

SECOND DIVISION

[G.R. NO. 166616, January 27, 2006]

FIRST DOMINION RESOURCES CORPORATION, PETITIONER, VS. MERCURIO PEÑARANDA AND ROMEO VIDAL, RESPONDENTS

D E C I S I O N

CORONA, J.:

Before us is a petition for review under Rule 45 of the Rules of Court seeking to reverse and set aside the decision ^[1] of the Court of Appeals in CA-G.R. SP No. 80231 dated July 08, 2004 which affirmed the resolution of the National Labor Relations Commission (NLRC).

The events leading to this petition began when Mercurio Peñaranda and Romeo Vidal were dismissed by petitioner First Dominion Resources Corporation on account of their repeated violation of Company Rule 8 which strictly prohibits sleeping while on duty.

Petitioner is a domestic corporation engaged in textile manufacturing. It employed Peñaranda as packer and Vidal as drugman. Both were assigned to the night shift.

Peñaranda was caught sleeping on the job on two occasions: first, on February 22, 2001 on the table in the packing section, ^[2] for which he was penalized with a 2-day suspension and given a stern warning that a repetition of the offense would mean his dismissal; ^[3] and second, on March 30, 2001, ^[4] for which he was asked to explain why he should not be terminated for committing the same offense. Peñaranda merely denied the allegations against him. Petitioner, however, found his denial insufficient and terminated his employment on June 20, 2001. ^[5]

Similarly, Vidal was caught sleeping during work hours on March 25, 2001. ^[6] He was meted the same penalty and warned, as in the case of his co-respondent, since it was his first offense. ^[7] On May 18, 2001, Vidal was caught sleeping for the second time inside a container van parked beside the company premises. ^[8] He was asked to explain why he should not be terminated from work but he refused to comply

with the order. ^[9] This notwithstanding, he was given another chance to submit his written explanation but again, he stubbornly refused to comply. ^[10] Petitioner dismissed him from work on June 20, 2001. ^[11]

Thereafter, respondents filed separate complaints for illegal dismissal which were consolidated. The labor arbiter decided in favor of petitioner and dismissed respondents' consolidated complaint. ^[12]

On appeal, the NLRC reversed the decision of the labor arbiter, ruling that the dismissal was without just cause, but withheld reinstatement and payment of backwages. [13]

Unhappy with the decision, respondents elevated the case to the Court of Appeals which partially affirmed the resolution of the NLRC. The appellate court ruled that the dismissal was illegal as it was done without just cause and procedural due process. It awarded full backwages and attorney's fees to respondents. [14] Both parties moved for reconsideration of the decision but both motions were denied. [15]

In this petition, petitioner challenges the decision of the appellate court:

I.

THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN RULING THAT RESPONDENTS WERE DISMISSED WITHOUT JUST CAUSE.

II.

THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN RULING THAT RESPONDENTS WERE DISMISSED WITHOUT PROCEDURAL DUE PROCESS. [16]

We find the petition meritorious.

At the outset, this petition does not involve questions of fact which are generally not subject to review by this Court. A question of fact arises when there is a need to decide on the truth or falsehood of the alleged facts. [17] This is not the case here. The petition asks this Court to make a reappreciation of the facts, as found by the appellate court, vis-à-vis the applicable law. It is worth stressing that the resolution of this controversy hinges on whether the facts on record justify the dismissal of respondents. Such determination is well within the competence of this Court.

Did the facts established by the Court of Appeals warrant the dismissal of the respondents on the ground of willful disobedience to the lawful order of their employer?

Under Article 282 of the Labor Code, willful disobedience of a lawful order of the employer is a valid cause for dismissal. In *Rosario v. Victory Ricemill*, [18] this Court reiterated that:

willful disobedience of the employer's lawful orders, as a just cause for the dismissal of an employee, envisages the concurrence of at least two requisites: (1) the employee's assailed conduct must have been willful or intentional, the willfulness being characterized by a "wrongful and perverse attitude"; and (2) the order violated must have been reasonable, lawful, made known to the employee and must pertain to the duties which he had been engaged to discharge.

On the first requisite, it is undisputed that respondents violated Company Rule 8 twice. For their first offense, both were given stern warning that another violation