

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
FIRST DIVISION**

**ASIA FANCY
CORPORATION,**

PLYWOOD

Petitioner,

-versus-

**G.R. No. 113099
January 20, 1999**

**NATIONAL LABOR RELATIONS
COMMISSION, ROBERTO MANANAP,
JOSE RUBIO, AVELINA NATALIO,
GERARDO ANOVER, ELIZABETH
CELIS AND EDITHA RETEZ,**

Respondents.

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D E C I S I O N

PARDO, J.:

The Petition before the Court is for *Certiorari* to Nullify a Decision of the National Labor Relations Commission which modified that of the Labor Arbiter and ordered petitioner, in addition to reinstating respondents, to pay them backwages not to exceed two (2) years.

The facts may be related as follows:

Private respondents were regular employees of petitioner, a company engaged in the business of plywood lamination with narra flitches as the principal raw material.

On March 7, 1991, private respondents filed with the Office of the Labor Arbiter, National Capital Region, Manila, a complaint against petitioner for unfair labor practice, illegal dismissal, harassment, violation of labor standards and underpayment of wages.

On April 17, 1991, respondent amended the complaint with the addition of more complainants.

On June 25, 1991, respondent further amended the complaint by limiting the case to illegal dismissal only.

On July 23, 1991, petitioner filed its answer to the amended complaint stating that respondents were not dismissed or terminated; however, they did not report for work.

On December 3, 1991, the Labor Arbiter rendered decision ordering respondents to report for work and petitioner to re-accept them to their former or substantially equal position without backwages.

On December 27, 1991, private respondents appealed the decision to the National Labor Relations Commission.

On September 30, 1993, the National Labor Relations Commission promulgated a decision modifying that of the Labor Arbiter. In addition to requiring petitioner to reinstate private respondent, the Commission directed petitioner to pay respondents back wages not to exceed two (2) years.

Hence, the present recourse.

We grant the petition.

As found by the Labor Arbiter, there was no evidence that private respondents were dismissed from employment. Nor were they

prevented from returning to their work. It was only complainants' unsubstantiated conclusion that they were dismissed. In fact, petitioner expressed willingness to accept back private respondents to their former positions. The payment of back wages will be required only if an employee is unjustly or illegally dismissed.^[1] Backwages are granted on grounds of equity to workers for earnings lost due to their illegal dismissal from work.^[2]

Consequently, we find that the National Labor Relations Commission gravely abused its discretion in ordering backwages to be paid to private respondents.

WHEREFORE, the Court hereby **SETS ASIDE** the Decision of the National Labor Relations Commission dated September 30, 1993, and the Order dated December 2, 1993, in NLRC NCR Case No. 002752-92. The Decision of the Labor Arbiter dated December 3, 1991, in NLRC NCR Case No. 00-03-0483-91, is **REINSTATED**.

No costs.

SO ORDERED.

Davide, Jr., C.J., Melo, Kapunan and Martinez, JJ., concur.

[1] Article 279 Labor Code; Chong Guan Trading vs. NLRC, 172 SCRA 831.

[2] Chong Guan Trading vs. NLRC, supra; Durabilt vs. NLRC, 152 SCRA 328.