

FELICIANO B. DUQUE, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION, MANILA WATER COMPANY, INC. AND GERARDO C. ABLAZA, JR., RESPONDENTS.

Ponente: BARZA, J.

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BARZA, J.:

Before the Court is a petition for certiorari assailing the NLRC resolution[1] dated May 31, 2013 and the subsequent resolution[2] dated July 29, 2013, in NLRC NCR 09-13238-12 (LAC No. 04-001177-13). The instant petition emanates from a case for illegal dismissal filed by petitioner Feliciano B. Duque against private respondents Manila Water Company, Inc. and Gerardo Ablaza, Jr.

Private respondent Manila Water Company, Inc. (Manila Water for brevity) is a water service utility company which services the East Zone of Metro Manila by virtue of a 25-year concession agreement it entered into with Metropolitan Waterworks and Sewerage System (MWSS) on February 21, 1997. Part of the said agreement was for Manila Water to absorb the regular employees of MWSS effective August 1, 1997. One of these employees was petitioner Feliciano B. Duque, who was absorbed as Customer Contact Manager. On February 14, 2012, he was promoted to Asset Management Section Manager, earning a monthly salary and allowance of Php76,000.00 and Php25,500.00, respectively. As Asset Management Section Manager, petitioner was responsible for “ensuring that the department's capital expenditure plans, asset repair and maintenance plans and databasing plans are implemented on time, within acceptable budgetary costs and complies with standards set by the company.”

As culled from the assailed NLRC resolution, the antecedent facts leading to the controversy are, as follows:

“As concessionaire for MWSS, Manila Water undertook a Demand Management Systems (DMS) Project for the procurement, installation, operation and maintenance of 550 units of data loggers for the purpose of monitoring water demand requirements in its franchise area. These data loggers will be installed on designated bulk metering points and the data will be gathered, such as flow and pressure, then transmitted via GPRS communication to workstations in facilities and business offices, and thereafter analyzed with the objective of improving operational efficiency and optimizing consumption of service connections.

While not officially a part of the technical evaluation team, complainant was allowed to participate in the technical evaluation in order to enable him to anticipate future maintenance issues of the assets or equipment that will be installed as part of the project.

Sometime in April 2012, the initial technical evaluation on the products offered by the bidders were presented before the panel, one of the members being complainant himself, Mr. Garie L. Garcia who was then the Instrumentation, Control and Automation Manager of Manila Water and allegedly a close friend of the complainant was the presenter and proponent of the project.

On 27 June 2012, the Notice of Award for the supply and installation of 550 data loggers in connection with the DMS project was issued to East Asia Solution Technologies Corporation (East Asia for brevity). However, as to what transpired during the conduct of the entire process for bid selection, the parties presented conflicting versions.

Complainant alleged:

'x x x. The initial technical evaluation on the products offered by the bidders were presented before the panel composed of Mr. Madueño, Mr. Marvin General of NTCD, Mr. Jay Gatchalian from ITCD, Mr. Kenneth Solomon of NTCD, Mr. Bernard Regandola of CVMD and complainant. The presenter was Mr. Gary Garcia, a proponent of the project and subordinate of Mr. Madueño. No actual test was conducted. Instead, the evaluation was by mere comparison between the specifications of the data loggers appearing on the documents submitted by each of the bidder as against the specifications laid down in the Term of Reference. After deliberation, the conclusions reached by the Technical Evaluation Panel were as follows: 1) Tradepoint's data logger has 10 items that are non-compliant; EESI's and East Asia's each had 2; while Water Consult's has only one. The following day, however, Mr. Madueño manifested that the issue concerning Water Consult's data logger, based on research he himself conducted, has been clarified. Thus, only Water Consult's data logger complied with all the technical requirements. A report to that effect was signed by Mr. Garcia, Mr. Madueño, Mr. Joemar Emboltorio and complainant.

Parenthetically, Mr. Emboltorio is the Water Supply Department Manager. The Production Planning Section headed by Mr. Madueño and the Asset Management Section then headed by complainant are both under the Water Supply Department.

