

****Title:**** Manila Jockey Club, Inc. vs. Aimee O. Trajano

****Facts:****

Aimee O. Trajano was employed by Manila Jockey Club, Inc. (MJCI) as a selling teller of betting tickets since November 1989. On April 25, 1998, a misunderstanding involving a canceled betting ticket led to Trajano's preventive suspension and eventual dismissal. Trajano submitted a written explanation, but after a period of preventive suspension, she was dismissed without being directly informed; instead, she discovered her termination through a notice posted in a selling station. She filed a complaint for illegal dismissal with the Department of Labor and Employment (DOLE), arguing her dismissal was not justified on the grounds enumerated under Article 282 of the Labor Code, and that she was dismissed without due process. MJCI contended that Trajano's dismissal was justified due to unauthorized ticket cancellation, constituting serious misconduct and willful disobedience. The Labor Arbiter initially ruled in favor of MJCI but, upon Trajano's appeal, the National Labor Relations Commission (NLRC) found her dismissal to be illegal. MJCI's subsequent appeal to the Court of Appeals (CA) was dismissed, leading MJCI to elevate the matter to the Supreme Court.

****Issues:****

1. Whether there was just cause for MJCI to dismiss Trajano.
2. Whether MJCI complied with due process requirements in dismissing Trajano.

****Court's Decision:****

The Supreme Court ruled that MJCI failed to establish the just cause for Trajano's termination. The Court held that though Trajano held a position of trust, MJCI did not sufficiently prove that her action was intentional and tantamount to a breach of trust and confidence. The Court further noted that the procedural due process was not fully complied with by MJCI, particularly in giving adequate notice of termination to Trajano. Consequently, the Supreme Court deemed Trajano to have been illegally dismissed.

****Doctrine:****

An illegally dismissed employee is entitled to reinstatement without loss of seniority rights and other privileges, inclusive of full backwages. Should reinstatement not be feasible, separation pay in lieu thereof is justified, with backwages reckoned from the time wages were withheld until the decision's finality.

****Class Notes:****

- An employee's dismissal must be based on just causes (Art. 282, Labor Code) and follow due process.
- Loss of trust and confidence as a ground for dismissal requires a willful breach related to the performance of duties.
- Procedural due process in dismissal involves a two-notice requirement: (1) notice of the cause, and (2) notice of the decision to dismiss, accompanied by an opportunity for the employee to be heard.
- In lieu of reinstatement, separation pay may be awarded when the employer-employee relationship has been severely strained.

****Historical Background:****

This case reflects the adjudicative process for labor disputes in the Philippines, highlighting the emphasis on protecting workers' rights against unjust termination and the imperative for due process. It underscores the legal principle that employer actions, particularly dismissals, must be grounded on just causes and adhere strictly to procedural fairness, illustrating the Philippine judiciary's role in balancing the rights and interests of both employees and employers within the labor sector.