

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
THIRD DIVISION**

**MERCURY DRUG CORPORATION,
*Petitioner,***

-versus-

**G.R. No. 75662
September 15, 1989**

**NATIONAL LABOR RELATIONS
COMMISSION, NLRC SHERIFF and
CESAR E. LADISLA,
*Respondents.***

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D E C I S I O N

FERNAN, C.J.:

Petitioner assails in this Petition for Review on *Certiorari* the Resolution dated July 24, 1986 of the National Labor Relations Commission in NLRC Case No. RB-IV-19301-78-T denying petitioner's motion for reconsideration of its decision dated April 30, 1986 which reversed the decision of Labor Arbiter Ceferina J. Diosana and ordered the reinstatement of private respondent Cesar E. Ladisla to his former position with full backwages.

Records show that private respondent Cesar E. Ladisla was employed by petitioner Mercury Drug Corporation as a Stock Analyst at its Claro M. Recto Branch. He had been with the company for two years

and nine months when on August 15, 1977 he was apprehended by representatives of Mercury Drug while in the act of pilfering company property consisting of three (3) bottles of Persantin and one (1) bottle of Valoron at 100 tablets per bottle with a total value of P272.00. He admitted his guilt to the investigating representatives of petitioner company and executed a handwritten admission. Said admission was repeated verbally at the police station before the arresting officer as shown in the Booking Sheet and Arrest Report which was signed and authenticated by Ladisla.^[1] Thus, on August 19, 1977, petitioner, while simultaneously placing private respondent on preventive suspension, filed before the Department of Labor an application for the termination of private respondent's employment on grounds of dishonesty and breach of trust.

Private respondent opposed the aforesaid application for clearance to terminate his services alleging among others, that his suspension and proposed dismissal were unfounded and baseless being premised on the machinations and incriminatory acts of Ms. Leonora Suarez and Edgardo Imperial, Manager and Retail Supervisor, respectively, of petitioner's Claro M. Recto Branch; and that he was not given the opportunity to be heard nor allowed to explain his side before he was summarily suspended.

The parties were then required by the Arbitration Branch of the Department of Labor to file their respective position papers. While the case was being heard by Labor Arbiter Ceferina J. Diosana, petitioner filed a criminal complaint for attempted qualified theft against private respondent before the Fiscal's Office of Manila but this was dismissed by the court before the arraignment of the accused. However, the case was refiled and docketed as Criminal Case No. 43096 before Judge Pedro A. Ramirez of the then Court of First Instance, subsequently the Regional Trial Court of Manila, Branch XXX.

In a decision dated November 8, 1979,^[2] Labor Arbiter Ceferina J. Diosana sustained the validity of private respondent's dismissal and granted petitioners application for clearance to terminate the services of the former. Private respondent appealed his aforesaid dismissal to the National Labor Relations Commission. Pending resolution of the appeal, herein petitioner filed a Manifestation with said Commission

notifying the latter of the ongoing trial in Criminal Case No. 43096 against private respondent. On September 15, 1983, judgment was rendered in Criminal Case No. 43096, finding private respondent-accused guilty of the crime of simple theft.^[3] No appeal was taken from the decision in the subject criminal case, private respondent having availed himself of the benefits of the Probation Law. He was eventually discharged from probation on December 27, 1984, after complying with the terms and conditions thereof.^[4]

On April 30, 1986, public respondent National Labor Relations Commission reversed the decision of the Labor Arbiter because it found no substantial evidence establishing the charge against private respondent Ladisla stating thus:

“WHEREFORE, the Decision appealed from is hereby set aside and a new one entered ordering respondent to immediately reinstate him in (sic) his former position with full back wages.

SO ORDERED.”^[5]

Petitioner filed a motion for reconsideration of the aforementioned decision, which was denied by public respondent Commission in its resolution dated July 24, 1986.^[6] Hence, this petition assailing the latter’s reversal of the labor arbiter’s decision and its order for the reinstatement with full back wages of private respondent.

Petitioner submits that it was serious legal error on the part of public respondent to order the reinstatement of private respondent who was convicted of the crime of simple theft by Judge Pedro Ramirez in Criminal Case No. 43096 filed by petitioner against said private respondent-employee involving the same facts obtaining in the present case for termination. On the other hand, private respondent maintains that he was a victim of revenge and incriminatory machinations as the charge of qualified theft of company property was a frame-up.

We hold that public respondent National Labor Relations Commission committed a grave abuse of discretion amounting to lack of jurisdiction in finding no substantial evidence to sustain the charge against private respondent. This conclusion is in complete and utter

disregard of the Regional Trial Court's conviction of private respondent for the crime of simple theft which decision was rendered prior to its own assailed decision. It must be remembered that proceedings in criminal cases such as that held in the subject criminal case require proof beyond reasonable doubt to establish the guilt of the accused and findings of fact of the trial court on this matter are generally accorded great weight by appellate courts most especially where no appeal had been filed thereafter, thus rendering the said findings final. As mentioned earlier, private respondent did not appeal from the decision of the lower court but instead availed himself of the benefits of the probation law which was correspondingly granted by the Regional Trial Court.

