

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
THIRD DIVISION**

**RUFINA PATIS FACTORY, and JESUS
LUCAS, SR.**

Petitioners,

-versus-

**G. R. No. 146202
July 14, 2004**

**JUAN ALUSITAIN,
*Respondent.***

X-----X

DECISION

CARPIO MORALES, J.:

From the June 23, 2000 Decision^[1] of the Court of Appeals in CA-G.R. SP No. 54722 affirming that of the National Labor Relations Commission (NLRC) awarding retirement benefits in the amount of P88,595.00 to respondent Juan Alusitain (Alusitain), petitioners Rufina Patis Factory and Jesus Lucas, Sr. (Lucas) come to this Court on a petition for review on certiorari.

The antecedent facts are as follows:

In March 1948, Alusitain was hired as a laborer at the Rufina Patis Factory owned and operated by petitioner Lucas. After close to forty three years or on February 19, 1991, Alusitain

admittedly tendered his letter of resignation which is quoted verbatim:

February 19, 1991

TO: MR. JESUS LUCAS, JR.
ASSISTANT MANAGER
RUFINA PATIS FACTORY

Gentlemen:

I would like to tender my separation letter as a laborer, from your good company effective this 20th of February 1991. May I take this opportunity to extend my heartfelt thanks to you for having given me the chance to commit myself to work in your factory from which I owe varied experiences that has made a part of me and be what I am today. Anticipating your outmost consideration on this matter. I remain.

VERY TRULY YOURS,

(Signed)

JUAN A. ALUSITAIN

RECEIVED THE ABOVE SEPARATION LETTER ON
THIS DAY, FEBRUARY 20, 1991.

(Signed)

BY: JESUS R. LUCAS, JR.

Assistant Manager^[2]

On May 22, 1991, Alusitain executed a duly notarized affidavit of separation from employment and submitted the same on even date to the Pensions Department of the Social Security System (SSS). The affidavit reads:

Republic of the Philippines)SSS
Quezon City)

AFFIDAVIT OF SEPARATION FROM EMPLOYMENT

I, JUAN ASERAS ALUSITAIN of legal age, 63, Filipino and residing at Int. 18 Flores St., Mal. Mla, after having [been] sworn to in accordance with law hereby depose and state:

1. That I am a bonafide member of the Social Security System with SSS Number 03-0107252-0
2. That I was separated from my last employer RUFINA PATIS FACTORY with address at 290 C. Arellano St., Malabon, Metro Manila on 2-20-91 and thereafter, I was never again re-employed.
3. That I cannot secure a certification of separation from my last employer because I have not reached the company applicable age of retirement.
4. That I am executing this affidavit to attest to the truth of the foregoing facts and to support my retirement paper.

FURTHER AFFIANT SAYETH NAUGHT.

(Signed)
Affiant^[3]

On January 7, 1993, Republic Act No. 7641 (R.A. 7641),^[4] “AN ACT AMENDING ARTICLE 287 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES, BY PROVIDING FOR RETIREMENT PAY TO QUALIFIED PRIVATE SECTOR EMPLOYEES IN THE ABSENCE OF ANY RETIRMENT PLAN IN THE ESTABLISHMENT,” took effect^[5] providing, among other things, thusly:

Art. 287. Retirement. — Any employee may be retired upon reaching the retirement age established in the collective bargaining agreement or other applicable employment contract.

X X X

In the absence of a retirement plan or agreement providing for retirement benefits of employees in the establishment, an employee upon reaching the age of sixty (60) years or more, but not beyond sixty five (65) years which is hereby declared the compulsory retirement age, who has served at least five (5) years in the said establishment, may retire and shall be entitled to retirement pay equivalent to at least one half (1/2) month salary for every year of service, a fraction of at least six (6) months being considered as one whole year.

