

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
SECOND DIVISION**

**THE PHILIPPINE AMERICAN LIFE
AND GENERAL INSURANCE CO.,
*Petitioner,***

-versus-

**G.R. No. 156963
November 11, 2004**

**ANGELITA S. GRAMAJE,
*Respondent.***

X-----X

DECISION

CHICO-NAZARIO, J.:

This is a Petition for Review on Certiorari which seeks the review and reversal of the Decision^[1] of the Court of Appeals promulgated on 18 October 2002, reversing and setting aside the decision of the National Labor Relations Commission (NLRC), and the Resolution^[2] of the same appellate court dated 20 January 2003, denying the Motion for Reconsideration, for lack of merit.

Once again, the Court is being called upon to rule on a question that continuously besets labor-management relations --- what is and what

is not to be considered a legitimate exercise of management prerogative.

The facts, as found by the Court of Appeals,^[3] are as follows:

Private respondent Philippine American Life and General Insurance Company is a corporation duly organized and existing under Philippine laws. Individual respondents occupy the following positions, namely: Maurice Greenberg, as president of the Company; Jose Cuisia, Jr. as Chairman of the Board; Maria Haas and Gardon Watson as Regional Coordinating Pensions Officers, Reynaldo C. Centeno as Executive Vice-President, Chief Financial Officer and Chief Actuary; and Anthony Sotelo as the Senior Vice-President and Head of the Human Resources Department.

Petitioner was employed on October 28, 1997 by private respondent as Assistant Vice President and Head of the Pensions Department and in concurrent capacity as Trust Officer of Philam Savings Bank, a Philam Life subsidiary. She was to be paid P750,000.00 per annum and is entitled to the benefits given by private respondent to its employees.

Working as Assistant Vice President of Pensions Department of Philamlife, petitioner was offered an additional position by respondent Cuisia, which was then resolved and approved by Philam Savings Bank's Board of Directors, for the position of Head of Trust Banking Division or AVP-Trust Officer on a concurrent capacity and under a separate compensation.

Effective January 1998, however, petitioner's marketing manager and marketing officer were immediately transferred to Group Insurance Division. Petitioner, thereafter, was never given replacements for the marketing manager and marketing officer, contrary to private respondent Cuisia's assurance. Thus, petitioner ran the Pensions Department single-handedly with only one administrative assistant as her staff. Petitioner did the field work, the desk work (administrative, legal, finance, marketing), the out of town meetings, the client presentations, aside from her work with the Philam Savings Bank as fund manager, wherein private respondent Cuisia offered to her for a separate compensation, but has still remain [sic] unpaid.

Sometime in November, 1998, petitioner availed of her housing and car benefits and applied for a car loan and housing loan.

On November 18, 1998, however, private respondent through Centeno and Sotelo, offered her P250,000.00 for her to vacate her position by December 1998. Petitioner declined the offer considering that there was no valid reason for her to leave. Private respondents Centeno and Sotelo admonished her that her filing of suit would prompt respondent Cuisia to blacklist her in companies where he holds directorships and advised her that Philamlife is big and can stand the long ordeal of justice system, whereas she may not withstand the phase of the trial. Evidence that this meeting and matter took place was the formal letter of rejection dated November 25, 1998 sent by petitioner and duly received by the offices of respondents Cuisia, Centeno and Sotelo.

Pertinent portion of the November 25, 1998 letter is hereby quoted:

This shall summarize the discussion of meeting held at Mr. Centeno's Office last November 18, 1998.

Briefly, an offer of Two Hundred Fifty Thousand Pesos (P250,000) has been made as Settlement fee so that Philamlife will not resort to transferring undersigned to another department for reasons only known to management and which undersigned is still not fully aware in writing. In so doing, it has been emphasized that Mr. Centeno and Mr. Sotelo is (sic) sparing undersigned of the hardships that undersigned will undergo in the said other department which is intended to make undersigned inefficient and eventually serve as basis for her termination or as claimed "non-election" by March 1999. Further, it has been requested and categorically stated by Mr. Sotelo that undersigned forgive Maria Haas for whatever she has done.

