

****Title:**** Demex Rattancraft, Inc. and Narciso T. Dela Merced vs. Rosalio A. Leron

****Facts:**** Rosalio A. Leron was employed by Demex Rattancraft, Inc., a manufacturer of handcrafted rattan products, in 1980. Paid on a piece-rate basis, Leron did not receive standard benefits despite his regular work schedule. In June 2006, after being accused of inciting a campaign against the company's foreman, Leron was dismissed. He consequently filed a complaint for illegal dismissal on June 29, 2006. Demex, in turn, considered his non-appearance as abandonment and sent notices requiring him to return to work, which Leron disregarded. Demex then officially terminated his services on the ground of abandonment.

The Labor Arbiter initially dismissed Leron's complaint due to improper venue, but upon refiled in the appropriate venue, the Arbiter found Leron's termination valid, though ordered Demex to pay him 13th month pay. The National Labor Relations Commission (NLRC) affirmed this decision but added an award for nominal damages for the lack of procedural due process. The Court of Appeals, however, reversed the NLRC's decision, finding the dismissal illegal due to a lack of evidence of abandonment and awarded backwages, separation pay, and proportionate 13th month pay to Leron. Demex's motion for reconsideration was denied, leading to the petition for review on certiorari before the Supreme Court.

****Issues:****

1. Whether the Court of Appeals erred in finding Leron's dismissal illegal due to an alleged lack of evidence of abandonment.
2. Appropriateness of the awarded compensation to Leron for his illegal dismissal.

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

The Supreme Court denied the petition and affirmed the decision of the Court of Appeals. It held that for a dismissal based on abandonment to be valid, there must be clear evidence of (a) the employee's failure to report for work without a justifiable reason, and (b) a clear intention to sever the employer-employee relationship, neither of which were sufficiently proven by Demex. The filing of an illegal dismissal case by Leron right after his dismissal negated the claim of abandonment. The Supreme Court further reiterated the importance of procedural due process in termination disputes.

****Doctrine:****

To justify the dismissal of an employee based on abandonment of work, the employer must prove not only the employee's failure to report for work without a justifiable reason but also

a clear and deliberate intention on the part of the employee to end the employer-employee relationship.

****Class Notes:****

- ****Abandonment of Work:**** Requires (a) absence without valid reason, and (b) clear intent to sever the employer-employee relationship.
- ****Procedural Due Process in Termination:**** Requires two notices: (1) a notice to explain (informing of the cause) and (2) a notice of decision (termination notice). Non-compliance results in nominal damages.
- ****Legal Remedies for Illegal Dismissal:**** Include filing for a complaint for illegal dismissal, and if successful, the awarding of backwages, separation pay in lieu of reinstatement, and other benefits wrongfully withheld.
- ****Factual Findings of Lower Courts:**** Generally binding upon the Supreme Court, except in cases where there is a grave abuse of discretion.

****Historical Background:****

This case is indicative of the Philippine Supreme Court's stringent standards on proving abandonment, emphasizing the protection of employees against unjust termination without due process. It underscores the balance the judiciary seeks to maintain between the rights of employees to security of tenure and the employer's prerogative to discipline or terminate employees for just causes. The evolving jurisprudence highlights the importance of clear evidence and due process in employment termination cases.