

**BLUE ANGEL MANPOWER AND SECURITY SERVICES, INC.,
PETITIONER, VS. HON. COURT OF APPEALS, ROMEL CASTILLO,
WILSON CIRIACO, GARY GARCES, AND CHESTERFIELD MERCADER,
RESPONDENTS.**

G.R. No. 161196. July 28, 2008

Ponente: VELASCO JR., J.

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VELASCO JR., J.:

In this petition for review under Rule 45, petitioner Blue Angel Manpower and Security Services, Inc. (Blue Angel) assails and seeks to reverse the Decision^[1] dated February 26, 2003 of the Court of Appeals (CA) in CA-G.R. SP No. 67478, in part setting aside the Decision dated May 9, 2001 of the National Labor Relations Commission (NLRC).

The facts are as found by the CA.

Blue Angel, a messengerial and security agency, hired private respondents Romel Castillo, Wilson Ciriaco, Gary Garces, and Chesterfield Mercader as security guards and detailed them at the National College of Business and Arts (NCBA) in Cubao, Quezon City.

On April 20, 1999, Castillo and Mercader, later joined by Ciriaco and Garces, filed a complaint for illegal deductions and other money claims against Blue Angel. Eventually, they amended their complaint to include illegal dismissal. According to the four guards, they were required, while still with Blue Angel, to work from 7:00 a.m. to 7:00 p.m. without overtime and premium holiday pay, among other benefits. They also alleged receiving only PhP 5,000 a month or PhP 166 per day and, from this amount, Blue Angel deducted PhP 100 as cash bond. They further averred that Blue Angel, when apprised of their original complaint, illegally terminated Garces and Ciriaco on April 11 and 12, 1999, respectively, and Castillo and Mercader on April 28, 1999. The four guards prayed for (1) payment of backwages, wage differentials, premium and overtime pay for holidays, and 13th month pay; (2) reimbursement of their cash bond; (3) reinstatement or separation pay; and (4) damages.

Blue Angel, for its part, denied the charges of illegal dismissal. It alleged that, on two occasions, the officer-in-charge (OIC) of the Security Force of NCBA, Reynaldo Dayag, reported that the four complaining guards had, while on guard duty detail with the school, committed several infractions, among them: insubordination, sleeping while on duty, and absence without leave (AWOL). When summoned to explain their side on the derogatory report, only Castillo, Ciriaco, and Garces, according to Blue Angel, showed up, but not Mercader who had since stopped reporting for work and thus considered on AWOL. Continuing, Blue Angel alleged that when told that they would be subjected to an investigation, Castillo, Ciriaco, and Garces pleaded that they be allowed to resign instead. The three, so Blue Angel claimed, then tendered their pro-forma letters of resignation followed by handwritten resignation letters in the nature of quitclaims. To refute the guards' claims of non-payment of what was due them, Blue Angel presented the payrolls and vouchers from July 1997 to April 1999 that showed the four guards' respective gross salaries and deductions.

In a Decision[2] dated May 31, 2000, the labor arbiter, in part, found for the guards, Blue Angel being ordered to immediately reinstate them with backwages. The dispositive portion of the labor arbiter's decision reads:

WHEREFORE, premises considered, judgment is hereby rendered ordering Blue Angel Security and Manpower Services, Inc. to immediately reinstate the complainants to their former positions pursuant to the ruling in the Pioneer Texturing case that an order of reinstatement is self-executory even pending appeal.

Respondent is hereby ordered to pay the backwages of the complainants tentatively computed as follows:

Rommel Castillo Php 82,971.00

Wilson Ciriaco Php 86,139.00

Gary Garces Php 86,337.00

Chesterfield Mercader Php 82,971.00

SO ORDERED.

Dissatisfied, Blue Angel, on one hand, and Castillo, et al., on the other, interposed separate appeals to the NLRC, the former faulting the labor arbiter mainly for his finding that the four guards in question were illegally dismissed. The guards, for their part, took exception to the arbiter's holding that some items of their money claim had already been paid.

By the Decision dated May 9, 2001, the NLRC affirmed with modification that of the labor arbiter. The NLRC predicated its modificatory action on the finding that Castillo, Ciriaco, and Garces were not terminated from the service as they had indeed voluntarily resigned, and that only Mercader was illegally dismissed. In net effect, the NLRC ruled that, of the four complaining guards, only Mercader deserved to be reinstated with backwages as he was the only one dismissed illegally. The dispositive portion of the NLRC Decision reads:

WHEREFORE, in light of the foregoing, the appealed Decision is hereby AFFIRMED with the modification only in so far as the dismissal of the complaints filed by Romel Castillo, [Wilson] Ciriaco and Gary Garces; the judgment arrived at in the case of complainant Chesterfield Mercader is hereby Affirmed.