On December 6, 1998, respondent Cuisia met with petitioner and cajoled her to reconsider and accept the offer of settlement. Cuisia even volunteered to help her look for another job. Petitioner declined, and reiterated that the actuations of respondents clearly

intended to harass and humiliate her and have caused her and her family extreme emotional stress.

On December 8, 1998, two days after the aforesaid December 6 meeting, respondents issued her a memorandum instructing her to transfer to the Legal Department effective December 14, 1998 and to make proper turnover and submit the status report not later than December 11, 1998.

By her letter dated December 10, 1998, petitioner protested the sudden unexplained transfer, more so a non-existing position, and stressed that she was hired because of her marketing, finance, and fund management skills, not her legal skills. She also made of record that her department surpassed the target fund level volume set by the company, thus:

Undersigned wish to inform you that your directive for the transfer of undersigned to the legal department is being contested on the ground of outright violation of undersigned's rights.

Undersigned believe that the transfer will not make her efficient in her work. Undersigned was hired primarily because of her marketing, finance, and fund management skills. Her legal skills are secondary and supplementary in nature. Thus, transfer to the legal department, which is primarily legal, is not acceptable for it will only make undersigned less efficient and negates her productivity and contribution to the company.

Let it be on record, that as of today, the Department has surpassed its P15 Million target, which was originally at P12 Million, as set by no less than the president of Philamlife during the budget preparation and as duly reviewed and approved by the head of the corporation planning department, as fully documented. For the records, we are almost hitting the P20 Million fund level volume, and we are just waiting for the confirmed P109 Million placement of Adamson University Retirement Fund.

With the above, by December 14, 1998 undersigned will continue to be the head of the Pensions Department until this new issue and the other issues raised are fully resolved.

Atty. Angelita S. Gramaje
AVP-Pensions Department

Also, on December 10, 1998, respondent Centeno declined the car loan benefit of petitioner, thus:

This refers to your 9 December 1998 memorandum regarding your request for a car loan. I have earlier discussed your application for a car loan with both Mr. Anthony B. Sotelo, FVP and Corporate HR Director and Mr. Jose L. Cuisia, Jr., President and CEO. Considering your present employment status, which has been the subject of several discussions between you and Messrs. Jose L. Cuisia, Jr. and Anthony B. Sotelo and myself, we deem it prudent to defer action on your loan request until such time that the issue is resolved with definitiveness.

On December 16, 1998, petitioner, while on Official Sick Leave, received a message in her pager that the Pensions Department, which was then holding office at the fifth floor of the Philamlife Building at United Nations Avenue was assumed to be headed by Corine Moralda as her successor, and the Pensions Department was to be immediately physically transferred on said date at the Philamlife Gammon Center in Makati City. Though sick and on official sick leave, petitioner went to the office on December 17, 1998 to verify, and upon seeing the Pensions Department totally dark, without any staff and with left over fixtures, petitioner, emotionally shattered, opted to just leave the premises.

On December 18, 1998, respondent Cuisia through a memorandum appointed Ms. Corine Moralda as replacement of petitioner as Head of the Pensions Department effective December 14, 1998. It was only at that time that petitioner learned that as early as August 23, 1998, respondents had advertised in the Manila Bulletin for her replacement.

Also, although, it is the tradition of Philamlife to give, during the Christmas Season, officers and employees a traditional Season's giveaways, i.e., ham and queso de bola, petitioner then, thru her authorized representatives, asked for her share, but she was not in the list of recipients. Petitioner's name was not in the Legal Department, not in the Pensions Department, and not in the list of employees of Philamlife when verified with the Personnel Department.

Hence, on December 23, 1998, petitioner filed the instant case for illegal or constructive dismissal against herein private respondents.

The Labor Arbiter, in his Decision^[4] dated 01 June 2000, found that respondent was not illegally dismissed. The said decision held in part:

After a careful evaluation of the records, this Office finds and so holds that complainant's "alleged" illegal dismissal seemed never to have taken place at all, constructive or otherwise. Complainant's insistence in holding onto her former position for which, as earlier assessed by the Company, she did not meet the high standards expected of her, does not deserve support.

Complainant's supposed transfer to the Legal Department cannot be considered to be unbearable, nor inconvenient, nor prejudicial to the employee, as it did not even involve a demotion in rank or diminution of her salaries, benefits and other privileges. Complainant held the position of AVP-Pensions. Her supposed transfer to the Legal Department, still with the rank of AVP, and most importantly, with the same salaries and benefits, cannot, by any stretch of imagination, be considered as amounting to a constructive dismissal.