A couple of days thereafter, complainant was told that a re-evaluation will have to be conducted because Fast (sic) Asia was contesting the evaluation result. A meeting was held in the morning of April 27, 2012 by concerned employees of Manila Water only, and it was ascertained that among the specifications on which East Asia's data logger had issues were the following:

1. GPRS/GSM capability;
2. Direct data sending to MWC SCADA
3. Three (3) analog inputs to adequately communicate with the PRV controller, Turbidity Meter; PH Analyzer and Residual Chlorine Analyzer.

To clarify the issues, an actual test of East Asia's data logger was decided to be held in the afternoon of that same day.

During the actual test, Mr. Cordova confronted complainant, asking for the purpose of the test. And when complainant responded that East Asia's data logger was being tested if it has three (3) analog inputs, Mr. Cordova retorted that his equipment has only one. Notwithstanding said answer, Mr. Jojo Gamboa of Manila Water's Contracts and Vendor Management Department still queried for the number of analog inputs East Asia's equipment is capable of handling, apparently because he failed to assimilate Mr. Cordova's statement. This irked Mr. Cordova further, who yelled: "IISA NGA LANG ANG INPUT NG DATA LOGGER KO. KUNG ANO WALA KAMI, YUN AND HINAHANAP NYO." Immediately thereafter, Mr. Cordova ordered his personnel to pull out East Asia's data logger without completing the test.

Distressed by Mr. Cordova's reprehensible conduct, complainant went that same afternoon to Manila Water's Legal Department to seek advice. He was told to consult instead Ms. Cristina Estandarte, Contracts and Vendor Management Department Manager. Upon suggestion of Ms. Estandarte, complainant prepared an Incident Report and submitted it on May 2, 2012 not only to Mr. Emboltorio and Ms. Estandarte, but to respondent Mr. Ding Carpio, Manila Water's Director for Operation (sic), and Atty. Jhoel Raquedan of Manila Water's Legal Department as well. Another copy of the incident report is attached hereto as Annex "A."

Thereafter, complainant had no more involvement in the bidding process."

Respondents, for their part, averred:

'x x x.

8. On June 28, 2012, Manila Water received a duly notarized affidavit executed by Mr. Ariel Alcantara and

Mr. Gregg Cordova, who are the Account Manager and President of East Asia Solutions Technologies Corporation (“East Asia”), respectively. East Asia was one of the bidders for the supply and installation of 550 data loggers in connection with the DMS Project.

9. In their affidavits, Mr. Alcantara and Mr. Cordova accused Complainant and Mr. Garie L. Garcia, who was then the Instrumentation, Control and Automation Manager of Manila Water, and a close friend of Complainant, of demanding from them a sum of money to be able to land the award for the supply of data loggers. Attached as Exhibit 1 is a copy of the affidavit executed by Mr. Alcantara and Mr. Cordova.

10. Because of the serious allegations in the affidavits of Mr. Alcantara and Mr. Cordova, Manila Water issued a Notice to Explain and Notice of Forced Leave with Pay to both Complainant and Mr. Garcia on June 29, 2012. A copy of the Notice to Explain issued to Complainant is attached as Exhibit 2.

11. In the Notice to Explain dated June 29, 2012, Complainant was informed that the accusations against him, if proven, constitute a violation of the Company's Code of Conduct on (i) soliciting or receiving fees, commissions or “kickbacks” from clients, suppliers, collectors, etc. in consideration of patronizing their products/services or for services rendered in connection with any transaction, and (ii) use of an officer's/employee's position in the Company for personal gain or advantage or to promote action that may run counter to the Company's ethical standards. A copy of the Manila Water's Code of Business Conduct and Ethics is attached as Exhibit 3.

12. On July 4, 2012, Complainant submitted his written response to the Notice of Explain. In his response, Complainant denied the allegations of Mr. Alcantara and Mr. Cordova, and claimed that he had nothing to do with Mr. Garcia's acts. A copy of Complainant's response is attached as Exhibit 4.

13. On July 12, 2012, Manila Water issued a Notice of Extension of Forced Leave and Notice of Administrative Hearing/Conference. A copy of the notice is attached as Exhibit 5.

14. On July 18, 2012, the Administrative Conference/Hearing went on as scheduled. Complainant, together with his counsel, Atty. Glenn G. Hao, were among those who attended. Attached as Exhibit 6 is a copy of the attendance sheet for the July 18, 2012 hearing.

