

IRIGA TELEPHONE CO., INC., PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION, HONORABLE DOMINADOR MEDROSO, JR. AND INOCENCIO PRAXIDES, RESPONDENT.

G.R. No. 119420. February 27, 1998

Ponente: ROMERO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-119420/>

ROMERO, J.:

Petitioner seeks the reversal, in this petition for certiorari under Rule 65 of the Rules of Court, of the February 16, 1995 resolution of the National Labor Relations Commission, ordering it to pay private respondent Inocencio Praxides separation pay equivalent to one month pay for every year of service.

The facts, as culled from the records, are as follows:

Inocencio Praxides was employed by the Iriga Telephone Company (hereafter ITELCO) as a collector-technician in 1974. On March 21, 1989, Praxides complained to Sylvia Abella, secretary to the ITELCO president, that the entries on his BIR Form 1701-B[1] were incorrect, the amount of salaries and bonuses reflected therein being larger than what he had actually received in 1988. The latter told him to report the matter to Atty. Santiago Ortega, ITELCO's president and general manager. On April 1, 1989, ITELCO's telephone operator handed Praxides a note from Atty. Ortega, directing him to confer with the latter at his office at 4 o'clock of the same day. At the conference, Atty. Ortega and Praxides discussed the latter's complaints, including that which pertained to the disparity between his salary increase and the increase of his junior co-employees. Sensing that Atty. Ortega was losing his temper, Praxides prepared to leave. He was prevented from doing so, however, as Atty. Ortega, after calling in a security guard, closed the door of the office. The former then kicked Praxides, all the while subjecting him to verbal abuse. Ortega then told Praxides that he was being terminated due to his propensity to complain, after which he was ordered to leave.

Praxides went to the Iriga Police Station to report the incident between him and Atty. Ortega before proceeding to the St. Jude Hospital for treatment. Later, he filed a criminal complaint against Atty. Ortega, who was, however, acquitted of the charge due to insufficiency of evidence.

On April 3, 1989, Praxides sent a letter to Atty. Ortega, claiming that he "cannot yet report for work until our differences is (sic) resolved for fear of repetition of said incident or further maltreatment from you." [2] In a letter dated April 11, 1989, Atty. Ortega, declaring that Praxides was out of his mind, denied the occurrence of the incident and stated that the latter was considered absent without leave due to his failure to report for work from April 2 up to that time.

On April 17, 1989, Praxides filed a complaint before the NLRC Sub-Regional Arbitration Branch V–Naga City, docketed as Sub-RAB-V Case No. 04-00112-89, for unfair labor practice, underpayment, premium pay for holiday and rest day, and damages against ITELCO. The case was assigned to Labor Arbiter Dominador B. Medroso, Jr. On April 28, 1989, the complaint was amended to include charges of illegal dismissal and claims for separation pay and reinstatement.

The hearing of the case was repeatedly reset, from May 17, 1989 to June 27, 1989, to July 20, 1989, then to September 19, 1989. On aforesaid date, ITELCO moved to postpone the hearing, which was granted by the labor arbiter. Hearing was, thus, reset to October 10, 1989, then to October 24, 1989. Again, at the scheduled hearing of January 21, 1990, ITELCO moved to postpone the same. The labor arbiter reset the same to March 1, 1990, but noting the repeated postponements of the case, warned that no further motions for postponement would be entertained. Notwithstanding the same, ITELCO again sought to postpone the hearing. The labor arbiter, thus, denied the same and deemed the case submitted for decision.

On February 2, 1993, after the parties had submitted their respective position papers, memoranda, and other pleadings, the labor arbiter rendered a decision, the dispositive portion of which reads:

“WHEREFORE, premises considered, judgment is hereby rendered dismissing the complaint for illegal dismissal and unfair labor practice for lack of merit. However, respondent is ordered to reinstate complainant to its (sic) former position without loss of seniority rights and without backwages immediately upon receipt of this Decision and submit proof of this Order within five (5) days from receipt hereof. If reinstatement is no longer feasible, respondent is ordered to pay complainant separation pay equivalent to ½ month pay for every year of service and to pay complainant his labor standard benefits (money claim from November 16, 1989 to April 1, 1989) or a total of P15,782.00.

x x x x x x x x

All other claims are dismissed for lack of legal and factual basis.

