Republic of the Philippines
Supreme Court
Manila

EN BANC

MARCELINO DELA CRUZ LINGGANAY,	**G.R. No. 254976**
Petitioner,	Present:
- versus -	GESMUNDO, *C.J.*, LEONEN, CAGUIOA, HERNANDO, LAZARO-JAVIER, INTING, ZALAMEDA, LOPEZ, M., GAERLAN, ROSARIO, LOPEZ, J. DIMAAMPAO, MARQUEZ, KHO, JR., and SINGH, *JJ.*
DEL MONTE LAND TRANSPORT BUS COMPANY, INC. and NARCISO MORALES,	**Promulgated:**
Respondents.	August 20, 2024

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D E C I S I O N

INTING, *J.*:

Before the Court is a Petition for Review on *Certiorari*[1] under Rule 45 of the Rules of Court assailing the Decision[2] and the Resolution[3] of the Court of Appeals (CA) in CA-G.R. SP No. 155756. The CA affirmed the

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1 *Rollo*, pp. 10–31.

2 *Id.* at 32–52. The July 6, 2020 Decision in CA-G.R. SP No. 155756 was penned by Associate Justice Perpetua Susana T. Atal-Paño and concurred in by Acting Presiding Justice Remedios A. Salazar-Fernando and Associate Justice Ramon A. Cruz of the First Division, Court of Appeals, Manila.

3 *Id.* at 54–56. The December 9, 2020 Resolution in CA-G.R. SP No. 155756 was penned by Associate Justice Perpetua Susana T. Atal-Paño and concurred in by Presiding Justice Remedios A. Salazar-Fernando and Associate Justice Ramon A. Cruz of the Former First Division, Court of Appeals, Manila.

Decision[4] and the Resolution[5] of the National Labor Relations Commission (NLRC) in NLRC LAC No. 11-003517-17 (NLRC NCR-06-09385-17) which agreed with the Labor Arbiter (LA) that Del Monte Land Transport Bus Company, Inc. (DLTB Co.) and Narciso Morales (collectively, respondents) validly dismissed Marcelino Dela Cruz Lingganay (Lingganay) from employment. Moreover, the CA agreed with the LA in denying his motion to further amend[6] his Amended Complaint.[7]

The Antecedents

The case stemmed from the amended complaint for illegal dismissal which Lingganay filed against respondents on July 13, 2017. In the amended complaint, Lingganay alleged that respondents illegally terminated his employment and claimed for payment of moral and exemplary damages and attorney's fees.[8]

On August 17, 2017, Lingganay filed his Position Paper With Urgent Motion to Amend[9] his amended complaint (motion to further amend), wherein he prayed for the following additional awards: separation pay, holiday premium, rest day pay, and underpaid wages.

Lingganay alleged that (1) respondents initially hired him as a bus driver with a daily salary of PHP 337.00; (2) on October 21, 2013, while driving the company bus along Maharlika Highway in Barangay Concepcion, Plaridel, Province of Quezon, he figured in an accident involving one Isidro Alvarez; (3) eventually, respondents settled the matter with Isidro Alvarez; (4) on December 7, 2013, his employment contract with respondents ended, but he continued to work as a "yardman" with a daily wage of PHP 300.00; (5) on December 10, 2013, respondents rehired him as a bus driver; (6) sometime in 2014, respondents assigned him at the motor pool division of the company in Cubao, Quezon City; (7) subsequently, on July 15, 2015, respondents transferred him to the Lucena Line of DLTB Co.;[10] (8) on November 5, 2015, respondents suspended him for five days for failure to "take time schedule" on October 8, 2015; (9) on January 21, 2017, respondents again suspended him for 10 days for being involved in an accident with a motorcycle on December 30, 2016; (10) he resumed his duties on January 31, 2017, but "with

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4 *Id.* at 86–100. The December 27, 2017 Decision in NLRC LAC No. 11-003517-17 (NLRC NCR-06-09385-17) was penned by Commissioner Erlinda T. Agus and concurred in by Presiding Commissioner Gregorio O. Bilog III and Commissioner Dominador B. Medroso, Jr.

5 *Id.* at 102–104.

6 *Id.* at 108–118.

7 *Id.* at 106–107.

8 *Id.* at 11.

9 *Id.* at 108–118.

10 *Id.* at 12.

warning" from respondents; (11) on May 1, 2017, while driving the company bus along the San Juanico Bridge, Samar, he again figured in an accident as he crashed into the rear portion of a Toyota Wigo; (12) consequently, respondents issued a Memorandum[11] dated May 5, 2017, giving him five days to explain his side and placing him under preventive suspension; (13) on May 22, 2017, he submitted a handwritten *Salaysay* and attended the administrative hearing/investigation of the case.[12]

In the Decision[13] dated May 29, 2017, respondents terminated Lingganay from employment for transgressing the company rules and regulations on health and safety, i.e., "*Violation 8.1.4 – Any form of laxity, reckless driving and gross negligence resulting to damages to property, injuries, death[,] and other casualties.*"[14] This prompted Lingganay to file a complaint for illegal dismissal with money claims against respondents. In his complaint, Lingganay argued as follows:

> It was not his fault that a van suddenly overtook the Toyota Wigo which was in front of the bus he was then driving. Regardless of the driving distance between the two vehicles, the descending condition of the road made it difficult for the bus driven by the Complainant not to hit the Toyota Wigo which made a sudden and unexpected stop to avoid hitting the van that overtook it.
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> At any rate, the negligence – even if true – must be gross and habitual . . . These [characteristics were] wanting in the present case.
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> . . . .
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> [W]hile the Complainant had been involved in other accidents before, these accidents were only minor ones. There was also no finding by the Respondent Company that the Complainant was negligent and/or that he was the cause of these accidents. Notably, the Respondents even allowed the Complainant to report back to work after these accidents.[15]

For their part, respondents averred that they hired Lingganay as a bus driver on December 10, 2013, but they dismissed him on May 29, 2017, for habitually transgressing the company rules and regulations on health and safety. They recounted that on December 30, 2016, the bus driven by Lingganay bumped a motorcycle at Barangay Tabason, Tagkawayan, Quezon, causing physical injuries to the motorcycle driver and his back rider. Likewise, respondents narrated that on May 1, 2017, Lingganay, while driving the company bus along the San Juanico Bridge, Samar, figured in another accident

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11 *Id.* at 146.
12 *Id.* at 34.
13 *Id.* at 132–135; signed by Bonapart L. Morales, Vice President for Operations, DLTB Co., Inc.
14 *Id.* at 135.
15 *Id.* at 112–113.

when he crashed into the rear portion of a Toyota Wigo.[16] According to respondents, the recklessness of Lingganay caused damage to the company bus amounting to PHP 6,500.00 and to the Toyota Wigo in the amount of PHP 99,000.00;[17] and to avoid any legal suit against the company, they were compelled to settle the full amount of PHP 99,000.00 with the car owner.[18] Respondents argued that as Lingganay habitually drove the company bus recklessly, his dismissal from work was justified for violating the company rules and regulations on health and safety.

The Ruling of the LA

In the Decision[19] dated September 29, 2017, the LA ruled in favor of respondents and found that Lingganay's dismissal from work was justified as he transgressed the company rules and regulations on health and safety. The dispositive portion of the LA's Decision reads:

> WHEREFORE, premises considered, the instant complaint is hereby dismissed for lack of merit.
>
> So ordered.[20]

Moreover, the LA denied Lingganay's motion to further amend his complaint pursuant to Rule V, Section 11 of the 2011 NLRC Rules of Procedure (2011 NLRC Rules), which states in part that "*an amended complaint or petition may be filed before the Labor Arbiter at any time before the filing of position paper*[.]"[21]

Aggrieved, Lingganay appealed to the NLRC.