WHEREFORE, decision is hereby rendered declaring that complainant was not illegally dismissed. In ordering her transfer from the Pensions Department to the Legal Department, the respondent company was just exercising a legitimate management prerogative.^[5]

The NLRC, in its Decision dated 27 November 2000, affirmed in toto the Decision of the Labor Arbiter.

Respondent appealed to the Court of Appeals, which in a decision dated 18 October 2002 reversed and set aside the decision of the NLRC, the dispositive portion of which reads:

WHEREFORE, in view of all the foregoing, the assailed decision of public respondent NLRC is hereby REVERSED and SET ASIDE. Accordingly, private respondent is hereby ORDERED to pay petitioner separation pay in lieu of reinstatement, her full backwages inclusive of allowances and other benefits or their monetary equivalent. For this purpose, the case is remanded to the Labor Arbiter for further proceedings solely for the purpose of determining and/or computing the monetary liabilities of private respondents.

Additionally, considering that private respondents were proven to be in bad faith in the constructive dismissal of petitioner, the former are hereby ordered to pay the latter exemplary damages in the amount of Fifty Thousand Pesos (P50,000) and moral damages also in the amount of Fifty Thousand Pesos (P50,000).

Petitioner assigned the following as errors on the part of the Court of Appeals:

1. THE HONORABLE COURT OF APPEALS GRAVELY ERRED IN RULING THAT THE RESPONDENT'S TRANSFER TO THE LEGAL DEPARTMENT IS TANTAMOUNT TO CONSTRUCTIVE DISMISSAL FOR THE SAME IS A LEGITIMATE EXERCISE OF MANAGEMENT PREROGATIVE;
2. THE HONORABLE COURT OF APPEALS GRAVELY ERRED IN RULING THAT THE RESPONDENT'S TRANSFER TO THE LEGAL DEPARTMENT IS TANTAMOUNT TO CONSTRUCTIVE DISMISSAL CONSIDERING THAT IT WAS THE RESPONDENT WHO SEVERED HER WORKING RELATIONSHIP WITH THE COMPANY; AND

3. THERE BEING NO ILLEGAL DISMISSAL TO SPEAK OF, THE HONORABLE COURT OF APPEALS GRAVELY ERRED IN ORDERING THE PETITIONER TO PAY RESPONDENT SEPARATION PAY, BACKWAGES, EXEMPLARY DAMAGES AND MORAL DAMAGES.^[6]

In short, the issue to be resolved is: Was respondent constructively dismissed or was her transfer a legitimate exercise of management prerogative?

It is an established rule that in the exercise of the Supreme Court's power of review, the Court is not a trier of facts and does not routinely undertake the re-examination of the evidence presented by the contending parties during the trial of the case considering that the findings of facts of the Court of Appeals are conclusive and binding on the Court.^[7] We have likewise held that factual findings of labor officials who are deemed to have acquired expertise in matters within their respective jurisdiction are generally accorded not only respect, but even finality, and bind the Supreme Court, when supported by substantial evidence.^[8]

As borne by the records, it appears that there is a divergence between the findings of facts of the Labor Arbiter as affirmed by the NLRC, and that of the Court of Appeals. Therefore, for the purpose of clarity and intelligibility, this Court will make an infinitesimal scrutiny of the findings of facts of the Labor Arbiter and the NLRC.

The Labor Arbiter, in his Decision,^[9] held in part that "complainant's supposed transfer to the Legal Department cannot be considered to be unbearable, nor inconvenient, nor prejudicial to the employee, as it did not even involve a demotion in rank or diminution of her salaries, benefits and other privileges. Complainant held the position AVP-Pensions. Her supposed transfer to the Legal Department, still with the rank of AVP, and most importantly, with the same salaries and benefits, cannot, by any stretch of imagination, be considered as amounting to a constructive dismissal."^[10]

