

EMPLOYEES ASSOCIATION OF THE PHILIPPINE AMERICAN LIFE INSURANCE COMPANY (EMAPALICO) AND NAPOLEON CAPARAS, PETITIONERS, VS. NATIONAL LABOR RELATIONS COMMISSION AND THE PHILIPPINE...

G.R. No. 82976. July 26, 1991

Ponente: CRUZ, J.

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CRUZ, J.:

Several issues were raised in the proceedings below, but we are concerned here only with the case of Napoleon Caparas. The main question we must resolve is whether he is entitled to reinstatement, assuming this is possible, or only to back wages and separation pay from the private respondent.

In her remarkably well-written decision dated December 10, 1986, Labor Arbiter Ceferina J. Diosana ordered the Philippine American Life Insurance Co. to reinstate Caparas to his original position "as an Accounting Clerk A or to any equivalent position with back wages from the date of termination to actual reinstatement." [1]

On appeal by both parties, the decision was affirmed by the NLRC but with the modification that the private respondent should pay Caparas P9,650.00 as actual damages. [2] On February 8, 1988, however, acting on the motion for reconsideration filed by Philamlife, the NLRC disposed as follows:

WHEREFORE, the questioned resolution is hereby modified in that in lieu of reinstatement, respondent is ordered to pay complainant Caparas backwages from the date his salary was withheld from him until the execution hereof plus separation pay computed at one month's salary for every year of service, a fraction of at least six (6) months shall be considered one (1) whole year. In all other respects, the questioned resolution is hereby affirmed. [3]

Their own motion for reconsideration of the above resolution having been denied, the petitioners have come to this Court for relief on certiorari. Their claim is that the public respondent acted with grave abuse of discretion when it reversed the original order for Caparas reinstatement, granting him instead back wages and separation pay.

The illegal dismissal of Caparas is not in issue here. While Philamlife has not admitted that he was invalidly separated, it nevertheless says that "it will accept the payment of separation pay, if only to conclude this case." [4] What it objects to now is the reinstatement of Caparas as originally ordered by the Labor Arbiter. It points out in its memorandum that "the NLRC resolution of February 8, 1988, modifying its decision of December 9, 1987, by ordering the payment of separation pay in lieu of reinstatement, is entirely in accordance with established jurisprudence, particularly when such reinstatement is no longer feasible."

In justifying its resolution on the motion for reconsideration, the NLRC declared:

The record of the case amply demonstrates the palpable antagonism and irretrievably estranged relations between the complainant Caparas and the respondent. Parenthetically, respondent has emphatically established

that reinstatement is no longer possible due to the unavailability of the position of Accounting Clerk A. There is no showing that an equivalent position is available to Mr. Caparas. All of these militate against the propriety of reinstating complainant Caparas. We, therefore, affirm the award of backwages with modifications as an alternative to reinstating complainant Caparas.[5]

The Solicitor General bolsters this finding by citing the specific circumstances that led to the "irretrievable estrangement" between Caparas and Philamlife, to wit, the abolition of his position, his objection to the requirement of Philamlife that all separated employees actively apply for vacancies that might arise, the imposition of conditions on his probationary appointment, and his insistence on his own terms for his re-employment. Added to these are the eventual recall by Philamlife of Caparas's probationary (unsigned) appointment and the withdrawal of his subsidy in the purchase of a lot from Philamlife's affiliate company, the Kapatiran Realty Corporation, on the ground that he was no longer an employee.

The Solicitor General's conclusion is that "while it may be conceded that Caparas was found to have been illegally dismissed, his reinstatement is not warranted, as it would generate antipathy or antagonism, which is not favorable to any harmonious or workable employer-employee relationship." He cites several cases in support of this contention. He also stresses that there are no available positions to which Caparas could be reinstated, as found by the NLRC, whose conclusions on this factual matter should be respected. The private respondent echoes these arguments.

The Court does not agree.

While there is no denying that relations have been strained between Caparas and Philamlife, their differences are not of such a nature or degree as to preclude the petitioner's reinstatement. The fact that Caparas was the President of the Employees Association of the Philippine American Life Insurance Company (EMAPALICO) at the time he was dismissed could be another reason why he should be reinstated rather than simply given separation pay and back wages.

In the several cases cited by the parties, it was clear that the retention of the employee was not advisable because of the irreconcilable enmity between the employee and management.

