

JULIUS NIOSCO, SILVERIO T. DUMARAOS, AND RONALD F. ALVIOR, PETITIONERS, VS. NATIONAL LABOR RELATIONS COMMISSION (THIRD DIVISION), PCI WORLDWIDE, INC., JOHN WEE/JOHN L. WEE, ROSC...

Ponente: DIMAAMPAO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/f923cc7a5e62/>

DIMAAMPAO, J.:

Called to fore in this Petition for Certiorari[1] filed under Rule 65 of the 1997 Rules of Civil Procedure are two Resolutions dated 16 September 2013[2] and 25 October 2013[3] of the National Labor Relations Commission (NLRC) modifying the Decision of the Labor Arbiter by ordering payment of separation pay in lieu of reinstatement as well as limited backwages to petitioners, and denying for lack of merit the Motions for Reconsideration filed by the parties, respectively, in NLRC LAC NO. 05-001634-13.

The record divulges the following material operative facts:

Petitioners Julius Niosco (Julius), Silverio Dumaraos (Silverio), and Ronald Alvior (Ronald) filed Complaints for illegal suspension and dismissal against private respondents PCI Worldwide, Inc. (PCI) and its officers, John Wee, Rosco Barredo, Leslie Gamay and Annaliza Lorin (private respondents). In their Pinagsamang Sinumpaang Salaysay, petitioners asseverated—

"1.

Kami ay mga regular na manggagawa ng PCI WORLDWIDE, INC. (PCI), isang kompanya na nagmamanupaktura ng iba't-ibang produkto na gawa sa carrageenan o seaweeds; ito ay matatagpuan at may pahatirang sulat sa Mountview 1 Industrial Complex, Brgy. 14, Bancal, Carmona, Cavite; si John L. Wee ang tumatayong Presidentre (sic) ng kompanya, si Rosco T. Barredo bilang VP-Operation & Production, Leslie C. Gamay bilang Plant Manager at Annaliza H. Lorin bilang HR Supervisor; inilakip namin dito and aming mga ID bilang EXHIBIT 'A' SERIES bilang patunay na kami ay mga manggagawa ng PCI;

2.

Kami ay dating mga manggagawa ng RICO CARRAGEENAN, isang kompanya na matatagpuan sa PTC Complex, Cabilang-Baybay, Carmona, Cavite kung saan isa sa mga nagmamay-ari ay ang kasalukuyang nagmamay-ari ng PCI;

3.

Nagkaroon diumano ng hindi pagkakaunawaan ang magkapatid na nagmamay-ari ng RICO CARRAGEENAN, kung kaya't bumukod at nagtayo ng sariling planta, and (sic) PCI WORLDWIDE, INC. (s)a Mountview 1 Industrial Complex, and (sic) ama ni John Wee;

4.

Kami ay ilan sa mga manggagawang sumama sa PCI mula sa RICO, at ang ipinangako sa min ng PCI ay

magtutuloy-tuloy ang aming length of service mula sa RICO kung kami ay sasama sa PCI;

5.

Nang kami ay sumamang lumipat sa PCI ay hindi pa tapos ang ibang bahagi ng planta nito sa Bancal, Carmona, Cavite, kay(a) nang kami ay mapapunta doon ay paghahakot ng mga materyales at paghahalo ng semento ang aming mga naging unang trabaho;

6.

Si Ismael Restrivera o Mang Maeng ang may-ari ng lote na katabi ng PCI at doon siya nakatira, kaya siya ang ginawang tagabantay ng mga construction materials ng PCI noong panahong ito ay ginagawa pa lamang;

7.

Kami ay unang tumira ng libre sa bahay ni Mang Mael at kalaunan ay doon na rin kami nangupahan sa kanyang pinaupahang bahay katabi sa kanyang tinitirhan;

8.

Dahil si Mang Mael ay itinalaga ng PCI na tagabantay ng mga construction materials nito, siya ay binigyan ng kompanya ng libreng linya ng kuryente;

9.

Kami rin na mga empleyado ng PCI na nakatira sa pinaupahang bahay ni Mang Mael ay binigyan ng PCI ng libreng linya ng kuryente; and linyang ito ng kuryente ay dumadaan sa bahay ni Mang Mael papunta sa aming tinitirhan;

10.