We do not agree in this finding of the Labor Arbiter. It may be true that in the transfer of respondent from the Pensions Department to the Legal Department, there was no demotion in rank nor diminution

of the salaries, benefits and privileges. But this is not the only standard that must be satisfied in order to substantiate the transfer. In the pursuit of its legitimate business interests, management has the prerogative to transfer or assign employees from one office or area of operation to another – provided there is no demotion in rank or diminution of salary, benefits, and other privileges; and the action is not motivated by discrimination, made in bad faith, or effected as a form of punishment or demotion without sufficient cause.^[11]

Discrimination is the unequal treatment of employees, which is proscribed as an unfair labor practice by Art. 248(e) of the Labor Code.^[12] It is the failure to treat all persons equally when no reasonable distinction can be found between those favored and those not favored.^[13]

Bad faith has been defined as a state of mind affirmatively operating with furtive design or with some motive of self-interest or ill will or for an ulterior purpose.^[14] It implies a conscious and intentional design to do a wrongful act for a dishonest purpose or moral obliquity.^[15]

In the case at bar, bad faith and discrimination on the part of petitioner are profusely perceived from its actions.

First, as early as 23 August 1998, unbeknown to respondent, petitioner had already advertised in the Manila Bulletin for the former's replacement.^[16] Respondent was not even notified in advance of an impending transfer.

Second, the President and CEO of petitioner corporation, Jose L. Cuisia, Jr., in his Memorandum^[17] dated 18 December 1998, announced the appointment of respondent's replacement effective 14 December 1998, or during the time that respondent was still on official sick leave. It is worthy to note that on 10 December 1998, respondent, through a letter^[18] of even date, protested her sudden unexplained transfer, more so, to a non-existing position. Respondent, in said letter, likewise pointed out that her department surpassed the target fund level volume set by the company (which negates petitioner's allegation of ineptness on the part of respondent, used as ground by the

former to justify the transfer), and thereby requested for status quo, until all issues were resolved. No response was made.

Third, the transfer of respondent to the Legal Department was unreasonable, inconvenient and prejudicial to her. Petitioner must have known that respondent has no adequate exposure in the field of litigation, and yet she was transferred to the Legal Department, and as AVP at that. The position of AVP-Legal would have placed respondent in a very inopportune position because she would be heading a team of lawyers who are far more experienced than she was in the area of litigation. It was a poor business decision and it is unlikely that the officers of petitioner would have made such a decision, except to inconvenience or prejudice respondent. Under the circumstances, the decision to transfer was unreasonable.

Fourth, there was, likewise, discrimination against respondent, as shown from the following: (a) the Pensions Department was run by respondent with practically no support from management. Respondent was left to fend for herself, and yet was required to bring in the numbers, i.e., generate and develop accounts. As found by the Court of Appeals, effective January 1998, respondent's marketing manager and marketing officer were transferred to Group Insurance Division. Respondent, thereafter, was never given replacements for said positions, contrary to Cuisia's assurance. Respondent herein ran the Pensions Department single-handedly and with only one Administrative Assistant as her staff. Respondent did the field work, the desk work (administrative, legal, finance, marketing), out-of-town meetings, client presentations, aside from her work with Philam Savings Bank as fund manager;^[19] (b) respondent tried to avail herself of her car loan benefit sometime in November 1998 by filing the appropriate application. However, action on this application was deferred by Reynaldo Centeno in his letter^[20] dated 10 December 1998, saying that respondent's employment status has been the subject of several discussions between the high ranking officers of petitioner; and (c) it is a tradition on the part of petitioner, during the Christmas season, to give its officers and employees a season's giveaway, i.e., ham and queso de bola. Respondent

sent an authorized representative to ask for her share, but, unfortunately, she was not in the list of recipients. Her name was not listed in the Legal Department, nor in the Pensions Department. Respondent's name, when verified with the Personnel Department, was not in the list of employees of Philamlife.^[21]

Fifth, as clearly pointed out by respondent, she formally rejected the offer of P250,000 for her to leave the company. The refutation was done in writing and duly received by the three highest offices of petitioner, namely: the Office of the President; the Office of the Executive Vice-President; and the Office of the Senior Vice-President and Head of Human Resources.^[22] Incongruously, taking into consideration the said contents of the formal letter of rejection, there was no response whatsoever from the aforesaid offices. It may be true, as stated by petitioner, that "the alleged memorandum pertaining to the meeting held on 18 November 1998 on the alleged P250,000 settlement offer was prepared by respondent alone without any participation from the company,"^[23] but the fact remains that no formal response was ever made by any of the three offices which received the same. The contents thereof, if untrue, would have elicited a stark and strong reaction from any of the three offices.