Unless the parties provide for broader inclusions, the term one half (1/2) month salary shall mean fifteen (15) days plus one twelfth (1/12) of the 13th month pay and the cash equivalent of not more than five (5) days of service incentive leaves.

X X X

Violation of this provision is hereby declared unlawful and subject to the penal provisions under Article 288 of this Code.^[6]

Sometime in 1995, Alusitain, claiming that he retired from the company on January 31, 1995, having reached the age of 65^[7] and due to poor health, verbally demanded from petitioner Lucas for the payment of his retirement benefits. By his computation, he claimed that he was entitled to P86,710.00^[8] broken down as follows:

Retirement Benefits	=	1/2 month salary for every year of service
One-half month salary	=	P1,885.00
Years of Service	=	47 years
Retirement Benefits	=	P86,710.00 ^[9]

Petitioner Lucas, however, refused to pay the retirement benefits of Alusitain, prompting the latter to make a written demand on

September 20, 1995. Lucas, however, remained adamant in his refusal to give in to Alusitain's demands.

Having failed to arrive at an amicable settlement, Alusitain filed on November 17, 1995 a complaint before the NLRC against petitioners Rufina Patis Factory and Lucas for non-payment of retirement benefits. The complaint was docketed as NLRC Case No. 00-11-07474-95.

Petitioners maintained that Alusitain had resigned from the company on February 19, 1991 per his letter of resignation and the Affidavit of Separation dated May 22, 1991.^[10]

On the other hand, while respondent admitted having tendered his letter of resignation on February 19, 1991 and executed the Affidavit of Separation on May 22, 1991,^[11] he nevertheless maintained that he continued working for petitioners until January 1995, the date of actual retirement, due to illness and old age, and that he merely accomplished the foregoing documents in compliance with the requirements of the SSS in order to avail of his retirement benefits.^[12]

By Decision^[13] of February 6, 1997, Executive Labor Arbiter Valentin C. Guanio upheld Alusitain's position in this wise:

After carefully considering the respective submissions of the parties and the evidence they adduced in support of their opposing claims, this Office rules in favor of the complainant.

To substantiate his allegation that he had continued working for the respondents even after his supposed resignation on February 19, 1991, the complainant submitted in evidence his sworn statement and that of his eldest daughter, Gloria Alusitain. In his affidavit, the complainant swore that: "Bagamat ako ay pensionado ng SSS, ako ay patuloy na naglilingkod/nagtrabaho sa kompanya ng Rufina Patis Factory hanggang noong buwan ng Enero 1995." By way of corroboration, his daughter on the other hand, stated under oath that since elementary school (sic), she was the one who brought food to her father at work in the Rufina Patis Factory;

and that the last time she brought him food at the said factory was in the month of January 1995.

While the foregoing statements may appear to be self-serving, still they have the ring of truth. From experience, it is quite common that the eldest daughter would be tasked with the duty of taking lunch to her father at work. Besides, the respondents failed to controvert these sworn declarations by submitting their counter-affidavits. If it is true that the complainant had in fact stopped working on February 1991, the respondents could have produced a number of witnesses who could have attested to this. Hence, their failure to submit even a single affidavit does not speak well of their credibility in this regard.

Thus, this Office finds that the complainant had executed the letter of resignation and affidavit of separation from employment in 1991 only for the purpose of securing a pension from the SSS, but that despite this he remained in the employ of the respondents until his actual retirement on January 31, 1995, two years after the effectivity of Republic Act 7641 on January 7, 1993. At the time of his retirement, the complainant was already sixty-five (65) years of age and had served the respondent company for forty-seven (47) years and therefore, he is legally entitled to the retirement benefits granted by R.A. 7641 which is one-half (1/2) month salary for every year of service which as computed will amount to a total of P88,595.00 (P1,885.00 x 47 years).

WHEREFORE, in view of the foregoing, judgment is hereby rendered ordering the respondents “Rufina Patis Factory” and Jesus Lucas, Sr., jointly and severally to pay complainant Juan Alusitain his retirement benefits in the amount of P88,595.00.