Noong March 23, 2012, ayon sa utos ni Leslie Gamay, ikinabit ko (Silverio Dumaraos) and 30 amperes na breaker na binili ng PCI (si Joseph Malinis, production operator, ang inutusan ng kompanya na bumili); ibinalik ko at pinapalitan ang nasabing breaker dahil mali and nabilim (sic) ni Joseph; hindi bolt type ang kanyang nabili; pinapalitan din nila ang wire subalit hindi ko muna pinalitan para makita nila kung ano ang ipapalit;

11.

March 24, 2012, day-off ko (Dumaraos), pagpasok ko kinabukasan, March 25, 2012, ako ay binabaan ng EMPLOYEE EXPLANATION form xxx na may petsang 23 March 2012 dahil diumano'y paglabag ko sa Section 2 ng Company Rules and Regulations ng PCI kasabay ng PREVENTIVE SUSPENSION notice xxx nas (sic) may petsang March 24, 2012; kagyat kong isinulat ang aking explanation letter xxx at isinumite sa kompanya; mula noon ay hindi na ako pinapasok sa akint (sic) trabaho;

12.

April 1, 2012 ako ay binigyan ng termination notice xxx ng PCI;

13.

Ayon sa kwento ni Mang Mael sa amin, March 24, 2012 ay nagpunta sa bahay niya si Annaliza Lorin, at pinapipirma diumano siya ng kasulatan na hanggang April 15, 2012 na lamang ang pagbibigay ng libreng kuryente sa kaniya ng PCI; hindi diumano niya pinirmahan ang nasabing kasulatan bagkus ay sinabi niya kay Annaliza Lorin na papuntahin sa kanya si Rosco Barredo dahil sila ang mag-uusap;

14.

Bandang alas-3:00 – alas 4:00 ng hapon nang araw na iyon, March 24, 2012, hinintay umano ni Mang Mael si Rosco Barredo subalit sa halip na dumaan ay pinaharurot pa nito ang kanyang sasakyan nang makita nitong naghihintay sa kanya si Mang Mael.

15.

March 26, 2012, kami (Julius Niosco at Ronald Alvior) ay kinausap ng pangasiwaan ng PCI at pinaalis sa aming inuupahang bahay dahil diumano sa nangyari noong March 24, 2012, bagamat hindi namin alam kung ano ang nangyari noong araw na iyon; kami diumano ay tutlunagn (sic) sa paglilipat at doon nila kami pinalilipat sa MY HOME project na proyekto ng PCI; nang tiningnan namin ang nasabing lugar, ito ay bakanteng lote pa lamang at walang istrakturang nakatayo kayat nagpasya kami na manatiling nangungupahan kay Mang Mael kaysa lumipat doon o kaysa maghanap ng ibang malipatan dahil di hamak na mas mura ang paupa ni Mang Mael kung ikumpara sa ibang nagpapaupa ng bahay;

16.

Noong April 3, 2013, kami ay nakatanggap ng sulat mula sa HR ng PCI na nag-uutos sa amin na umalis sa aming inuupahang bahay ay binibigyan kami hanggang April 10, 2012 para makalipat ng tirahan;xxx

17.

April 10, 2012, dahil hindi kami lumipat ng tirahan, kami ay binabaan ng EMPLOYEE EXPLANATION notice xxx na may petsang April 3, 2012 na amin namang sinagot kaagad xxx;

18.

Kasabay ng pagbigay sa amin ng EMPLOYEE EXPLANATION notice ay binigyan din kami ng noong araw ding iyon, April 10, 2012, ng NOTICE (sic) OF DISCIPLINARY ACTION xxx na naglalagay sa amin sa PREVENTIVE SUSPENSION mula April 11 hanggang April 17, 2012 at noong April 17, 2012 kami ay nakatanggap ng termination notice xxx mula sa PCI na nagtatanggal sa amin sa trabaho sa April 18, 2012;

19.