15. On August 6, 2012, the Legal and Corporate Department concluded its investigation on the administrative cases against Complainant and Mr. Garcia. By way of summary, the Legal and Corporate Governance Department reported that there was substantial evidence of Complainant's complicity in the commission of the following acts:

- a. Material misrepresentation in the nature and extent of his participation in the technical evaluation of the bidders participating in the DMS Project including East Asia;
- b. Predetermined intent to submit only one technically compliant bidder for the DMS Project;
- c. Soliciting fees from East Asia; and
- d. Use of his position as member of the technical evaluation panel and of the technical evaluation process specifically exclude East Asia as a technically compliant bidder.

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According to private respondents, petitioner's acts of soliciting fees and using his position to influence the results of the technical evaluation process runs counter to Manila Water's Code of Conduct. Furthermore, petitioner actively misrepresented the nature and extent of his participation in the technical evaluation of the bidders participating in the DMS project. The administrative investigation conducted by Manila Water's Legal and Corporate Governance Department revealed that contrary to petitioner's assertion, he was never invited by Mr.

Madueño to the technical evaluation meeting, and while petitioner insisted that he was passive all throughout the evaluation process, the recordings of the meetings showed that he actively participated therein, with the course of action taken by the team actually having been heavily influenced by him. He also stated that he was not present during the transmission testing for East Asia's equipment held on April 16, 2012, but several personnel confirmed his presence there.

Thus, on account of loss of trust and confidence, Manila Water terminated the services of petitioner effective immediately upon receipt of notice at the close of business hours on August 31, 2012.[3] Aggrieved by his dismissal, petitioner lodged the instant complaint with the Regional Arbitration Branch of the NLRC. On December 28, 2012, the Labor Arbiter dismissed petitioner's complaint for lack of merit.[4] He then filed an appeal with the NLRC which was dismissed in the assailed NLRC resolution dated May 31, 2013. His motion for reconsideration on the dismissal of his appeal met the same fate in the challenged resolution dated July 29, 2013. Petitioner now comes before the Court via the instant petition for certiorari questioning the two issued resolutions of the NLRC on the ground:

That the NLRC committed grave abuse of discretion amounting to lack or excess of jurisdiction in the following:

1. Departing from jurisprudence by giving weight to a memorandum/investigation report that is not verified by an oath, unsigned and unsubstantiated by affidavits of those who have firsthand knowledge of the facts alleged therein;
2. Shifting the burden of proof from the employer to the employee;
3. Ignoring the supplementation made by private respondents to the Sworn Statement of Mr. Cordova and Mr. Alcantara;
4. Failing to take into account facts expressly and implicitly admitted by private respondents which, if considered, would have altered the result of the decision;
5. Making findings that are unsupported by evidence;
6. Failing to declare that the justifications offered by private respondents in terminating petitioner's employment are all invalid;
7. Implying that petitioner is well-versed with the technical evaluation process;
8. Refusing to see that Mr. Cordova and Mr. Alcantara's affidavit was made merely as a retaliation for a complaint filed by petitioner against Mr. Cordova;
9. Failing to hold private respondents liable to pay moral and exemplary damages; and
10. Failing to hold private respondents liable to pay attorney's fees.

The controversy all boils down to petitioner's alleged participation in the attempt to influence the outcome of the bidding process in the DMS project in order to obtain money from East Asia. Petitioner insists that private respondents failed to prove with substantial evidence the accusations levelled against him, citing the failure of private respondents to present in evidence the alleged statements of Manila Water employees as well as the records of the technical evaluation. The only evidence submitted by private respondents were the memorandum[5] issued on April 6, 2012, containing the results of the investigation conducted by Manila Water pertaining to the allegations of East Asia and the joint affidavit[6] executed by Ariel Alcantara and Gregg Cordova of East Asia. The issue before the Court is whether the evidence submitted by private respondents, i.e., the August 6, 2012 memorandum and the joint affidavit of Alcantara and Cordova, sufficiently established just cause for his dismissal from work. Citing the cases of *Skippers United Pacific, Inc. vs. NLRC, et al.* (G.R. No. 148893, July 12, 2006)

and Lepanto Consolidated Mining vs. Moreno Dumapis, et al. (G.R. No. 163210, August 13, 2008), petitioner questions the inadmissibility in evidence of the August 6, 2012 memorandum which contained the results of the administrative investigation conducted by management on the allegations of solicitation of kickbacks against petitioner and Garie Garcia. According to petitioner, the said memorandum is inadmissible for lack of verification and signature of the authors thereof and for simply being hearsay as the authors thereof never had any personal knowledge of the circumstances surrounding the accusations against petitioner.

