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THIRD DIVISION

[G.R. No. 163924, June 18, 2009]

"J" MARKETING CORPORATION REPRESENTED BY ITS BRANCH MANAGER ELMUNDO DADOR, PETITIONER, VS. CESAR L. TARAN, RESPONDENT.

D E C I S I O N

PERALTA, J.:

The instant petition[1] for review assails the Decision[2] and Resolution[3] of the Court of Appeals dated September 4, 2003 and March 8, 2004, respectively, in CA-G.R. SP No. 71155.

The facts, as culled from the records, follow.

From February 1981 to February 28, 1993, Cesar L. Taran (respondent) worked as credit investigator/collector for "J" Marketing Corporation (petitioner), an appliance and motorcycle dealer with a branch in Tacloban City.

Sometime in February 1993, respondent informed petitioner's then Officer-in-Charge (OIC) Branch Manager Hector L. Caludac (Caludac) of his intention to resign effective March 1, 1993. On February 13, 1993, Caludac sent respondent a Memorandum[4] requiring him to submit a formal resignation letter. On February 15, 1993, respondent filed his resignation letter.[5]

On July 26, 1993, respondent filed with the National Labor Relations Commission (NLRC), Regional Arbitration Branch No. VIII, Tacloban City a complaint[6] for illegal dismissal and holiday differential. He claimed that there was a verbal arrangement between him and petitioner whereby the latter would pay him 100% separation pay and other benefits, provided that he would formally tender his resignation from the company.[7] But after several follow-ups, petitioner failed to pay respondent his monetary claims;[8] hence, the latter was constrained to file a complaint.

Petitioner, on the other hand, postulated that respondent, as credit collector/investigator, was given a collection quota per month. However, in 1991 and 1992, he failed to meet the same.[9] It added that respondent was also subjected to an investigation for illegal custody of a colored television unit in violation of the company rules or policies.[10] In February 1993, respondent verbally informed petitioner of his decision to resign.[11] On February 15, 1993, he sent a letter of voluntary resignation, stating that he was resigning due to ill health effective March 1, 1993.[12] Petitioner contended that respondent's dismissal was justified, because he failed to meet his collection quota, in which poor performance compelled him to voluntarily resign due to inefficiency.[13]

On March 20, 1995, the Labor Arbiter rendered a Decision[14] in favor of respondent and ordered petitioner to pay him P39,600.00 as separation pay, P8,126.13 representing 30% of rest day pay from February 1984 to February 1993, plus 10% attorney's fees; or a total award of P52,498.74.

On petitioner's appeal,[15] the NLRC rendered a Decision[16] affirming with modification the Labor Arbiter's Decision by reducing the amount of rest day pay to P2,970.00 for the period February 1990 to February 1993 only. Petitioner moved for reconsideration,[17] but the NLRC denied the same in its Resolution[18] dated March 15, 2002.

Undaunted, petitioner filed with the Court of Appeals (CA) a petition for *certiorari*[19] contending that the NLRC committed grave abuse of discretion in ordering the payment of separation pay, rest day pay and attorney's fees to respondent in spite of the latter's voluntary resignation from his job. In its Decision[20] dated September 4, 2003, the CA denied the petition for lack of merit "in fact and in law." Petitioner filed a motion for reconsideration,[21] but the same was denied in the Resolution[22] dated March 8, 2004.

Hence, the present petition.

Instead of alleging reversible error, petitioner imputes "grave abuse of discretion" to the CA when it affirmed the NLRC Decision because, "in truth and in fact respondent is not entitled to any benefit having resigned from petitioner voluntarily."[23]

Such erroneous imputation, notwithstanding, the Court shall still proceed to resolve the present petition. Although the Rules of Court specify "reversible errors" as grounds for a petition for review under Rule 45, the Court will lay aside for the nonce this procedural lapse and consider the allegations of "grave abuse" as statements of reversible errors of law.[24]

Essentially, the Court is tasked to resolve the sole question of whether or not respondent is entitled to any benefit under the law after having resigned voluntarily.

Respondent claimed that his resignation was not voluntary in the sense that he would not have tendered his resignation letter if not for the verbal arrangement he had with Caludac that petitioner would pay him 100% separation pay and other benefits. He maintained that without such an assurance, he would not have agreed to terminate his services, as "[n]o one who is in his right senses and having served [the] management for more than 11 years will resign from his job if he cannot avail the benefits due him."[25] He also stated that, in fact, it was the management that prepared the resignation letter, and he merely affixed his signature thereto. He explained that he allowed the resignation letter[26] to be worded as such because Caludac assured him that such would pave the way for the early grant of all the benefits due him.[27]