In *Century Textile Mills v. NLRC*,^[6] the reinstatement of the employee was not allowed because he had tried to poison some of his co-workers and would have continued, if retained, to pose a threat to their lives. In *Flores v. Nuestro*,^[7] there was a previous altercation between the parties that led to the filing of a complaint for slight physical injuries by the employee against the employer, and we felt that any possible confrontation between them should be avoided. While a similar physical hostility was not demonstrated in *Divine Word High School v. NLRC*,^[8] the teacher's separation was nevertheless sustained by this Court because we felt that her retention in the high school faculty would prejudice the educational and moral objectives of the Catholic school.

It is readily noticeable in the case at bar that the differences of Caparas with Philamlife are neither personal nor physical nor are they of so serious a nature as to preclude his reinstatement. The unsigned probationary appointment to a lower position that was offered him was an irritant that any employee similarly prejudiced had reason to question. It bears emphasis that not only was Caparas reacting merely as an individual employee to the conditions laid down by Philamlife; he was expressing the official position and opposition of the EMAPALICO, of which he was the President. In this capacity, he had a right and a duty as well to protest the acts of Philamlife insofar as they affected not only him but also his co-workers.

Caparas was only acting as any responsible union president would when he protested the abolition of the Computer Operations Department, the requirement of Philamlife that the separated employees file applications for vacancies that might be created, his unsigned probationary appointment to a lower position, and the demand that

he sign his unconditional acceptance thereof. No disrespect was intended when he reserved his right to question the validity of his removal and demotion, nor was this done on a personal basis only but on behalf of the entire union membership.

If by doing all these, a union president should be considered to have irremediably strained his relations with management, he can then, following the respondent's theory, be separated for this reason by management, subject only to the grant to him of separation pay. This is a dangerous doctrine that would seriously imperil the cause of unionism.

As Labor Arbiter Diosana correctly observed:

The conditions proposed by Caparas were not unreasonable. He had the union and its members to protect. He had the obligation and the right too to object to management's actions which were detrimental to the union and its members. He just did what an ordinary president of the union would have done under the same circumstances.

The respondents argue that Caparas's reinstatement is no longer possible because his former position has been abolished and there is no comparable position to which he can now be appointed. Curiously, Philamlife submitted its certification to this effect only on March 3, 1988,[9] after the issuance of the questioned resolution of February 8, 1988, where the same pronouncement was made. The certification is not convincing, in any case, being at best self-serving and at worst an evasive inaccuracy.

It is not lost on the Court that Caparas was occupying an ordinary clerical position, not a top executive post for which an equivalent office may indeed be difficult to find. Considering the size of Philamlife, it is not believable that not a single position similar to Caparas's abolished position was available, let alone the fact that he was the President of the EMAPALICO and as such perhaps deserved a little extra accommodation. The Court cannot help wondering if it was precisely because of his status as union head that he was denied such accommodation.

We have held in earlier cases as follows:

As pointed out by the Office of the Solicitor General, assuming that private respondent's position was abolished, she can be reinstated to a substantially equivalent position without loss of seniority rights, but herein petitioner insists that there exists no substantially equivalent position for private respondent. The assertion is unmeritorious considering that petitioner is one of the country's top corporations.[10]

If the respondent had been a laborer, clerk, or other rank and file employee, there would be no problem in ordering her reinstatement with facility. But she was Vice President for Marketing of Asiaworld. An officer in such a key position can work effectively only if she enjoys the full trust and confidence of top management.[11]

The factual findings of administrative bodies are as a rule binding on this Court, but this is true only when they do not come under the established exceptions. In the case at bar, we find that the evidence of record does not support the conclusion of the NLRC that the relations of the employee and management have been so seriously strained as to prevent the former's reinstatement. We also reject the plea that there is absolutely no other position in the whole organization of Philamlife to which Caparas can be appointed to restore to him his original compensation and seniority.

We do agree that the hiring and firing of personnel is a management prerogative, but this is not without limitation. The limitation is embodied in the constitutional requirement for the protection of labor and the promotion of social justice, which tilts the scales of justice, whenever there is doubt, in favor of the worker.

WHEREFORE, the resolution of the NLRC dated February 8, 1988, is SET ASIDE and its original decision dated

December 9, 1987, is REINSTATED. It is so ordered.

Narvasa, (Chairman), Gancayco, Griño-Aquino, and Medialdea, JJ., concur.

[1] Rollo, p. 31.

[2] Ibid., p. 45.

[3] Id., pp. 46-47.

[4] Original Records, p. 408.

[5] Rollo, p. 46.

[6] 161 SCRA 528.

[7] 160 SCRA 568.

[8] 143 SCRA 346.

[9] Original Records, pp. 411-416.

[10] Marcopper Mining Corporation v. Briones, 165 SCRA 464.

[11] Asiaworld Publishing House v. Ople, 152 SCRA 219.

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