Dahil naniniwala kaming tatlo ang pagtanggap sa amin ay walang legal na batayan dahil wala kaming nagawang kasalanan laban sa PCI, at hindi nagkaroon ng pagdinig sa aming kaso, kami at nagharap ng demanda laban dito at sa mga indibiduwal na may kinalaman sa ilegal na pagtanggap sa amin sa NLRC;

20.

Dahil sa pagkatanggal namin sa trabaho, kami ay nabalisa at hindi makatulog sa pag-iisip kung saan kami kukuha ng pangtustos sa pang araw-araw na pangangailangan ng aming mga pamilya na naging dahilan upang sila ay magutom;

21.

Sa mga naganap na mandatory conference sa NLRC; hindi nagkakaroon ng pagkakasundo ang aming posisyon at ang posisyon ng kompanya kung kaya't kami at pinagsumite ng position papers ng Labor Arbiter; kaya napilitan kaming kunin ang serbisyo ng isang abogado upang ipagtanggol ang aming mga karapatan at ipaglaban ang aming kaso;

22.

Isinagawa namin ang salaysay na ito upang patotohanan ang lahat ng mga nakasaad sa itaas batay sa aming personal na pagkakaalam sa mga pangyayari at sa mga tunay na dokumento."[4]

With the foregoing avowals, petitioners clamored for reinstatement with payment of full backwages as well as

moral and exemplary damages.

Taking umbrage at petitioners' assertion, private respondents maintained that petitioners were validly suspended and legally dismissed.

In March 2012, petitioners were separately investigated for the illegal tapping of PCI's electric supply which they used for their residences located adjacent to the latter's property line. In collusion with one Ismael Restrivera (Ismael), they allegedly abused PCI's generosity when they used more than 10 amperes of electricity given them. Ismael was the owner of the property they rented. Petitioners having illegally tapped PCI's electric supply, the company suffered great loss and high electricity bill resulting in damages.

In the case of Silverio, PCI sent a Written Notice[5] directing him to explain why no disciplinary action should be meted against him for tapping more than 10 amperes of electric supply in connivance with Ismael. Silverio explained that— "xxx Hindi ko alam kung may naka-tapping sa linya namin kasi hindi naman ako nakapasok sa pamamahay ng Restrivera ng walang pahintulot kaya hindi ko na bibisita ito. xxx"[6] Thereafter, he was placed under preventive suspension[7] from 26 to 31 March 2012.[8] This was intended to prevent the further stealing of electric supply. During the period of preventive suspension, further investigation was conducted and in the interregnum, Silverio was ordered to cut the illegal tapping of electricity.

Inevitably, PCI found Silverio's explanation meritless. He knew fully well that the line of Ismael was illegally tapped and therefore his use thereof without paying any charges or rentals was causing damage to PCI. Whence, a Notice of Termination[9] was served upon Silverio on 3 April 2012 for violation of the company's Code of Conduct particularly the illegal use of company property as well as tampering with company equipment tantamount to serious misconduct.

With regard to Ronald, PCI discovered that he connived with Silverio. Both were roommates; Ronald could have easily informed the management about the illegal tapping of electricity but he kept mum. PCI spoke with him several times to stop the illegal tapping, and discussed his possible transfer of residence to prevent further stealing. PCI wrote him on 3 April 2012 informing him that his continued stay at Ismael's place was tantamount to a conflict of interest pursuant to the company's Code of Conduct, and that it would be best for him to transfer residence at its MYHOME project.[10] Ronald having refused to do so, PCI sent him a Notice[11] to explain why no disciplinary action should be imposed against him. Thence, he was placed under preventive suspension from 11 to 17 April 2012.[12] After careful consideration of the infractions against Ronald, PCI decided to dismiss him. Accordingly, PCI sent him a Notice of Termination[13] dated 17 April 2012.

Julius' case was similar to that of Ronald. Julius was also caught in collusion with Silverio and Ismael in the illegal tapping of electricity. PCI sent Julius a letter[14] directing him to transfer his residence since, like Ronald, his continued stay in the residence of Ismael constituted conflict of interest. Still and all, Julius refused. PCI then served to Julius a Notice[15] to explain why he should not be disciplined for willfully refusing to obey its instructions "resulting in damages to company welfare and security." [16] Julius explained: "wala akong ginagawa para sa kasiraan ng company." [17] Thereafter, he was placed under preventive suspension[18] together with Ronald.