Quite conspicuously, the Labor Arbiter, in his decision, did not thoroughly pass upon the matter involving an offer of P250,000 to respondent for the latter to vacate her position as AVP-Pensions. Contemplation or consideration of this important detail would have been enough for the Labor Arbiter to see that there was palpable bad faith on the part of petitioner when respondent was ordered to transfer from the Pensions Department to the Legal Department.

In a long line of Decisions,^[24] we have held that the right and privilege of the employer to exercise the so-called management prerogative is recognized, and the courts will not interfere with it. This privilege is inherent in the right of employers to control and manage their enterprise effectively. The right of employees to security of tenure does not give them vested rights to their positions to the extent of depriving management of its prerogative to change their assignments

or to transfer them. Managerial prerogatives, however, are subject to limitations provided by law, collective bargaining agreements, and general principles of fair play and justice.^[25] In the case of *Blue Dairy Corporation vs. NLRC*,^[26] we explained the test for determining the validity of the transfer of employees, as follows:

But, like other rights, there are limits thereto. The managerial prerogative to transfer personnel must be exercised without grave abuse of discretion, bearing in mind the basic elements of justice and fair play. Having the right should not be confused with the manner in which that right is exercised. Thus, it cannot be used as a subterfuge by the employer to rid himself of an undesirable worker. In particular, the employer must be able to show that the transfer is not unreasonable, inconvenient or prejudicial to the employee; nor does it involve a demotion in rank or a diminution of his salaries, privileges and other benefits. Should the employer fail to overcome this burden of proof, the employee's transfer shall be tantamount to constructive dismissal, which has been defined as a quitting because continued employment is rendered impossible, unreasonable or unlikely; as an offer involving a demotion in rank and diminution in pay. Likewise, constructive dismissal exists when an act of clear discrimination, insensibility or disdain by an employer has become so unbearable to the employee leaving him with no option but to forego with his continued employment.

The NLRC, in its decision^[27] dated 27 November 2000, found that respondent herein was hired by petitioner to head the Strategic Business Unit (SBU), and that she was specifically engaged as such because of her representation that she was knowledgeable and experienced in the trust business.^[28] The records reveal otherwise. Herein respondent was not hired to handle the so-called SBU. She was hired as Assistant Vice-President in charge of Pensions Department.^[29] This fact is further inveterated by the announcement of Cuisia in his Memorandum dated 08 December 1997,^[30] that, indeed, respondent herein was appointed as such.

In petitioner's Memorandum dated 29 December 2003, it was alleged that due to a change in the business strategy, the Pensions

Department had to dispense with the position of respondent who was specifically hired to perform trust work.^[31] This cannot be precise. As discussed above, respondent's replacement was appointed effective 14 December 1998. If the position of AVP-Pensions Department was dispensed with, then why was a replacement hired by petitioner to assume such post on said date? Non sequitur. It does not follow.

In fine, this Court rules that there was constructive dismissal, and therefore, the petition must fail.

Constructive dismissal exists when an act of clear discrimination, insensibility or disdain by an employer has become so unbearable to the employee leaving him with no option but to forego with his continued employment.^[32] The circumstances which prevailed in the working environment of the respondent clearly demonstrate this. The failure of the Labor Arbiter to resolutely consider these prevailing circumstances before respondent was asked to transfer was a major flaw in his decision. Clearly, had the Labor Arbiter considered them, he would have concluded that the transfer of respondent from the Pensions Department to the Legal Department was not a legitimate exercise of management prerogative on the part of petitioner. Before the order to transfer was made, discrimination, bad faith, and disdain towards respondent were already displayed by petitioner.