The Ruling of the NLRC

In the Decision[22] dated December 27, 2017, the NLRC agreed with the LA that Lingganay was validly dismissed from employment. However, it did not rule on the issue of whether the LA properly denied Lingganay's motion to further amend his amended complaint. The NLRC ratiocinated:

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16 *Id.* at 233–234.
17 *Id.* at 134.
18 *Id.* at 222.
19 *Id.* at 231–238. Penned by Labor Arbiter Remedios L.P. Marcos.
20 *Id.* at 238.
21 *Id.* at 232–233.
22 *Id.* at 86–100.

> . . .[I]t is beyond doubt that [Lingganay] was guilty of gross negligence and violation of the Company Rules and Regulations on Health and Safety Rules.
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> [Lingganay's] behaviour in his driving exposed his employer to financial liability for the damage and injuries he caused to third parties. He became a peril on the roads, streets[,] and highways, endangering the lives, properties[,] and safety of pedestrians and riding public. His acts became inimical to the interest of his employer. He should not have expected his employer to retain him any further in his employment after the former was forced to pay the amount of [PHP] 99,000.00 in settlement of the claim of Ma. Angelica Talbo, owner of the Toyota Wigo.
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> In his attempt to justify his infractions, complainant argues that his negligence was not gross and habitual.
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> [Lingganay] is mistaken. Negligence does not necessarily require habituality to be a valid cause for dismissal. The negligence of [Lingganay] in the case at bar was gross negligence.
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> . . . .
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> The dismissal of [Lingganay] was also justified under the totality of infractions rule because he was a repeat offender.[23]

The dispositive portion of the NLRC's Decision states:

> WHEREFORE, premises considered, the instant appeal is DISMISSED.
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> The Decision of the Labor Arbiter dated September 29, 2017 is AFFIRMED.
>
> SO ORDERED.[24]

Lingganay moved for a reconsideration, but the NLRC denied the motion in its Resolution dated February 27, 2018.[25]

The Ruling of the CA

In the Decision[26] dated July 6, 2020, the CA agreed with the LA in denying Lingganay's motion to further amend his amended complaint, holding that pursuant to Rule V, Section 11 of the 2011 NLRC Rules, "*the*

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23 *Id.* at 95–96.
24 *Id.* at 100.
25 *Id.* at 102–104.
26 *Id.* at 32–52.

amendment must be done before the filing of the parties' position paper."[27] Moreover, the CA explained that Rule V, Section 12 thereof prohibits the amendment of the complaint after the filing of the position papers unless there is leave from the LA. According to the CA, given that "*the* [a]*mended Complaint was embedded in* [Lingganay's] *Position Paper, . . . the Labor Arbiter correctly denied* [his] *motion to amend complaint.*"[28]

Further, the CA agreed with the labor tribunals that Lingganay was validly dismissed from employment as his "*repeated involvement in several vehicular mishaps constitute[d] a violation of Section 8.1.4 of the Health and Safety Rules.*" According to the CA, "[s]*uch mishap . . . indicated that* [Lingganay] *was driving recklessly fast as* [shown] *by the damage it caused to the Toyota Wigo which amounted to [PHP] 99,000.00.*"[29] Moreover, the CA held that Lingganay's termination was based on Article 297 (formerly Article 282) of the Labor Code which states, among others, that an employer may terminate the employment of an employee for his/her gross and habitual neglect of duties.[30] The dispositive portion of the CA Decision reads:

> WHEREFORE, the Petition for Certiorari is DENIED.
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> SO ORDERED.[31]

Aggrieved, Lingganay moved for a reconsideration, but the CA denied the motion in its Resolution[32] dated December 9, 2020.

Hence, the present petition.

The Issue

The issue to be resolved in the case is whether the CA committed a reversible error (1) in denying Lingganay's motion to further amend his amended complaint pursuant to Rule V, Section 11 of the 2011 NLRC Rules; and (2) in holding that his dismissal from employment was valid.

Arguments of Lingganay

Lingganay argues that the CA erred in agreeing with the LA that his

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27 *Id.* at 40.
28 *Id.* at 40–41.
29 *Id.* at 47.
30 *Id.* at 46–47.
31 *Id.* at 51.
32 *Id.* at 54–56.

motion to further amend his amended complaint violated Rule V, Sections 11 and 12 of the 2011 NLRC Rules. He avers that the incorporation of his motion to amend and his second amended complaint in the position paper was actually sanctioned by the Court's ruling in the case of *Our Haus Realty Development Corp. v. Parian*,[33] which pronounced that a claim which was not raised in the *pro forma* complaint before the LA may still be raised in the position paper.[34]

Likewise, Lingganay contends that he was illegally dismissed from work in the absence of just or authorized cause to terminate his employment.[35] He points out that even if he was indeed negligent in the performance of his tasks, it was not shown that his negligence was "*both gross and habitual.*"[36] Thus, the penalty of dismissal meted out on him by respondents was too harsh.[37]

Arguments of Respondents

For their part, respondents aver that the CA correctly agreed with the LA in denying Lingganay's motion to further amend his amended complaint as it violated Rule V, Sections 11 and 12 of the 2011 NLRC Rules which require a complainant to already include his/her causes of action in the complaint and to amend his/her complaint prior to the filing of the position paper.[38]

Respondents added that the CA did not err in affirming the findings of the labor tribunals that Lingganay was validly dismissed from work because (1) he violated the rules and regulations of the company on health and safety and (2) his transgression constituted "[g]*ross and habitual neglect by the employee of his duties*" under Article 297(b) of the Labor Code.

The Ruling of the Court

"*It is an established rule that only questions of law may be raised in a petition for review on certiorari under Rule 45. The basic principle is set forth in the rule itself.*"[39] The question as to whether Lingganay violated Rule V, Sections 11 and 12 of the 2011 NLRC Rules in incorporating his motion to

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33 740 Phil. 699, 718–719 (2014).
34 *Rollo*, pp. 17–18.
35 *Id.* at 19–20.
36 *Id.* at 21.
37 *Id.*
38 *Id.* at 320–336.
39 *Coca-Cola Femsa Philippines, Inc. v. Congress of Independent Organization-Iloilo Coca-Cola Sales Force Union, Panay Chapter*, G.R. No. 240493, June 19, 2019 [Notice], *citing* Rules of Court, rule 45, sec. 1, which reads: . . . the petitioner shall raise only questions of law which must be distinctly set forth.

amend and his second amended complaint in his position paper is a question of law; thus, it is a proper subject of the instant Petition for Review on *Certiorari* under Rule 45 of the Rules of Court.

