SUPREME COURT
SECOND DIVISION

PATERNO S. MENDOZA, JR.,
***Petitioner*,**

-versus-

G.R. No. 158684
May 16, 2005

SAN MIGUEL FOODS, INC. and INSTAFOOD CORPORATION OF THE PHILIPPINES,
***Respondents*.**
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D E C I S I O N

CALLEJO, SR., *J.*:

This is a Petition for Review on Certiorari under Rule 45 of the Rules of Civil Procedure of the Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 63164 which affirmed the decision of the National Labor Relations Commission (NLRC) in NLRC-CA No. 021016-99, as well as the resolution of the CA denying the motion for reconsideration thereof.

The factual milieu is as follows:

In 1981, Paterno S. Mendoza, Jr., was hired by San Miguel Corporation (SMC) as a marketing coordinator in its Trading

Department. He was transferred to San Miguel Foods, Inc. (SMFI), a subsidiary of SMC, and, on October 1, 1990, was assigned to Instafood Corporation of the Philippines (Instafood) as a Purchasing Officer. He, however, remained an employee of SMFI.

In the course of its operations, Instafood suffered serious business losses for successive years and was closed on March 31, 1996. SMFI also suffered serious business losses; it had to implement a redundancy program and give benefits to affected employees. One of those whose employment was terminated on account of redundancy was Mendoza. He accepted benefits equivalent to two months salary for every year of service, or the amount of P1,102,386.25 for his 15 years of service, less deductions of P261,633.08. He, thus, received a net amount of P840,753.17.[2]

On October 30, 1996, Vicente Mauricio III, the Vice-President and General Manager of SMFI, sent Mendoza a letter of termination informing him that the severance of his employment was to take effect at the close of business hours of November 30, 1996, and that his separation benefits would be released 30 days thereafter.[3] Pursuant to company policy, Mendoza was allowed to go on a one-month terminal leave before the date of his severance from employment. Mendoza availed of the said terminal leave upon his receipt of the termination letter. Meanwhile, he received the monetary benefits due him and signed a receipt and release in favor of SMFI and Instafood.

Mendoza, while still on leave, received a fax message dated November 7, 1996 from a certain C. D. Borja of Instafood, regarding a "return shipment" of canned nata de coco.[4] Mendoza was requested to discuss the matter with Dick Bayanges, the Finance and Accounting Manager. Attached to the said message was a copy of Freight Bill No. 35927[5] covering the shipment, and a Letter[6] from Sky International, Inc., dated October 30, 1996, requesting that the goods which had been overstaying at the port for almost a year be withdrawn and that the freight amounting to P225,193.40 be settled. Mauricio issued a letter authorizing Mendoza to transact with the brokers and shipping lines of the Bureau of Customs in connection with the said shipment. The said authorization letter was valid until January 31, 1997.[7]

Mendoza met Bayanges and discussed the matter of the "return shipment." He also sought to effect its release from the Bureau of Customs and conferred with customs brokers and shipping lines up to December 1996. On January 8, 1997, Mendoza sought to collect his salary for the work he rendered for the month of December 1996, but Instafood refused to give the same to him. He also tried to collect the amount of P300,000.00 which he claimed to have spent for the release of the shipment; his claim was rejected anew.

Mendoza filed a complaint with the NLRC against respondents SMFI and Instafood for illegal dismissal, and prayed for his reinstatement to his former position, backwages, allowances, 13th month pay and other benefits, as well as moral and exemplary damages. He averred that while he may have already availed of the redundancy program of SMFI, his termination was, nevertheless, impliedly revoked when he was required to perform his usual work during the period of his terminal leave until the release of the shipment from the Bureau of Customs.

