739 PHIL. 370

FIRST DIVISION

[G.R. No. 175293, July 23, 2014]

CRISANTO F. CASTRO, JR., PETITIONER, VS. ATENEO DE NAGA UNIVERSITY, FR. JOEL TABORA, AND MR. EDWIN BERNAL, RESPONDENTS.

D E C I S I O N

BERSAMIN, J.:

The employer is obliged to reinstate the dismissed employee and to pay his wages during the period of appeal of the decision in the latter's favor until the reversal of the decision.

The Case

The petitioner appeals the adverse decision promulgated on May 31, 2006,[1] whereby the Court of Appeals (CA) dismissed his petition for *certiorari* by which he had assailed the dismissal of his claim for accrued salaries on the ground of its having been rendered moot and academic by the intervening dismissal by the National Labor Relations Commission (NLRC) of his complaint for illegal dismissal.[2]

Antecedents

The petitioner started his employment with respondent Ateneo de Naga University (University) in the first semester of school year 1960-1961. At the time of his dismissal, he was a regular and full-time faculty member of the University's Accountancy Department in the College of Commerce with a monthly salary of P29,846.20.[3]Allegedly, he received on February 22, 2000 a letter from respondent Fr. Joel Tabora, S.J., the University President, informing him that his contract (which was set to expire on May 31, 2000) would no longer be renewed.[4] After several attempts to discuss the matter with Fr. Tabora in person, and not having been given any teaching load or other assignments effective June 2000, he brought his complaint for illegal dismissal.

The University denied the allegation of illegal dismissal, and maintained that the petitioner was a participant and regular contributor to the Ateneo de Naga Employees Retirement Plan (Plan); that upon reaching the age of 60 years on June 26, 1999, he was deemed automatically retired under the Plan; and that he had been allowed to teach after his retirement only on contractual basis.[5]

On September 3, 2001, Labor Arbiter (LA) Jesus Orlando M. Quiñones ruled in favor of the petitioner,[6] disposing thusly:

WHEREFORE, premises considered, judgment is hereby rendered in favor of complainant **CRISANTO F. CASTRO, JR.,** as against respondents **ATENEO DE NAGA UNIVERSITY/FR. JOEL TABORA** and **EDWIN BERNAL**, and hereby orders, as follows:

a) Declaring the dismissal of complainant to be illegal.

b) Ordering respondents to reinstate complainants to his former position without loss of seniority rights or other privileges, or at respondents' option, payroll reinstatement;

c) Ordering respondents to pay complainant the amount of **Php 637,999.65.00**, representing full backwages;

d) Ordering respondents to pay the amount **Php 500,000.00** as moral and exemplary damages;

e) Ordering respondents to pay complainant the amount of **Php 113,799.96**, representing 10% of the total amount awarded as attorney's fees.

All other claims and charges are DISMISSED for lack of merit.

SO ORDERED.[7]

Aggrieved, the respondents appealed to the NLRC.[8] Simultaneously, they submitted a manifestation stating that neither actual nor payroll reinstatement of the petitioner could be effected because he had meanwhile been employed as a Presidential Assistant for Southern Luzon Affairs with the position of Undersecretary; and that his reinstatement would result in dual employment and double compensation which were prohibited by existing civil service rules and regulations. [9]

On July 12, 2002, the petitioner, citing the executory nature of the order for his reinstatement, filed his motion to order the respondents to pay his salaries and benefits accruing in the period from September 3, 2001 until July 3, 2002.[10]

In his order dated October 10, 2002,[11] LA Quiñones, explaining that Article 223 of the *Labor Code* granted to the employer the option to implement either a physical or a payroll reinstatement, and that, therefore, the respondents must first exercise the option regardless of the petitioner's employment with the Government, denied the petitioner's motion, but ordered the respondents to exercise the option of either actual or payroll reinstatement of the petitioner, *viz*:

Considerations considered, respondents are hereby directed to exercise their option of whether complainant is to be actually reinstated, or be reinstated in the payroll within ten (10) days from receipt of this order. Failure to exercise such option within the period provided shall render complainant's motion for accrued salaries appropriate.

> Upon respondents' exercise of option, complainant is directed to abide by the same. Parties are then directed to inform this office of their respective actions. In the meantime, complainant's motion for payment of accrued salaries and benefits is denied for lack of merit.
>
> SO ORDERED.

