

TOP FORM MFG. CO., INC., PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION AND JULIANA MALUBAY, RESPONDENTS.

G.R. No. 65706. December 11, 1992

Ponente: MELO, J.

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MELO, J.:

Before Us is a petition for certiorari under Rule 65 of the Rules of Court seeking the annulment of the decision of respondent National Labor Relations Commission (NLRC), in its NCR Case No. AB-1-9943-81 entitled "Juliana Malubay vs. Top Form Manufacturing (Phils.), Incorporated" which ordered herein petitioner to reinstate private respondent Juliana Malubay to her former position, without loss of seniority rights and other privileges appertaining thereto with one (1) year backwages without deduction.

The antecedent facts of this case are as follows:

Private respondent Juliana Malubay began her employment with petitioner Top Form Manufacturing (Phils.), Incorporated in March, 1979, as Plant Supervisor, with a starting salary of P1,200.00 per month. She was initially assigned to supervise a factory line of sixty machine operators. One month thereafter, she was given one more factory line, also with sixty workers, to supervise. Sometime in August, 1979, she was given a salary adjustment of P300.00 a month and in February of the following year, another increment in salary was received by her in the amount of P150.00 per month. Moreover, in October, 1980, she was promoted to the position of Over-All Quality Supervisor in the first shift, from 5:45 a.m. to 1:45 p.m. with a corresponding increase in salary of P350.00 a month. As such Head Supervisor, she had control and supervision over the entire first shift consisting of 120 machine operators and some six line-in-charge. She was also responsible not only for the production and output but also for the quality of products. In addition to her functions, she was likewise given the task of training newly-hired factory workers and of supervising the repair group composed of several employees.

On January 10, 1981, a Saturday, at about 2:00 o'clock in the afternoon, private respondent and her co-supervisors were called to a meeting at the conference room by Dickson Chan, Production Manager. During the conference, Dickson Chan reviewed and examined as usual the production report for the day and he declared that he was not satisfied with the production output, berating private respondent and the other supervisors, thus:

"You Filipinos are lazy people and your Philippine laws are no good, even your government is no good. In Hong-kong, factory workers can buy the most expensive foods and clothes in the world, but, here you Filipinos are like beggars, it is just because you are all lazy."

Thereafter, he crumpled the production report and again threw invectives at private respondent and her co-supervisors, to wit:

"You are bullshits, you Filipinos, get out, you are all lazy, you are like pigs, all of you go home. I do not want to see your face again."

Not satisfied and contended with what he had said. Dickson Chan picked up the stapler on his desk and, but for

some better impulse, would have thrown the same at private respondent and her companions who, frightened, as they were, dispersed.

As a result of this unfortunate incident, private respondent told and instructed her co-supervisors, "Huwag pumasok sa lunes para matauhan si Dickson." Thus, on the next working day, January 12, 1981, a Monday, they absented themselves from work. However, on January 13, 1981, she and her companions reported for work.

On January 16, 1981, petitioner filed an application for clearance to terminate the services of private respondent on the ground of "Loss of Management Confidence". Meanwhile, private respondent was placed under preventive suspension leading to her termination effective January 13, 1981.

Thereafter, on January 19, 1981, private respondent filed a complaint for illegal dismissal against herein petitioner before the Ministry of Labor and Employment, National Capital Region, Arbitration Branch in Manila.

On May 29, 1981, Labor Arbiter Conrado O. Lasquite rendered a decision dismissing private respondent's complaint. However, upon elevation of the matter to the NLRC, said body, in a decision dated December 29, 1982, reversed the Arbiter and accordingly disposed:

"WHEREFORE, in view of the foregoing considerations, the Decision appealed from is hereby set aside and another one entered, directing the respondent company, thru its responsible officials, to reinstate complainant to her former position without loss of seniority rights and other privileges appertaining thereto with one (1) year backwages without deduction considering that complainant is not entirely blameless.

SO ORDERED." (p. 8, NLRC's Decision; p. 23, Rollo.)

On March 2, 1983, petitioner filed a motion for reconsideration of the aforementioned decision of the NLRC but the same was denied on October 12, 1983, for lack of merit.

Hence, the instant petition.

Very simply, the crux of the matter to be resolved in the petition is whether or not private respondent's services may be terminated or loss of trust and confidence.

Petitioner argues that respondent Malubay committed willful breach of trust and confidence reposed upon her when she agitated and led the boycott against petitioner. It is further averred that private respondent was not merely a participant in the drama but the leader of the maverick group of supervisors who staged the boycott; that Malubay, as a managerial employee, being Head Supervisor of the entire first shift consisting of 120 machine operators, her powers and functions are central to the effective operation of the company which entails the conferment of the highest degree of trust and confidence, but because of what she did, she had shown her unworthiness to continue in the employ of the company.

On the other hand, private respondent submits that the contentions of the petitioner are devoid of merit. Private respondent claims that she cannot be dismissed for loss of trust and confidence if said prerogative of the employer is abusively and whimsically exercised. As a matter of fact, according to private respondent, it was Dickson Chan who was at fault when the latter vituperated against private respondent and the other supervisors present at the conference. Private respondent further asserts that Chan maligned not only the employees but also the entire Filipino people, the laws and the government of this Republic, so that the company should have understood her feelings and actions.