PCI claimed that a month before this illegal tapping activity, Julius was remiss in his duty as a warehouseman,[19] a position imbued with a high degree of trust and confidence. This lapse on his part caused PCI to suffer shortage in the production of its food products. Indeed, this incident when taken together with this illegal tapping activity, resulted in PCI's loss of trust and confidence on him. Consequently, PCI severed Julius's employment on 17 April 2012 based on two grounds: 1) loss of trust and confidence; and, 2) willful refusal to accept legitimate instructions.[20]

On 22 March 2013, the Labor Arbiter rendered a Decision,[21] the fallo of which reads:

"WHEREFORE, in view of the foregoing, the complainants are declared to have been illegally dismissed by the respondent PCI Worldwide(.) Inc.(.) Hence, it is ordered to reinstate complainants to their former position or substantially equivalent position with full backwages in the total amount of P409,213.90 and ten percent (10%) attorney's fees.

The reinstatement of the complainants is immediately executory and respondents are directed to report compliance thereof within ten (10) days from receipt of this decision.

All other claims are dismissed for lack of merit.

SO ORDERED."[22]

In arriving at the foregoing disposition, the Labor Arbiter ratiocinated in this prose—

"In the case at bar, the dismissal of complainant Dumaraos is not substantially proven. The charges contained in his notice of termination failed to sufficiently establish that complainant Dumaraos indeed is guilty of these offenses that warrant his dismissal.

The charge of using company property, material or equipment to do unauthorized work for personal gain, the giving of false testimony or willful withholding of information during company investigation and falsification of company records were not supported by substantial evidence. The supposed insubordination or willful refusal to accept legitimate instructions resulting in the damages to Company welfare imputed against complainant Alvior and complainant Niosco are likewise without any basis. As complainants explained to compel them to move out of their residences is a violation of their constitutional right to the liberty of abode. Likewise, the facts of the case do not establish the existence of loss of trust and confidence.

This office further observed that the controversy pertaining to all of the complainants emanates from the supposed illegal tapping of electric supply of the company which accordingly exceeded from the allowable ten (10) amperes. However, what is clear from the facts in the case at bar that respondents failed to establish with competent proof that indeed complainants exceeded the allowed electric amperes.

Where there is absence of clear, valid and legal cause of termination, the law considers it a case of illegal dismissal. In termination cases, the burden of proving the just cause of dismissing an employee rests on the employer, and his failure to do so would result in a finding that the dismissal is not justified. Having failed to establish by concrete and direct evidence, no substantial basis exists for complainants' dismissal. 'To allow an employer to dismiss an employee based on mere allegations and generalities would place the employee in a dangerous situation. He would be at the mercy of his employer and the right to security of tenure, which this Court is bound to protect, would be unduly emasculated.' xxx Sufficed (sic) to state that the respondents failed to support by substantial evidence that the complainants are guilty as charge(d). The present case, the unsubstantiated suspicions and baseless conclusions of respondents do not provide legal justification for dismissing herein complainants. The doubt in this case should be resolved in favor of labor pursuant to the social justice policy of labor laws and the Constitution."[23]

Unruffled, private respondents appealed[24] to the NLRC which, in the first assailed Resolution, adjudged, viz—

"WHEREFORE, premises considered. The appeal is partly GRANTED and the Decision dated 22 March 2013 is MODIFIED ordering (private respondents) to pay in lieu of reinstatement separation pay of one month pay to (petitioners) for every year of their service and limited backwages of three months each to (petitioners Silverio and Julius) and six months to (petitioner Ronald), computed as follows:

Julius R. Niosco

=

P118,300.00

Ronald Alvior

=

P232,920.00

Silverio Dumaraos

=

P129,600.00

The award of attorney's fees is VACATED and SET ASIDE.

SO ORDERED."[25]

Both parties moved for a reconsideration[26] but their pleas did not sit well with the NLRC as these were denied for lack of merit in the second impugned Resolution.