On October 6, 1997, the date of the scheduled hearing, Mendoza submitted his position paper; SMFI and Instafood, represented by Atty. Doroteo Carillo of the Legal Department of SMFI, failed to submit theirs. During the hearing of December 23, 1997, the parties expressed their willingness to settle the case. The Labor Arbiter reset the hearing to January 21, 1998 to give the parties time to do so. On January 21, 1998, the parties manifested that they were unable to arrive at a settlement; thus, the Labor Arbiter reiterated his order requiring the respondents to submit their position paper. However, the respondents failed to comply. Unable to wait any longer, the Labor Arbiter issued an Order on March 20, 1998, declaring the case submitted for decision based on whatever evidence was found in the records.[8]

On September 28, 1998, Atty. Roberto T. Ongsiako of the Legal Department of SMFI filed an entry of appearance for the respondents and, at the same time, filed a position paper in their behalf, appending several documents thereto. The respondents alleged that Mendoza's termination was valid, since the same was with his conformity and he accepted the monetary benefits under the

redundancy program. Moreover, upon Mendoza's acceptance of the termination benefits, he executed a quitclaim where he indicated that he was entitled to P1,102,386.25 as separation benefits, and received the net amount of P840,753.17. It was emphasized that the quitclaim was valid and binding upon Mendoza, he being a graduate of the University of the Philippines with a degree of Bachelor of Arts in Economics, and thus understood the legal effects of the quitclaim. Besides, the benefits received by him were actually greater than that provided for by law, as he received an equivalent of two months salary for every year of service, plus other benefits.

On November 25, 1998, the Labor Arbiter rendered its Decision in favor of Mendoza. The fallo of the decision reads:

> WHEREFORE, premises considered, judgment is hereby rendered nullifying the termination memo issued by the respondents to the complainant, and ordering the respondents to restore the complainant to his former position as before the issuance of said termination memo, and pay his usual salary and other benefits attached to said position the amount of Four Hundred Thousand Pesos (P400,000.00) earlier paid by the respondents to the complainant need not be returned by the latter to the former but should be applied to his claim for moral damages.
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> All other claims are hereby dismissed for lack of merit.
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> SO ORDERED.[9]

The Labor Arbiter ratiocinated that while Mendoza's termination was valid, the termination of his employment was deemed revoked when he was required to perform his regular work after the effective date of the termination of his employment. Thus, he continued to be in the employ of SMFI. The Labor Arbiter also ruled that notwithstanding the payment of the net amount of P400,000.00 as separation benefit, the same did not validate the termination. In arriving at the decision, the Labor Arbiter disregarded the position paper filed by the respondents on the ground that the same was filed after they had been given several opportunities to do so and after the case was deemed submitted for decision.

The respondents appealed the said decision to the NLRC, contending that they were deprived of administrative due process since the Labor Arbiter totally disregarded their position paper and its appendages. They argued that it was erroneous to declare that Mendoza's termination was revoked, as he was merely made to process the release of the returned shipment of nata de coco with the Bureau of Customs which had been overstaying for over a year. They pointed out that Mendoza was unable to complete this task before his employment was terminated, and that the said act of following up the shipment was not the "full time job" of a purchasing manager. The respondents emphasized that as shown in the authorization letter, Mendoza's authority to deal with the shipment was valid until January 31, 1997 only.

In the meantime, Mendoza filed a motion for the issuance of a writ of execution insofar as his reinstatement was concerned, asserting that the said portion of the decision was immediately executory under existing laws and rules.[10] On March 15, 2000, the motion was granted and a writ of execution was issued. The respondents, for their part, filed a motion to quash the writ of execution.

On August 31, 2000, the NLRC rendered its Decision[11] reversing the decision of the Labor Arbiter and dismissing Mendoza's complaint for lack of merit. In the interest of justice, the NLRC took into consideration the position paper filed by the respondents, together with its attachments. The NLRC upheld the validity of the quitclaim executed by Mendoza and declared that the respondents never revoked his termination. It declared that while Mendoza was asked to secure the release of the shipment, the assignment did not require him to perform his usual work. It averred that even if the complainant was required to process the said shipment, the same was well within the period of Mendoza's employment; the fax message was sent on November 7, 1996 and his severance from employment was to take effect at the close of business hours of November 30, 1996. Thus, Mendoza was still obliged to perform his usual work during the said period. The NLRC emphasized that it was Mendoza's duty to complete all his unfinished business and properly wrap up all pending transactions before bowing out of office by the end of November 1996. Moreover, the processing of the said shipment

constituted a continuation of Mendoza's work; and considering further that the shipment had been overstaying for over a year, he should have finished the same before his employment was terminated.