All other reliefs herein sought and prayed for are DENIED for lack of merit.

SO ORDERED.[3]

According to the NLRC, the two sets of letters of resignation, the pro-forma resignations and the handwritten resignations, were never disputed. Besides, the NLRC reasoned, the fact that the later resignation letters were handwritten in Pilipino, a dialect known to them, militated against the claims of Castillo, Ciriaco, and Garces that they were coerced and pressured to writing the letters.

On certiorari before the CA, the CA first noted that Blue Angel did not appeal the portion of the NLRC Decision affirming the labor arbiter's ruling that Mercader was illegally dismissed; hence, said portion of the decision of the labor arbiter became final and binding on Blue Angel.

Now to the case of Castillo, Ciriaco, and Garces. In its February 26, 2003 Decision, the CA found incredulous the claim of Blue Angel that the guards pleaded that they be allowed to resign and had voluntarily resigned after they were told that an investigation would ensue. The CA concluded that Blue Angel had illegally terminated Castillo, Ciriaco, and Garces. The fallo of its Decision reads:

WHEREFORE, THE PETITION is hereby GRANTED. The decision of the National Labor Relations Commission dated May 9, 2001 is ANNULLED AND SET ASIDE except insofar as it sustained the labor

arbiter's ruling that petitioner Chesterfield Mercader was illegally dismissed, with the result that the decision of the labor arbiter dated May 31, 2000 is reinstated.

SO ORDERED.

Now before us, petitioner Blue Angel raises that the CA committed palpable and reversible error of law in:

I.

x x x HOLDING THAT PRIVATE RESPONDENTS WERE ILLEGALLY DISMISSED.

II.

x x x IN NOT HOLDING THAT PRIVATE RESPONDENTS ARE NOT ENTITLED TO THEIR CLAIMS FOR BACKWAGES OR ANY OTHER MONETARY BENEFIT AS THEY HAVE ALREADY RECEIVED ALL THE SALARIES AND BENEFITS THAT THEY ARE ENTITLED TO.

It is to be stressed, as a preliminary consideration, that the illegality of Mercader's dismissal and his entitlement to reinstatement with backwages is now a settled issue, the NLRC's holding on that regard being conclusive on Blue Angel when it failed, as the CA aptly observed, to appeal that portion of the NLRC's decision. It is a settled rule that no questions will be entertained on appeal unless they have been raised below.[4] Accordingly, any disposition henceforth made herein bearing on the illegality of dismissal shall be limited only to the case of private respondents Castillo, Ciriaco, and Garces. When mention, therefore, is hereinafter made of private respondents or respondents-guards, the reference is to Castillo, Ciriaco and Garces only, unless the context indicates that it shall include Mercader.

The question of whether or not private respondents were illegally dismissed hinges on the determination of whether or not they freely and voluntarily resigned as shown by the two sets of resignation letters.

We rule that the resignations were involuntary and the termination of private respondents was illegal.

Blue Angel insists that the guards had pleaded to be allowed to resign when they were told of the pending investigation, and that they eventually tendered their pro-forma resignation letters followed by their own handwritten resignation letters. Our review of the circumstances surrounding these resignation letters does not support Blue Angel's contentions that these letters are indications that private respondents had voluntarily resigned. We agree with the labor arbiter when he pointed out that the undated, similarly worded resignation letters tended to show that the guards were made to copy the pro-forma letters, in their own hand, to make them appear more convincing that the guards had voluntarily resigned. As the labor arbiter noted, the element of voluntariness of the resignations is even more suspect considering that the second set of resignation letters were pre-drafted, similarly worded, and with blank spaces filled in with the effectivity dates of the resignations.[5] In their Comment, private respondents claimed being forced to sign and copy the pro-forma resignation letters and quitclaims on pain that they would not get their remaining compensations.[6]

We are more inclined to believe the dismissed guards. Other circumstances have been aptly pointed out by respondents-guards in their Comment that we are wont to agree that they were forced into a situation where to refuse to sign the resignation letters and quitclaims meant loss of money for the immediate and urgent basic needs of their family. To buttress the conclusion that the resignation letters were involuntary on the part of the guards, we find convincing the circumstances mentioned in the Comment of respondents-guards. For one, it seemed unlikely and improbable that Garces and Ciriaco would voluntarily resign on April 26, 1999 when they had 15 and 12 days earlier, or on April 11 and 12, 1999, already been terminated. Then again, it was likewise inconsistent and implausible that Castillo would voluntarily tender his resignation and sign a quitclaim on April 28, 1999,

when Mercader and he had in fact already filed a complaint against Blue Angel with the NLRC regarding illegal deductions of their salary eight days earlier, or on April 20, 1999.[7] Lastly, there is nothing on record showing that Blue Angel provided any proof that Castillo, Ciriaco, and Garces had indeed committed the infractions attributed to them. Blue Angel merely enumerated the offenses without providing particulars as to the date and place these infractions were committed. Neither did Blue Angel present written notices, warnings, and affidavits of the OIC to support its allegations against the guards.