The petition is wanting in merit.

It is a fundamental rule that an employee can be discharged from employment only for a valid cause.[7] Substantial evidence is also necessary for an employer to effectuate any dismissal. Uncorroborated assertions and accusations by the employer would not suffice, otherwise, the constitutional guaranty of security of tenure would be put in jeopardy.[8] Substantial evidence is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion, even if other minds equally reasonable might conceivably opine otherwise.[9]

Petitioner completely misunderstood and misapplied the cases of Skippers United and Lepanto. In Skippers United, the Supreme Court upheld the finding of illegal dismissal because the employer failed to submit substantial evidence to prove that the dismissal was for just cause. The Supreme Court held -

“The only evidence relied upon by petitioner in justifying respondent's dismissal is the Chief Engineer's Report dated September 10, 1997. The question that arises, therefore, is whether the Report constitutes substantial evidence proving that respondent's dismissal was for cause.

Substantial evidence is defined as that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion. As all three tribunals found, the Report cannot be given any weight or credibility because it is uncorroborated, based purely on hearsay, and obviously merely an afterthought. While rules of evidence are not strictly observed in proceedings before administrative bodies, petitioner should have offered additional proof to corroborate the statements described therein.

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Similarly in this case, petitioner should have presented other evidence to corroborate its claim that respondent's acts or omissions aboard the vessel M/V Naval Gent warrant his immediate repatriation. Moreover, the fact that the Report was accomplished on September 10, 1999, or more than a month after respondent was repatriated, makes it all the more suspect, and was obviously made to make it appear that there were valid reasons for respondent's dismissal.”

The Court notes that in the Skippers United case, not only was the Chief Engineer's report unverified and unsigned, it was also belatedly issued, having been issued more than a month after the repatriation of the dismissed seafarer. Other than this report, the employer submitted no further evidence to corroborate it. This is not the case of petitioner. The August 6, 2012 memorandum, albeit unsigned by the authors thereof, was not issued as a mere afterthought. It was issued after an investigation was conducted on the allegations of kickback solicitations the results of which investigation were made as a basis for petitioner's dismissal. Moreover, the memorandum was supported by the joint affidavit of Alcantara and Cordova who had personal knowledge of the matter. Petitioner may well be reminded of Art. 221 of the Labor Code which states that in any proceeding before the NLRC or any of the Labor Arbiters, the rules of evidence prevailing in courts of law shall not be controlling and it is the spirit and intention of the Labor Code that the NLRC and its members and the Labor Arbiters shall use every and all reasonable means to ascertain the facts in each case speedily and objectively and without regard to technicalities of law and procedure, all in the interest of due process.

As regards the case of Lepanto, petitioner may have overlooked the fact that the Supreme Court ruled that both the Court of Appeals and the NLRC erred in holding the joint affidavit of the security investigators inadmissible for being hearsay. In fact, the High Court considered the said joint affidavit as admissible in evidence as an investigation report. Nevertheless, admissibility should not be confused with the probative value of the evidence. Thus, the Supreme Court held -

“Thus, the CA and the NLRC erred in ruling that the Joint Affidavit is inadmissible for being hearsay. The Joint Affidavit of the Security Investigators is inadmissible for what it is, an investigation report.

However, the admissibility of evidence should not be confused with its probative value. Admissibility refers to the question of whether certain pieces of evidence are to be considered at all, while probative value refers to the question of whether the admitted evidence proves an issue. Thus, a particular item of evidence may be admissible, but its evidentiary weight depends on judicial evaluation within the guidelines provided by the rules of evidence.”