SO ORDERED.^[14]

On appeal, the NLRC, by Resolution^[15] of May 17, 1999, affirmed the Labor Arbiter’s decision.

Aggrieved by the NLRC resolution, petitioners brought the case on certiorari^[16] to the Court of Appeals which, by the assailed decision,

dismissed it, holding that the NLRC committed no error much less any grave abuse of discretion^[17] as Alusitain was able to sufficiently establish that his letter of resignation and Affidavit of Separation were executed only for the purpose of securing a pension from the SSS and that he remained in the employ of petitioners.^[18]

Their motion for reconsideration having been denied by the Court of Appeals by Resolution^[19] of December 6, 2000, petitioners lodged the present petition.^[20]

Petitioners argue that the appellate court erred when it did not give weight and probative value to Alusitain's letter of resignation and Affidavit of Separation, choosing instead to give credence to his self-serving sworn statement and that of his daughter that he remained in the employ of petitioners until January 31, 1995.

Petitioners assert that the Affidavit of Separation, being a public document, is entitled to full faith and credit upon its face, and proof is required to assail and controvert the same, citing *Cacho vs. Court of Appeals*^[21] and *Arrieta vs. Llosa*.^[22]

Petitioners further assert that the appellate court erred in applying retroactively R.A. 7641 as said law does not expressly provide for such retroactive application and to do so would defeat the clear intent of Congress. Furthermore, petitioners insist that the case of *Oro Enterprises, Inc. vs. NLRC*^[23] is inapplicable and submit that what is controlling is the case of *J.V. Angeles Construction Corp. vs. NLRC*^[24] where this Court held that before R.A. 7641 could be given retroactive effect, the claimant should still be an employee of the employer at the time the said law took effect.

The petition is impressed with merit.

This Court held in *Oro*^[25] that R.A. 7641 should be given retroactive effect, viz:

R.A. 7641 is undoubtedly a social legislation. The law has been enacted as a labor protection measure and as a curative statute that – absent a retirement plan devised by, an agreement with, or a voluntary grant from, an employer – can respond, in part at

least, to the financial well-being of workers during their twilight years soon following their life of labor. There should be little doubt about the fact that the law can apply to labor contracts still existing at the time the statute has taken effect, and that its benefits can be reckoned not only from the date of the law's enactment but retroactively to the time said employment contracts have started.^[26] (Underscoring supplied)

The doctrine enunciated in Oro has been clarified in several cases. In CJC Trading, Inc. vs. NLRC,^[27] this Court, speaking through Justice Florentino Feliciano, held that R.A. 7641 may be given retroactive effect where (1) the claimant for retirement benefits was still the employee of the employer at the time the statute took effect; and (2) the claimant had complied with the requirements for eligibility under the statute for such retirement benefits.^[28] These twin requirements for the retroactive application of R.A. 7641 have been reiterated in Philippine Scout Veterans Security and Investigation Agency vs. NLRC,^[29] Cabcaban vs. NLRC,^[30] J.V. Angeles Construction Corporation vs. NLRC,^[31] and Manuel L. Quezon University vs. NLRC.^[32]

It is thus clear that in order for respondent to claim retirement benefits from petitioner Rufina Patis Factory, he has to prove that he was its employee at the time R.A. 7641 took effect.

As a general rule, the factual findings and conclusions of quasi-judicial agencies such as the NLRC are, on appeal, accorded great weight and even finality, unless petitioners are able to show that the NLRC arbitrarily disregarded the evidence before it or misapprehended evidence of such nature as to compel a contrary conclusion if properly appreciated.^[33]

In affirming the decision of the NLRC and the Labor Arbiter, the Court of Appeals disregarded Alusitain's letter of resignation and Affidavit of Separation and gave weight to his and his daughter's sworn statements that he remained in the employ of petitioners until January 31, 1995.