Petitioner has repeatedly asserted that the performance of respondent did not meet the expectation of the company and did not comply with accepted standards for a pension profit center manager, as she lacked the skill, as well as the willingness, to perform her duties and responsibilities. Allegedly, based on the evaluation of her performance, respondent proved to be so inept in the performance of her obligations, viz:

- a. Failure to prepare and submit a budget plan;
- b. Failure to prepare and submit a Pension Production Report on time;
- c. Strained relations with clients;

- d. Failure to prepare an Operations Manual for the Department;
- e. Inability to develop and maintain a good working relationship with her colleagues;
- f. Inability to communicate her ideas; and
- g. Others.^[33]

It is rather peculiar that the alleged ineptness of respondent did not prompt petitioner to issue any Inter-office Memorandum reprimanding, admonishing, or warning the former about her performance. The solemnity of respondent's alleged non-performance was so immense, considering that the Pensions Department is a profit center, which was so imperative to the existence of petitioner in terms of raising revenue. The officers of petitioner should have been very much troubled about this.

This now puts into question the alleged ineptness of respondent as posited by petitioner. As aptly declared by the Court of Appeals:

We recall that what triggered petitioner's transfer was her alleged inefficiency and ineptness in her work in the Pensions Department. Records, however, reveal otherwise. Petitioner produced a fund level of 1000% over the previous year (her predecessor's year of 1997 with a fund level of about P2 Million generated for two years or an average of P1 Million per year then) in the amount of P19,248,320.31 as a result of a meager 3 months marketing efforts, although private respondents instructed her to stop marketing sometime in April 1998 for no apparent reason. All these were never rebutted nor disproved by private respondents. They merely alleged her inefficiency without concrete and sufficient proof. But allegation is different from proof. Hence, we cannot countenance their allegations.^[34] (Emphasis ours)

Petitioner maintains that it was respondent who severed her working relationship with it.^[35] Per letter, dated 11 January 1999, issued by petitioner's Legal Department, respondent was asked to report

immediately to her new assignment and submit to a medical examination, and that the latter took no heed of this.^[36] It seems that the point impliedly being raised by petitioner is that respondent disengaged her employment relationship with petitioner by abandoning her work and failing to report accordingly. This argument is apocryphal. Respondent, on 23 December 1998, already filed a case for illegal dismissal against petitioner.^[37] For petitioner to anticipate respondent to report for work after the latter already filed a case for illegal dismissal before the NLRC, would be absurd. We have already laid down the rule that for abandonment to exist, it is essential (1) that the employee must have failed to report for work or must have been absent without valid or justifiable reason; and (2) that there must have been a clear intention to sever the employer-employee relationship manifested by some overt acts.^[38] Both these requisites are not present here. There was no abandonment as the latter is not compatible with constructive dismissal.^[39]

It is no less than the Constitution which guarantees protection to the workers' security of tenure as a policy of the State. This guarantee is an act of social justice.^[40]

Social justice, as held by this Court, speaking through Justice Laurel, in the case of *Calalang vs. Williams*:^[41]

Social justice is “neither communism, nor despotism, nor atomism, nor anarchy,” but the humanization of laws and the equalization of social and economic forces by the State so that justice in its rational and objectively secular conception may at least be approximated. Social justice means the promotion of the welfare of all the people, the adoption by the Government of measures calculated to insure economic stability of all the competent elements of society, through the maintenance of a proper economic and social equilibrium in the interrelations of the members of the community, constitutionally, through the adoption of measures legally justifiable, or extra-constitutionally, through the exercise of powers underlying the existence of all governments on the time-honored principle of *salus populi est suprema lex*.

Social justice, therefore, must be founded on the recognition of the necessity of interdependence among diverse and diverse units of a society and of the protection that should be equally and evenly extended to all groups as a combined force in our social and economic life, consistent with the fundamental and paramount objective of the state of promoting the health, comfort, and quiet of all persons, and of bringing about the greatest good to the greatest number.

WHEREFORE, in view of all the foregoing, the Petition is hereby **DENIED**, and the assailed Decision dated 18 October 2002 and Resolution dated 20 January 2003 of the Court of Appeals, are hereby **AFFIRMED**. Costs against petitioner.

SO ORDERED.

Austria-Martinez, J., (Acting Chairman), and Callejo, Sr., JJ., concur.

Puno, J., (Chairman), on official leave.

Tinga, J., on leave.

