

Title: Airborne Maintenance and Allied Services, Inc. v. Arnulfo M. Egos

Facts:

Arnulfo M. Egos was hired by Airborne Maintenance and Allied Services, Inc. on April 9, 1992, as a janitor and assigned to Meralco-Balintawak Branch. Almost twenty years later, when the contract between Airborne and Meralco expired on June 30, 2011, Egos was not absorbed by the new contractor, Landbees Corporation, due to an alleged heart ailment. Egos obtained a medical certificate attesting his fitness for work, but Airborne disregarded it and provided no work assignments. Feeling constructively dismissed, Egos filed a complaint on August 5, 2011. Airborne contended that Egos was asked to report for reposting, evidenced by two undelivered letters informing him of a new assignment.

The Labor Arbiter dismissed Egos's complaint for lack of merit. On appeal, the NLRC reversed this decision, ruling that Egos was constructively dismissed. Airborne's petition for certiorari with the Court of Appeals (CA) was denied, affirming the NLRC's decision, which was subsequently challenged before the Supreme Court.

Issues:

1. Whether the Court of Appeals committed an error in affirming the NLRC's ruling that Egos was constructively dismissed.
2. Whether the CA erred in dismissing Airborne's petition based on the erroneous conclusions of the NLRC despite jurisprudence on the matter.

Court's Decision:

The Supreme Court denied the petition, upholding the decisions of the NLRC and the CA. The Court found the following:

- Airborne failed to observe due process in dismissing Egos, violating both substantive and procedural due process.
- Airborne's attempt to claim that Egos abandoned his work was not supported by evidence, as the notices sent were inadequately addressed and deemed as afterthoughts.
- Airborne did not fulfill the requirements to place Egos on floating status under Article 301 of the Labor Code, including the failure to notify DOLE and Egos properly.
- The totality of circumstances indicated that Airborne's non-compliance and subsequent actions constituted constructive dismissal.

Doctrine:

The Supreme Court reiterated the doctrine concerning the two facets of employee dismissal:

(1) the legality of the act of dismissal (substantive due process), and (2) the legality in the manner of dismissal (procedural due process). The decision emphasized that failure to observe due process renders any dismissal illegal, violating the employee's right to due process.

Class Notes:

- Constructive dismissal occurs when continued employment becomes impossible, unreasonable, or unlikely due to an act of discrimination, insensibility, or disdain by an employer that is unbearable for the employee.
- Article 301 (formerly Article 286) of the Labor Code dictates that the bona fide suspension of the operation of a business or undertaking should not exceed six months, and requirements include notifying DOLE and the affected employee at least one month before the intended suspension.
- The employer bears the burden of proving that there are no available posts to which the temporarily laid-off employee can be assigned.

Historical Background:

The case highlights the complexities and nuances of labor law in the Philippines, particularly on issues concerning constructive dismissal and the rights of employees in cases of contract termination between a service provider and its client. It underscores the crucial role of adherence to procedural and substantive due process in employee dismissals and reaffirms the protective mantle extended by Philippine law to labor rights.