It is a basic rule in evidence, however, that the burden of proof is on the part of the party who makes the allegations^[34] – *ei incumbit probatio, qui dicit, non qui negat.*^[35] If he claims a right granted by law, he must prove his claim by competent evidence, relying on the strength of his own evidence and not upon the weakness of that of his opponent.

In the case at bar, it was incumbent on Alusitain to prove that he retired on January 31, 1995 and not on February 20, 1991 as indicated on his letter of resignation. As the following discussion will show, he utterly failed to discharge the onus.

Respondent's letter of resignation and May 22, 1991 Affidavit of Separation which he admittedly voluntarily executed constitute admissions against his own interest.^[36] The said documents belie his claim that he retired on January 31, 1995. Being an admission against interest, the documents are the best evidence which affords the greatest certainty of the facts in dispute.^[37] The rationale for the rule is based on the presumption that no man would declare anything against himself unless such declaration was true.^[38] Thus, it is fair to presume that the declaration corresponds with the truth, and it is his fault if it does not.^[39]

While these two documents may have facilitated the release of Alusitain's retirement benefits from the SSS, hence, beneficial to him at that time, they may still be considered admissions against interest since the disserving quality of the admission is judged as of the time it is used or offered in evidence and not when such admission is made.^[40] Thus, it matters not that the admission is self-serving when it was made, so long as it is against respondent's present claim.^[41]

No doubt, admissions against interest may be refuted by the declarant.^[42] It bears stressing, however, that Alusitain's Affidavit of Separation filed with the SSS is a notarial document,^[43] hence, *prima facie* evidence^[44] of the facts expressed therein.^[45]

Since notarial documents have in their favor the presumption of regularity, to contradict the facts stated therein, there must be evidence that is clear, convincing and more than merely preponderant.^[46]

Alusitain explains through his subsequent sworn statement that he only executed these two documents in order to obtain his retirement benefits from the SSS. His daughter, also by sworn statement, corroborates his explanation. His position does not persuade.

In order for a declarant to impugn a notarial document which he himself executed, it is not enough for him to merely execute a subsequent notarial document. What the law requires in order to contradict the facts stated in a notarial document is clear and convincing evidence. The subsequent notarial documents executed by respondent and his daughter fall short of this standard.

The case of *Reyes vs. Zaballero*^[47] is instructive. In said case, the creditor executed on December 1, 1944 a notarial document stating that he was releasing a real estate mortgage as the debtor had already paid his debt. On even date, the creditor subsequently executed an affidavit without the debtor's knowledge stating that he had accepted the payment under protest and "obligado por las circunstancias actuales." This Court held that the creditor's statement in his affidavit that he received the money "obligado por las circunstancias actuales" is self-serving evidence.^[48]

A contrary rule would undermine the confidence of the public in the integrity of notarial documents. In *Dequito vs. Llamas*,^[49] this Court held:

After executing the affidavit voluntarily wherein he made admissions and declarations against his own interest under the solemnity of an oath, he cannot be allowed to spurn them and undo what he has done. He cannot, even "with great repentance, retrieve the body he forsook and now wishes to live."^[50]

Neither is the sworn statement of Alusitain's daughter sufficient to prove that he indeed retired on January 31, 1995. The February 6, 1997 Decision of Labor Arbiter Guanio relates the material portion of the sworn statement of Alusitain's daughter as follows:

By way of corroboration, his daughter on the other hand, stated under oath that since elementary school (sic), she was the one who brought food to her father at work in the Rufina Patis Factory; and that the last time she brought him food at the said factory was in the month of January 1995.^[51] (Emphasis and underscoring supplied)

Alusitain's daughter did not state, however, that her father worked for petitioner Rufina Patis Factory until his alleged retirement on January 31, 1995. All she said was that the last time she brought him food at the factory was in January 1995. To conclude that Alusitain was still employed on January 1995 from the mere fact that his daughter brought him food at the Rufina Patis Factory is non sequitur.