Equally important is the rule that *in a Rule 45 review in labor cases, the Court examines the CA's Decision from the prism of whether* [in a petition for *certiorari*,] *the latter had correctly determined the presence or absence of grave abuse of discretion in the NLRC's Decision*, i.e., in affirming the LA's denial of Lingganay's motion to further amend his amended complaint.[40]

In *San Fernando Coca-Cola Rank-and-File Union (SACORU) v. Coca-Cola Bottlers Philippines, Inc. (CCBPI)*,[41] the Court explained the concept of grave abuse of discretion as applied in NLRC decisions brought to the CA under Rule 65:

> "[G]rave abuse of discretion may arise when a lower court or tribunal violates or contravenes the Constitution, the law or existing jurisprudence." The Court further held in *Banal III v. Panganiban* that:
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> > By grave abuse of discretion is meant, such capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction. The abuse of discretion must be grave as where the power is exercised in an arbitrary or despotic manner by reason of passion or personal hostility and must be so patent and gross as to amount to an evasion of positive duty or to a virtual refusal to perform the duty enjoined by or to act at all in contemplation of law.
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> The reason for this limited review is anchored on the fact that the petition before the CA was a *certiorari* petition under Rule 65; thus, even the CA did not have to assess and weigh the sufficiency of evidence on which the NLRC based its decision. The CA only had to determine the existence of grave abuse of discretion. As the Court held in *Soriano, Jr. v. National Labor Relations Commission*:
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> > As a general rule, in *certiorari* proceedings under Rule 65 of the Rules of Court, the appellate court does not assess and weigh the sufficiency of evidence upon which the Labor Arbiter and the NLRC based their conclusion. The query in this proceeding is limited to the determination of whether or not the NLRC acted without or in excess of its jurisdiction or with grave abuse of discretion in rendering its decision.[42]

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40 *See Jarabelo v. Household Goods Patrons, Inc.*, 891 Phil. 233 (2020).
41 819 Phil. 326 (2017).
42 *Id.* at 333–334.

To recall, the case stemmed from the original complaint for illegal dismissal which Lingganay amended on July 13, 2017. In his first amended complaint, Lingganay alleged that respondents illegally terminated him from employment and claimed for payment of moral and exemplary damages, and attorney's fees.[43] On August 17, 2017, Lingganay filed his position paper with motion to further amend his amended complaint,[44] wherein he added as a prayer his alleged entitlement to separation pay, holiday premium, and underpaid wages.[45] For being in violation of Rule V, Section 11 of the 2011 NLRC Rules, as amended, the LA did not allow Lingganay to further amend his complaint. On appeal, although the NLRC did not discuss the issue of whether Lingganay violated the 2011 NLRC Rules, as amended, in incorporating his motion to amend and his second amended complaint in his position paper, it nonetheless affirmed altogether the ruling of the LA which not only held that respondents validly dismissed Lingganay from work, but likewise denied Lingganay's motion to further amend his amended complaint.[46] In his Rule 65 and Rule 45 petitions, Lingganay justified the incorporation of his motion to amend and his second amended complaint in his position paper, citing as basis the Court's ruling in the case of *Our Haus Realty Development Corporation.*

The case of *Our Haus Realty Development Corporation* involved the complaint of Alexander Parian et al. (Parian et al.) for underpayment of wages with claims for payment of holiday pay, 13th month pay, and overtime pay, which the LA dismissed in favor of Our Haus Realty Development Corporation. Upon appeal, the NLRC partially reversed the ruling of the LA and found that Parian et al. were actually underpaid. The NLRC also ruled that the employees were entitled to their respective proportionate 13th month pay and service incentive leave (SIL) pay. Our Haus Realty Development Corporation filed a petition for *certiorari* under Rule 65, but the CA affirmed the ruling of the NLRC. In its Rule 45 petition, Our Haus Realty Development Corporation argued, among others, that the CA erred in agreeing with the ruling of the NLRC that Parian, et al. were entitled to SIL pay, pointing out that such claim was not included in their *pro forma* complaint before the LA. Citing the case of *Samar-Med Distribution v. NLRC*,[47] the Court allowed the grant of SIL to Parian et al. holding that "*[a] claim not raised in the pro forma complaint may still be raised in the position paper.*"[48]

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43 *Rollo*, p. 11.
44 *Id.* at 108–118.
45 *Id.* at 115.
46 *Id.* at 236–238.
47 714 Phil. 16 (2013).
48 *Our Haus Realty Development Corp. v. Parian.*

The ruling in Our Haus Realty Development Corporation was based on the Court's pronouncement in the case of Samar-Med Distribution

The case of *Samar-Med Distribution*, on the other hand, involved the complaint of Josafat Gutang (Gutang) for money claims against Samar Med Distribution in 1996 which was refiled in 1999. Although the complaint did not include Gutang's cause of action for illegal dismissal, the LA, in the Decision dated October 29, 1999, ruled that Gutang was illegally terminated from employment. Samar-Med Distribution questioned such finding and argued that the LA was barred to determine the validity of Gutang's dismissal because it was not included in his complaint before the LA. The case eventually reached the Court. In ruling for Gutang, the Court, in its Decision dated July 15, 2013, held as follows:

> [B]ut the non-inclusion in the complaint of the issue on the dismissal did not necessarily mean that the validity of the dismissal could not be an issue. *The rules of the NLRC require the submission of verified position papers by the parties should they fail to agree upon an amicable settlement*, and bar the inclusion of any cause of action not mentioned ***in the complaint or position paper*** from the time of their submission by the parties. In view of this, Gutang's cause of action should be ascertained *not from a reading of his complaint alone but also from a consideration and evaluation of* ***both his complaint and position paper***[.][49](Emphasis supplied)

The pronouncement in Samar-Med Distribution was based on the old NLRC rules, i.e., the "1990 New Rules of Procedure of the NLRC," not on the present procedure or the 2011 NLRC Rules

It bears noting that the Decision of the Court in *Samar-Med Distribution*, while promulgated on July 15, 2013, involved a complaint filed before the LA in 1999 and resolved by the LA on October 29, 1999. Thus, the pronouncement of the Court therein, with respect to the issue on the procedural aspect, was based on the old set of rules of the NLRC, i.e., the "1990 New Rules of Procedure of the NLRC" (the 1990 NLRC Rules). Rule V, Section 3 thereof provides for the rules on the submission of position papers before the LA, viz.:

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[49] *Samar-Med Distribution v. National Labor Relations Commission*, 714 Phil. 16, 27–28 (2013).

> SECTION 3. *Submission of Position Papers/Memorandum.* — Should the parties fail to agree upon an amicable settlement, either in whole or in part, during the conferences, the Labor Arbiter shall issue an order stating therein the matters taken up and agreed upon during the conferences and directing the parties to simultaneously file their respective verified position papers.
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> These verified position papers shall cover only those claims and causes of action raised in the complaint excluding those that may have been amicably settled, and shall be accompanied by all supporting documents including the affidavits of their respective witnesses which shall take the place of the latter's direct testimony. ***The parties shall thereafter not be allowed to allege facts, or present evidence to prove facts, not referred to and any cause or causes of action not included in the complaint or position papers,*** affidavits and other documents[.] (Emphasis supplied)

On the basis of Rule V, Section 3 of the 1990 NLRC Rules which states in part that "*[t]he parties shall thereafter not be allowed to allege facts, or present evidence to prove facts, not referred to . . . in the complaint or position papers*," the Court ratiocinated in *Samar-Med* that the "*cause of action should be ascertained not from a reading of his complaint alone but also from a consideration and evaluation of both his complaint and position paper.*"[50]

On this score, it is worth mentioning that the phrase "*[t]he parties shall thereafter not be allowed to allege facts, or present evidence to prove facts, not referred to . . .* ***in the complaint or position papers***" was retained in the "1999 Amendments to the NLRC Rules of Procedure" and in the subsequent "New Rules of Procedure of the NLRC, as amended by NLRC Resolution No. 01-02, Series of 2002" (2002 Rules of Procedure of the NLRC). However, the "2005 Revised Rules of Procedure of the NLRC" (the 2005 NLRC Rules) and the 2011 NLRC Rules amended the rules on the submission of position papers and omitted the subject phrase. Significantly Rule V, Sections 12(b) and (c) of the 2011 NLRC Rules accordingly reads:

> **SECTION 12. SUBMISSION OF POSITION PAPER AND REPLY.** –. . . .
>
> (b) *No amendment of the complaint or petition shall be allowed after the filing of position papers*, unless with leave of the Labor Arbiter.
>
> (c) *The position papers of the parties shall cover only those claims and causes of action stated in the complaint or amended complaint*, accompanied by all supporting documents, including the affidavits of witnesses, which shall take the place of their direct testimony, excluding those that may have been amicably settled. (Emphasis supplied)

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50 *Id.*

As can be gleaned from the foregoing, while amendments to a complaint are only allowed prior to the filing of position papers, such may be permitted but with leave of the LA. This means that after the filing of position papers, the LA has the discretion to determine whether an amendment of the complaint is justified under the circumstances.

Moreover, it bears noting that the 1990 NLRC Rules, and even the subsequent rules until the 2002 Rules of Procedure of the NLRC, did not contain any provision on the amendment of a complaint. Apparently, this is the reason why the Court, in the case of *Samar-Med Distribution*, allowed a claim not raised in the complaint to be still raised in the position paper, there being practically nothing which prohibited it during the old rules.

Notably, beginning the 2005 NLRC Rules until the present, the Commission has provided a specific rule on how to amend complaints. Rule V, Section 11 of the 2011 NLRC Rules, as amended, already imposed a restriction as to when causes of action may still be added in the complaint; thus:

> **RULE V**
> **PROCEEDINGS BEFORE LABOR ARBITERS**
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> . . . .
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> SECTION 11. **AMENDMENT OF COMPLAINT/PETITION.** – An amended complaint or petition may be filed before the Labor Arbiter *at any time before the filing of position paper*, with proof of service of a copy thereof to the opposing party/ies[.] (Emphasis supplied.)

Further, it must be emphasized that before the LA requires the parties to simultaneously submit their position papers,[51] the LA first calls them to a mandatory conference. At this point, the Court likewise notes the difference between the mandatory conference under the 1990 and the 2011 NLRC Rules, as amended. Rule V, Section 2 of the 1990 NLRC Rules enumerates the purposes of a "mandatory conciliation/mediation conference," viz.:

> SECTION 2. Mandatory Conference/Conciliation. — Within two (2) days from receipt of an assigned case, the Labor Arbiter shall summon the parties to a conference *for the purpose of amicably settling the case upon a fair compromise or determining the real parties in interest, defining and simplifying the issues in the case, entering into admissions and/or stipulations of facts, and threshing out all other preliminary matters*. The notice or summons shall specify the date, time and place of the preliminary conference/pre-trial and shall be accompanied by a copy of the complaint.

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[51] *See* 2011 NLRC Rules, Rule V, sec. 12(a).

. . . . (Emphasis supplied)

Thereafter, beginning the 2005 procedure until the present, the Commission added a new purpose to the "mandatory conciliation and mediation conference," i.e., *to determine whether there is a need to amend the complaint and for the inclusion of all causes of action in the complaint.* Rule V, Section 8 of the 2011 NLRC Rules, as amended, states:

> **SECTION 8. MANDATORY CONCILIATION AND MEDIATION CONFERENCE.** – (a) The mandatory conciliation and mediation conference shall be called for the purpose of: (1) amicably settling the case upon a fair compromise; (2) determining the real parties in interest; (3) *determining the necessity of amending the complaint and including all causes of action*; (4) defining and simplifying the issues in the case; (5) entering into admissions or stipulations of facts; and (6) threshing out all other preliminary matters. The Labor Arbiter shall personally preside over and take full control of the proceedings and may be assisted by the Labor Arbitration Associate in the conduct thereof. (Emphasis supplied)

It bears emphasis that the mandatory conference/conciliation under the 1990 procedure did not have for its purpose the following: (a) determination of the necessity to amend the complaint; and (b) inclusion of all causes of action in the complaint. These objectives having been specifically added in the 2005 and the 2011 NLRC Rules, as amended, the Commission indubitably intended that all matters regarding the inclusion of causes of action and the amendment of a complaint be first threshed out during the mandatory conference/conciliation before the parties are directed to *simultaneously* file their position papers. The intention behind this, just like any notice requirement, is to fully apprise the other party of the nature of all the causes of action in the complaint, to enable him/her to set forth intelligent and comprehensive arguments in the position paper, and to avoid surprises that may lead to injustice. They are also designed to avoid the resetting of cases just to give the other party the time to counter the new allegations and search for new evidence or witnesses to address a belatedly raised cause of action in the position paper.

At this point, it bears emphasis that while "*[n]o amendment of the complaint or petition shall be allowed after the filing of position papers*," such may be permitted but with leave of the LA. Thus, in instances where the complainants move to amend their complaint after the filing of position papers, it is within the sound discretion of the LA to determine whether the amendment is justified.

Here, it is worth mentioning that prior to the filing of his position paper, Lingganay had at least four opportunities under the 2011 NLRC Rules, as

amended, to inform respondents of his additional claims. Lingganay could have added his claims for separation pay, holiday premium, rest day pay, and underpaid wages in the following: *first*, in his original Complaint for illegal dismissal; *second*, in his amended Complaint dated July 13, 2017, in which he added his claims for moral damages, exemplary damages, and attorney's fees; *third*, in a second amended complaint, to be filed *before the filing of the position paper*, pursuant to Rule V, Section 11 of the 2011 NLRC Rules, as amended, which does not expressly limit the number of amendments that may be made; and *fourth*, in the mandatory conference/conciliation before the LA and *prior to the filing of a position paper*.

However, Lingganay, *and even his counsel who drafted his position paper*, disregarded the foregoing opportunities. Considering Lingganay's repeated failure to timely raise his additional claims at the expense of the speedy disposition of the case, it was within the sound discretion of the LA to disallow petitioner's motion to further amend his amended complaint.

To justify his non-observance of the 2011 NLRC Rules, as amended, Lingganay's *only argument before the Court* is that his incorporation of his motion to further amend and his second amended complaint in his position paper was sanctioned by the Court's ruling in the case of *Our Haus*, which pronounced that a claim that is not raised in the *pro forma* complaint before the LA may still be raised in the position paper.

At this juncture, it must be pointed out that at the time when Lingganay initiated the case in 2017, the procedure in effect was already the 2011 NLRC Rules. Thus, the rules that govern the filing of Lingganay's complaint, the amendments thereto, and the submission of position papers are Rule V, Sections 11 and 12(a) and (b) of the 2011 NLRC Rules which respectively state in part: "*[a]n amended complaint or petition may be filed before the Labor Arbiter at any time before the filing of position paper*;" "*[n]o amendment of the complaint or petition shall be allowed after the filing of position papers, unless with leave of the Labor Arbiter*;" and "*[t]he position papers of the parties shall cover only those claims and causes of action stated in the complaint or amended complaint.*"

In this regard, the Court finds inapplicable the pronouncement in *Samar-Med Distribution*, as cited in *Our Haus Realty Development Corporation*,[52] that "*[a] claim not raised in the pro forma complaint may still be raised in the position paper.*" To be clear, such pronouncement was based on the old procedure, i.e., the 1990 NLRC Rules, which, at the time when

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[52] 740 Phil. 699, 718 (2014).

petitioner filed his complaint for illegal dismissal, had already been superseded by the 2011 NLRC Rules, as amended.

