

**\*\*Title:\*\*** MZR Industries, Quiroz, and Timbal v. Majen Colambot ([716 Phil. 617](http://sc.judiciary.gov.ph/jurisprudence/2016/july2016/716phil617.pdf))

**\*\*Facts:\*\***

On February 8, 2000, petitioner Marilou Quiroz, Owner and Vice-President for Finance and Marketing of MZR, hired respondent Majen Colambot as a messenger. Colambot was responsible for field and messengerial tasks. However, from 2002 onward, his job performance deteriorated. Petitioners issued several memoranda reprimanding Colambot for habitual tardiness, negligence, and insubordination on various dates between 2003 and 2004. In response to these behavioral issues, petitioner Lea Timbal, MZR's Administrative Manager, issued a notice of suspension to Colambot on October 25, 2004, and another on November 25, 2004, for insubordination.

Colambot allegedly disobeyed an instruction to stay in the office, leading to his second suspension from November 26 to December 6, 2004. Colambot did not return to work on December 7, 2004. Claiming he was verbally terminated, Colambot filed a complaint on December 16, 2004, for illegal suspension, underpayment of salaries, and other pay entitlements, later amending it to include illegal dismissal.

Petitioners countered that Colambot had abandoned his job and was never formally terminated. They argued that he failed to return to work without obtaining approval for leave.

The Labor Arbiter ruled in favor of Colambot on April 28, 2006, declaring illegal dismissal and awarding reinstatement along with moral and exemplary damages. Petitioners appealed to the NLRC, which reversed the Labor Arbiter's decision on October 31, 2006, dismissing Colambot's complaint for lack of merit.

Colambot sought relief from the Court of Appeals, which on May 17, 2007, reinstated the Labor Arbiter's decision but awarded separation pay instead of reinstatement due to strained relations.

Petitioners brought the case to the Supreme Court under Rule 45, questioning the rulings of illegal dismissal and the awards granted by the Court of Appeals.

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

1. Whether Colambot was illegally dismissed from employment.
2. Whether Colambot is entitled to separation pay and backwages.

**Court's Decision:**

1. **Illegal Dismissal:** The Supreme Court established that there was no evidence of Colambot's illegal dismissal. The burden of proof lies initially on the employee to show substantial evidence of dismissal, which Colambot failed to present. Colambot's claim of verbal termination was unsupported, and the last Memorandum indicated suspension, not termination, instructing him to report back to work on December 7, 2004.

2. **Abandonment of Work:** The Supreme Court agreed with the Court of Appeals that there was no clear intent from Colambot to abandon his position. The mere failure to report back to work does not equate to abandonment without showing a clear intention to sever the employment relationship. Colambot's prompt filing of an illegal dismissal complaint contradicts the purported abandonment.

In essence, since Colambot was neither terminated by the employer nor did he abandon his work, reinstatement became the appropriate remedy. However, due to the strained relationship and Colambot's subsequent employment, the Court ruled that neither could be held financially responsible for the other's economic loss, reinstating the NLRC's dismissal of the case without backwages or separation pay.

**Doctrine:**

The case affirms the principle that in illegal dismissal cases, the burden rests on the employee to present substantial evidence of dismissal before the employer must prove the termination's legality. Additionally, it underscores that allegations of abandonment require proof of intent to sever the employment relationship, and mere absence from work alone is not sufficient.

**Class Notes:**

- **Burden of Proof in Dismissal Cases:** Initially on the employee to show substantial evidence of dismissal.
- **Two Elements of Abandonment of Work:** (1) Unjustified absence from the workplace. (2) Clear intent to sever the employment relationship.
- **Employee Remedies:** Reinstatement or separation pay in lieu of reinstatement if relationship is strained, but both parties share economic losses if the employee was neither terminated nor abandoned the position.
- **Case Application:** Employers must issue clear, documented notices for suspension or termination.

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

This case reflects the perennial tension and the procedural rigors in employer-employee relationships regarding disciplinary actions. It underscores the judiciary's role in balancing employer management prerogatives with the protection of workers' rights, emphasizing due process and evidentiary standards in employment disputes. The procedural journey from Labor Arbiter to the Supreme Court highlights the appeal mechanisms available in the Philippines' labor justice system, ensuring thorough examination and deliberation in disputes.