But despite the admission of the security investigators' joint affidavit, the Supreme Court discarded the probative weight of the said evidence, to wit -

“An examination of the joint affidavit reveals that the facts alleged therein by the Security Investigators are not of their own personal knowledge. They simply referred to the facts allegedly relayed to them by Chambers, Damoslog, Daguio and Madao. Thus, there is a need to individually scrutinize the statements and testimonies of the four sources of the Joint Affidavit in order to determine the latter's probative weight.

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Based on the foregoing, the Court is convinced that the Joint Affidavit, being sourced from Chambers, Damoslog, Daguio and Madao, has no probative value to support evidence to warrant the dismissal of the respondents. Chambers and Daguio did not identify the miners involved in the act of highgrading. In addition, Damoslog's first and second sworn statements did not implicate respondents, and Madao recanted his statement implicating respondent Liagao. As earlier discussed, the sworn statements and joint affidavits of the sources do not corroborate but actually cast doubt as to the veracity of the statements in the joint affidavit.”

It will be worth noting that the case at bar does not fall squarely with the Lepanto case. Unlike the Lepanto case where the illegally dismissed employees were not clearly implicated in the act for which they were terminated, petitioner was specifically mentioned by Alcantara and Cordova in their joint affidavit to have taken part in soliciting kickbacks from them. Contrary to petitioner's assertion that the joint affidavit of Alcantara and Cordova did not clearly state his involvement in the act complained of, the joint affidavit proves otherwise. The pertinent portions of the joint affidavit narrate -

“7. Upon hearing that we passed the test, Mr. Garcia said that the tests should be done with his personal laptop. Finding the same to be irregular, we inquired why the same was necessary. Mr. Garcia said that he did not like the software used in connection with the testing. At that, we pointed out that the software used were necessary because without it, the data meant to be received will not be received and we will again be found non-compliant.

8. Considering the circumstances we found ourselves in, we felt at that point that we were being deliberately found non-compliant, because our submittal was clearly compliant with the technical requirements. Data transmission was clearly observed during the testing, and the same was confirmed by Manila Water's employees including Mr. Maunch Franco, its IT Department Head. Despite that, we were still told that we were not compliant based on specifications not indicated in the Terms of Reference.

9. After the incident, we walked from NTDC to the nearby Mang Jimmy's eatery. While we were walking, Mr. Sonny Duque of Manila Water passed us by and called the attention of Mr. Gregg Cordova. On being called,

Mr. Cordova momentarily held the phone conversation he was having, and heard Mr. Duque ask him, 'O parekoy magiging masaya na ba tayo?' Out of prudence, we decided not to reply.

10. In the following weeks, Mr. Alcantara received numerous calls from Mr. Garcia, repeatedly advising us to fix things with Mr. Duque.

11. On May 23, Mr. Alcantara received from Mr. Garcia text messages stating the following:

'Tawag ka sa akin pag la ka gawa.'

'P2M.'

'P2M tapos bahala na kayo sa akin.'

12. Sometime before the scheduled financial bid opening, Mr. Garcia called up Mr. Alcantara and said that he and Mr. Duque were going to have all the bidders disqualified. Mr. Alcantara protested and complained against the treatment being given by Mr. Garcia and Mr. Duque.

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16. We realized that Mr. Garcia and Mr. Duque would not stop with their incessant attempts and demands from East Asia for us to give them money in order for us to do business with Manila Water, so we decided to inform Manila Water's Mr. Jojo Gamboa of the whole matter.”

While it appears in the joint affidavit that it was Garcia who played a major role in the questionable act, the results of the investigation as culled from the August 6, 2012 memorandum would shed light on where Alcantara and Cordova's claims were coming from. Thus, petitioner's statement “O, parekoy, magiging masaya na ba tayo?” when taken in light of the circumstances and the results of the investigation, would definitely shake the confidence of any employer on petitioner. It does not matter that Alcantara and Cordova did not mention in the affidavit the exact place, time and date when the statement was uttered. Such detail is trivial. Not everyone has the capacity to remember every tiny detail of each event that occurs in his life. What is important is that both Alcantara and Cordova were able to recall petitioner's actions toward them.

Petitioner was dismissed based on loss of trust and confidence under Art. 282 (c)[10] of the Labor Code. In *Baguio Central University vs. Ignacio Gallente*[11], the Supreme Court held -

“Loss of trust and confidence is a just cause for dismissal under Article 282 (c) of the Labor Code. Article 282 (c) provides that an employer may terminate an employment for 'fraud or willful breach by the employee of the trust reposed in him by his employer or duly authorized representative.' However, in order for the employer to properly invoke this ground, the employer must satisfy two conditions.