Petitioner, on the other hand, countered that respondent's resignation was voluntary, and that he was neither coerced nor forced to resign. It contended that

respondent's resignation was triggered by his physical illness, which made him inefficient in his assigned work. It also denied the existence of a verbal agreement between respondent and Caludac or any of its officials, claiming that the initiative to resign came from respondent alone.[28] As for respondent's claim for rest day differential, petitioner argued that the same had no basis, considering that it had already paid all the monetary benefits due to all its employees under the law.[29]

The Labor Arbiter, the NLRC, and the CA all agreed that there was a verbal agreement between Caludac and respondent, without which the latter would not have tendered his resignation letter. The CA Decision quoted the Labor Arbiter's disquisition on this matter, to wit:

> That complainant submitted a resignation letter is uncontroverted. **Our findings reveal that before complainant submitted his resignation letter, he had verbal agreement with the Regional Manager that he had to formally tender his resignation from the company to entitle him to a grant of 100% separation pay**. This verbal agreement can be inferred from the tenor of the letter sent to him on February 13, 1993, by Mr. J (sic) Caludac, Branch OIC, which states:
>
> > Upon receipt of this memo. Head Office requires you to submit a formal Resignation letter [in] which you verbally inform the Regional Manager of your intention to resign.
> >
> > In this connection[,] you have 24 hours to prepare and submit for final review and proper evaluation to Head Office your main duty and responsibility as CI/collector.
> >
> > For your strict compliance.
> >
> > (Annex 'A', p. 24, Record).
>
> **A reading of the memorandum especially the phrase "which you verbally inform the Regional Manager of your intention to resign," positively suggests that there was a prior arrangement between complainant and the Regional Manager of the former's intention to resign**. Why would complainant inform the Regional Manager beforehand of his intention to resign? **The presumption that can be drawn from the said statement is that he had been given some sort of an assurance of some benefits from the company**. Notice again the tenor of the last paragraph of his resignation letter, as it seeks the indulgence of management.
>
> > x - - - - - - - - - - - - - - -
> >
> > 'I hope my resignation be granted and whatever help the management can extend to me and my family, I would highly appreciate it.'
> >
> > x x x x
>
> Moreover, one further proof that there was a prior arrangement to grant complainant his separation pay is the letter (Annex 'B') of Regional

> Manager-Visayas, Vicente Chan to Asst. Gen. Manager Eduardo S. Go, that the reason why complainant filed the instant case was the failure of respondent to pay the separation pay as previously agreed upon. (Annex 'B', p. 57, Record).
>
> Complainant had complied with the requirement of respondent to file a formal letter of resignation before the benefit of separation pay could be given to him. Unfortunately[,] and for unknown reasons, respondent reneged on that promise. He was thus virtually left hanging on to an empty bag of false promises and deceit.[30]

We do not see any reason to depart from the findings of the three (3) tribunals regarding the existence of a verbal agreement between respondent and Caludac, which agreement was the underlying reason for respondent's submission of his resignation letter.

We have held time and again that factual findings of labor administrative officials that are supported by substantial evidence are accorded great respect and finality, absent a showing that they arbitrarily disregarded or misapprehended evidence of such nature as to compel a contrary conclusion if properly appreciated. The Supreme Court does not review supposed errors in the decisions of quasi-judicial agencies that raise factual issues because this Court is essentially not a trier of facts.[31]

Well-settled is the rule that the jurisdiction of this Court in a petition for review on *certiorari* under Rule 45 of the Revised Rules of Court is limited to reviewing only errors of law, not of fact, unless the factual findings complained of are completely devoid of support from the evidence on record, or the assailed judgment is based on a gross misapprehension of facts.[32] None of the exceptions to the general rule is present in this case. Having said that, We shall now determine whether petitioner is liable to pay respondent his separation pay and other benefits due him.

It is well to note that there is no provision in the Labor Code that grants separation pay to voluntarily resigning employees. Separation pay may be awarded only in cases when the termination of employment is due to (a) installation of labor-saving devices, (b) redundancy, (c) retrenchment, (d) closing or cessation of business operations, (e) disease of an employee and his continued employment is prejudicial to himself or his co-employees, or (f) when an employee is illegally dismissed but reinstatement is no longer feasible. In fact, the rule is that an employee who voluntarily resigns from employment is not entitled to separation pay, except when it is stipulated in the employment contract or collective bargaining agreement (CBA), or it is sanctioned by established employer practice or policy.[33]

Here, respondent was separated from his employment not on the grounds mentioned above. Neither was there a stipulation in his employment contract or CBA or even a company practice or policy that would grant separation pay to employees who voluntarily resigned. Nevertheless, the labor tribunals as well as the CA resolved to grant respondent his prayer for separation pay, explaining that he deserved to receive the same as a gratuity for his loyalty and long service to the company, not to mention the representation of Caludac that he would be given all the benefits due him.