Lastly, while it is evident that Alusitain's subsequent sworn statement is in the nature of a retraction of his May 22, 1991 Affidavit of Separation, such retraction does not necessarily negate the affidavit. For retractions are generally unreliable and looked upon with considerable disfavor by the courts as they can easily be fabricated. Thus, before accepting a retraction, it is necessary to examine the circumstances surrounding it and possible motives for reversing the previous declaration, as these motives may not necessarily be in consonance with the truth. To automatically adopt them hook, line and sinker would allow unscrupulous individuals to throw wide open the doors to fraud.

In the case at bar, Alusitain's retraction is highly suspect. Other than his bare and self-serving allegations and the sworn statement of his daughter which, as reflected above, cannot be relied upon, he has not shown any scintilla of evidence that he was employed with petitioner Rufina Patis Factory at the time R.A. 7641 took effect. He did not produce any documentary evidence such as pay slips, income tax

return, his identification card, or any other independent evidence to substantiate his claim.

While the NLRC and its Labor Arbiters are not bound by technical rules of procedure and evidence in the adjudication of cases,^[52] this should not be construed as a license to disregard fundamental rules on evidence in proving one's allegations.^[53]

In fine, Alusitain having failed to prove that he was an employee of petitioner at the time R.A. 7641 took effect, his claim for retirement benefits thereunder must be disallowed.

WHEREFORE, the petition is **GRANTED**. The Court of Appeals June 23, 2000 Decision and December 6, 2000 Resolution in CA-G.R. SP No. 54722 are **REVERSED** and **SET ASIDE**.

SO ORDERED.

Vitug, (Chairman), Sandoval-Gutierrez, and Corona, JJ., concur.

[1] Court of Appeals Rollo at 163-172.

[2] Id. at 45.

[3] Id. at 46.

[4] Republic Act No. 7641 was the legislature's reaction to Llorca Motors vs. Drilon (179 SCRA 175, 181-182 [1989]) where this Court had interpreted Art. 287 of the Labor Code as not being a source of retirement benefits if there was no collective bargaining agreement or voluntary company policy granting such benefit. Thus, this Court through Justice Florentino Feliciano said:

Our Labor Code has only one article that deals with the subject of "retirement from the service." Article 287 of the Code reads as follows:

Article 287. Retirement. – Any employee may be retired upon reaching the retirement age established in the Collective Bargaining Agreement or other applicable employment contract.

In case of retirement, the employee shall be entitled to receive such retirement benefits as he may have earned under existing laws and any collective bargaining or other agreement. (Italics in the original)

Examination of Article 287 above shows that entitlement to retirement benefits may accrue either (a) under existing laws or (b) under a collective bargaining agreement or other employment contract. It is at once apparent

that Article 287 does not itself purport to impose any obligation upon employers to set up a retirement scheme for their employees over and above that already established under existing laws. In other words, Article 287 recognizes that existing laws already provide for a scheme by which retirement benefits may be earned or accrue in favor of employees, as part of a broader social security system that provides not only for retirement benefits but also death and funeral benefits, permanent disability benefits, sickness benefits and maternity leave benefits. As is commonplace knowledge, the Social Security Act provides for retirement benefits which essentially consist of the right to receive a monthly pension for the rest of the covered employee's life provided that: (1) such employee had paid at least one hundred twenty (120) monthly contributions prior to retirement; and (2) has reached the age of sixty (60) years (if his salary is less than P300.00 a month) or 65 years. The retirement scheme here established is compulsory and contributory in character on the part of both the employer and the employee, backed up by criminal sanctions and administered by a large and elaborate bureaucracy. (*Italics in the original; citation omitted*)

In order to overturn the effect of the Llorca Motors ruling, House Bill No. 317 was introduced in the House of Representatives which was later consolidated with the Senate version – Senate Bill No. 132. Representative Alberto S. Veloso states the following in his House Bill's explanatory note:

When the Labor Code came into effect in 1974, retirement pay had, as a matter of course, been granted to employees in the private sector when they reach the age of sixty (60) years. This had practically been the rule observed by employers in the country pursuant to the rules and regulations issued by the then Minister of Labor and Employment to implement the provisions of the Labor Code, more particularly, where there is no provision for the same in the collective bargaining agreement or retirement plan of the establishment.

