

Title:

Colegio del Santisimo Rosario and Sr. Zenaida S. Mofada, OP vs. Emmanuel Rojo, G.R. No. 172942

Facts:

1. **Employment Period**: Emmanuel Rojo was hired by Colegio del Santisimo Rosario (CSR) as a high school teacher on a probationary basis for three consecutive school years: 1992-1993, 1993-1994, and 1994-1995.
2. **Non-Renewal of Contract**:
 - On April 5, 1995, CSR, through Sister Zenaida S. Mofada (Sr. Mofada), informed Rojo that his services would not be renewed for the next school year.
3. **Filing of Complaint**:
 - July 13, 1995: Rojo filed a complaint for illegal dismissal, contending that after three consecutive school years of satisfactory service, he should be granted permanent employment status as per paragraph 75 of the 1970 Manual of Regulations for Private Schools.
4. **CSR's Defense**:
 - CSR argued that Rojo knew his contract would expire on March 31, 1995, and his employment was not dismissed but instead naturally ended with the contract's expiration.
 - CSR claimed the "three years" mentioned in paragraph 75 referred to "36 months" rather than three school years of 10 months each, meaning Rojo only served 30 months.

Procedural Posture:

1. **Labor Arbiter (LA)**:
 - October 7, 2002: The LA ruled in favor of Rojo, interpreting "three school years" to mean three years of 10 months each. Therefore, he attained regular employment status and was illegally dismissed. CSR was ordered to pay Rojo severance compensation, 13th month pay, moral and exemplary damages, and attorney's fees.
2. **National Labor Relations Commission (NLRC)**:
 - July 31, 2003: The NLRC affirmed with modifications. It stated that Rojo's termination was wrongful and entitled him to reinstatement with full back wages or separation pay if reinstatement was infeasible. CSR's motion for reconsideration was denied on April 28,

2004.

3. **Court of Appeals (CA)**:

- August 31, 2005: The CA affirmed the NLRC's ruling, adopting the view that Rojo had met all conditions for acquiring permanent employment after serving three consecutive years as a full-time teacher. CSR's motion for reconsideration was denied on November 10, 2005.

4. **Supreme Court**:

- CSR filed a Petition for Review, claiming that the completion of the third year did not automatically grant Rojo permanent status and contested the previous courts' rulings on the basis of previous jurisprudence and departmental orders.

Issues:

1. **Automatic Permanency**:

- Whether Rojo automatically and/or by law becomes a permanent employee upon completing three consecutive school years as a probationary teacher.

2. **Application and Communication of Standards**:

- Whether CSR set and communicated reasonable standards for Rojo's performance evaluation according to Article 281 of the Labor Code.

3. **Due Process for Termination**:

- Whether Rojo's dismissal followed proper due process in line with the requirements of the Labor Code.

Court's Decision:

1. **On Automatic Permanency**:

- The Supreme Court affirmed the CA's decision, stating that the 1970 Manual of Regulations for Private Schools and the 1992 Manual clearly provide that full-time teachers who have satisfactorily completed three consecutive school years attain regular employment status. Rojo met this requirement and thus was considered illegally dismissed.

2. **On Standards and Communication**:

- CSR failed to prove that reasonable performance standards were set or communicated to Rojo. The Court emphasized that under Article 281 of the Labor Code, the employer must inform employees of performance standards essential for regular employment. This oversight rendered Rojo's probationary status fulfilled satisfactorily by default.

3. **On Due Process**:

- CSR did not substantiate their discharge of Rojo with notice of specific standards or evidence of his failure to meet them. Consequently, Rojo's dismissal lacked the required due process, solidifying his claim of illegal dismissal.

Doctrine:

1. **Permanent Status After Consecutive Service**:

- Teachers who render three consecutive years of satisfactory service automatically achieve regular or permanent status unless the employer provides reasonable performance standards otherwise. (Section 92 and 93 of the 1992 Manual)

2. **Communication of Standards**:

- Employers must clearly communicate performance standards to employees at the start of their engagement or probationary period to justify termination based on these standards. Absence of communicated standards defaults the employee's performance to satisfactory.

Class Notes:

- **Probationary Employment**:

- **Definition**: A trial period during which an employer evaluates an employee's suitability for regular employment based on predefined standards.

- **Labor Code**: Article 281.

- **Rules**: Employers must inform employees of performance standards at engagement.

- **Private School Regulations**:

- **1970 Manual & 1992 Manual**: Employment on probationary status for teachers should be less than three consecutive years of satisfactory service for regular (permanent) status.

Historical Background:

- Philippine labor law evolved to provide heightened protections and structured rules for determining regular and probationary employment, including specific provisions tailored for academic personnel, emphasizing the need for clear performance standards to avoid exploitation through arbitrary non-renewals of contracts in educational institutions.