

CESAR ACDA, PETITIONER, VS. THE MINISTER OF LABOR AND PAN ORIENTAL MATCH CO., INC., RESPONDENTS.*G.R. No. 51607. December 15, 1982*

Ponente: DE CASTRO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-51607/>**DE CASTRO, J.:**

Subject of this petition for certiorari is the Order[1] of respondent Minister of Labor dated 11 May 1979 upholding petitioner's dismissal and setting aside the Resolution[2] of the National Labor Relations Commission, affirming the Decision[3] of the Labor Arbiter, which ordered respondent company to reinstate petitioner to his former position as Sales Supervisor with full back wages from the date of his dismissal up to actual reinstatement without loss of seniority rights.

Record reveals that on 26 September 1976, petitioner officially received his appointment bearing the same date as Sales Supervisor Trainee, but due to the urgent need to fill up the position, he was made to work starting 1 September 1976, before the effectivity date of the appointment. The term of the contract is that the employment shall be temporary in nature for a period of one (1) month, and if the respondent company should find his performance satisfactory during the said period, he would be extended a probationary appointment.

Effective the close of working day of 31 January 1977 or within his probationary employment, petitioner was dismissed by the respondent company on the alleged grounds of "loss of confidence and for want in capabilities as Regional Sales Supervisor". As a consequence, petitioner filed a complaint with the Ministry of Labor on 28 February 1977 against the respondent company contesting his termination as illegal allegedly because respondent company denied him due process as he was not informed beforehand of his shortcomings; that matters should have been explained to him in order that he could rectify or defend the mistakes he committed; that the excuse of loss of confidence has no basis in the absence of any standard of performance upon which he was rated on the job; and that his dismissal was a plot to circumvent the law on security of tenure. For its part, respondent company argued that as a managerial employee, petitioner's appointment was anchored on the trust and confidence reposed in him by the Company and that when this ceased to exist, he may be terminated, more so, within the probationary period of his employment.

On 23 August 1977, the Labor Arbiter assigned on the case rendered a decision in favor of petitioner declaring the charges levelled against him, aside from being flimsy in character, to be without factual and legal bases as he had explained point by point his reasons or answer against the charges, the dismissal being triggered by "the outburst of Mr. Perez' petty jealousy," as may be gleaned from the following circumstances:

"When (petitioner) was granted a car, Mr. Perez restricted him of its use by issuing a memorandum that it will not be used outside the greater Manila area and that it will not be brought home in the night. The memo was set aside by the company president in view of the activities of (petitioner) in connection with his work.

"The company president also bypassed Mr. Perez in favor of (petitioner) when the latter prepared a project analysis in connection with the company's 5-year sales projection after which (petitioner) was directed by the

company president to make proper representations with bank officials, which normally is the task of Mr. Robert Perez, being the Vice-President for Marketing." [4]

The Labor Arbiter also took into consideration the letter dated 3 January 1977 of respondent company's president extending his congratulations to petitioner for "excellent job performance."

On appeal at the instance of respondent company, the National Labor Relations Commission affirmed the decision of the Labor Arbiter in its resolution dated 19 January 1978, the material portion of which reads:

"The appeal was filed in only seven copies instead of ten as required by the Rules of this Commission. No appeal fee appears to have been paid, which means that the appeal has not been perfected in accordance with the said Rules.

"These facts notwithstanding, we read the record of this case and found no error committed by the Labor Arbiter below. Not only has the (petitioner) convincingly refuted the charges which are being invoked as grounds for his dismissal; he has also shown by facts and figures, that he performed well in his job, which caused the president of the respondent company, shortly before he was dismissed, to congratulate him 'for a job well done,' and to expect 'spectacular' performance in his area of operation in 1977." [5]

Not satisfied, respondent company appealed to the Minister of Labor. In an Order dated 11 May 1979, the Deputy Minister, by authority of the Minister of Labor, reversed the resolution of the National Labor Relations Commission and dismissed the complaint for illegal dismissal holding, in substance, that by the probationary nature of petitioner's appointment, it is well within the prerogative of respondent company to terminate the services of petitioner, if in the former's evaluation, the latter did not meet the requirements to said position.

After his motion for reconsideration was denied in the Order [6] of 27 July 1979, petitioner came to Us, questioning the jurisdiction of respondent Minister of Labor to entertain respondent company's appeal and prayed for the setting aside of the Order of 11 May 1979, for being null and void, and for the revival of the NLRC resolution sustaining his claim for illegal dismissal and back wages.

We find this petition to be impressed with merit.

Well-rooted is the principle that perfection of an appeal within the statutory or reglementary period is not only mandatory but also jurisdictional and failure to do so renders the questioned decision final and executory that deprives the appellate court or body of jurisdiction to alter the final judgment, much less to entertain the appeal. [7] As may easily be gleaned from the NLRC resolution, the appeal of respondent company to said body did not comply with the requirements prescribed in perfecting an appeal. [8] Being so, the appeal has not been duly perfected thereby rendering the decision of the Labor Arbiter final and executory after the lapse of the reglementary period provided by the Labor Code. The jurisdiction of the respondent Minister entertaining the appeal may thus be questioned and rightly so, even in the instant petition.