At present, however, such benefit of retirement pay is no longer available where there is no collective agreement thereon or any retirement plan at all. This is so because, in a decision of the Supreme Court (*Llorca Motors vs. Drilon and NLRC, et al., G.R. No. 82895, November 7, 1989*), it was held that the grant of such benefit under the rules implementing the Labor Code is not supported by any express provision of the Labor Code itself. In short, there is no specific statutory basis for the grant of retirement benefits for employees in the private sector reaching the age of 60 years.

Since the time of such nullification by the Supreme Court of said implementing rules on retirement pay for private sector employees, many employers simply refuse or neglect to adopt any retirement plan for their workers, obviously emboldened by the thought that, after said ruling, there is no longer any legal compulsion to grant such retirement benefits. In our continuous quest to promote social justice, unfair situations like this, productive of grievance or irritants in the labor-management relations, must immediately be corrected or remedied by legislation.

[5] *J.V. Angeles Construction Corporation vs. NLRC*, 305 SCRA 734, 736 (1999); *Cabcaban vs. NLRC*, 277 SCRA 671, 677 (1997); *Pantranco North*

- Express, Inc. vs. NLRC, 259 SCRA 161, 173 (1996); Oro Enterprises, Inc. vs. NLRC, 238 SCRA 105, 108 (1994).
- [6] LABOR CODE, art. 287, as amended by Rep. Act No. 7641 (1993).
- [7] It should be noted that in respondent Alusitain's May 22, 1991 affidavit of separation from employment he stated that he was 63 years old. But in his position paper which he submitted to the Labor Arbiter, he stated that he was 65 years old on January 31, 1995 – the date of his alleged retirement. (Court of Appeals Rollo at 48)
- [8] Court of Appeals Rollo at 48.
- [9] It should be noted that respondent Alusitain miscalculated his retirement benefits. P1,885.00 multiplied by 47 is not P86,710.00 but P88,595.00.
- [10] Court of Appeals Rollo at 59.
- [11] Id. at 60.
- [12] Ibid.
- [13] Id. at 58-63.
- [14] Id. at 61-63.
- [15] Id. at 35-41.
- [16] Id. at 2-34.
- [17] Id. at 171-172.
- [18] Id. at 168.
- [19] Id. at 189.
- [20] Rollo at 10-59.
- [21] 269 SCRA 159 (1997).
- [22] 282 SCRA 248 (1997).
- [23] 238 SCRA 105 (1994).
- [24] 305 SCRA 734 (1999).
- [25] 238 SCRA 105 (1994).
- [26] Id. at 112.
- [27] 246 SCRA 724 (1995).
- [28] Id. at 731.
- [29] 271 SCRA 209, 215 (1997).
- [30] 277 SCRA 671, 677 (1997).
- [31] 305 SCRA 734, 738 (1999).
- [32] 367 SCRA 488, 495 (2001).
- [33] Mac Adams Metal Engineering Workers Union-Independent vs. Mac Adams Metal Engineering, G.R. No. 141615, October 24, 2003.
- [34] Stolt-Nielsen Marine Services, Inc. vs. NLRC, 300 SCRA 713, 719 (1998); Jimenez vs. NLRC, 256 SCRA 84, 89 (1996); RULES OF COURT, Rule 131, Sec. 1.
- [35] The proof lies upon him who affirms, not upon him who denies. (BLACK'S LAW DICTIONARY 516 [1991], 6th ed.)
- [36] Sec. 26 of Rule 130 of the Rules of Court provides:
SEC. 26. Admissions of a party – The act, declaration, or omission of a party as to a relevant fact may be given in evidence against him.
- [37] Noda vs. Cruz-Arnaldo, 151 SCRA 227, 232 (1987);
- [38] PART I, VII V. FRANCISCO, THE REVISED RULES OF COURT IN THE PHILIPPINES 305 (1997).