Ensuingly, petitioners come to Us via this Petition, anchored on the following grounds:

ITHE NATIONAL LABOR RELATIONS COMMISSION (NLRC) COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION IN RULING THAT PETITIONERS WERE AFFORDED PROCEDURAL DUE PROCESS

IITHE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN RULING THAT THERE IS FACTUAL BASIS FOR THE DISMISSAL OF HEREIN PETITIONERS

IIITHE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN LIMITING THE BACKWAGES TO THREE MONTHS THAT WOULD IN EFFECT SUSPEND THE PETITIONERS FROM THEIR WORK FOR ONE YEAR AND SEVEN MONTHS

IVTHE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN RULING THAT PETITIONERS ARE NOT ENTITLED TO ATTORNEY(S) FEES

First off, it bears accent that both the Labor Arbiter and the NLRC are in agreement that petitioners were illegally dismissed, but they differ in their appreciation of certain facts. The NLRC modified its ruling in this wise—

"We have a qualified ruling.

(Private respondents), contend that the preventive suspension of (petitioners) were implemented during the time when they were being investigated for causes of their dismissal (i.e.,) stealing of company property tantamount to serious misconduct; that their suspension was ordered to prevent further losses and in order not to influence or hamper further investigation being conducted by them.

(Private respondents) further contend that (petitioners) committed acts of serious misconduct and willful disobedience of lawful orders and fraud or willful breach of trust reposed to them when they connived with Mr. Restrivera the owner of the adjacent property by tapping more than the allotted 10 amperes of electricity to the adjacent lot; that prior to the incident, the company generously allowed the (petitioners) to tap a maximum of ten amperes of electricity; that all of (petitioners) were separately investigated for the act of stealing company property resulting in damages and that as a result of this illegal tapping, the company suffered great loss and high electricity bills.

(Private respondents) also contend that (petitioners) were terminated for just causes; that (petitioner Niosco) holds a position of responsibility; a custodian o company property and if he fails to oversee the stocks of

essential tools would result in massive loss and damage to the company as what happened when bearing 6309 went out of stock; that (petitioners') dismissal are valid because they breached the trust given to them (sic) by (private respondents).

(Private respondents') contention is partly impressed with merit.

The requirement of due process is two fold namely: 1) substantive aspect and 2) procedural aspect. To validly dismiss an employee, both aspects should be complied with the law requires not only the existence of a just and valid cause but also enjoins the employer to give the employee the opportunity to be heard and to defend himself.xxx

For termination based on just causes under Article 282, procedural due process means compliance with the requirements of two notices and a hearing. These requirements are mandatory, non-compliance therewith the employer will be made to pay an indemnity in the form of nominal damages to the employee.

In this case, (private respondents) substantially complied with the requirements of procedural due process. (Private respondents) sent an Employee Explanation dated 23 March 2012 to (petitioner Silverio) charging him of offenses against property and security;xxx. (Petitioner Silverio) submitted his explanation. (Private respondents) placed (petitioner Silverio) under preventive suspension from 24-31 March 2012. xxx which copy of the notice he refused to receive. On 1 April 2012(,) (petitioner Silverio) was terminated for violation of Company Code of Conduct on charges of offenses against property security.xxx (petitioner Ronald) was charged by (private respondents) on 3 April 2012 for violation of Company Code of Conduct particularly Conflict of Interest. xxx. He wrote his explanation in the notice itself xxx. (Private respondents) also placed (petitioner Ronald) under preventive suspension from 11-17 April 2012 and on 17 April 2012 he was terminated effective 18 April 2012 due to loss of trust and confidence reposed to him. Xxx. (Petitioner Julius) was charged of (sic) offenses affecting productivity and major job responsibility on 3 April 2012. He wrote his explanation in the notice itself on even date. xxx and in another paper. xxx explaining that he had done nothing wrong against the company. He was preventively suspended from 11-17 April 2012. xxx and was charge(d) of another offense of violation of Company Code of Discipline in connection with stock level of bearing 6309. xxx. He submitted his explanation on 2 March 2012, then a Notice of Disciplinary Action was issued on 8 March 2012 xxx and the Notice of Termination of employment effective 18 April 2012.xxx