First, the employer must show that the employee concerned holds a position of trust and confidence. Jurisprudence provides for two classes of positions of trust. The first class consists of managerial employees, or those who by the nature of their position, are entrusted with confidential and delicate matters and from whom greater fidelity to duty is correspondingly expected. Article 212 (m) of the Labor Code defines managerial employees as those who are 'vested with powers or prerogatives to lay down and execute management policies and/or to hire, transfer, suspend, lay-off, recall, discharge, assign or discipline employees, or to effectively recommend such managerial actions.' The second class includes 'cashiers, auditors, property custodians, or those who, in the normal and routine exercise of their functions, regularly handle significant amounts of [the employer's] money or property.'

Second, the employer must establish the existence of an act justifying the loss of trust and confidence. To be a valid cause for dismissal, the act that betrays the employer's trust must be real, i.e., founded on clearly established facts, and the employee's breach of the trust must be willful, i.e., it was done intentionally,

knowingly and purposely, without justifiable excuse.

In *Lopez v. Keppel Bank Philippines, Inc.*, the Court repeated the guidelines for the application of loss of confidence as follows: (1) loss of confidence should not be simulated; (2) it should not be used as a subterfuge for causes which are improper, illegal or unjustified; (3) it may not be arbitrarily asserted in the face of overwhelming evidence to the contrary; and (4) it must be genuine, not a mere afterthought to justify an earlier action taken in bad faith.

As applied to the dismissal of managerial employees, employers — as a rule — enjoy wider latitude of discretion. They are not required to present proof beyond reasonable doubt as the mere existence of a basis for believing that such employee has breached the trust of the employer would suffice for the dismissal. Thus, as long as the employer 'has reasonable ground to believe that the employee concerned is responsible for the purported misconduct, and the nature of his participation therein renders him unworthy of the trust and confidence demanded of his position,' the dismissal on this ground is valid."

Being a managerial employee himself, petitioner is more susceptible to a wider latitude of discretion held by the employer in terminating employees based on loss of trust and confidence as compared to ordinary rank-and-file employees.

In *Lima Land, Inc. v. Cuevas* (G.R. No. 169523, June 16, 2010, 621 SCRA 36), the Supreme Court discussed the difference between the criteria for determining the validity of invoking loss of trust and confidence as a ground for terminating a managerial employee on the one hand and a rank-and-file employee on the other. In the said case, the Supreme Court held that with respect to rank-and-file personnel, loss of trust and confidence, as ground for valid dismissal, requires proof of involvement in the alleged events in question, and that mere uncorroborated assertions and accusations by the employer would not suffice. With respect to a managerial employee, the mere existence of a basis for believing that such employee has breached the trust of his employer would suffice for his dismissal.[12] The mere existence of a basis for the loss of trust and confidence justifies the dismissal of the managerial employee because when an employee accepts a promotion to a managerial position or to an office requiring full trust and confidence, such employee gives up some of the rigid guaranties available to ordinary workers. Infractions, which if committed by others would be overlooked or condoned or penalties mitigated, may be visited with more severe disciplinary action. Proof beyond reasonable doubt is not required provided there is a valid reason for the loss of trust and confidence, such as when the employer has a reasonable ground to believe that the managerial employee concerned is responsible for the purported misconduct and the nature of his participation renders him unworthy of the trust and confidence demanded by his position. However, the right of the management to dismiss must be balanced against the managerial employee's right to security of tenure which is not one of the guaranties he gives up. This Court has consistently ruled that managerial employees enjoy security of tenure and, although the standards for their dismissal are less stringent, the loss of trust and confidence must be substantial and founded on clearly established facts sufficient to warrant the managerial employee's separation from the company. Substantial evidence is of critical importance and the burden rests on the employer to prove it.[13] The evidence submitted by private respondents support the existence of a valid reason to terminate his employment. Apparently, petitioner crossed the line of unethical behavior prohibited by the company's code of conduct.