Mendoza filed a motion for reconsideration of the decision, questioning the jurisdiction of the NLRC to resolve the appeal.[12] Mendoza asserted that since the decision of the Labor Arbiter involved a monetary award, the respondents should have posted either a cash or surety bond when they appealed the same. He insists that with the failure of SMFI and Instafood to post the said bond, the decision of the Labor Arbiter became final and executory.

On November 28, 2000, the NLRC issued a Resolution[13] denying Mendoza's motion for reconsideration, declaring that there was nothing in the dispositive portion of the Labor Arbiter's decision that ordered SMFI and Instafood to pay any amount to him; hence, there was no need for the respondents to post any bond in conjunction with their appeal to the NLRC.

Mendoza elevated the matter to the CA by way of a petition for certiorari under Rule 65 of the Rules of Civil Procedure on the following grounds: (a) the NLRC had no jurisdiction to entertain the appeal as no bond was posted by the respondents; (b) the NLRC should not have taken into consideration the position paper filed by the respondents, as the same was filed late; and (c) no valid ground existed to justify the appeal of the decision to the NLRC and the reversal thereof.

On November 4, 2002, the CA rendered a Decision[14] dismissing the petition for lack of merit. The CA ratiocinated that the NLRC did not commit a grave abuse of its discretion in admitting the respondents' position paper and its appendages; this was in accordance with Article 221 of the Labor Code, as amended, which provides that technical rules are not binding in any proceeding before the NLRC or the Labor Arbiters. With respect to the issue of failure to post an appeal bond, the CA declared that the respondents were not mandated to do so, considering that the Labor Arbiter did not fix an exact figure as monetary award in favor of Mendoza; hence, there was no basis for the posting of an appeal bond. Mendoza filed a motion

for reconsideration of the decision contending, inter alia, that the case should be remanded to the Labor Arbiter for further proceedings after submission by him of their Reply Position Paper and any documentary evidence in controversies of those of the respondents. Said motion was denied.

Mendoza, now the petitioner, comes before this Court and raises the following issues for resolution: (a) whether or not the respondents were obliged to post an appeal bond when they appealed the decision of the Labor Arbiter to the NLRC; (b) whether or not it was proper on the part of the NLRC to take into consideration the position paper filed by the respondents before the Labor Arbiter after the case was deemed submitted for decision; and (c) whether or not the petitioner is entitled to his monetary claim.

Anent the first issue, the petitioner posits that the NLRC had no jurisdiction to entertain the respondents' appeal of the Labor Arbiter's decision on the ground that they failed to file an appeal bond, the absence of which rendered the decision of the Labor Arbiter final and executory. The petitioner ratiocinated that even if the NLRC made no mention of any monetary award in the dispositive portion, it was nevertheless mentioned in the body of the said decision. Besides, according to the petitioner, the order of reinstatement carried with it the payment of backwages and other benefits. The petitioner, likewise, faults the NLRC for not remanding the case to the Labor Arbiter for the determination of the amount of the monetary award.

The petitioner insists that the reliance of the CA on the Court's ruling in Vergara vs. NLRC[15] is misplaced. In the said case, it was declared that the failure to post an appeal bond does not prejudice the perfection of the appeal. However, the petitioner avers, the party filing the appeal therein exerted efforts to determine the amount to be used as basis for the posting of the appeal bond, thus indicating the intention to post the said bond. Furthermore, notwithstanding the failure of the decision to fix the amount of the monetary award, the respondents themselves could have come up with their own computation of the backwages and other benefits, which they could then have used as basis for the posting of the appeal bond. According to the petitioner, the respondents could have sought a clarificatory order from the Labor Arbiter to have the monetary award fixed.

