

**Title:** Philippine Geothermal, Inc. vs. National Labor Relations Commission and Edilberto M. Alvarez (306 Phil. 395)

**Facts:**

1. **Employment and Injury:** Edilberto M. Alvarez was employed by Philippine Geothermal, Inc. (PGI) starting July 2, 1979. On May 31, 1989, while working as a Steam Test Operator II, Alvarez injured his right wrist due to an explosion of a steam-pressured “chicksan swivel joint assembly.”

2. **Medical Treatment and Recommendations:**

- Injuries included a complete fracture dislocation distal radius and styloid process, dislocation of the ulna, and a right pelvic contusion.
- Confinement period: May 31 to June 3, 1989.
- Recuperation period of approximately 45 days.

3. **Initial Recovery and Return to Work:**

- PGI gave Alvarez a 50-day work-connected accident (WCA) leave with pay until July 29, 1989, and referred him to Dr. Liberato A.C. Leagogo, Jr. for further treatment.
- On July 26, 1989, Dr. Leagogo certified Alvarez fit for light work.
- Alvarez returned to work on July 29, 1989, performing lighter tasks.

4. **Repeated Absences and Further Examinations:**

- Alvarez continued to incur numerous absences, leading to examinations by multiple doctors.
- By December 28, 1989, Dr. Leagogo certified full recovery, but Alvarez continued consulting other doctors, some of whom found him fit for light work.

5. **Absenteeism and Termination:**

- PGI issued several warnings related to Alvarez’s unauthorized absences.
- By March 5, 1990, despite warnings, Alvarez did not report to work, leading to his dismissal on March 9, 1990.

6. **Legal Proceedings:**

- Alvarez filed a complaint for illegal dismissal on June 19, 1990.
- The case was dismissed initially due to non-compliance by Alvarez, but he refiled it on January 16, 1991.
- The Labor Arbiter ruled in favor of PGI on September 6, 1991.

- On appeal, the NLRC reversed the decision on October 31, 1991, ordering reinstatement without back pay.
- PGI filed a petition for certiorari, leading to the Supreme Court review.

**\*\*Issues:\*\***

1. **\*\*Timeliness of Appeal to NLRC:\*\*** Whether Alvarez's appeal was filed within the ten-day reglementary period.
2. **\*\*Propriety of Dismissal:\*\*** Whether the termination of Alvarez's employment by PGI was valid and justified.

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

1. **\*\*Timeliness of Appeal:\*\***

- The Supreme Court deferred to the NLRC's finding that Alvarez filed his appeal within the reglementary period (filed by registered mail on September 16, 1991).
- Despite contentions regarding tardy payment of appeal fees, the Court favored deciding on the merits.

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

- **\*\*Applicable Provision:\*\*** Article 282(b) of the Labor Code allows dismissal due to gross and habitual neglect by the employee.
- **\*\*Detailed Review:\*\*** The Court found significant evidence of Alvarez's neglect. Despite receiving certifications from several doctors indicating his fitness to work (initially for light tasks and subsequently for full duties), Alvarez continued to be absent without valid reason.
- **\*\*Company Policy:\*\*** PGI's policy justifiably permitted dismissal for unauthorized absences exceeding six days. Despite multiple warnings, Alvarez incurred extensive absences without proper communication.
- **\*\*Assessment of Employer's Conduct:\*\*** PGI provided Alvarez with ample leave opportunities, medical consultations, and several warnings before terminating his employment.

**\*\*Doctrine:\*\***

- **\*\*Gross and Habitual Neglect (Article 282(b) of Labor Code):\*\*** Dismissal is valid when an employee exhibits repeated failure to perform duties, particularly after ample opportunities and warnings.

**\*\*Class Notes:\*\***

- **\*\*Key Elements in Illegal Dismissal Cases:\*\***
- Regularization and provision of fair warnings to the employee.
- Adequate documentation of absences and justifications for termination.
- Compliance with procedural rules in filing appeals and complementary financial obligations.
- **\*\*Statutes Applied:\*\***
- **\*\*Article 282(b) of the Labor Code:\*\*** Gross and habitual neglect of duties by an employee justifies termination.
- **\*\*Procedural Principles:\*\*** Appeals must be filed within specified periods; however, leniency may be applied in favor of resolving the case on merits.

**\*\*Historical Background:\*\***

In the context of the era, the case reflects ongoing tensions between employer interests in maintaining discipline and operational efficiency, and the protections afforded to employees under labor law. It highlights the balancing act in labor relations, emphasizing the due process and just cause required for terminations. The Court's ruling underscores the principle that while labor should be protected, it should not undermine the essential operational interests of employers.