- [39] *Id.*, citing *Truby vs. Seybert*, 12 Pa. St. 101.
- [40] A. BAUTISTA, *BASIC EVIDENCE* 187 (2004) citing *Krajewski vs. Western & Southern Life Ins. Co.*, 241 Mich. 396, 217 N.W. 62 (1928).
- [41] *Id.* citing IV WIGMORE at 4.
- [42] *Id.* at 186 citing LEMPERT & SALTZBURG at 384 and LILLY at 219-220.
- [43] A notarial document is one duly acknowledged before a notary public. It is a public document. [VI O. HERRERA, *REMEDIAL LAW* 301 (1999)]
- [44] Evidence good and sufficient on its face. Such evidence as, in the judgment of the law, is sufficient to establish a given fact, or the group or chain of facts constituting the party's claim or defense, and which if not rebutted or contradicted, will remain sufficient. Evidence which, if unexplained or uncontradicted, is sufficient to sustain a judgment in favor of the issue which supports, but which may be contradicted by other evidence. [BLACK'S LAW DICTIONARY 1190 (1991, 6th ed.)]
- [45] *Fernandez vs. Fernandez*, 363 SCRA 811, 829 (2001); *Caoili vs. Court of Appeals*, 314 SCRA 345, 361 (1999); *Tenio-Obsequio vs. Court of Appeals*, 230 SCRA 550, 558 (1994); *P.T. Cerna Corporation vs. Court of Appeals*, 221 SCRA 19, 24 (1993); *Egao vs. Court of Appeals*, 174 SCRA 484, 491 (1989); *Cabrera vs. Villanueva*, 160 SCRA 672, 678 (1988); *Rebuldela vs. Intermediate Appellate Court*, 155 SCRA 520, 528-529 (1987); *Mendiola vs. Court of Appeals*, 106 SCRA 130, 139 (1981); *Yturalde vs. Azurin*, 28 SCRA 407, 417 (1969).
- [46] *Alcantara-Daus vs. Hermoso*, G.R. No. 149750, June 16, 2003; *Fernandez vs. Fernandez*, *supra*; *Manzano vs. Perez, Sr.*, 362 SCRA 430, 440 (2001); *Calahat vs. Intermediate Appellate Court*, 241 SCRA 356, 361 (1995); *Tenio-Obsequio vs. Court of Appeals*, *supra*; *P.T. Cerna Corporation vs. Court of Appeals*, *supra*; *Egao vs. Court of Appeal*, *supra* at 492; *Cabrera vs. Villanueva*, *supra*; *Antonio vs. Estrella*, 156 SCRA 68, 75 (1987); *Rebuldela vs. Intermediate Appellate Court*, *supra* at 529. *Yturalde vs. Azurin*, *supra*.
- [47] 89 Phil. 39 (1951).
- [48] *Id.* at 42.
- [49] 66 SCRA 504 (1975).
- [50] *Id.* at 511.
- [51] Court of Appeals Rollo at 61.
- [52] Art. 221 of the Labor Code, as amended, provides:
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.

- [53] Vide *Asuncion vs. NLRC*, 362 SCRA 56 (2001); *IBM Philippines, Inc. vs. NLRC*, 305 SCRA 592 (1999); *Stolt-Nielsen Marine Services, Inc. vs. NLRC*, 300 SCRA 713 (1998); *Jarcia Machine Shop and Auto Supply, Inc. vs. NLRC*, 266 SCRA 97 (1997).

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