Dismissal of a dishonest employee is to the best interest not only of management but also of labor. As a measure of self-protection against acts inimical to its interest, a company has the right to dismiss its erring employees. An employer cannot be compelled to continue in employment an employee guilty of acts inimical to its interest, justifying loss of confidence in him. The law does not impose unjust situations on either labor or management.^[7] We therefore find justification in the termination of private respondent Cesar E. Ladisla's employment by petitioner Mercury Drug Corporation.

Under Article 282(c) of the Labor Code, an employer may terminate an employment for "fraud or willful breach by the employee of the trust reposed in him by his employer or his duly authorized representative." Loss of confidence is established as a valid ground for the dismissal of an employee. The law does not require proof beyond reasonable doubt of the employee's misconduct to invoke such a 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 his participation therein renders him unworthy of the trust and confidence demanded of his position.^[8]

Private respondent's admission of his guilt as earlier stated, his subsequent conviction in Criminal Case No. 43096 and his acceptance of the same as implied in the absence of an appeal therefrom and his subsequent application for probation established beyond reasonable doubt his guilt for the crime of simple theft. It was

this same act which gave rise to his conviction by the trial court that was the basis for the termination of his employment by petitioner.

We have held that the eventual conviction of the employee who is prosecuted for his misconduct is not indispensable to warrant his dismissal by his employer.^[9] More specifically, an employee who has been exonerated from a criminal charge of theft of gasoline on the basis of technicality may still be dismissed from employment if the employer has ample reason to mistrust him.^[10] If acquittal from the criminal charge does not negate the existence of a ground for loss of trust and confidence, with more reason should conviction for such criminal charge fortify said mistrust.

Anent private respondent's claim of summary suspension without being given the opportunity to be heard, the Court takes note that, in addition to the fact that his suspension was merely preventive pending approval by the Department of Labor of its application for clearance to terminate the services of private respondent, the latter was given the chance to defend himself in several instances: at the Police Precinct No. III, Western Police District, Metro Manila where he was brought for investigation or questioning immediately after the occurrence of the alleged pilferage of medicines and where he was given the opportunity to state his defenses, and thereafter, before the arbitration branch of the Department of Labor where he was required and did submit his position paper.

The law in protecting the rights of the laborer, authorizes neither oppression nor self-destruction of the employer.^[11] While the Constitution is committed to the policy of social justice and the protection of the working class, it should not be supposed that every labor dispute will be automatically decided in favor of labor. Management also has its own rights, which, as such, are entitled to respect and enforcement in the interest of simple fair play. Out of its concern for those with less privileges in life, the Supreme Court has inclined more often than not toward the worker and upheld his cause in his conflicts with the employer. Such favoritism, however, has not blinded the Court to the rule that justice is in every case for the deserving, to be dispensed in the light of the established facts and applicable law and doctrine.^[12]

WHEREFORE, the assailed Resolution of the National Labor Relations Commission is reversed and set aside and the Labor Arbiter's decision of November 8, 1979 dismissing Cesar E. Ladisla as petitioner's stock analyst is hereby reinstated. No costs.

SO ORDERED.

**Gutierrez, Jr., Bidin and Cortes, JJ., concur.
Feliciano, J., is on leave.**

- [1] Rollo, pp. 4-6.
 - [2] Rollo, pp. 32-37.
 - [3] Rollo, pp. 104-110.
 - [4] Rollo, p. 146.
 - [5] Rollo, p. 45.
 - [6] Rollo, p. 64.
 - [7] Piedad vs. Lanao del Norte Electric Cooperative, Inc., 153 SCRA 509 [1987]; International Hardwood & Veneer Co. of the Phils. vs. Leogardo, Jr., 117 SCRA 967 [1982].
 - [8] Piedad vs. Lanao del Norte Electric Cooperative, Inc., 153 SCRA 508 [1987]; Dole Phil., Inc. vs. NLRC, 123 SCRA 673 [1983].
 - [9] San Miguel Corp. vs. NLRC, 128 SCRA 181 [1984].
 - [10] Philippine Geothermal, Inc. vs. NLRC, 117 SCRA 692-693 [1982].
 - [11] Manila Trading & Supply Co. vs. Zulueta, 69 Phil. 485 [1939] cited in Allied Banking Corporation vs. Castro, 156 SCRA 789, 800 [1987].
 - [12] Sosito vs. Aguinaldo Development Corporation, 156 SCRA 392, 396 [1987].
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