

FIRST DIVISION

[G.R. No. 124456, December 05, 1997]

**PHILIPPINE AIRLINES, INC., PETITIONER, VS. NATIONAL LABOR
RELATIONS COMMISSION, AND JOSEPH MENESES,
RESPONDENTS.
D E C I S I O N**

DAVIDE, JR., J.:

Assailed in this petition under Rule 65 of the Rules of Court are the Resolutions of 31 May 1995^[1] and 26 July 1995^[2] of the National Labor Relations Commission (NLRC) in NLRC NCR 00-10-05685-92 (NLRC NCR CA 005274-93), a complaint for illegal dismissal filed by private respondent Joseph Meneses (hereafter, MENESES) against petitioner (hereafter, PAL). The first resolution dismissed petitioner's appeal from the 29 June 1993 decision^[3] of Labor Arbiter Fatima Jambaro-Franco dismissing Meneses' complaint, but directed petitioner to pay Meneses separation pay equivalent to one-half month's pay for every year of service; while the second resolution denied petitioner's motion for reconsideration of the first.

The NLRC summarized the antecedent facts as follows:

Complainant alleged that he was a regular employee of respondent Philippine Airlines Corporation (PAL) whose employment started in November 1982; that on May 20, 1991 and June 28, 1991 he was suspended from the service for fraud and theft in connection with the irregular releases of autoparts for repairs and the irregular withdrawal/order of high temperature non-melt (Moly) grease without the approved purchase order (P.O.), respectively; that on September 2, 1991 complainant was dismissed for having released autoparts for repair even without the approved purchase order. Complainant further contended that the release and withdrawal of autoparts were all covered by appropriate documents, such as outgate and delivery receipts; that no damage or prejudice has been caused to respondents' properties; and that complainant was not afforded the required due process since no written notice of the charge was served upon him, neither was he afforded the opportunity to defend himself and present his evidence.

Upon the other hand, respondents contended that complainant Meneses was among the thirty two (32) employees charged in connection with the irregularities committed in the Ground Equipment Support Department and Corporate Logistics Department (GSED/CLD); that complainant was dismissed for giving [the] go-signal to Mr. Manuel Jarina, supervisor of GSED, to release ten (10) reparable to Peter's Auto Parts without the required P.O.; that prior to his dismissal, complainant was suspended for three (3) months for ordering high temperature non-melt moly grease

without the approved P.O.; that in the course of the committee hearings, respondents discovered that there was tampering of the maintenance and engineering management information system (MEMIS) where class B items which are repairable items were misclassified as class C which are expendable items, which means that class C items, being non-repairable are sent to surplus or virtually thrown away; that due to his participation in the aforesaid anomaly, complainant was meted with one (1) month suspension. Respondents further averred that complainant had been afforded due process prior to his termination and that complainant was dismissed for having breached the trust and confidence reposed upon him by respondent company. [4]

On the basis of the respective position papers and other evidence submitted by the parties, the Labor Arbiter found that MENESES had the propensity to disregard established rules and procedures of PAL such as: 1) ordering high temperature non-melt (Moly) grease without the required purchase order; 2) misclassifying items B, which could still be repaired, as items C, which were considered expendable; and 3) allowing Mr. Manuel Jarina to release ten autoparts for repair without the required purchase orders.

The Labor Arbiter further found MENESES to have been charged with the duties to negotiate for and/or award contracts or purchase orders to local and foreign suppliers, as such, his position required the highest degree of trust and confidence which was breached by his repeated disregard of company rules and procedures. Consequently, in her decision of 29 June 1993, [5] Labor Arbiter Fatima Jambaro-Franco concluded that his termination from service was justified.

Before the NLRC, MENESES imputed to the Labor Arbiter grave abuse of discretion for ignoring his documentary evidence and ruling that his preventive suspension and dismissal were valid. He contended that there was a standing policy implemented by the manager of his division to permit releases of repairable autoparts even without a purchase order; that the purchase of the Moly grease was initiated by a purchase order; and that he could not be dismissed for loss of confidence as he was a minor employee performing mere ministerial functions. [6]

In its decision of 31 May 1995, [7] the NLRC dismissed MENESES' appeal for lack of merit, but directed PAL "to pay ... Meneses separation benefits equivalent to half month[']s pay for every year of service due to reasons herein provided for."

As to MENESES' claim of a standing policy implemented by his division manager to permit releases of repairable autoparts without a purchase order, the NLRC found this directly refuted by PAL in its Reply. The NLRC likewise found that it was "only in extreme emergency requirements wherein the Manager-Ground Services support or the Director-GMM of PAL may authorize specific suppliers to deliver with a purchase order to follow," and that MENESES, in claiming otherwise, failed to prove that the standard practice was to allow repairables released even without a purchase order. In addition, the NLRC observed:

[W]e cannot fathom how complainant as a Materials Manager could so casually attempt to legitimize the commission of such an irregularity as ordering and receiving goods and supplies without the requisite p.o. knowing fully well that this