Substantive aspect of due process simply dictates that no arbitrary or whimsical dismissal of an employee may be effected by the employer. The employer shall not terminate the services of an employee except for a just cause or when authorized by law.xxx

In this case(,) (private respondents) charge (petitioners) of (sic) violation of the Company Code of Conduct in connection with the alleged illegal tapping of electric supply from the company to their barracks or rented apartments owned by one Ismael Restrivera (Mang Maeng); that while the company allowed Restrivera ten amperes of electric supply and (petitioners) (sic), the latter in addition to Restrivera's 10 amperes also tapped in the electrical connection of (petitioners) for use in his house and other apartments; that (private respondents) upon confirmation of the alleged illegal tapping of electric supply gave notice on 24 March 2012 to Restrivera that the electric supply will be cut on 10 April 2012; that however Restrivera refused and demanded that he talked with Mr. Rosco and the latter to come to his house; that this incident prompted (private respondents) to give notice to (petitioners) to leave their apartments owned by Restrivera and directed them to transfer to their facility; that (petitioners) denied the charge of illegal tapping of electric supply or knowledge thereof and adamantly refused leaving Restrivera's apartments. These charges resulted in (petitioners) termination.

Regarding (petitioner Silverio), (private respondents) charged and found him guilty of violation of the Code of Conduct, particularly: using company property, materials or equipment to do unauthorized work for personal gain; giving false testimony of wil(l)ful withholding of information during the company investigation or inquiry whether under oath or not and falsification of company records or documents and tampering with company equipment or facilities for the purpose of defrauding the company or to commit dishonesty act. xxx.

In his explanation, (petitioner Silverio) contends that he sought the permission of one Victor Santos for his use of electric supply in addition to one given to Restrivera; that he do not know if there was tapping done on their electric supply; because he has not entered the house of Restrivera without the latter's permission; that when he was ordered by Mr. Rosco to cut their electric connection, he did not do it because they will have no light and that he believes that they are the only ones using the electric supply xxx Contrary to said explanation, (private respondents) found out after checking the lines that (petitioners') connection is also connected to Restrivera's electric supply and that as per discussion with Restrivera on 22 March 2012 the latter confirmed that he connected to (petitioners) lines in addition to his 10 amperes.xxx

Gleaned from the foregoing, we lend credence to (private respondents') contention that (petitioner Silverio) has knowledge of the illegal tapping of electric supply from his connection by Restrivera. We note that (petitioner Silverio) is a plant electrician xxx hence, his contention that he has no knowledge about his connection being tapped is ably controverted. On the issue of whether he is also guilty of serious misconduct under Article 282 of the Labor Code(,) We rule in the affirmative. In the case of *Firestone Tire and Rubber Company of the Philippines v. Lariosa* (G.R. No. L-70479, February 27, 1987) the Court ruled that a theft of a company-owned property is a just cause for termination of employment of the culprit under Article 282 of the Labor Code, specifically, on the ground of serious misconduct or fraud or wil(l)ful breach by the employee of the trust reposed in him by his employer or authorized representative. In this case, however, while illegal tapping was established it did not directly point to (petitioner Silverio) the act of pilfering or tapping the electric supply. Hence, his infraction do not warrant the supreme penalty of dismissal.

Given this circumstances, (petitioner Silverio) was illegally dismissed and entitled to the reliefs provided under Article 279 of the Labor Code. We note(,) however(,) that with the adamant refusal of (petitioner Silverio) to transfer residence and his closeness to Restrivera, a question on his loyalty to the company arises and reinstatement is no longer possible due to strained relation hence, payment of separation pay of one month pay for every year of service of service in lieu of reinstatement is in order. Considering further that (petitioner Silverio) is not totally blameless in the incident of the illegal tapping of electric supply, (petitioner Silverio) is entitled to a limited backwages for three months.

