php13,300.00
 - 3. Proportionate 13th month pay - Php13,695.50
 - 4. Overtime Pay - Php83,737.50
 - 5. Illegal deductions - Php2,000.00
 - 6. Cash Bond - Php1,000.00
 - 7. 10% Attorney’s Fees - Php14,890.30
- TOTAL AWARD - PhP163,793.30**

SO ORDERED. (Emphases in the original.)

¹⁵ *Id.* at 98-99.

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there was no basis for the award as there was no proof that it unlawfully withheld the salaries of its employee.¹⁶

On September 27, 2018, the CA issued the assailed Decision¹⁷ deleting the award of overtime pay. The CA held that, although the grant of overtime pay was among the reliefs prayed for in Heslet's complaint, Heslet did not mention this issue in his position paper, nor did he adduce evidence to support his claim. At any rate, Heslet's pay slips already reflected overtime payments. Most importantly, Heslet did not appeal the LA's Decision; hence, he is not entitled to obtain any affirmative relief from the NLRC other than what he received from the LA. The CA also deleted the attorney's fees consistent with the policy that no premium should be placed on the right to litigate.

MSIC moved for partial reconsideration, but the CA denied this on March 11, 2019.¹⁸ Likewise, the CA denied Heslet's motion questioning the expunction of the award of overtime pay and attorney's fees in the assailed Resolution.¹⁹

Hence, this recourse.

Mainly, Heslet contends that despite his non-appeal from the LA's Decision, the NLRC may still validly pass upon and rule on the matter of his unpaid overtime pay so as not to allow the impairment of his substantive right under the Labor Code. He maintains that the CA also erred in deleting the NLRC's award of attorney's fees in his favor.²⁰

RULING

Well-settled in this jurisdiction is the rule that a party who has not appealed cannot obtain from the appellate court any affirmative relief other than those granted in the appealed decision.²¹ He may make counter assignments of errors, but he can do only to sustain the judgment on other grounds. He may not seek its modification or reversal, for in such case, he must appeal. A party affected by an adverse decision cannot suppose that the opposing party's appeal would also inure to his or her benefit, for not only are their interests separate and distinct, but they are completely in

¹⁶ *Id.* at 50-80.

¹⁷ *Id.* at 33-41. The CA disposed:

WHEREFORE, the petition is **PARTLY GRANTED**. The assailed Decision dated January 31, 2018 of public respondent NLRC in NLRC LAC No. 01-000184-18; NLRC NCR Case No. 02-02330-17 is hereby **MODIFIED** in that the awards of overtime pay in the amount of P83,737.50 and the 10% attorney's fees are **DELETED**.

In all other respects, the assailed Decision and Resolution **STAND**.

SO ORDERED. *Id.* at 40. (Emphases in the original.)

¹⁸ *Id.* at 47-48.

¹⁹ *Id.* at 43-45.

²⁰ *Id.* at 18-24.

²¹ *City Trucking, Inc./ Edles v. Balajadia*, 530 Phil. 69, 76 (2006).

conflict with each other.²² If he intended to question the lower court's judgment, he should have filed a timely appeal.²³

Here, only MSIC filed a partial appeal before the NLRC to question the LA's findings. This means that Heslet is deemed to have acquiesced not only to the LA's adverse judgment on the issue of illegal dismissal and the grant of his other money claims, but also to the denial of the rest of his claims, including the overtime pay. Insofar as Heslet is concerned, the unquestioned portion of the LA's Decision has long become final and MSIC already acquired vested rights under the principle of immutability of final judgment.²⁴

Public policy dictates that final and executory judgments are immutable and unalterable and may no longer be modified in any respect, even if the modification is meant to correct erroneous conclusions of fact and law, regardless of whether it will be made by the court that rendered it, the appellate court, or by the highest court of the land.²⁵ Just as the losing party has the privilege to file an appeal within the prescribed period, so does the winner also have the correlative right to enjoy the finality of the decision,²⁶ and due process prevents the grant of additional awards to parties who did not appeal.²⁷ Plainly, the finality of a decision cannot be made to depend on the convenience of the parties. The practice of parties who, either by their own or their counsel's inadvertence, have allowed a judgment to become final and executory, and after the same has become immutable, seek iniquitous ways to assail it cannot be condoned.²⁸ Therefore, the issue of illegal dismissal and the denial of Heslet's other monetary claims, including the overtime pay, are already beyond this Court's jurisdiction to resolve.

Regarding the attorney's fees, the Court, in *Alva v. High Capacity Security Force, Inc.*,²⁹ clarified that attorney's fees in labor cases partake the nature of an extraordinary award. It serves as an indemnity for damages to be paid by the losing party to the winning party. Being an extraordinary award, a plain showing that the lawful wages were not paid, regardless of malice or bad faith on the employer's part, is sufficient to justify the award of attorney's fees.³⁰ All that is required is that the lawful wages were not paid without justification, thereby compelling the employee to litigate.³¹

²² See *Silliman University v. Fontelo-Paalan*, 552 Phil. 808, 817 (2007).

²³ *Id.*, citing *Itoyon-Suyoc Mines, Inc. v. National Labor Relations Commission*, 202 Phil. 850, 854-855 (1982).

²⁴ See *Parayday v. Shogun Shipping Co., Inc.*, G.R. No. 204555, July 6, 2020.

²⁵ *Silliman University v. Fontelo-Paalan*, *supra* note 21, at 820.

²⁶ *Parayday v. Shogun Shipping Co., Inc.*, G.R. No. 204555, July 6, 2020.

²⁷ *Daabay v. Coca-Cola Bottlers Phils., Inc.*, 716 Phil. 806, 814 (2013); *Unilever Philippines Inc. v. Rivera*, 710 Phil. 124, 134-135 (2013).

²⁸ *Ocampo v. CA (Former 2nd Div.)*, 601 Phil. 43, 52 (2009).

²⁹ 820 Phil. 677 (2017).

³⁰ See *id.*; see also *Kaisahan ng mga Manggagawa at Kawani sa MWC-East Zone Union v. Manila Water Company, Inc.*, 676 Phil. 262, 276 (2011).

³¹ *Alva v. High Capacity Security Force, Inc.*, *supra* note 28, at 689.

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Both the LA and the NLRC ruled that Heslet is entitled to his unpaid salary and salary differential, which indicates that his lawful wages were not paid. Since MSIC did not justify non-payment, the award of attorney's fees is reinstated equivalent to 10% of the total monetary award. Lastly, the monetary amounts shall earn interest at the rate of 6% *per annum* from the finality of this Resolution until fully satisfied.³²

FOR THESE REASONS, the petition is **PARTLY GRANTED**. The Court of Appeals' Decision dated September 27, 2018, and Resolution dated December 16, 2019, in CA-G.R. SP No. 155895, are **AFFIRMED with MODIFICATION** in that the award of attorney's fees equivalent to 10% of the total monetary awards is reinstated. The monetary amounts awarded to Francis Heslet shall earn interest at the rate of six percent (6%) *per annum* from the finality of this Resolution until fully satisfied.

SO ORDERED." (J. Lopez, J., *designated additional Member per Special Order No. 2822 dated April 7, 2021.*)

By authority of the Court:

TERESITA AQUINO TUAZON
Division Clerk of Court

By:



MA. CONSOLACION GAMINDE-CRUZADA
Deputy Division Clerk of Court
28 JUL 2021

³² See *Nacar v. Gallery Frames*, 716 Phil. 267, 283 (2013).

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*with copy of CA Decision and Resolution dated 27 September 2018
and 16 December 2019, respectively

Please notify the Court of any change in your address.
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