

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
FIRST DIVISION**

**WILLI HAHN ENTERPRISES and/or  
WILLI HAHN,**  
*Petitioner,*

*-versus-*

**G.R. No. 160348  
December 17, 2004**

**LILIA R. MAGHUYOP,**  
*Respondent.*

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**DECISION**

**YNARES-SANTIAGO, J.:**

Before us is a Petition for Review on Certiorari under Rule 45 of the Rules of Court, assailing the Decision dated March 28, 2003,<sup>[1]</sup> of the Court of Appeals in CA-G.R. SP No. 71880, which reversed the Resolution dated November 29, 2001,<sup>[2]</sup> and the Order dated May 15, 2002,<sup>[3]</sup> of the National Labor Relations Commission (NLRC), 1st Division in NLRC NCR CA No. 023855-2000 (NLRC NCR Case No. 00-08-06944-98).

The antecedent facts are as follows:

Sometime in 1982, respondent Lilia Maghuyop was hired by petitioner Willi Hahn as nanny of one of his sons. In 1986, she was

employed as salesclerk of Willi Hahn Enterprises (Ali Mall, Cubao branch), an authorized dealer of sporting goods, guns and ammunitions. In 1996, she was promoted as store manager of its branch in Shoe Mart (SM) Cebu, with a monthly salary of P8,240.00.

On February 25, 1998, petitioner conducted an Inventory Report and discovered that its SM Cebu branch incurred stock shortages and non-remittances in the total amount of P27,727.39.<sup>[4]</sup> In the latter part of July 1998, petitioner decided to terminate the services of respondent, however, before he could do so, the latter tendered her resignation. Believing the good faith of respondent in resigning, petitioner decided not to file charges against her anymore.

On the other hand, respondent claimed that on July 22, 1998, while she was in SM Cebu branch, she was approached by Tony Abu and Cesar Araneta who ordered her to close shop and to write a letter to Mr. and Mrs. Hahn thanking them for the years she had been in their employ and for all the benefits she received from them. She refused to obey the order, but Tony Abu typed the letter of resignation and asked her to sign the same. Respondent admitted that she read and affixed her signature on the letter. Thereafter, she was allegedly told to pack her belongings and to vacate the housing unit provided by the company for her family.<sup>[5]</sup>

On August 25, 1998, respondent filed a complaint with the NLRC, alleging that she should be awarded backwages, separation pay, salary for July 16-22, 1998 which was withheld by petitioner, proportionate 13<sup>th</sup> month pay, damages and attorney's fees.

On November 29, 1999, the Labor Arbiter rendered a decision, the dispositive portion of which reads:

WHEREFORE, premises considered, respondent Willie Hahn, doing business under the style, "Willi Hahn Enterprises" is hereby ordered to pay within ten (10) days from receipt hereof, the herein complainant Lilia Maghuyop, the sums of P8,220, P1,896.92 and P4,610.57, representing her financial assistance, one week unpaid wages, and proportionate 13th month pay, or a total sum of P14,727.49, plus ten percent (10%) attorney's fees as to the last two amounts.

Complainant's charge of illegal dismissal is hereby denied for lack of merit.

SO ORDERED.<sup>[6]</sup>

Dissatisfied, respondent appealed to the NLRC which was however denied for lack of merit.

Thus, respondent filed a petition for certiorari with the Court of Appeals which granted the petition and reversed the order dated May 15, 2002, the resolution dated November 29, 2001 of the NLRC and the decision of the Labor Arbiter dated November 29, 1999. Petitioner was ordered to pay respondent her unpaid salary from July 16 to 22, 1998, full back wages (inclusive of basic pay, 13th month pay, allowances and monetary value of all benefits) computed from July 22, 1998 up to the finality of this decision, separation pay equivalent to one (1) month pay for every year of service, moral damages of P10,000.00 and 10% attorney's fees.<sup>[7]</sup>

Petitioner's motion for reconsideration was denied, hence, the instant petition.

The sole issue for resolution is whether respondent voluntarily resigned as manager of the SM Cebu branch.

The Court of Appeals held that the attendant circumstances put to doubt the voluntariness of the execution of the resignation letter.

The respondent's resignation letter reads:

July 22, 1998

Dear Mr. and Mrs. Hahn

I am respectfully submitting my resignation from Willi Hahn Enterprises effective today, July 22, 1998. I hope that in some way, I was of some help to you and your family.

Thank you for your assistance during the past.

Very truly yours,

LILIA MAGHUYOP<sup>[8]</sup>

The letter is simple, candid and direct to the point. We find no merit in respondent's claim that being a mere clerk, she did not realize the consequences of her resignation. Although she started as nanny to the son of petitioner Willi Hahn, she has risen to being the manager and officer-in-charge of the Willi Hahn Enterprises in SM Cebu branch.