Procedural rules are not to be ignored because their infringement may have injured a party's substantive rights. Like all rules, they must be observed except only for the most convincing reasons, i.e., to relieve a party of an injustice not commensurate with the extent of his thoughtlessness in not complying with the prescribed procedure. "*Rules of Procedure, especially those prescribing the time within which certain acts must be done, are absolutely indispensable to the prevention of needless delays and to the orderly and speedy discharge of justice. . .[R]ules may be relaxed only in 'exceptionally meritorious cases'.*"[53]

As Lingganay repeatedly disregarded the opportunities to include his additional claims, and absent any convincing justification to ignore the 2011 NLRC Rules, as amended, his filing of a position paper with a motion to further amend his amended complaint cannot be considered as substantial compliance with the 2011 NLRC Rules, as amended. Thus, the CA aptly held that the NLRC *could not have gravely abused its discretion* in affirming the LA's denial of Lingganay's motion to further amend his amended complaint. After all, the labor tribunals have the foremost duty to uphold their own rules to establish order and promote the speedy disposition of cases.

The Court has time and again emphasized that procedural rules, which are designed to facilitate the adjudication of cases, should be treated with utmost respect and due regard.[54] The requirement is in accordance with the Bill of Rights inscribed in the Constitution which guarantees that "all persons shall have a right to the speedy disposition of their cases before all judicial, *quasi-judicial and administrative bodies*."[55]

The issue of whether the CA committed a reversible error in finding as valid petitioner's dismissal from work is a question of fact

The questions whether Lingganay transgressed the company rules and regulations on health and safety, *i.e.*, "*Violation 8.1.4 – Any form of laxity, reckless driving and gross negligence resulting to damages to property,*

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53 *Mapagay v. People*, 613 Phil. 91, 99 (2009).

54 *Integrated Credit and Corporate Services, Co. v. Labrador*, G.R. No. 233127, July 10, 2023, this pinpoint citation refers to the copy of the Resolution uploaded to the Supreme Court website, *citing Subic Bay Metropolitan Authority v. COA*, 845 Phil. 982, 997 (2019).

55 *Hon. Fortich v. Hon. Corona*, 359 Phil. 210, 220 (1998). Emphasis supplied

injuries, death[,] and other casualties,"[56] and whether he was grossly and habitually negligent in the performance of his duties would require the Court to examine anew the factual issues, which the CA and the labor tribunals already passed upon and consistently determined. Such task is not generally allowed in a Rule 45 petition. While the rule admits of exceptions, none of which are present in the case.[57] Still, the Court examines the finding of the CA from the prism of whether the NLRC gravely abused its discretion in affirming the LA's finding that Lingganay's dismissal from service was justified.[58]

There is grave abuse of discretion on the part of the NLRC when its findings and conclusions are not supported by substantial evidence, *i.e.*, that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion.[59] Such grave abuse of discretion on the part of the NLRC warrants the grant of the extraordinary remedy of *certiorari* from the CA.[60] As further discussed below, however, no grave abuse of discretion can be imputed on the NLRC that would warrant the issuance thereof.

There is substantial evidence that Lingganay was grossly and habitually negligent in the discharge of his duties as a passenger bus driver

Article 297(b) of the Labor Code provides, among others, that "[a]*n employer may terminate an employment for . . . [g]ross and habitual neglect by the employee of his duties*." Article 297(b) covers carelessness and even inefficiency of employees in the performance of their tasks. The negligence must not only be gross, i.e., "*glaringly and flagrantly noticeable because of its inexcusable objectionableness*," but also *habitual,* i.e., "*settled tendency of behavior or normal manner of procedure*."[61]

Records show that respondents validly terminated Lingganay from employment for transgressing the company rules and regulations on health and safety and for his gross and habitual neglect of his duties under Article 297(b) of the Labor Code. On this score, the Court quotes with approval the following account of the NLRC:

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56 *Rollo*, p. 238.
57 *Taggueg v. People*, UDK No. 17705, January 30, 2023 [Notice].
58 *See Jarabelo v. Household Goods Patrons, Inc.*
59 *Ace Navigation Company v. Garcia*, 760 Phil. 924, 932 (2015).
60 *Id.* at 932.
61 *Citibank Savings, Inc. v. Rogan*, G.R. No. 220903, March 29, 2023, *citing Bawasanta v. People*, 915 Phil. 577, 591–592 (2021).

[Lingganay] was guilty of violation of [DLTB Co.]'s Rules and Regulations on [Health] and Safety Rules, specifically "8.1.4 - Any form of laxity, reckless driving and gross negligence resulting to damage to property, injuries, death and other casualties."

In his own narration of facts [Lingganay] admitted that he was involved in several vehicular accidents. He said that on October 21, 2013 while driving DLTB passenger bus he met an accident involving one Isidro Alvarez. [Lingganay] did not mention whether Isidro Alvarez was his passenger, hence we deduce that he must have been a third-party pedestrian. This vehicular accident case was settled out of court. We know from experience that an out of court settlement especially one involving a physical injury claim, involves payment of financial indemnity to the injured party.

On May 15, 2015[,] [Lingganay] committed the violation of "overtaking a double yellow line" at Carmelrey intersection Brgy. Tulo, Calamba City for which he apologized to the management when asked to explain for the incident.

On October 8, 2015 he failed to "take time schedule". Hence, he was suspended for five (5) days on November 5, 2015.

On December 30, 2016[,] [Lingganay], while driving DL-550 along the National Highway, Tagkawayan, Quezon, hit the rear portion of a Mitsukoshi Hari Motorcycle causing damage to the motorcycle and slight physical injuries to its driver Aries Cepe and [the latter's] back-rider Dave Joseph Del Rosario who were taken to Tagkawayan Memorial District Hospital. [Lingganay] was detained, including the bus he was driving, at the Police Station and they were released from the Police custody only when the parties involved executed a "Kasunduan" before the Municipal Mayor whereby [Lingganay] agreed to pay the damages to the motorcycle as well as the medical expenses of the injured parties.

The last vehicular accident of [Lingganay] was on May 1, 2017[.] The evidence disclosed that [Lingganay] was driving Bus DL-551 along San Juanico Bridge following a Toyota Wigo. [Lingganay] alleged that a van overtook them and cut the path of the Toyota Wigo. The Toyota Wigo was able to stop on time and thus, avoided bumping into the rear portion of the Van. [Lingganay] however, failed to stop and bumped into the rear portion the Toyota Wigo. Investigation likewise disclosed that [Lingganay] was at fault for being [r]eckless in his manner of driving the bus. [Lingganay] right out, made an initial payment of [PHP] 5,000.00 to the owner of the Toyota Wigo. This act of [Lingganay] indicated his fault and willingness to settle the damages to the Toyota Wigo. The road where the accident occurred was "descending" or "pababa" and [complainant] did not keep safe distance from the Toyota Wigo. [Lingganay] also claimed that he was not driving fast but this is belied by the extensive damage to the Toyota Wigo indicating a strong impact by a fast moving vehicle. In fact, the owner of the Toyota Wigo claimed damages in the amount of [PHP] 99,000.00 which respondent DLTB Co. paid in exchange for the Deed of Release, Waiver[,] and Quitclaim executed by Ma. Angelica O. Talbo[,] owner of

> Toyota Wigo. The DLTB Co. passenger bus likewise sustained damage in the amount of [PHP] 6,500.00.[62]

Indubitably, the past infractions of Lingganay not only repeatedly endangered the properties, safety, or lives of his passengers, the pedestrians, and the riding public; they likewise exposed respondents to various liabilities.

