

UNION INDUSTRIES, INC., PETITIONER, VS. GASPAR VALES PRUDENCIO CERDENIA, RESPONDENTS.

G.R. NO. 140102. February 09, 2006

Ponente: CORONA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-140102/>

CORONA, J.:

In this petition for review under Rule 45 of the Rules of Court, petitioner would have us annul and set aside the May 21, 1999 decision^[2] of the Court of Appeals finding no grave abuse of discretion on the part of the National Labor Relations Commission^[3] (NLRC) in holding petitioner liable to pay respondents, Gaspar Vales and Prudencio Cerdenia, separation benefits in the amounts of P27,885 and P21,450, respectively.

The facts are not disputed.

Respondents Vales and Cerdenia were agency workers of Gotamco & Sons, Inc. They were assigned to work for petitioner Union Industries, Inc. as carpenters since 1983 and 1986, respectively.

In 1995, grievance meetings were held for the regularization of several contractual employees, including respondents. This resulted in a compromise agreement,^[4] the pertinent portion of which read:

1.) On the remaining issues, the parties agreed on the following:

xxx xxx xxx

(b) The following years of service of the remaining 8 complainants under Gotamco shall be tacked in into their length of service as regular employees of UII for purposes only of retirement or separation pay, to wit:

xxx xxx xxx

2. GASPAR VALES - 6 years

3. PRUDENCIO CERDENIA - 5 years

2.) The complainants agree that this agreement embodies all their claims and that they waive any other claims against UII which [they] could have made or have made during the negotiations, but which are not embodied in this agreement.

3.) The parties agree to sign the formal memorandum of agreement at a later date to be agreed upon by them."^[5]

In 1995, respondents joined petitioner's mainstream of regular employees. They underwent medical examination and were both diagnosed to be positive for pulmonary tuberculosis (PTB). They were, however, allowed to continue working for another year subject to medical re-examination. If still found suffering from PTB, they were to take a leave to recuperate before reporting back to work.

On June 14, 1996, respondents were again found positive for PTB. They were required to go on sick leave. Instead, respondents filed a complaint for illegal dismissal against petitioner before the arbitration branch of the NLRC.

The labor arbiter[6] dismissed the complaint for illegal dismissal but ordered the payment of separation benefits based on the following:

After a thorough analysis of the evidence adduced to the records of the case at bench, this Arbitration Branch finds that complainants[7] were not illegally dismissed from employment much less dismissed at all. They were both [merely asked] to go on sick leave for further medical treatment of pulmonary tuberculosis (PTB).

xxx xxx xxx

Considering that complainants [were] suffering from controlled PTB minimal since the [latter] part of 1995 and their continued employment would be prejudicial to their health and that of their co-workers and despite medication and treatment for over a year, their medical condition showed that they are still suffering from PTB minimal, the relief of separation pay of ½ month salary for every year of credited and actual service is in order.

xxx

The basis in the computation of their separation benefits should be reckoned from the date that they were first hired/assigned at Union Industries, Inc. by Gotamco & Sons, Inc. and not from the agreement forged between labor and management as a result of the grievance hearing for the regularization of the affected service contractual workers (including complainants herein). This is based on the principle of equity since the record of employment is reckoned not from the date of his appointment as such, but from the very first time that he worked with the respondent establishment.

xxx xxx xxx

WHEREFORE, judgment is hereby rendered ordering Respondent, Union Industries, Inc.[8] to pay complainants, Gaspar Vales and Prudencio Cerdania separation benefits in the amounts of P27,885.00 and P21,450.00 respectively.

The complaint for illegal dismissal and other monetary claims are hereby disallowed for lack of merit.[9]

On appeal, the NLRC affirmed the decision of the labor arbiter, reasoning that, because of respondents' regularization, the number of years they actually worked for petitioner should be considered in the computation of separation benefits. Petitioner's motion for reconsideration was denied.

On June 9, 1998, petitioner filed a petition for certiorari with this Court. It was, however, referred to the Court of Appeals in line with our ruling in *St. Martin Funeral Homes v. NLRC, et al.*[10]

On May 21, 1999, the Court of Appeals dismissed the petition on two grounds: (1) petitioner failed to attach pertinent documents and pleadings and (2) there was no grave abuse of discretion on the part of the NLRC. According to the Court of Appeals, the decision of the labor arbiter, which the NLRC affirmed, was in consonance with the principle that labor laws constitute social legislation under which doubts are resolved in favor of labor.[11] The motion for reconsideration was denied. Hence, this recourse.

The petition lacks merit.

The Court of Appeals was correct in dismissing the petition for certiorari. Petitioner's failure to attach copies of pertinent pleadings and documents was a violation of Rule 65, Section 1, paragraph 2 of the Rules of Court.

It is true that a litigation is not a game of technicalities and that the rules of procedure should not be strictly enforced at the cost of substantial justice. However, it does not mean that the Rules of Court may be ignored at will and at random to the prejudice of the orderly presentation and assessment of the issues and their just resolution. It must be emphasized that procedural rules should not be belittled or dismissed simply because their non-observance may have resulted in prejudice to a party's substantial rights. Like all rules, they are required to be followed except only for the most persuasive of reasons.[12]

Petitioner furthermore wants us to set aside the award of separation benefits to respondents Vales and Cerdania in the amounts of P27,885 and P21,450, respectively - a factual finding of the labor arbiter which was affirmed by the NLRC and upheld by the Court of Appeals.

We deny the prayer. As a rule, factual findings of the labor arbiter, when affirmed by the NLRC and the Court of Appeals, are binding on this Court. It is not our function to analyze or weigh all over again the evidence already considered in the proceedings below.[13] Our jurisdiction in a petition for review under Rule 45 of the Rules of Court is limited to reviewing only errors of law.[14]

WHEREFORE, there being no reversible error on the part of the Court of Appeals in rendering its May 21, 1999 decision, the instant petition is hereby DENIED.

Costs against petitioner.

SO ORDERED.

Puno, (Chairman) Sandoval-Gutierrez, Azcuna and Garcia, JJ., concur.

[1]In the petition for review, the Court of Appeals and the National Labor Relations Commission were named as respondents. This was not necessary since this is a petition for review under Rule 45 of the Rules of Court.

[2]Penned by Associate Justice Conrado M. Vasquez, Jr., and concurred in by Associate Justices Teodoro P. Regino and Renato C. Dacudao of the Special Fourth Division of the Court of Appeals; Rollo, pp. 10-15.

[3]Penned by Commissioner Rogelio I. Rayala, and concurred in by Presiding Commissioner Raul T. Aquino and Commissioner Victoriano R. Calaycay, Second Division of the NLRC, dated August 29, 1997; CA Records, pp. 11-18.

[4]Dated July 12, 1995.

[5]NLRC decision, CA Records, pp. 12-13.

[6]Labor Arbiter Pablo C. Espiritu, Jr., May 13, 1997.

[7]Herein respondents.

[8]Herein petitioner.

[9] As quoted in the Manifestation and Motion filed by the Office of the Solicitor General, dated October 23, 2000; Rollo, pp. 61-62.

[10]356 Phil. 811 (1998).

[11] CA decision, Rollo, p. 14.

[12] Sea Power Shipping Enterprises, Inc. v. Court of Appeals, 412 Phil. 603 (2001).[13]Metro Transit Organization, Inc. v. Court of Appeals, 440 Phil. 743 (2002).

[14]Pacific Airways Corporation v. Tonda, 441 Phil. 156 (2002).

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.