In *Callanta vs. National Labor Relations Commission*,<sup>[9]</sup> a national-promoter salesman of Distilleria Limtuaco Co., Inc., assigned in Iligan City, Lanao del Sur and Lanao Del Norte, resigned after he was found to have a shortage of P49,005.49 in a "spot audit" conducted by the company. He later filed an illegal dismissal case claiming that his consent to the resignation was vitiated as he signed the company's ready made resignation letter because the latter threatened to file a estafa case against him. In rejecting his contention, the Court ruled that a salesman-promoter could not have been confused, coerced or intimidated into signing the resignation letter. Instead of defending himself against the adverse audit report, he voluntarily signed the resignation letter though there is no urgency in signing the same. The Court concluded that he affixed his signature in the said letter of his own free will with full knowledge of the consequences thereof.

The failure of petitioner to pursue the termination proceedings against respondent and to make her pay for the shortage incurred did not cast doubt on the voluntary nature of her resignation. A decision to give a graceful exit to an employee rather than to file an action for redress is perfectly within the discretion of an employer. It is not uncommon that an employee is permitted to resign to save face after the exposure of her malfeasance. Under the circumstances, the failure of petitioner to file action against the respondent should be considered as an act of compassion for one who used to be a trusted employee and a close member of the household.

Respondent's unsubstantiated and self-serving claim that she was coerced into signing the resignation letter does not deserve credence.

It is a basic rule in evidence that the burden of proof is on the part of the party who makes the allegations.<sup>[10]</sup> Respondent failed to discharge this burden.

Moreover, the Court of Appeals' finding that respondent had no motive to resign because the charges of dishonesty were not fully substantiated has no basis. Had the separation of respondent been for dismissal due to loss of trust and confidence, substantial evidence of the shortages and non-remittances would have been indispensable. Such, is not the case here considering her voluntary resignation.

The rule that the filing of a complaint for illegal dismissal is inconsistent with resignation,<sup>[11]</sup> is not applicable to the instant case. The filing of an illegal dismissal case by respondent was evidently a mere afterthought. It was filed not because she wanted to return to work but to claim separation pay and backwages.

Settled is the rule 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.<sup>[12]</sup> The findings of both the Labor Arbiter and the NLRC are amply supported by the required quantum of evidence, i.e., evidence as a reasonable mind might accept as adequate to support a conclusion.<sup>[13]</sup>

Hence, we find no reason to deviate from the conclusion of both the NLRC and the Labor Arbiter that respondent, having tendered a voluntary resignation was not illegally dismissed.

**WHEREFORE**, the petition is **GRANTED**. The Decision dated March 28, 2003 of the Court of Appeals and its Resolution dated October 8, 2003, in CA-G.R. SP No. 71880 which **REVERSED** the November 29, 2001 Resolution and the May 15, 2002 Order of the NLRC in NLRC NCR CA No. 023855-2000 are **SET ASIDE**. The Resolution of the National Labor Relations Commission dated November 29, 2001 affirming the Decision of Labor Arbiter Felipe T. Garduque II dated November 29, 1999 in NLRC-NCR-CASE No. 00-08-06944-98 is **REINSTATED**.

**SO ORDERED.**

**Davide, Jr., C.J., (Chairman), Quisumbing, Carpio, and Azcuna, JJ., concur.**

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- [1] Rollo, pp. 40-54; penned by Associate Justice Remedios A. Salazar-Fernando and concurred in by Associate Justices Delilah Vidallon Magtolis and Edgardo F. Sundiam.
  - [2] Id., at 32-34; penned by Commissioner Alberto R. Quimpo and concurred in by Presiding Commissioner Roy V. Señeres and Commissioner Vicente S.E. Veloso.
  - [3] CA Rollo, p. 44.
  - [4] Id., p. 57.
  - [5] Position Paper, Rollo, p. 57.
  - [6] Rollo, p. 39, penned by Labor Arbiter Felipe T. Garduque II.
  - [7] Id., p. 53.
  - [8] Id., p. 83.
  - [9] G.R. No. 105083, 20 August 1993, 225 SCRA 526.
  - [10] Rufina Patis vs. Alusitain, G.R. No. 146202, 14 July 2004.
  - [11] Valdez vs. National Labor Relations Commission, 349 Phil. 760, 767 (1998).
  - [12] The Philippine American Life and General Insurance Co. vs. Angelita S. Gramaje, G.R. No. 156963, 11 November 2004.
  - [13] Sonza vs. ABS CBN Broadcasting Corporation, G.R. No.138051, 10 June 2004.
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