The contention of the petitioner is bereft of merit.

In rejecting the submission of the petitioner, the CA ruled as follows:

> It should be noted that the Labor Arbiter ordered private respondents to pay petitioner the usual salary and other benefits attached to his former position without, however, stating the amount thereof. In Blancaflor vs. NLRC, where the Labor Arbiter ordered the reinstatement of petitioner therein to his former position with payment of full backwages from June 1, 1988 until actual reinstatement, the Supreme Court ruled that since the exact amount of the award is not stated, there could be no basis for determining the amount of the appeal bond. Thus, in Vergara vs. NLRC, it was held that the failure to post the appeal bond cannot prejudice the perfection of an appeal where the decision of the Labor Arbiter does not fix the exact amount of the monetary award.[16]

The ruling of the CA is correct. Article 223[17] of the Labor Code, as amended, provides that in case of a judgment involving a monetary award, an appeal by the employer may be perfected only by the posting of a cash or surety bond in the amount equivalent to the monetary award in the judgment appealed from. It is clear from the foregoing that an appeal bond is required only when the monetary award in the decision is a fixed and determined amount. The reason for requiring an appeal bond is explained by the Court in this language:

> The obvious and logical purpose of an appeal bond is to insure, during the period of appeal, against any occurrence that would defeat or diminish recovery under the judgment if subsequently affirmed; it also validates and justifies, at least prima facie, an interpretation that would limit the amount of the bond to the aggregate of the sums awarded other than in the concept of moral and exemplary damages.[18]

In this case, what the dispositive portion ordered was to restore the petitioner to his former position and that his usual salary be paid to him. The only monetary award mentioned therein is the petitioner's

claim for moral damages, which amount was, in effect, satisfied upon the Labor Arbiter's order that the P400,000.00 he (petitioner) received from the respondents be applied to the said claim. Besides, in computing the amount of the appeal bond, moral damages are excluded.

Furthermore, the petitioner's advertence to the body of the decision mentioning the payment of backwages and other benefits is misplaced. It is settled that the operative part in every decision is the dispositive portion or the fallo, and where there is conflict between the fallo and the body of the decision, the fallo controls. This rule rests on the theory that the fallo is the final order while the opinion in the body is merely a statement, ordering nothing.[19]

Thus, absent any specific monetary award in the decision of the Labor Arbiter, there was no need for the respondents to post an appeal bond to perfect their appeal before the NLRC.

The respondents cannot be blamed for failing to file a motion for the clarification of the Labor Arbiter's decision and for opting instead to appeal the decision to the NLRC. The respondents had no obligation to file such motion for clarification before the Labor Arbiter. On the contrary, being the complainant, the petitioner was the one who should have filed a motion for clarification/reconsideration of the decision to enable the Labor Arbiter to specify the amount of the monetary award; the appeal bond to be posted by the respondents would then be determined, and the respondents would be obliged to post a bond for the perfection of their appeal. The petitioner, however, failed to file the said motion. Instead, he moved for the issuance of a writ of execution for the enforcement of the Labor Arbiter's ruling, ordering his reinstatement to his former position and the payment of the monetary award in his favor. The petitioner even failed to move for the dismissal of the respondents' appeal before the NLRC for their failure to post a bond. It was only after the NLRC had rendered judgment that the petitioner sought the dismissal of the said appeal for the alleged failure of the respondents to perfect the same.

