

Title: **Nitto Enterprises vs. National Labor Relations Commission and Roberto Capili**

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Facts:

- **May 28, 1990:** Nitto Enterprises, a company engaged in the sale of glass and aluminum products, hired Roberto Capili as an apprentice machinist, molder, and core maker for six months, with a daily wage of P66.75 (75% of the minimum wage).
- **August 2, 1990 (1:00 p.m.):** Capili accidentally hit and injured an office secretary with a piece of glass he was handling.
- **August 2, 1990 (after office hours):** Capili operated a power press machine without authorization, resulting in an injury to his left thumb. Nitto Enterprises covered his medical expenses amounting to P1,023.04.
- **August 3, 1990:** Capili was asked to resign via a letter citing his negligence and unauthorized use of company equipment. He signed the letter acknowledging his faults.
- **August 3, 1990:** Capili executed a Quitclaim and Release in favor of Nitto Enterprises for P1,912.79.
- **August 6, 1990:** Capili filed a complaint for illegal dismissal and other monetary claims with the NLRC Arbitration Branch, National Capital Region.
- **October 9, 1991:** The Labor Arbiter dismissed Capili's complaint, finding his termination valid due to gross negligence and improper handling of machines ensuring P500.00 as financial assistance.
- **July 26, 1993:** The NLRC reversed the Labor Arbiter's decision, directing Nitto Enterprises to reinstate Capili with back wages, recognizing him as a regular employee, not an apprentice.
- **April 22, 1994:** A Writ of Execution was issued to enforce reinstatement and collect back wages of P122,690.85.
- **Petition for Certiorari:** Nitto Enterprises questioned the NLRC's decision, particularly the finding that Capili was not an apprentice and the adequacy of the evidence proving a valid dismissal cause.

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****Issues:****

1. Whether or not NLRC committed grave abuse of discretion in ruling Capili was not an apprentice.
2. Whether or not NLRC committed grave abuse of discretion in holding that Nitto Enterprises did not adequately prove the existence of a valid cause for dismissing Capili.

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

1. ****Apprenticeship Status:****

- ****NLRC Decision Justification:**** NLRC found Capili to be a regular employee as the apprenticeship agreement was enforced without prior approval from the Department of Labor and Employment (DOLE). Based on Article 61 of the Labor Code, an apprenticeship agreement must conform to the rules set by DOLE, which include prior approval.
- ****Supreme Court Affirmation:**** The Court affirmed NLRC's decision, noting that the absence of an approved apprenticeship program rendered the agreement invalid. Consequently, Capili was deemed a regular employee as per Article 280 of the Labor Code.

2. ****Validity of Dismissal:****

- ****NLRC Findings:**** The NLRC ruled there was no valid cause for Capili's dismissal, highlighting that procedural due process requirements were not met.
- ****Supreme Court Affirmation:**** The Court upheld the NLRC's findings, emphasizing the two-notice rule and sufficient opportunity for Capili to defend himself were not provided. The immediate resignation obtained through coercion invalidated the dismissal process.

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****Doctrine:****

- ****Apprenticeship Agreement Validity:**** For an apprenticeship agreement to be valid, it must be in accordance with an approved apprenticeship program by DOLE. Absence of such approval at the time of agreement execution invalidates the apprenticeship status.
- ****Due Process in Dismissal:**** Employers must adhere to the two-notice requirement (notice of cause and notice of decision) and provide ample opportunity for the employee to defend themselves, ensuring substantive and procedural due process.

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****Class Notes:****

- ****Article 61, Labor Code:**** Requires prior DOLE approval for apprenticeship programs.
- ****Article 280, Labor Code:**** Defines regular and casual employment.
- ****Due Process in Dismissal:**** Necessitates two written notices and an opportunity for defense.

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****Historical Background:****

The case occurred during a period emphasizing workers' rights and employment regulation to ensure fair labor practices in the Philippines. The 1987 Constitution and labor laws such as the Labor Code aim to protect worker rights and promote their welfare, reflecting the country's legislative focus on labor standards and due process in employment matters.

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