

THIRTEENTH DIVISION

[CA-G.R. SP No. 117641, November 12, 2014]

**ALFIE I. GALANG, PETITIONER, VS. NATIONAL LABOR
RELATIONS COMMISSION (THIRD DIVISION), TOYOTA MOTORS
PHILS. CORP., NOBUHARU TABATA AND NELSON MANGLO,
RESPONDENTS.**

DECISION

SADANG, J.:

This is a petition for certiorari under Rule 65 of the Rules of Court seeking to set aside the July 30, 2010 Resolution^[1] of the National Labor Relations Commission in NLRC LAC Case No. 05-001177-10 (NLRC RAB IV Case No. 07-00697-09-L), and the October 18, 2010 Resolution^[2] denying the motion for reconsideration.

Records show that on July 3, 2009, petitioner Alfie I. Galang (hereafter, petitioner) filed a complaint^[3] for illegal dismissal, regularization, payment of 13th month pay, and damages against Toyota Motors Philippines Corporation (TMPC) and its president, Nobuharu Tabata, and human resource supervisor, Nelson Manglo (hereafter, respondents).

In his Position Paper,^[4] petitioner averred that: from April 16, 2004 to September 16, 2004, he worked as assembler with TMPC as part of his on- the-job training; after a three-month's rest, he directly applied for a job with TMPC, passed the interview conducted by Mr. Maanyo, department head (resin shop), and submitted all the requirements; on January 19, 2005, he was given a job orientation and apprised of the company rules and regulations; he received a daily salary of P300.00 and worked from January 24, 2005 until he was illegally dismissed on January 23, 2006; his work was the same as other regular employees but made more difficult because he installed air-conditioners on Toyota Innovas and brake fluid tube lines on the chassis of Toyota Corollas; on January 6, 2006, he was informed by Manglo that there would be less production of Toyota Innovas, hence, he will no longer be given assignments; on January 24, 2006, he was no longer allowed to work and was told to claim his proportionate 13th month pay after three months.

Petitioner averred that: he was a regular employee of TMPC and his job as assembler was necessary and desirable in the TMPC's usual business or trade; he had been employed for more than one year when he was dismissed and was not given his 13th month pay despite his entitlement thereto; he was illegally terminated because he did not commit any of the acts enumerated under Article 282 of the Labor Code and respondents failed to observe his right to procedural due process under. He claimed entitlement to moral, exemplary, and nominal damages and attorney's fees. He also alleged that as officers of TMPC, Tabata and Manglo are

personally responsible for his illegal dismissal.

In their Position Paper,^[5] respondents alleged that: petitioner was hired as a contractual employee for the period January 24, 2005 to January 24, 2006 and this is clearly stated in the Employment Agreement; upon the termination of his employment, petitioner voluntarily executed a Release, Waiver and Quitclaim^[6] in favor of TMPC and its officers; the validity of fixed term employment has already been upheld and the Supreme Court had set guidelines to ensure that it would not be used to subvert the law; the fact that an employee's task is necessary and desirable in the usual business of the employer is not conclusive as to the regularity of his employment; when petitioner was hired by TMPC, he understood the nature of his employment and knew that the company did not hire him as a regular employee; petitioner was never forced to sign the contract; he is not entitled to reinstatement and backwages because there is no illegal dismissal and his fixed term employment just expired; Tabata and Manglo should not have been impleaded as respondents because corporate officers acting in their official capacity cannot be held liable for the monetary claims of an employee; and petitioner is not entitled to damages and attorney's fees.

Petitioner filed a Complainant's Reply^[7] alleging that the parties did not deal with each other on equal terms when they entered into the Employment Agreement. He alleged that: he was already working for three weeks when he was shown the contract and made to sign it; he was hired to work in the painting line section but was instead made to install air-conditioners in Innova vehicles; his quitclaim should not be given probative value because he received no substantial consideration and the amount of P748.00 that he received represents only the balance of his 13th month pay.

Respondents filed a Reply^[8] arguing that: if petitioner believed that he had a cause of action, he should have filed a complaint at the earliest opportunity and not after almost four years from his alleged illegal dismissal; petitioner's claim for his alleged 13th month pay has already prescribed pursuant to Article 291 of the Labor Code.

On January 12, 2010, the Labor Arbiter (LA) rendered a Decision,^[9] the decretal part of which reads:

WHEREFORE, premises considered, the above-entitled case is
DISMISSED for lack of merit.

SO ORDERED.^[10]

Petitioner appealed to the NLRC. In his Appeal Memorandum,^[11] petitioner stressed that he signed the Employment Agreement even if the terms thereof had not been explained to him for fear of losing his job.

On July 30, 2010, the NLRC rendered a Decision, the *fallo* of which reads:

WHEREFORE, premises considered, the appeal is DISMISSED for lack of merit and the Decision dated 12 January 2010 is hereby AFFIRMED in its entirety.

SO ORDERED.^[12]

Petitioner filed a Motion for Reconsideration^[13] but it was denied in a Resolution^[14] dated October 18, 2010; hence, this petition on the following grounds:

THE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN RULING THAT PETITIONER IS A FIXED PERIOD EMPLOYEE WHO WAS NOT ILLEGALLY DISMISSED, AND IS NOT ENTITLED TO THE RELIEFS PRAYED FOR HAVING COMMITTED ESTOPPEL.

THE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN RULING THAT PETITIONER'S MONEY CLAIMS HAS (sic) PRESCRIBED.^[15]

Ruling

Petitioner contends that the NLRC erred in applying the doctrine of estoppel because "the cause of action for illegal dismissal prescribes in four years" and "the fact that it took him more than three years to summon his resources to mount a protracted legal battle against the giant multinational" should not be taken against him; he was placed under a fixed term employment despite the fact that his work as assembler is not essentially a fixed term position; there is no evidence of negotiation between him and TMPC, hence, there was moral dominance on the part of TMPC; he was made to sign the agreement three weeks after he started working; he was hired to do assembly work but ended up installing air-conditioners on Innova cars.

In their Comment, TMPC and the other respondents countered that: fixed term employment is allowed by law; petitioner was never forced or manipulated to sign the agreement; petitioner has already signed a quitclaim and is estopped from assailing the agreement; petitioner is guilty of laches for not filing his complaint within the period of three (3) years pursuant to Article 291 of the Labor Code.

We deny the petition.

The Labor Code provides:

ART. 280. *Regular and casual employment.* — The provisions of written agreement to the contrary notwithstanding and regardless of the oral agreement of the parties, an employment shall be deemed to be regular where the employee has been engaged to perform activities which are usually necessary or desirable in the usual business or trade of the employer, except where the employment has been fixed for a specific project or undertaking the completion or termination of which has been determined at the time of the engagement of the employee or where the work or services to be performed is seasonal in nature and the