Still, Lingganay insists that even if he was indeed negligent in the performance of his tasks, it was not shown that his negligence was "*both gross and habitual*"; that while he was previously involved in some accidents, his past mishaps were merely minor. Thus, Lingganay avers that the penalty of dismissal meted on him by respondents was too harsh.

Assuming arguendo that the employee's gross negligence was not habitual, the element of habituality may be dispensed with in instances when the recklessness caused substantial damage or loss to the employer

In *LBC Express – Metro Manila, Inc. v. Mateo*,[63] the Court held that an employer cannot be legally compelled to continue the employment of a person who was guilty of gross negligence in the performance of his duties, thus:

> Mateo was undisputedly negligent when he left the motorcycle along Burke Street in Escolta, Manila without locking it despite clear, specific instructions to do so. His argument that he stayed inside the LBC office for only three to five minutes was of no moment. On the contrary, it only proved that he did not exercise even the slightest degree of care during that very short time. Mateo deliberately did not heed the employer's very important precautionary measure to ensure the safety of company property. Regardless of the reasons advanced, the exact evil sought to be prevented by LBC (in repeatedly directing its customer associates to lock their motorcycles) occurred, resulting in a substantial loss to LBC.
>
> Although Mateo's infraction was not habitual, we must take into account the substantial amount lost. In this case, LBC lost a motorcycle with a book value of [PHP] 46,000 which by any means could not be considered a trivial amount. Mateo was entrusted with a great responsibility to take care of and protect company property and his gross negligence should not allow him to walk away from that incident as if nothing happened and, worse, to be rewarded with backwages to boot.

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62 *Rollo*, pp. 92–94.
63 607 Phil. 8 (2009).

> An employer cannot legally be compelled to continue with the employment of a person admittedly guilty of gross negligence in the performance of his duties. This holds true specially if the employee's continued tenure is patently inimical to the employer's interest. What happened was not a simple case of oversight and could not be attributed to a simple lapse of judgment. No amount of good intent, or previous conscientious performance of duty, can assuage the damage Mateo caused LBC when he failed to exercise the requisite degree of diligence required of him under the circumstances.[64]

To recall, the infraction of Lingganay which prompted respondents to ultimately dismiss him from employment was his recklessness when he crashed into the rear portion of a Toyota Wigo that caused substantial damage to the car in the amount of PHP 99,000.00 and to the company bus amounting to PHP 6,500.00. To avoid any possible legal suit against the company, respondents were compelled to pay the full amount of PHP 99,000.00 to the car owner. Indubitably, even assuming that Lingganay's gross negligence was not habitual, the damage and loss caused by his last infraction to the company was so substantial that respondents indeed cannot be legally compelled to continue his employment.

All told, the CA committed no reversible error (1) in agreeing with the LA that Lingganay violated Rule V, Sections 11 and 12 of the 2011 NLRC Rules, as amended, in incorporating his motion to further amend complaint and his second amended complaint in his position paper; and (2) in ruling that the NLRC did not gravely abuse its discretion in holding that (a) Lingganay was validly dismissed from employment for transgressing the rules and regulations of the company on health and safety, and (b) Lingganay was guilty of "[g]*ross and habitual neglect by the employee of his duties*" under Article 297(b) of the Labor Code.

WHEREFORE, the Petition for Review on *Certiorari* is **DENIED**. The July 6, 2020 Decision and December 9, 2020 Resolution of the Court of Appeals in CA-G.R. SP No. 155756 are hereby **AFFIRMED**.

SO ORDERED.

HENRI JEAN PAUL B. INTING
Associate Justice

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64 *Id.* at 12–13.

WE CONCUR:

ALEXANDER G. GESMUNDO
Chief Justice

MARVIC M.V.F. LEONEN
Senior Associate Justice

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

RAMON PAUL L. HERNANDO
Associate Justice

AMY C. LAZARO-JAVIER
Associate Justice

RODIL V. ZALAMEDA
Associate Justice

MARIO V. LOPEZ
Associate Justice

SAMUEL H. GAERLAN
Associate Justice

RICARDO R. ROSARIO
Associate Justice

JHOSEP Y. LOPEZ
Associate Justice

JAPAR B. DIMAAMPAO
Associate Justice

JOSE MIDAS P. MARQUEZ
Associate Justice

ANTONIO T. KHO, JR.
Associate Justice

MARIA FILOMENA D. SINGH
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court.

ALEXANDER G. GESMUNDO
Chief Justice

EN BANC

G.R. No. 254976 – MARCELINO DELA CRUZ LINGGANAY, Petitioner, **v. DEL MONTE LAND TRANSPORT BUS COMPANY and NARCISO MORALES,** Respondents.

Promulgated:

August 20, 2024

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CONCURRING AND DISSENTING OPINION

LEONEN, *J.*:

I concur in the *ponencia*'s thorough and well-reasoned discussion of the new rule under Rule V, Section 12(a), in relation to Section 11, of the 2011 National Labor Relations Committee Rules of Procedure (NLRC Rules of Procedure), as amended,[1] that after the filing of position papers, the labor arbiter determines whether an amendment of the complaint is justified, based on the case's specific circumstances. However, it bears stressing that the starting point of the labor arbiter's exercise of such discretion must be the constitutional mandate to give full protection to labor[2] and to enforce labor law with social justice that "equaliz[es] the unequal."[3]

Hence, I respectfully dissent as to the *ponencia*'s evaluation of whether the labor arbiter here properly disallowed petitioner Marcelino Dela Cruz Lingganay (Lingganay) to amend his complaint by concurrently filing his position paper and his motion to amend his complaint. The labor arbiter erred in failing to duly account for petitioner's lack of counsel until the stage of submitting his position paper.

This case involves Lingganay, who Del Monte Land Transport Bus Company (Del Monte) had hired as a driver. Lingganay was involved in multiple accidents,[4] costing the company PHP 105,500.00 in victim compensation. He was suspended multiple times until the third incident, which led to his dismissal from employment on the grounds of reckless

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1 2011 NLRC Rules of Procedure, as amended by NLRC *En Banc* Resolution No. 11-12, Series of 2012 and NLRC *En Banc* Resolution No. 05-14, Series of 2014.

2 CONST., art. XIII, sec. 3 states:
Section 3. The State shall afford *full protection* to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all." (Emphasis supplied)

3 *Paredes v. Feed the Children Phils., Inc.*, 769 Phil. 418, 442 (2015) [Per J. Peralta, Third Division].

4 In 2013, while driving a bus along Quezon Province, petitioner Lingganay was involved in an accident with one Isidro Alvarez. In 2016, he was involved in another accident, this time with a motorcycle, and received a warning from respondent Del Monte. In 2017, he crashed respondent's bus on the rear portion of a Toyota Wigo. *See ponencia*, pp. 2–3.

driving, gross negligence, and violation of company policies on health and safety.

In 2017, Lingganay filed a complaint for illegal dismissal. There is no showing that he was aided by counsel in the filing of his complaint.

