

Title:

Philippine Telegraph and Telephone Company v. National Labor Relations Commission and Grace de Guzman

Facts:

1. **Initial Employment**: Grace de Guzman was initially hired by the Philippine Telegraph and Telephone Company (PT&T) as a reliever for a fixed period from November 21, 1990, until April 20, 1991, replacing an employee on maternity leave. She signed a Reliever Agreement wherein her employment was to end upon the expiration of the agreed period.
2. **Successive Engagements**: De Guzman was re-engaged by PT&T for similar brief reliever stints during June 10, 1991 - July 1, 1991, and July 19, 1991 - August 8, 1991, replacing another employee on leave. Her services were terminated after the respective periods ended.
3. **Probationary Employment**: On September 2, 1991, PT&T employed de Guzman as a probationary employee for 150 days. In her job application, she declared herself single despite having been married on May 26, 1991.
4. **Memorandum and Termination**: PT&T's Baguio City branch supervisor discovered the discrepancy and on January 15, 1992, asked de Guzman to explain. She responded on January 17, 1992, claiming ignorance of the company's policy against employing married women and asserted no deliberate concealment of her status. PT&T dismissed de Guzman on January 29, 1992.
5. **Complaint and Admission**: De Guzman initiated a complaint for illegal dismissal and non-payment of cost of living allowances (COLA) with the National Labor Relations Commission (NLRC) in Baguio City. She admitted, during the preliminary conference, to failing to remit P2,380.75 of her collections; however, this was resolved via a promissory note.
6. **Labor Arbiter's Decision**: On November 23, 1993, the labor arbiter declared de Guzman had gained regular employee status and was illegally dismissed due to the discriminatory company policy against married women. Reinstatement with back wages and COLA payment were ordered.
7. **NLRC's Decision**: The NLRC upheld the labor arbiter's decision on April 29, 1994, affirming the illegal dismissal but modifying it to impose a three-month suspension for de

Guzman's admitted act of dishonesty. PT&T's motion for reconsideration was denied on November 9, 1994, prompting the petition to the Supreme Court.

Issues:

1. **Whether PT&T's policy against the employment of married women violates Article 136 of the Labor Code.**
2. **Whether Grace de Guzman's concealment of her marital status constitutes sufficient ground for dismissal.**
3. **Whether the act of misappropriating company funds justified the termination.**

Court's Decision:

1. **On PT&T's Marriage Policy:**

- Article 136 of the Labor Code expressly prohibits discrimination against women on the ground of marriage. The Court ruled that PT&T's policy of not accepting married women contravened this article.
- The Court observed that the dismissal was primarily on the basis of the company's discriminatory policy, rather than de Guzman's alleged dishonesty.
- PT&T's reasoning that de Guzman was dismissed for dishonesty (concealing her marital status) was seen as a pretext to enforce its unlawful anti-marriage policy.

2. **On the Concealment Issue:**

- The concealment of marital status by de Guzman, in this context, was driven by PT&T's discriminatory policy. The Court concluded that this action was not in bad faith since she misrepresented her status to avoid dismissal due to an illegal company policy.
- The Court held PT&T accountable for the unlawful policy that necessitated the concealment.

3. **On Misappropriation of Funds:**

- The Court noted that the issue of misappropriated funds was not raised as a dismissal ground at the time of termination but was brought up during litigation.
- It held that this matter was peripheral and correctly dealt with by a promissory note established during the proceedings.

Doctrine:

- **Article 136 of the Labor Code:** It's unlawful for employers to require that a woman not get married as a condition of employment or continued employment, or to terminate her employment if she gets married.

- **Principle of Anti-Discrimination**: Employment policies must not discriminate based on gender, especially policies around marital status.
- **Due Process in Employment**: Dismissals must be based on valid and justifiable grounds, not on illegal policies or pretexts.

Class Notes:

- **Article 136 of the Labor Code**: Prohibits stipulations against marriage as a condition of employment.
- **Gender Equality in Employment**: Derived from constitutional protections and labor laws, emphasizing non-discrimination and equality of employment opportunities for all genders.
- **Due Process and Fair Dismissal**: Concept of valid and just cause as pre-requisite for lawful dismissal of employees.

Historical Background:

This case emerged in a historical context where traditional prejudices against women in the workplace were being challenged by evolving labor laws and constitutional guarantees. The case underscores the ongoing effort to eliminate gender-based discrimination and enforce equal protection and equal opportunity principles enshrined in various legal instruments and conventions, notably the United Nations Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), to which the Philippines is a signatory.