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- [1] Rollo, pp. 35-44, penned by Associate Justice Eloy R. Bello, Jr. with Associate Justices Candido V. Rivera and Juan Q. Enriquez, Jr., concurring.
- [2] Rollo, p. 66.
- [3] Rollo, pp. 35-39.
- [4] Rollo, pp. 258-282.
- [5] At pp. 277-281.
- [6] Rollo, p. 5.
- [7] *Insular Life Assurance Co. vs. Court of Appeals*, G.R. No. 126850, 28 April 2004, citing *Pestaño vs. Sumayang*, G.R. No. 139875, 04 December 2000, 346 SCRA 870; *Bañas, Jr. vs. Court of Appeals*, G.R. No. 102967, 10 February 2000, 325 SCRA 259; *Borromeo vs. Sun*, G.R. No. 75908, 22 October 1999, 317 SCRA 176; *Lagrosa vs. Court of Appeals*, G.R. Nos. 115981-82, 12 August 1999, 312 SCRA 298; *Security Bank and Trust Co. vs. Triumph Lumber and Construction Corp.*, G.R. No. 126696, 21 January 1999, 301 SCRA 537.
- [8] *Abalos vs. Philex Mining Corporation*, G.R. No. 140374, 27 November 2002, 393 SCRA 134.
- [9] Rollo, pp. 258-282.
- [10] Rollo, pp. 278-279.
- [11] *Mendoza vs. Rural Bank of Lucban*, G.R. No. 155421, 07 July 2004, citing *Lanzaderas vs. Amethyst Security and General Services, Inc.*, G.R. No. 143604, 20 June 2003, 404 SCRA 505; *Jarcia Machine Shop and Auto*

- Supply, Inc. vs. NLRC, G.R. No. 118045, 02 January 1997, 266 SCRA 97;
Escobin vs. NLRC, G.R. No. 118159, 15 April 1998, 289 SCRA 49.
- [12] North Davao Mining Corporation vs. NLRC, G.R. No. 112546, 13 March 1996, 253 SCRA 721.
- [13] Black's Law Dictionary, 8th Edition, p. 500.
- [14] Romuladez-Yap vs. Civil Service Commission, G. R. No. 104226, 12 August 1993, 225 SCRA 285.
- [15] Laureano Investment and Development Corporation vs. Court of Appeals, G. R. No. 100468, 06 May 1997, 272 SCRA 253.
- [16] Rollo, p. 184.
- [17] Rollo, p. 245.
- [18] Rollo, p. 37.
- [19] Rollo, p. 36.
- [20] Rollo, p. 255.
- [21] Rollo, p. 39.
- [22] Rollo, pp. 478-479.
- [23] Petitioner's Memorandum, p. 16.
- [24] Mendoza vs. Rural Bank of Lucban, G.R. No. 155421, 07 July 2004; Tierra International Const. Corp. vs. NLRC, G.R. No. 101825, 02 April 1996, 256 SCRA 36; Magnolia Dairy Products Corp. vs. NLRC, G.R. No. 114952, 29 January 1996, 252 SCRA 483; Reahs Corp. vs. NLRC, G.R. No. 117473, 15 April 1997, 271 SCRA 247; Palomares vs. NLRC, G.R. No. 120064, 15 August 1997, 277 SCRA 439; Arrieta vs. NLRC, G.R. No. 126230, 18 September 1997, 279 SCRA 326.
- [25] Mendoza vs. Rural Bank of Lucban, supra.
- [26] G.R. No. 129843, 14 September 1999, 314 SCRA 401, 408-409.
- [27] Rollo, pp. 492-502.
- [28] Rollo, p. 495.
- [29] Rollo, p. 175.
- [30] Rollo, p. 179.
- [31] Rollo, p. 9.
- [32] Blue Dairy Corporation vs. NLRC, supra.
- [33] Petitioner's Memorandum, pp. 6-7.
- [34] Rollo, p. 42.
- [35] Petitioner's Memorandum, pp. 19-20.
- [36] Rollo, pp. 9-10.
- [37] Rollo, p. 171.
- [38] Philippine Advertising Counselors, Inc. vs. NLRC, G.R. No. 120008, 18 October 1996, 263 SCRA 395.
- [39] Ibid.
- [40] Philippine Geothermal, Inc. vs. NLRC, G.R. No. 82643-67, 30 August 1990, 189 SCRA 211.
- [41] G.R. No. 47800, 02 December 1940, 70 Phil. 726, 734-735.