Anent the second issue, the petitioner asserts that there was no grave abuse of discretion on the part of the Labor Arbiter in disregarding the position paper filed by the respondents since they had been given

several opportunities to file their position paper, failed to do so within the time frame given to them, and only filed the same after the case was submitted for decision. The petitioner asserts that when the Labor Arbiter refused to consider the respondents' position paper, they were not deprived of due process; after all, the essence of due process simply entails an opportunity to be heard or explain one's side. The petitioner asserts that the respondents should not be benefited by the lackadaisical attitude of their former counsel, Atty. Doroteo Carillo, considering his obstinate and unexplained failure to file the said position paper and evidence. Moreover, since the respondents filed their position paper after the Labor Arbiter had declared the case submitted for decision, the NLRC should not have taken the same into consideration.

In this case, the CA correctly ruled that the NLRC did not commit grave abuse of its discretion in considering the position paper of the respondents and its appendages in resolving the latter's appeal. Indeed, the NLRC merely acted in accord with Article 221 of the Labor Code of the Philippines which reads:

> ART. 221. Technical rules not binding and prior resort to amicable settlement. – In any proceeding before the Commission or any of the Labor Arbiters, the rules of evidence prevailing in courts of law or equity shall not be controlling and it is the spirit and intention of this Code that the Commission and its members and the Labor Arbiters shall use every and all reasonable means to ascertain the facts in each case speedily and objectively and without regard to technicalities of law or procedure, all in the interest of due process. In any proceeding before the Commission or any Labor Arbiter, the parties may be represented by legal counsel but it shall be the duty of the Chairman, any Presiding Commissioner or Commissioner or any Labor Arbiter to exercise complete control of the proceedings at all stages.

Any provision of law to the contrary notwithstanding, the Labor Arbiter shall exert all efforts towards the amicable settlement of a labor dispute within his jurisdiction on or before the first hearing. The same rule shall apply to the Commission in the exercise of its original jurisdiction.

By admitting the position paper of the respondents and its appendages, the NLRC did not thereby condone the lackadaisical attitude of the former counsel of the respondents. Neither was the petitioner deprived of his right to due process when the NLRC admitted the respondents' position paper and its appendages. It bears stressing that in their position paper, the respondents merely rebutted the position paper of the petitioner and appended thereto corporate records including the quitclaim executed by the petitioner. Moreover, the petitioner filed a motion for the reconsideration of the decision of the NLRC but failed, even on an abundantia ad cautelam basis, to submit any evidence to rebut the position paper and evidence of the respondents. He again failed to do so when he filed his petitions in the CA and in this Court. In IBM Philippines, Inc. vs. NLRC,[20] the Court ruled that:

> In spite of this finding, petitioners failed to adduce additional evidence when they moved for a reconsideration of the NLRC decision or when they filed the instant petition. Despite the opportunities afforded them, petitioners failed to substantiate their allegations. Neither have they shown sufficient reasons to convince this Court that, if the case were to be remanded to the arbiter for a formal hearing, they would be able to present evidence which they could not have presented during the initial stages of this case. As we held in Megascope General Services vs. NLRC:
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> > As regards petitioner's contention that a hearing has to be conducted to fully ventilate the issues in the case, suffice it to state that nonverbal devices such as written explanations, affidavits, position papers or other pleadings can establish just as clearly and concisely an aggrieved party's defenses. Petitioner was amply provided with the opportunity to present evidence that private respondents were not its employees. Indeed, it was petitioner's failure to present substantial evidence to buttress its claims that worked to its disadvantage and not the absence of a full-blown hearing before the public respondent.

> Anent the third issue, the petitioner insists that he was merely forced to execute the deed of release and quitclaim, and that he received only half of what he was entitled to receive; worse, he spent as much as P300,000.00 for processing the release of the subject shipment. The petitioner invokes the rule that quitclaims are disfavored and do not bar recovery of the full measure of a worker's rights and benefits.

We disagree.