Lingganay amended his complaint on July 17, 2017 to include claims for damages. He subsequently filed his Position Paper With Urgent Motion to Amend the Complaint, raising monetary claims for underpayment of wages, separation pay, rest day, and holiday premium pay. However, the labor arbiter denied the motion, citing Rule V, Section 11 of the 2011 NLRC Rules of Procedure, as amended.[5]

In any event, the labor arbiter dismissed Lingganay's complaint, ruling that his dismissal was justified since he violated company rules on health and safety. The National Labor Relations Commission affirmed the labor arbiter's findings.

The Court of Appeals then affirmed the labor arbiter and the Commission's rulings. Citing Rule V, Section 12 of the 2011 NLRC Rules of Procedure, as amended,[6] the Court of Appeals held that the labor arbiter correctly denied the Lingganay's amendment because the amended complaint was already embedded in the position paper before he secured leave for amendment. Thus, Lingganay filed the Petition before this Court.

With due respect to the *ponencia*, I maintain that there is a need to remand this case to the labor arbiter.

In *Samar-Med Distribution v. National Labor Relations Commission*,[7] and then in *Our Haus Realty Development Corporation v. Parian*,[8] the Court ruled that the non-allegation of a cause of action in a labor complaint does not preclude an employee from raising it in their position paper.

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5 2011 NLRC Rules of Procedure, Rule V, sec. 11, as amended, states:
Section 11. AMENDMENT OF COMPLAINT/PETITION. – An amended complaint or petition may be filed before the Labor Arbiter at any time before the filing of position paper, with proof of service of a copy thereof to the opposing party/ies. If the amendment of the complaint or petition involves impleading additional respondent/s, service of another summons in accordance with Section 3 hereof is necessary to acquire jurisdiction over the person of the said respondent/s. (*See* NLRC *En Banc* Resolution No. 11-12, Series of 2012)

6 2011 NLRC Rules of Procedure, Rule V, sec. 12(b), as amended, states:
(b) No amendment of the complaint or petition shall be allowed after the filing of position papers, unless with leave of the Labor Arbiter.

7 714 Phil. 16 (2013) [Per J. Bersamin, First Division].

8 740 Phil. 699 (2014) [Per J. Brion, Second Division].

I agree that under Rule V of the 2011 NLRC Rules of Procedure, as amended, this doctrine has evolved—while a complaint may still be amended after the filing of a position paper, it must be with leave from the labor arbiter, who now has the discretion to allow or disallow it depending on the circumstances surrounding the case.

Nevertheless, the labor arbiter's exercise of such discretion must always be in keeping with the Constitution's recognition of labor as "a primary social economic force"[9] that must be given full protection.[10]

The labor force is a "special class that is constitutionally protected" specifically "because of the inequality between capital and labor."[11]

In this sense, the first thing that a labor arbiter should consider in determining the justifiability of a complaint amendment is whether the worker had the assistance of counsel right from the filing of the complaint.

As we stressed in *Reyes v. Rural Bank of San Rafael (Bulacan), Inc.*,[12] one of the most glaring manifestations of inequality between workers and their employers is the fact that the former, unlike the latter, seldom have the means to secure and retain representation:

> [L]abor proceedings are so informally and, as much as possible, amicably conducted and without a real need for counsel, perhaps in recognition of *the sad fact that a common employee does not or have extremely limited means to secure legal services nor the mettle to endure the extremely antagonizing and adversarial atmosphere of a formal legal battle*. Thus, in the common scenario of an unaided worker, who does not possess the necessary knowledge to protect his rights, pitted against his employer in a labor proceeding, We cannot expect the former to be perfectly compliant at all times with every single twist and turn of legal technicality. The same, however, cannot be said for the latter, who more often than not, has the capacity to hire the services of a counsel. As an additional aid therefore, a liberal interpretation of the technical rules of procedure may be allowed if only to further bridge the gap between an employee and an employer.[13] (Emphasis supplied)

This is especially true for the initiatory stage of labor proceedings; workers are usually on their own when filling up the *pro forma* checklist of

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9 CONST., art. II, sec. 18.

10 CONST., art. XIII, sec. 3 states:
Section 3. The State shall afford *full protection* to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all. (Emphasis supplied)

11 *Paredes v. Feed the Children Phils., Inc.*, 769 Phil. 418, 442 (2015) [Per J. Peralta, Third Division]. *See also Fuji Television Network, Inc. v. Espiritu*, 749 Phil. 388 (2014) [Per J. Leonen, Second Division]; *Jaculbe v. Silliman University*, 547 Phil. 352 (2007) [Per J. Corona, First Division].

12 G.R. No. 230597, March 23, 2022 [Per J. Hernando, Second Division].

13 *Id.*

causes of action. As we noted in *Tegimenta Chemical Phils. and Garcia v. Buensalida*:[14]

> [A] complaint in a case filed before the NLRC consists only of a blank form which provides a checklist of possible causes of action that the employee may have against the employer. *The check list was designed to facilitate the filing of complaints by employees and laborers even without the intervention of counsel.* It allows the complainant to expediently set forth his grievance in a general manner, but is not solely determinative of the ultimate cause of action that he may have against the employer.[15] (Emphasis supplied)

In fine, when the labor arbiter starts with checking if the worker had counsel, particularly at the moment of filing the complaint, their exercise of the subject discretion rightly flows from a social justice standpoint of "compassionate justice or an implementation of the policy that those who have less in life should have more in law."[16] With the factor of representation being the labor arbiter's first consideration, the rest of their determination falls in line with the following principles: (1) the 2011 NLRC Rules of Procedure shall be liberally construed to give effect to the objectives of the Constitution and other relevant legislation;[17] (2) all doubts in the implementation and interpretation of the Labor Code shall be resolved in favor of labor;[18] and (3) the relaxation of procedural rules in labor cases is primarily for the benefit of employees.[19]

Applying the foregoing here, I beg to differ with the *ponencia*'s evaluation of the labor arbiter's exercise of the subject discretion. The *ponencia*'s evaluation is centered on the four opportunities that petitioner had to inform respondents of his additional claims. Yet there is no indication that petitioner had a counsel who would have brought those opportunities to his attention as they came up and then helped him to fully utilize them.

Crucially, the *ponencia* only stated that petitioner's position paper was drafted by his counsel. It is my view that the labor arbiter should have accorded more weight to petitioner's apparent lack of legal assistance prior to the preparation of his position paper. That circumstance—coupled with "the fact that initiatory complaints filed before the [National Labor Relations Commission] are just blank forms wherein the employee-complainant simply inputs his/her details, the respondent's details, and ticks off a checklist of causes of action which are applicable to him/her"[20]—made it all the more

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14 577 Phil. 534 (2008) [Per J. Ynares-Santiago, Third Division].

15 *Id.* at 541.

16 *H. Villarica Pawnshop, Inc. v. Social Security Commission*, 824 Phil. 613, 631 (2018) [Per J. Gesmundo, Third Division], *citing Agabon v. National Labor Relations Commission*, 485 Phil. 248, 306 (2004) [Per J. Ynares-Santiago, *En Banc*].

17 2011 NLRC Rules of Procedure, Rule I, sec. 1.

18 LABOR CODE, art. 4.

19 *Reyes v. Rural Bank of San Rafael (Bulacan), Inc.*, G.R. No. 230597, March 23, 2022 [Per J. Hernando, Second Division].

20 *Burnea v. Security Trading Corp.*, 900 Phil. 194, 201 (2021) [Per J. Perlas-Bernabe, Second Division].

important for petitioner to be permitted to simultaneously submit his position paper and further amend his complaint.