SO ORDERED.[3]

Both parties appealed to the NLRC, which, in a resolution dated August 16, 1994, affirmed the decision of the labor arbiter with modification by increasing the award of separation pay to one month pay for every year of service. Its motion for reconsideration of said resolution having been denied by the NLRC in its resolution of February 16, 1995, ITELCO elevated its case to this Court, raising the following issues:

1. WHETHER OR NOT RESPONDENT NLRC IN AFFIRMING THE LABOR ARBITER’S ACTION OF DECIDING THE CASE WITHOUT HEARING DESPITE THE INSISTENCE TO THE CONTRARY BY IRIGA TELEPHONE COMPANY, INC. AND DESPITE THE ABSENCE OF AN ORDER STATING THAT THE LABOR ARBITER HAS FOUND NO NECESSITY OF FURTHER HEARING, INFORMING THE PARTIES THEREOF AND STATING THE REASONS THEREFOR, ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION;
2. WHETHER OR NOT RESPONDENT NLRC, IN ARBITRARILY AND WITHOUT ANY REASON INCREASING THE AWARD OF SEPARATION PAY FROM ½ MONTH TO ONE MONTH SALARY FOR EVERY YEAR OF SERVICE, DESPITE THE FINDING THAT PRAXIDES WENT ON AWOL, ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION.

The petition lacks merit.

As regards the first issue, ITELCO alleges that the last day for hearing, March 1, 1990, was set by the labor arbiter himself, without the participation of Atty. Negrampa, ITELCO’s counsel. As the latter had other pressing engagements on that date, he met with Praxides’ lawyer, Atty. Raquel S. Payte, to have the same reset to March 16, 1990. Atty. Payte agreed, prompting Atty. Negrampa to file the requisite motion for postponement. ITELCO now claims that opposing counsel reneged on their agreement by moving that the case be deemed submitted for decision on March 1, 1990, while Atty. Negrampa was absent. The labor arbiter ruled favorably on said motion, prompting ITELCO to claim that it was precluded from adducing further evidence in its favor.

ITELCO conveniently forgets that the instant case has been repeatedly reset due to its numerous postponements and failure to appear; that it filed an urgent motion to postpone the January 21, 1990, hearing, citing counsel's pressing engagements; that the same was acted upon favorably by the labor arbiter, who reset the hearing to March 1, 1990, with a note that no further motions for postponement would be entertained. Despite the warning of the labor arbiter, however, ITELCO again sought to postpone the case. ITELCO only has its counsel to blame if its motion was denied by the labor arbiter who deemed the case submitted for decision on the basis of position papers, memoranda, and other pleadings relevant to the case. A lawyer should not assume that his motion for postponement will be granted even if it bears the conformity of the other party, as the court is not bound thereby.[4] The NLRC, thus, cannot be considered to have acted with grave abuse of discretion when it affirmed the labor arbiter's act of deciding the case without hearing.

Moreover, the holding of a trial is discretionary on the labor arbiter and cannot be demanded as a matter of right by the parties.[5] Section 4, Rule V of the New Rules of Procedure of the NLRC grants an arbiter wide latitude to determine, after the submission by the parties of their position papers/memoranda, whether there is need for a formal trial or hearing. ITELCO's insistence on a formal hearing is not in consonance with the need for speedy disposition of labor cases, for the parties may then willfully withhold their evidence and disclose the same only during the formal hearing, thus, creating surprises which would merely complicate the issues and prolong the trial. There is a dire need to lessen technicalities in the process of settling labor disputes.[6] This Court, thus, fails to see how the failure of the arbiter to conduct a formal hearing could constitute grave abuse of discretion.