While the petitioner is correct in saying that quitclaims are commonly frowned upon for being contrary to public policy, there are, however, legitimate waivers that represent a voluntary and reasonable settlement of a worker's claim which should be respected by the courts as the law between the parties.[21] Where the person making the waiver has done so voluntarily, with a full understanding thereof, and the consideration for the quitclaim is credible and reasonable, the transaction must be recognized as being a valid and binding undertaking.[22] Not all quitclaims are per se invalid or against policy, except (1) where there is clear proof that the waiver was wangled from an unsuspecting or gullible person, or (2) where the terms of settlement are unconscionable on their face; in these cases, the law will step in to annul the questionable transaction.[23]

In this case, the petitioner is not an unsuspecting or a gullible person. As adverted to by the respondents, the petitioner is a graduate of the University of the Philippines no less, with a Bachelor of Arts degree in Economics. Surely, he knew the nature and the legal effect of the said deed. Neither is the amount involved in the quitclaim unconscionable. Under Article 283[24] of the Labor Code, as amended, in case of termination of employment by virtue of redundancy, the worker affected thereby shall be entitled to a separation pay equivalent to at least one (1) month pay or to at least one (1) month pay for every year of service, whichever is higher. In this case, the amount involved in the quitclaim is a rather hefty sum, a gross amount of P1,102,386.25, equivalent to two months' salary for every year of service. Even if we assume, for the nonce, that the petitioner, indeed, spent half of what he received in facilitating the release of the shipment, the remainder thereof is still compliant with

the provision of the aforesaid Article 283, as it would still be equivalent to about one month of his salary for every year of service.

Moreover, the petitioner failed to sufficiently substantiate his claim that he spent half of what he received (under the quitclaim) in procuring the release of the shipment from the Bureau of Customs.

Neither do we find the petitioner's pose that he was made to perform additional work convincing. As aptly declared by the NLRC in its oppugned resolution:

> Even if we followed the theory of complainant that he had been instructed by respondent to follow-up the release of the nata de coco shipment, we have particularly noted that in this case, the alleged task given to complainant was issued on November 7, 1996 (prior to the November 30, 1996 effectivity of his dismissal) at a time when he was still very much in the employ of the respondent and registered in its payroll. As such employee and during the period of such employment, complainant was certainly obliged to perform his usual duties which, as complainant himself had admitted, included the facilitation of the release of the subject shipment. We have observed in this regard that the nata de coco shipment in question had overstayed at the Bureau of Customs for almost a year. This is an indication that complainant, for some reason had failed to perform his job of securing the timely release of the aforesaid shipment. If respondent had required of complainant to accomplish, just before leaving his post what he ought to have finished a long time ago and that for which he had already been previously compensated, we do not find the same to be capricious. In fact, to us, it was complainant's obligation as an employee to complete his unfinished business and properly wrap up all pending transactions just before bowing out of office. No way therefore can we treat respondent's request for complainant to do just that as a revocation of the decision for his termination. Considering the above circumstances, we find the contrary conclusion of the Labor Arbiter to be entirely gratuitous.[25]

As a rule, findings of facts and conclusions of the NLRC are, on appeal, accorded great weight and even finality unless it is shown that it has arbitrarily disregarded the evidence before it or misapprehended evidence of such nature as to compel a contrary conclusion if properly appreciated.[26] We find no reason to disturb the said findings of the NLRC.

IN LIGHT OF ALL THE FOREGOING, the petition is **DENIED** for lack of merit. The Decision of the Court of Appeals in CA-G.R. SP No. 63164 is **AFFIRMED**. No costs.

SO ORDERED.

Puno, *J.*, *(Chairman)*, Austria-Martinez, Tinga, and Chico-Nazario, *JJ.*, concur.