We are not unaware that the execution of the resignation letters was undisputed, but the aforementioned circumstances of this case and the fact that private respondents filed a complaint for illegal dismissal from employment against Blue Angel completely negate the claim that private respondents voluntarily resigned.[8] Well-entrenched is the rule that resignation is inconsistent with the filing of a complaint for illegal dismissal.[9] To constitute resignation, the resignation must be unconditional with the intent to operate as such. There must be clear intention to relinquish the position. In this case, private respondents actively pursued their illegal dismissal case against Blue Angel such that they cannot be said to have voluntarily resigned from their jobs.

With the finding that private respondents were illegally dismissed, they are entitled to reinstatement to their positions without loss of their seniority rights and with full backwages, inclusive of allowances, and to other benefits or their monetary equivalent computed from the time private respondents' compensation was withheld from them up to the time of their actual reinstatement as provided for in Article 279 of the Labor Code.

As the law now stands, illegally dismissed employees are entitled to two reliefs, namely: backwages and reinstatement. They are entitled to reinstatement, if viable, or separation pay, if reinstatement is no longer feasible, and backwages.[10] The award of one does not preclude the other as the Court had, in proper cases, ordered the payment of both.[11] Where an employee would have been entitled to reinstatement with full backwages, but circumstances, i.e., strained relationships, make reinstatement impossible, the more equitable disposition would be to award separation pay equivalent to at least one month pay, or one month pay for every year of service, whichever is higher, in addition to full backwages, inclusive of allowances, and benefits or their monetary equivalent, computed from the time the employee's compensation was withheld up to the time of the employee's actual reinstatement.[12]

As to the other money claims of private respondents, the vouchers,[13] payrolls,[14] and other documentary evidence[15] show that the other monetary benefits being claimed by private respondents have already been duly paid.

WHEREFORE, the petition is DISMISSED for lack of merit. The Decision of the CA in CA-G.R. SP No. 67478 reinstating the Decision dated May 31, 2000 of the labor arbiter is AFFIRMED with the MODIFICATION that petitioner Blue Angel Security and Manpower Services, Inc. is ordered to reinstate complainants Romel Castillo, Wilson Ciriaco, and Gary Garces to their former positions without loss of seniority rights and other privileges and with full backwages, inclusive of allowances and other benefits or their monetary equivalent computed from the time their compensations were withheld from them up to the time of their actual reinstatements. In the event reinstatement is not feasible, they shall be paid separation pay in the amount equivalent to at least one month pay or one month pay for every year of service whichever is higher.

With respect to Chesterfield Mercader, the NLRC Decision dated May 9, 2001, affirming the labor arbiter's Decision dated May 31, 2000 which ordered petitioner to reinstate him to his former position and pay him backwages of Php 82,971, had become final on November 2, 2001, in the absence of an appeal thereon to the CA.

SO ORDERED.

Quisumbing, (Chairperson), Ynares-Santiago, Carpio Morales, and Tinga, JJ., concur.

* Additional member as per Special Order dated 509 dated July 1, 2008.

[1] Rollo, pp. 78-85. Penned by Associate Justice Edgardo P. Cruz and concurred in by Associate Justices Salvador J. Valdez, Jr. (now retired) and Mario L. Guariña III.

[2] Id. at 271-283.

[3] Id. at 347-359.

[4] Multi-Realty Development Corporation v. Makati-Tuscany Condominium Corporation, G.R. No. 146726, June 16, 2006, 491 SCRA 9, 23.

[5] Rollo, pp. 192-196.

[6] Id. at 540.

[7] Id. at 541.

[8] See Amkor Technology Philippines, Inc. v. Juanco, G.R. No. 166507, September 27, 2006, 503 SCRA 683.

[9] Oriental Shipmanagement Co., Inc. v. Court of Appeals, G.R. No. 153750, January 25, 2006, 480 SCRA 100, 110.

[10] See Triad Security & Allied Services, Inc. v. Ortega, Jr., G.R. No. 160871, February 6, 2006, 481 SCRA 591.

[11] Id.

[12] Star Paper Corporation v. Espiritu, G.R. No. 154006, November 2, 2006, 506 SCRA 556, 567.

[13] Rollo, pp. 212-215.

[14] Id. at 140-191.

[15] Id. at 226-228.

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