With regard to the award of separation pay, ITELCO capitalizes on the labor arbiter's finding that Praxides deliberately abandoned his work, the arbiter ruling that the former's fear of further maltreatment from Atty. Ortega if he reported for work was merely speculative. But while the labor arbiter ruled that Praxides voluntarily desisted from reporting for work, it awarded the former separation pay on the ground that ITELCO was not entirely blameless for the incident as the alleged assault of Atty. Ortega justified Praxides' going AWOL. ITELCO contests the award, maintaining that the arbiter's justification for the award was non-existent, Atty. Ortega having been acquitted of the criminal charge for physical injuries for lack of evidence.

It is hornbook doctrine that the quantum of evidence required in criminal cases is proof beyond reasonable doubt. On the other hand, in proceedings before the labor arbiter, what is required is merely substantial evidence, or such amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion.[7] Thus, the acquittal of ITELCO's president and manager of the charges of assault on Praxides is not incompatible with the labor arbiter's finding that "complainant [Praxides] could not be totally blamed when he desisted from working with respondent. Complainant has some basis to justify to (a) certain extent his being on AWOL. Likewise, respondent ITELCO [petitioner herein] cannot be said to be blameless and totally relieved of its responsibility for the alleged act committed by Atty. Ortega, its president and general manager." [8] While the trial court may have acquitted Atty. Ortega, the filing of criminal charges against him is, itself, substantial evidence that, indeed, there was an assault on Praxides. This was further bolstered by Praxides' complaint to the police immediately after the supposed incident, his seeking medical treatment thereafter, and his submission of an affidavit recounting the alleged incident. The labor arbiter's factual finding of the existence of the assault, supported as it is by substantial evidence, is binding upon the Supreme Court, in line with the well-established rule that factual findings of quasi-judicial agencies like the NLRC are generally accorded not only respect but even finality if such findings are supported by substantial evidence.[9]

In sum, the labor arbiter ruled that, while Praxides was at fault for desisting from working for ITELCO, the former could not be totally blamed for doing so because of the maltreatment he suffered at the hands of Atty. Ortega. He tried to restore the status quo by decreeing Praxides' reinstatement without loss of seniority rights but

without back wages. The filing by Praxides of a criminal complaint against ITELCO's president and general manager has, however, strained the relations between them, moving the NLRC to award separation pay in lieu of reinstatement, in conformity with applicable jurisprudence on the matter.[10] Certainly, this act does not constitute abuse of discretion, much less grave abuse, on the part of the NLRC. Finally, as to the amount of the monetary award, this Court has ruled that where reinstatement is no longer an option, a separation pay equivalent to one month's salary for every year of service is awarded as an alternative.[11]

WHEREFORE, finding no grave abuse of discretion committed by public respondent NLRC, the present petition is hereby DISMISSED for lack of merit. Costs against petitioner.

SO ORDERED.

Narvasa, C.J., (Chairman), Kapunan, and Purisima, JJ., concur.

[1] Certificate of Income Payment Not Subject To Withholding Tax.

[2] Rollo, p. 72.

[3] Ibid., p. 52.

[4] AGPALO, LEGAL ETHICS (5d), p. 176, citing Deluao vs. Casteel, 26 SCRA 475 (1968).

[5] NFL vs. NLRC, G.R. No. 113466, December 15, 1997, citing Salonga v. NLRC, 254 SCRA 111 (1996).

[6] Ibid., citing Palomado vs. NLRC, 257 SCRA 680 (1996).

[7] Madlos vs. NLRC, 254 SCRA 248 (1996).

[8] Labor Arbiter's Decision, p. 6.

[9] PCI Automation Center, Inc. vs. NLRC, 252 SCRA 493 (1996).

[10] Vallacar Transit vs. NLRC, 246 SCRA 460 (1995).

[11] Reformist Union of R.B. Liner, Inc. vs. NLRC, 266 SCRA 713 (1997), citing Sealand Service, Inc. vs. NLRC, 190 SCRA 347 (1990), Globe-Mackay Cable vs. NLRC, 206 SCRA 701 (1992).

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.