While it may be true, as pointed out by the Solicitor General [9] that technical rules are not binding in labor cases, Article 221 of the Labor Code, as amended, is quite explicit in restricting its application in the following tenor:

"In any proceeding before the Commission or any of the Labor Arbiters, the rules of evidence prevailing in courts of law or equity shall not be controlling and it is the spirit and intention of this Code that the Commission 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 or procedure, all in the interest of due process. x x x."

Verily, non-payment of the appeal fee cannot be excused by invoking the aforequoted provision whose scope is limited to the application of the rules of evidence and the use of all reasonable means, in the ascertainment of

facts. The requirement of an appeal fee is by no means a mere technicality of law or procedure. It is an essential requirement in the perfection of an appeal without which the decision appealed from would become final and executory, as if no appeal was filed at all. And this must be so considering that the right to appeal is not a natural right nor a part of due process but is merely a statutory privilege and may be exercised only in the manner prescribed by, and in accordance with, the provisions of the law;^[10] therefore, respondent company must conform to the rules of appeal as provided for in labor cases, consistent with an imperious need for the prompt disposition of labor cases in line with the policy of affording speedy labor justice.

We likewise find to be well-taken petitioner's claim that the "just cause" contemplated under the Labor Code did not exist insofar as his dismissal is concerned. The findings of the Labor Arbiter on this point, as upheld by the National Labor Relations Commission, are quite clear, and We find no reversible error therein the same being substantiated by evidence of record, aside from the fact that said findings had already attained the character of finality by the non-perfection of a proper appeal.

What makes said findings more forceful is the commendation issued by respondent company's president to petitioner, shortly before his dismissal, congratulating the latter "for a job well done." While the respondent company argued that petitioner could not invoke said commendation in his favor as the president was misled into issuing the same, such is a mere claim unsupported by sufficient proof. With the charges against petitioner found to be unsubstantiated, We are left with no other alternative but to hold that the so-called "loss of confidence" is without basis and may not be successfully invoked as ground for dismissal which requires some basis therefor;^[11] such ground never having been intended to afford an occasion for abuse by the employer of its prerogative, as it can easily be subject to abuse because of its subjective nature, to dismiss employees in contravention with the "protection of labor" clause of the Constitution.^[12] It is this Constitutional guaranty that accords even to employees employed on a probationary basis the protection that their services "may be terminated only for a just cause or when authorized by existing laws, or when he fails to qualify as a regular employee in accordance with reasonable standards prescribed by the employer."^[13]

FOR THE REASONS GIVEN, the Order of respondent Minister of Labor dated 11 May 1979 is hereby set aside and declared null and void and the Resolution of the National Labor Relations Commission dated 19 January 1978 upholding the Decision of the Labor Arbiter dated 23 August 1977 is hereby reinstated, but the award of backwages is herein limited to three (3) years without qualification and deduction in accordance with existing jurisprudence, with costs against the respondent company.

SO ORDERED.

Makasiar, (Chairman), Concepcion, Jr., Guerrero, Abad Santos, and Escolin, JJ., concur.

Aquino, J., dissents, the decision does not show when the petitioner raised the issue as to the nonpayment of the appeal fee. The fact that the NLRC entertained the appeal, notwithstanding the alleged nonpayment of the appeal fee, shows that that requirement is not important. The Minister of Labor correctly held that since the appointment of the petitioner was probationary the company could terminate his services. On the other hand, it is not just and equitable that the petitioner should be awarded backwages from 1977 when he had done nothing and when the company has no confidence in him.

[1] pp. 10-13, Rollo.

[2] pp. 14-15, Ibid.

[3] pp. 110-117, Ibid.

[4] p. 6, Labor Arbiter's Decision, p. 116, Rollo.

[5] NLRC resolution, pp. 14-15, Rollo.

[6] Annex "7" to Respondent Company's Comment, p. 145, Rollo.

[7] Vega v. WCC, 26 March 1979, 89 SCRA 140; Soliven v. WCC, 30 June 1977, 77 SCRA 518; Ramos v. Republic, 27 February 1976, 69 SCRA 576.

[8] See Section 1(s), Rule I, Book V, Implementing Rules and Regulations of the Labor Code, which defines "perfection of an appeal" as to include "the payment of the appeal fee."

[9] p. 10, Memorandum for the Respondent, p. 181, Rollo.

[10] Velasco v. Court of Appeals, 51 SCRA 439; Bello v. Fernando, 4 SCRA 135.

[11] Galsim v. Philippine National Bank, 29 SCRA 293; Philippine Education Co., Inc. v. Union of Philippine Education Employees (NLU), 107 Phil. 1003.

[12] Sec. 9, Art. II, 1973 Constitution.

[13] Sec. 6(c), Rule 1, Book VI, Implementing Rules; Art. 282, Labor Code of the Philippines.

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.