Regarding (petitioner Ronald)(,) (private respondents) charged and found him guilty of loss of trust and confidence because of his wil(l)ful refusal to accept legitimate instructions from management to vacate his current residence referring to the recent unfortunate event inside the PCI Worldwide(,) Inc. Manufacturing plant, resulting in damages to company welfare and security which in tantamount to Conflict of Interest as noted in the Company Code of Conduct. (Petitioners Ronald and Silverio) are roommates in the apartment owned by Restrivera and due to the altercation between Mr. Rosco and Restrivera regarding the illegal tapping of electric supply, (private respondents) believes that continued residency at Restrivera's place constitute to conflict of interest, hence the demand to vacate the place. (Petitioner Ronald's) explanation was written on the same notice to vacate, wherein he stated that he will think about it first, that it is not Restrivera who is ordering them to vacate; that if (private respondents) is (sic) the owner of the place then he will vacate. xxx. (Petitioner Ronald) further explained that he has nothing to explain because he has not done anything wrong or any violation that would cause damage to the company. xxx Because of the questionable loyalty that (petitioner Ronald) has shown to Restrivera and his wil(l)ful disobedience and disregard to (private respondents) directive whom he served for more than seventeen (17) years, We opine that (private respondents) have valid ground to discipline (petitioner Ronald) due to loss of trust and confidence. Considering(,) however(,) that (petitioner Ronald) is not holding a position of trust and confidence and is not a managerial or supervisory employee, his infraction do (sic) not warrant his dismissal. (Petitioner Ronald) was therefore illegally dismissed but because of strained relation, in lieu of reinstatement he is entitled to a separation pay of one month pay for every year of service and because of his attitude and lack of loyalty to his employer he is entitled to limited backwages of six months only.

Lastly, in the case of (petitioner Julius), (private respondents) also gave him a notice to vacate or transfer from

the property of Restrivera with an offer to help him transfer his things to Carmona xxx (Petitioner Julius) explanation was written in the same notice dated 3 April 2012 noting that he has no plan to transfer because it is not Restrivera who is ordering them to leave. (Petitioner Julius) further explained that he has not done any wrong in connection with the company welfare and security; that he is not refusing the directive to vacate or transfer but he explained the difficulty of transferring back to his parents now that he has his own family. xxx (Private respondents) also charge(d) (petitioner Julius) of offense affecting productivity and major job responsibility as maintenance and warehouseman (sic) by his failure to coordinate for the proper stock of spare parts particularly 'stock level of bearing 6309' xxx. The lack of replacement of bearing resulted in the turning off of the Grinder 1 due to abnormal sound, bearing problem and lack of stock of 6309 bearing which were earlier used to rootblower xxx. (Petitioner Julius) submitted his explanation alleging that he maintained 6 units of bearing(s) 6309 and these are seldom used; that on 8 January 2012 he had still four stocks(,) 2 were withdrawn on 3 February 2012 and thereafter he prepared a PR which was transmitted on 7 February 2012; that on 4 February 2012 the remaining two bearing(s) were withdrawn hence, he had no stocks; that he exerted best efforts to have stocks available. Xxx On 17 April 2012(,) (private respondents) found him guilty of loss of trust and confidence for failure to do his duty as warehousemen (sic) and his wil(l)ful refusal to accept legitimate instructions from management to vacate his current residence referring to the illegal tapping of electric supply from their connection by the owner of their place, Restrivera. Hence, his termination on 18 April 2012.

While we find (private respondents') disciplinary action against (petitioner Julius) to have sufficient basis we do not(,) however(,) agree to the imposition of the supreme penalty of dismissal it being a harsh penalty. (Petitioner Julius) was therefore illegally dismissal (sic) but because he holds a position of trust and confidence strained relations is present. In lieu of reinstatement (petitioner Julius) shall be paid separation pay of one month pay for every year of service with limited backwages of three months only.

Given the foregoing findings that (petitioners) were not totally blameless the award of attorney's fees lacks sufficient factual and legal basis."[27]

A sedulous review of the record evinces that indeed, the NLRC unfailingly adjudged that petitioners were accorded procedural due process. However, We probed into the factual milieu of the case with a fine-tooth comb and found no convincing basis for the labor tribunal to qualify its disposition.