Dissatisfied, the petitioner filed a notice of partial appeal,[12] but the notice was denied due course on June 30, 2003.[13]

Upon the denial of his motion for reconsideration,[14] the petitioner elevated the matter to the CA by petition for certiorari.[15]

In the interim, on June 26, 2004, the petitioner executed a receipt and quitclaim in favor of the University respecting his claim for the benefits under the Plan,[16] to wit:

> RECEIPT and QUITCLAIM
>
> Date: June 26, 2004
>
> This is to acknowledge receipt from ATENEO DE NAGA UNIVERSITY the total sum of SIX HUNDRED FORTY SIX THOUSAND EIGHT HUNDRED TWENTY EIGHT PESOS & 42/100 (P646,828.42) representing full payment of benefits due me pursuant to the Employees retirement plan. In view of this payment, I hereby waive all my rights, title, interest in and over my retirement benefits under said plan which is presently under trusteeship of Bank of the Philippine Islands. BPI is hereby instructed to reimburse the company for the amount paid by it to me out of whatever amount due me under the said retirement plan.
>
> (sgd.)
> CRISANTO F. CASTRO, JR.
> Employee

A few days later, the petitioner sent the following letter to Fr. Tabora, *viz*:

> June 29, 2004
>
> Fr. Joel Tabora
> President, Ateneo de Naga University
> Ateneo Avenue, Naga City
>
> Dear Fr. Tabora,
>
> This is to inform you that I am getting my retirement pay as you have approved, together with the "RECEIPT AND QUITCLAIM" which your

Treasurer forced me to sign upon your order and/or your lawyer. I will receive pay **UNDER PROTEST, and under the following conditions**:

1. **That I am getting this retirement pay without prejudice to the case that I have filled [sic] against Ateneo, Fr. Joel Tabora and Edwin Bernal.**
2. **That I do not agree nor confirm with your computation as to the number of years of service I have rendered.**
3. **That the total amount is still subject to verification.**

For your information.

(sgd.)
CRISANTO F. CASTRO, JR.[17]

Meanwhile, the NLRC rendered its decision affirming with modification the ruling of the LA on the petitioner's illegal dismissal case.[18]

On motion for reconsideration, the NLRC reversed its ruling on August 31, 2005,[19] decreeing:

> WHEREFORE, premises considered, the appealed Decision, dated September 3, 2001 of the Labor Arbiter, as modified by our ruling of October 22, 2004 is hereby ordered SET ASIDE, and in its stead, a new judgment is hereby rendered DISMISSING the complaint for lack of merit.[20]

In justifying its reversal of its decision, the NLRC held that his execution of the receipt and quitclaim respecting his benefits under the Plan estopped the petitioner from pursuing other claims arising from his employer-employee relationship with the University, opining that:

> [O]nce an employee executes a quitclaim or release in favor of the employer, he is thereby estopped from pursuing any further money claims against the employer, arising from his employment. Actually, the execution and signing of the Receipt and Quitclaim by complainant-appellee, in this case, only indicates that he voluntarily waived his rights to his money awards, as stated in the Labor Arbiter's Decision, as affirmed with modification by the Commission (Second Division). A person is precluded from maintaining a position inconsistent with one, in which he has acquiesced x x x. Also, in his signing the said Receipt and Quitclaim, the necessary implication is that the said document would cover any and all claims arising out of the employment relationship x x x.
>
> Thus, having determined that complainant-appellee had completely received the amount of Php 646,828.42, which is, actually, the same amount as his retirement benefit, as stated in the Compliance, dated October 2, 2000, of respondents-appellants, we are, therefore, persuaded to dismiss the case for want of merit. As such, the money

claims as awarded in the September 3, 2001 Decision of Labor Arbiter Jesus Orlando M. Quiñones, as affirmed with modification, in our Decision, promulgated on October 22, 2004, are therefore, to be deleted. In other words, since herein complainant-appellee had executed the Receipt and Quitclaim that represents voluntary and reasonable settlement of his claims, the said document must therefore, be accorded with respect as the law between the parties.[21]

Ruling of the CA

On May 31, 2006, the CA dismissed the petitioner's petition for certiorari on the ground of its having been rendered moot and academic by the aforecited August 31, 2005 decision of the NLRC, *viz*:

> **WHEREFORE**, for being moot and academic, the instant petition is DENIED due course and, accordingly, **DISMISSED**.
>
> **SO ORDERED**.[22]

Upon denial of his motion for reconsideration,[23] the petitioner appeals.

Issues

In his appeal, the petitioner submits the following as issues:

I

> THE ISSUE BROUGHT IN CA-G.R. SP NO. 82146 IS NOT THE SAME WITH OR SIMILAR TO THE ISSUES IN CA NO. 030821-02[24]

II

> THE CLAIM FOR ACCRUED SALARIES AND BENEFITS AS AN INCIDENT OF THE ORDER OF REINSTATEMENT PENDING APPEAL AND BROUGHT IN ISSUE IN THE PETITION FOR CERTIORARI DOCKETED AS CA-G.R. SP. NO. 82146 WAS NOT RENDERED MOOT AND ACADEMIC BY THE DISMISSAL OF PETITIONER'S COMPLAINT PER THE AUGUST 31, 2005 DECISION RENDERED IN CA NO. 030821-02 BY THE HONORABLE COMMISSION[25]

III

> THE HONORABLE COURT OF APPEALS' DISMISSAL OF CA-G.R. SP NO. 82146 IS CONTRARY TO AND VIOLATED THE RULING OF THE SUPREME COURT IN VARIOUS CASES PARTICULARLY THE RECENT CASE OF ALEJANDRO ROQUERO VS. PHILIPPINE AIRLINES, INC.[26]

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