The petition is well-taken.

The employer has a distinct prerogative to dismiss an employee if the former has ample reason to distrust the

latter or if there is sufficient evidence to show that the employee has been guilty of breach of trust. This authority of the employer to dismiss an employee cannot be denied whenever acts of violation are noted by the employer. The law does not require proof beyond reasonable doubt of the employee's misconduct before the employer can invoke such justification. It is sufficient that there is some basis for the loss of trust or that the employer has reasonable grounds to believe that the employee is responsible for the misconduct and that the nature of the employee's action renders the employee unworthy of the trust and confidence demanded of the position (Valladolid vs. Inciong, 121 SCRA 205 [1983]; DOLE Philippines Inc. vs. NLRC, 123 SCRA 673 [1983]; Ocean Terminal Services, Inc. vs. NLRC, 197 SCRA 491 [1991]; Baguio Country Club Corporation vs. NLRC and GENOVE, G.R. No. 102397, September 4, 1992).

It is an inherent right of the employer to dismiss an employee for loss of confidence. We have a plethora of decisions that supports and recognizes this authority of the employer to cut its relationship with the employee. In the case at bar, it is an admitted fact that private respondent is an employee occupying a high managerial position which entails great responsibility. Thus, petitioner was justified in terminating the employment of the private respondent when she committed acts inimical to her employer's interest. We shall not belabor the time-honored tenet that while the law protects the rights of the employee, it cannot authorize the oppression or self-destruction of the employer. As We ruled in *Almira vs. B.F. Goodrich Philippines, Inc.* (58 SCRA 120 [1974]), through then Chief Justice Enrique Fernando:

"...The basic doctrine underlying the provisions of the Constitution so solicitous of labor as well as the applicable statutory norms is that both the working force and the management are necessary components of the economy. The right of labor has been expanded. Concern is evident for its welfare. The advantages thus conferred, however, call for attendant responsibilities. The ways of the law are not to be ignored. Those who seek comfort from the shelter that it affords should be the last to engage in activities which negate the very concept of a legal order as antithetical to force and coercion... It is even more important that reason and not violence should be its milieu." (at pp. 131-132.)

In the present petition. We cannot condone the act of private respondent in inciting her co-supervisors and leading them in the boycott and wildcat strike. As aptly observed by the Labor Arbiter:

"Even assuming that complainant was berrated by her Production Manager due to under par production output, her remedy is not to sabotage or boycott company operations; she should have gone to higher management levels in order to redress her grievances against her abusive immediate superior. Getting even with the company for the misdeed of only one person, the Production Manager, is totally uncalled for." (p. 4, Labor Arbiter's Decision; p. 14, Rollo.)

Further, We have laws to protect her and her co-supervisors from oppressive foreigners. She should not have taken the laws in her own hands. Private respondent should have viewed the incident between her and the Production Manager from a professional point of view. However, due to her precipitate and irrational action, she hurt the company instead.

The Labor Code, specifically Article 283, acknowledges the right of the employer to put an end to the covenant with the employee, thus:

"Termination by employer. - An employer may terminate an employee for any of the following just causes:

a. x x x

b. x x x

c. Fraud and willful breach by the employee of the trust reposed in him by his employer or his duly authorized agent."

It cannot be gainsaid, in this regard, that the act of private respondent in initiating and leading the boycott, thereby disrupting and impairing company operations, is sufficient reason for petitioner to lose its trust and confidence on private respondent, considering that the latter is a managerial employee of the company whose position carries the corresponding highest degree of responsibility in improving and upholding the interests of the employer and in exemplifying the utmost standard of discipline and good conduct among her co-employees. Withal, the termination of her employment is justified.

In the light of the foregoing, We are of the opinion, and so hold, that respondent NLRC acted with grave abuse of discretion in ordering the reinstatement of Malubay because Top Form Mfg. (Phils.), Inc. had just cause to dispense with the services of private respondent. Nonetheless, considering that Juliana Malubay had worked with the company, as the record shows, with zeal, competence and dedication with no known previous bad record, the ends of social and compassionate justice would be well served if she is paid full separation pay (National Steel Corporation vs. Leogardo, Jr., 130 SCRA 502 [1984]; Engineering Equipment, Inc. vs. NLRC, 133 SCRA 752, [1984]; Firestone Tire and Rubber Co. of the Phils. vs. Lariosa, 148 SCRA 187 [1987]).

ACCORDINGLY, the petition is GRANTED. The decision of the National Labor Relations Commission dated December 29, 1982 is REVERSED and SET ASIDE. Petitioner Top Form Manufacturing (Phils.), Incorporated is directed to pay private respondent Juliana Malubay separation pay to which she may be entitled under the law, or any collective bargaining agreement or company rules or practice, whichever is higher.

SO ORDERED.

Gutierrez, Jr., (Chairman), Bidin, Davide, Jr., and Romero, JJ., concur.

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