Upon this point, it is primal that the burden is on the employer to prove that the termination was for a valid cause. Unsubstantiated accusations or baseless conclusions of the employer are insufficient legal justifications to dismiss an employee. The unflinching rule in illegal dismissal cases is that the employer bears the burden of proof.[28]

In the case at bench, We rule and so hold that private respondents failed to establish the quantum of proof necessary to effectuate the dismissal of petitioners. Simply put, private respondents' reasons for terminating the employment of petitioners were not supported by substantial evidence or that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion.[29]

Records reflect that petitioners' dismissal from employment has its precursor in the alleged illegal tapping of electricity. Private respondents maintained that they knowingly used more than the allowed 10 amperes of electricity. At this juncture, it is not disputed that petitioners were allowed to tap electricity by private respondent PCI. This being so, it behooves private respondent to show with clarity as to how many amperes were granted to petitioners to be able to determine that truly the latter abused their generosity by using more than what was given them. Lamentably, private respondents failed to do so.

Given this factual backdrop, what then should be awarded to petitioners?

Pursuant to Article 279 of the Labor Code, an employee who is unjustly dismissed from work shall be entitled to

reinstatement without loss of seniority rights and other privileges and to his full backwages, inclusive of allowances, and to his other benefits or their monetary equivalent computed from the time his compensation was withheld from him up to the time of his actual reinstatement. In cases of illegal dismissal, the employee is forced to litigate and incur expenses to protect his rights and interest. Thus, he must be awarded attorney's fees. Although an express finding of fact and law is still necessary to prove the merit of the award of attorney's fees, there need not be any showing that the employer acted maliciously or in bad faith when it withheld the wages. There need only be a showing that the lawful wages were not paid accordingly.[30]

Given the foregoing doctrinal yardstick, We find and so hold that the Labor Arbiter erred not in directing private respondent PCI to award full backwages and attorney's fees to petitioners. All the same, reinstatement of petitioners is antithetical to the telling and manifest strained relations between the parties. Appropriately, separation pay equivalent to one month pay for every year of service should be paid to petitioners.

WHEREFORE, the Petition is hereby PARTLY GRANTED. Private respondent PCI Worldwide, Inc. is ORDERED to pay petitioners the following:

- Backwages from the time they were illegally dismissed up to the promulgation of the 16 September 2013 Resolution of the National Labor Relations Commission;
- Separation pay counted from the time they were hired up to the promulgation of the 16 September 2013 Resolution of the National Labor Relations Commission; and
- Ten (10%) percent of the total monetary award as attorney's fees.

SO ORDERED.

Ybañez, and Manahan, JJ., concur.

[1] Rollo, pp. 34-55.

[2] Id., pp. 251-260.

[3] Id., 272-273.

[4] See Decision, Rollo, pp. 159-162.

[5] Id., p. 118.

[6] Id., p. 119.

[7] See Notice; Id., p. 120.

[8] The notice informing Dumaraos of his suspension was served upon him only on 26 March 2012 albeit stating therein that said suspension would start on the 24th of March 2012. Id., p. 110.

[9] Rollo, p. 121.

[10] Id., p. 122.

[11] Id., p. 123.

[12] Id., p. 124.

[13] Id., p. 125.

- [14] *Id.*, p. 127.
- [15] *Id.*, p. 126.
- [16] *Ibid.*
- [17] *Id.*, p. 128.
- [18] *Rollo*, p. 129.
- [19] *Id.*, p. 133.
- [20] *See Id.*, p. 134.
- [21] *Id.*, pp. 159-168.
- [22] *Id.*, pp. 167-168.
- [23] *Rollo*, 165-166.
- [24] *Id.*, pp. 169-183.
- [25] *Rollo*, pp. 259-260.
- [26] *Id.*, pp. 261-270.
- [27] *Rollo*, pp. 255-259.
- [28] *See Garza v. Coca-Cola Bottlers Philippines, Inc.*, 714 SCRA 251, 274 (20 January 2014).
- [29] *See Ramos v. BPI Family Savings Bank, Inc.*, 711 SCRA 590, 598 (4 December 2013).
- [30] *See San Miguel Corporation v. Teodosio*, 602 SCRA 197, 217 (2 October 2009).

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.