Petitioner's Position Paper With Urgent Motion to Amend the Complaint was his first opportunity to capitalize on a counsel's assistance and comprehensively detail all of respondents' "acts or omissions which constitute [his] causes of actions against the[m]."[21] By denying petitioner's motion, the labor arbiter exercised the subject discretion in a way that preserved petitioner and respondents' imbalance (the difference between having and not having counsel guarding and advocating one's cause).

Additionally, Rule V, Section 12(d) of the 2011 NLRC Rules of Procedure, as amended, allows the filing of a Reply to respond to the allegations in a complaint *and* position paper.[22] Respondents, having the benefit of a counsel, would have had the means to address each cause of action alleged in petitioner's position paper, even those that he missed in accomplishing the *pro forma* complaint checklist. Thus, petitioner's Position Paper With Urgent Motion to Amend the Complaint did not threaten respondents' due process rights. Section 12(d)—and respondents' counsel's knowledge of that provision—safeguarded respondents' "fair and reasonable opportunity to explain their . . . side[] of the controversy" and submit "all the supporting documents or documentary evidence that would prove their . . . claims."[23]

All things considered, I submit that the labor arbiter's exercise of the subject discretion ultimately ran counter to the constitutional mandate to give full protection to labor, and diverged from the social justice directive to bridge the employer-employee inequality. The labor arbiter should have granted petitioner's motion; directed respondents to file their Reply (for them to be heard on petitioner's additional causes of action, in the interest of due process); and then evaluated all of petitioner's raised claims. In that way, the 2011 NLRC Rules of Procedure, as amended would not have "st[ood] in the way of equitably and completely resolving the rights and obligations of the parties" and "the ends of substantial justice shall [have] be[en] better served."[24]

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21 *Id.*

22 2011 NLRC Rules of Procedure, Rule V, sec. 12(d), as amended, states that:
(d) Within ten (10) days from receipt of the position paper of the adverse party, a reply may be filed on a date agreed upon and during a schedule set before the Labor Arbiter. The reply shall not allege and/or prove facts and any cause or causes of action not referred to or included in the original or amended complaint or petition or raised in the position paper. (7a)

23 *Am-Phil Food Concepts, Inc. v. Padilla*, 744 Phil. 674, 687 (2014) [Per J. Leonen, Second Division], *citing Sy v. ALC Industries, Inc.*, 589 Phil. 354, 361 (2008) [Per J. Corona, First Division] and *Mariveles Shipyard Corp. v. Court of Appeals*, 461 Phil. 249, 265 (2003) [Per J. Quisumbing, Second Division].

24 *Dela Torre v. Twinstar Professional Protective Services, Inc.*, 905 Phil. 275, 280 (2021) [Per J. Hernando, Third Division], *citing Millenium Erectors Corporation v. Magallanes*, 649 Phil. 199, 204 (2010) [Per J. Carpio Morales, Third Division].

ACCORDINGLY, I vote to **GRANT** the Petition and remand the case to the labor arbiter.

MARVIC M.V.F. LEONEN
Senior Associate Justice

EN BANC

G.R. No. 254976 – MARCELINO DELA CRUZ LINGGANAY, Petitioner, **v. DEL MONTE LAND TRANSPORT BUS COMPANY, INC. (DLTBCo.) and NARCISO MORALES,** Respondents.

Promulgated:

August 20, 2024

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CONCURRING OPINION

CAGUIOA, *J.*:

I concur.

As the *ponencia*[1] specifically observed, prior to the filing of the Position Paper, Marcelino Dela Cruz Lingganay (Lingganay) had at least four opportunities to comprehensively inform herein respondents of his claims, including the claims for "separation pay, holiday premium, rest day pay, and underpaid wages," namely:

(1) In his original Complaint for illegal dismissal;
(2) In his Amended Complaint dated July 13, 2017, which additionally included claims for moral damages, exemplary damages, and attorney's fees;
(3) By filing a second amended complaint **before** the filing of his Position Paper, pursuant to Rule V, Section 11 of the 2011 NLRC Rules of Procedure (2011 Rules), which does not expressly limit the number of amendments that may be made; and
(4) By bringing up his belated claims during the Mandatory Conciliation and Mediation Conference.[2]

To be sure, had Lingganay brought up his belated claims during the aforementioned occasions, the amendment of his complaint would have been clearly justified under the Rules. <u>*However*</u>, instead of following the 2011 Rules and availing of these numerous opportunities, Lingganay only filed the Amended Complaint when he filed his Position Paper with Urgent Motion to Amend. Apparently, Lingganay's **only** rationale for doing so is as follows:

> To justify his non-observance of the 2011 NLRC Rules, as amended, Lingganay's *only argument before the Court* is that his incorporation of his motion to further amend and his second amended complaint in his position paper was sanctioned by the Court's ruling in the case of *Our Haus*, which pronounced that a claim that is not raised in the *pro forma* complaint before the LA may still be raised in the position paper.[3]

[1] *Ponencia*, pp. 13–14.
[2] Letter dated April 15, 2024, Associate Justice Alfredo Benjamin S. Caguioa.
[3] *Ponencia*, p. 14.

There was no explanation of other circumstances that justified Lingganay and his counsel's disregard of the 2011 Rules. In other words, Lingganay and his counsel simply did not bother to check the correct procedure.

This brings to the fore the important nuance that the National Labor Relations Commission (NLRC) was given the power "to promulgate rules and regulations governing the hearing and disposition of cases before it and its regional branches, as well as those pertaining to its internal functions and such rules and regulations as may be necessary to carry out the purposes of [the Labor] Code."[4] Pursuant to this power, the NLRC introduced changes to its own procedure **in order to curb abuse and to promote the speedy disposition of its cases**. As explained in the *ponencia*:

> These objectives having been specifically added in the 2005 and the 2011 NLRC Rules, as amended, the Commission **indubitably intended that all matters regarding the inclusion of causes of action and the amendment of a complaint be first threshed out during the mandatory conference/conciliation before the parties are directed to simultaneously file their position papers. The intention behind this, just like any notice requirement, is to fully apprise the other party of the nature of all the causes of action in the complaint, to enable him/her to set forth intelligent and comprehensive arguments in the position paper, and to avoid surprises that may lead to injustice. They are also designed to avoid the resetting of cases just to give the other party the time to counter the new allegations and search for new evidence or witnesses to address a belatedly raised cause of action in the position paper.**[5] (Emphasis supplied)

As mentioned, Lingganay failed to offer any sufficient reason or any special circumstances to justify why the Court should disregard, overrule, or undermine the procedural changes introduced by the NLRC, in the valid exercise of its powers, precisely to aid the expeditious disposition of labor cases. Without any such compelling reason, it would be erroneous for the Court to accommodate Lingganay by undermining the ruling of the Labor Arbiter who is empowered under the rules **to exercise discretion** relative to allowing amendments of the complaint after the filing of the position paper. Indeed, in amending its procedural rules, the NLRC saw fit to give this discretion to the Labor Arbiter because the latter is in a better position to observe "on the ground" the prevailing circumstances relative to the dispute and to make a judgment call on the parties' requests that may needlessly delay the disposition of the case.

In view of the foregoing, I **VOTE** to **DENY** the Petition.

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4 LABOR CODE, as amended and renumbered in 2015, art. 225 (218), Powers of the Commission.

5 *Ponencia*, p. 13.

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice