

Title: Canedo vs. Kampilan Security and Detective Agency, Inc. and Arquiza

Facts:

Luciano P. Canedo was employed as a security guard by Kampilan Security and Detective Agency, Inc. since November 20, 1996, and assigned to Naga Power Barge 102 of the National Power Corporation (NPC) at Sigpit Load Ends, Lutopan, Toledo City. In May 2003, following a report from NPC that Canedo was not wearing the proper uniform while on duty, he was suspended for a month. Subsequently, on June 2, 2003, the NPC requested the respondent agency to replace Canedo. Canedo then sought a certification for retirement purposes from the respondent agency, which was issued on June 25, 2003, but also indicated his termination as of May 7, 2003. He filed a complaint for illegal dismissal and other monetary claims against the respondents before the Labor Arbiter.

The Labor Arbiter ruled in favor of Canedo, finding him illegally dismissed and awarding him various monetary benefits. The respondents appealed to the NLRC, which initially affirmed the Labor Arbiter's decision but later, upon reconsideration, concluded that Canedo was not illegally dismissed but was merely placed on a floating status. Canedo then brought the matter to the Court of Appeals (CA), which denied his petition and affirmed the NLRC's decision.

Issues:

1. Whether or not Canedo was illegally dismissed.
2. Whether the CA erred in interpreting the word "terminated" mentioned in the certification as merely a pull-out from the assignment at NPC.
3. Whether Canedo is entitled to back wages, separation pay, and other monetary claims.

Court's Decision:

The Supreme Court denied the petition, affirming the decision of the CA and the NLRC that found Canedo was not illegally dismissed. The Court clarified that the burden of proving the fact of dismissal rests on the employee, and Canedo failed to substantiate his claim beyond the contested certification. It was held that the word "terminated" in the context of the certification meant the end of Canedo's specific assignment with NPC and did not constitute dismissal from employment. He was, in effect, placed on a floating status, awaiting re-assignment as is common in the security agency industry. The appeal for additional monetary benefits was also denied because Canedo was not an appellant against the decision he was seeking to challenge.

Doctrine:

The Court reiterated the doctrine that in illegal dismissal cases, while the employer bears the burden to prove that the termination was for a valid cause, the employee must first establish the fact of dismissal with substantial evidence. Additionally, the Court highlighted that a floating status does not equate to dismissal as long as it does not exceed six months, and intentions to retire may negate claims of termination.

Class Notes:

1. Burden of Proof: In labor cases, the employee must first prove the fact of dismissal; the employer must then prove the dismissal's legality.
2. Floating Status: Being placed on a floating status due to lack of assignment is not tantamount to illegal dismissal provided it does not exceed six months.
3. Interpretation of Documents: In interpreting documents, the intention of the parties and the circumstances under which the document was made should be considered.

Historical Background:

The case illustrates the perennial issue of proving illegal dismissal in the labor sector, especially in industries like security services where employment statuses can be fluid due to the nature of contractual arrangements with clients. It underlines the judiciary's role in scrutinizing the evidence on record and the intentions behind employment-related documents. This decision reiterates key principles in labor law regarding dismissal, floating status, and the interpretation of ambiguous terms in employment documentation amidst evolving labor practices and employment relationships.