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[1] Penned by Associate Justice Marina L. Buzon, with Associate Justices Renato C. Dacudao and Danilo B. Pine, concurring.
[2] Rollo, p. 68.
[3] Id. at 51.
[4] Rollo, p. 60.
[5] Id. at 61.
[6] Id. at 62.
[7] Id. at 63.
[8] Rollo, pp. 76-77.
[9] Rollo, p. 81.
[10] Rollo, p. 95.
[11] Id. at 101-114.
[12] Rollo, pp. 116-135.
[13] Id. at 136-139.
[14] Rollo, pp. 315-323.
[15] G.R. No. 117196, 5 December 1997, 282 SCRA 486.
[16] Rollo, pp. 321-322.
[17] Article 223 in its entirety provides:

Art. 223. Appeal.– Decisions and awards, or orders of the Labor Arbiter are final and executory unless appealed to the Commission by any or both parties within ten (10) calendar days from receipt of such decisions, awards, or orders. Such appeal may be entertained only on any of the following grounds:

(a) If there is prima facie evidence of abuse of discretion on the part of the Labor Arbiter;

(b) If the decision, order or award was secured through fraud or coercion, including graft and corruption;
(c) If made purely on questions of law; and
(d) If serious errors in the findings of facts are raised which would cause grave or irreparable damage or injury to the appellant.
In case of a judgment involving a monetary award, an appeal by the employer may be perfected only upon the posting of a cash or surety bond issued by a reputable bonding company duly accredited by the Commission, in the amount equivalent to the monetary award in the judgment appealed from.
In any event, the decision of the Labor Arbiter reinstating a dismissed or separated employee, insofar as the reinstatement aspect is concerned, shall immediately be executory, even pending appeal. The employee shall either be admitted back to work under the same terms and conditions prevailing prior to his dismissal or separation or, at the option of the employer, merely reinstated in the payroll. The posting of a bond by the employer shall not stay the execution for reinstatement provided herein.
To discourage frivolous or dilatory appeals, the Commission or the Labor Arbiter shall impose reasonable penalty, including fines or censures, upon the erring parties.
In all cases, the appellant shall furnish a copy of the memorandum of appeal to the other party who shall file an answer not later than ten (10) calendar days from receipt thereof.
The Commission shall decide all cases within twenty (20) calendar days from receipt of the answer of the appellee. The decision of the Commission shall be final and executory after ten (10) calendar days from receipt thereof by the parties.
Any law enforcement agency may be deputized by the Secretary of Labor and Employment or the Commission in the enforcement of decisions, awards, or orders.

[18] U-Sing Button and Buckle Industry vs. NLRC, G.R. No. 94754, 11 May 1993, 221 SCRA 680, 683.

[19] People vs. Lacbayan, G.R. No. 125006, 31 August 2000, 339 SCRA 396, citing Asian Center for Career and Employment System and Services, Inc. vs. NLRC, 297 SCRA 727 (1998).

[20] G.R. No. 117221, 13 April 1999, 305 SCRA 592.

[21] Magsalin vs. National Organization of Working Men, G.R. No. 148492, 9 May 2003, 403 SCRA 199.

[22] Id. at 207.

[23] Bogo-Medellin Sugarcane Planters Association, Inc. vs. NLRC, G.R. No. 97846, 25 September 1998, 296 SCRA 108.

[24] Full text of said provision provides:
Art. 283. Closure of establishment and reduction of personnel. – The employer may also terminate the employment of any employee due to the installation of labor saving devices, redundancy, retrenchment to prevent losses or the closing or cessation of operation of the establishment or undertaking unless the closing is for the purpose of circumventing the

provisions of this Title, by serving a written notice on the worker and the Department of Labor and Employment at least one (1) month before the intended date thereof. In case of termination due to the installation of labor saving devices or redundancy, the worker affected thereby shall be entitled to a separation pay equivalent to at least one (1) month pay or to at least one (1) month pay for every year of service, whichever is higher. In case of retrenchment to prevent losses and in cases of closures or cessation of operations of establishment or undertaking not due to serious business losses or financial reverses, the separation pay shall be equivalent to one (1) month pay or to at least one-half (1/2) month pay for every year of service, whichever is higher. A fraction of at least six (6) months shall be considered one (1) whole year.

[25] Rollo, pp. 110-111.

[26] Rufina Patis Factory vs. Alusitain, G.R. No. 146202, 14 July 2004, 434 SCRA 418.