Contrary to petitioner's assertion, the burden of proof to show that dismissal was for just cause did not shift from employer to employee. That private respondents merely manifested before the Labor Arbiter the existence of an audio recording of the technical evaluation hearing without presenting the evidence to be heard and ruled upon by the Labor Arbiter is inconsequential. Under Sec. 12, Rule V of the 2011 NLRC Rules of Procedure, the Labor Arbiter has the right to determine whether a hearing is necessary to resolve the issue/s before him -

SECTION 12. Determination of Necessity of Hearing or Clarificatory Conference. — Immediately after the submission by the parties of their position paper or reply, as the case may be, the Labor Arbiter shall, *motu proprio*, determine whether there is a need for a hearing or clarificatory conference. At this stage, he/she may, at his/her discretion and for the purpose of making such determination, ask clarificatory questions to further elicit facts or information, including but not limited to the subpoena of relevant documentary evidence, if any, from any party or witness. (8a)

Under Sec. 15, Rule V of the same Rules, the Labor Arbiter may decide the case solely on the basis of the position papers and pleadings submitted by the parties -

SECTION 15. Submission of the Case for Decision. — Upon the submission by the parties of their position papers or replies, or the lapse of the period to submit the same, the case shall be deemed submitted for decision unless the Labor Arbiter calls for a hearing or clarificatory conference in accordance with Section 12 and 14 (a) of this Rule, in which case, notice of hearing or clarificatory conference shall be immediately sent to the parties. Upon termination of the said hearing or conference, the case is deemed submitted for decision. (11a)

The Labor Arbiter found the documentary evidence submitted by private respondents sufficient to substantiate their claim that petitioner's dismissal was for lawful cause, which the NLRC agreed upon. The Court cannot overemphasize to the point of being repetitious that in administrative cases only substantial evidence is required. Private respondents were able to satisfy the requirement. In arduously questioning and raising all sorts of issues and objections on the evidence submitted by private respondents, it has not escaped this Court's observation that what petitioner is actually requiring is for the labor tribunals to decide the case based on proof beyond reasonable doubt. Also, petitioner is raising errors of judgment or those involving misappreciation of evidence which is not within the province of a petition for certiorari. A writ of certiorari is not designed to correct errors of judgment, if any, of the quasi-judicial tribunals which petitioner would like the Court to do. A writ of certiorari is a remedy that lies only to correct acts rendered without jurisdiction, in excess of jurisdiction, or with grave abuse of discretion — and not mere errors of judgment. For emphasis, therefore, when a petition for certiorari is filed, the judicial inquiry should be limited to the issue of whether the NLRC acted with grave abuse of discretion amounting to lack or in excess of jurisdiction — and not whether the NLRC ruling is intrinsically correct or not.[14]

WHEREFORE, in view of the foregoing disquisition, the instant petition for certiorari is hereby DISMISSED for lack of merit. The assailed resolutions of the NLRC are hereby AFFIRMED.

SO ORDERED.

Carandang, R. D., Chairperson and Reyes-Carpio, A., JJ., concur.

[1] Rollo, pp. 37-77.

[2] *Ibid.*, pp. 78-79.

[3] See Annex “E-10,” pp. 160-161 of Rollo.

[4] Rollo, pp. 213-226.

[5] Rollo, pp. 152-157.

[6] *Ibid.*, pp. 130-132.

[7] *FLP Enterprises, Inc., et al. vs. Ma. Joeralyn D. Dela Cruz, et al.*, G.R. No. 198093, July 28, 2014.

[8] Ibid.

[9] Flor Gupilan-Aguilar, et al. vs. Office of the Ombudsman, et al., G.R. No. 197307, February 26, 2014.

[10] Art. 282. Termination by employer. - An employer may terminate an employment for any of the following causes:

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(c) Fraud or willful breach by the employee of the trust reposed in him by his employer or duly authorized representative;

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[11] G.R. No. 188267, December 2, 2013.

[12] Wesleyan University Philippines vs. Nowella Reyes, G.R. No. 208321, July 30, 2014.

[13] Cecilia T. Manese, et al. vs. Jollibee Foods Corporation, et al., G.R. No. 170454, October 11, 2012.

[14] OSG Shipmanagement Manila, Inc., et al. vs. Joselito B. Pellazar, G.R. No. 198367, August 6, 2014.

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