

MACKAY RADIO & TELEGRAPH CO., INC., PETITIONER, VS. JOHN W. RICH, RESPONDENT.

G.R. No. L-22608. June 30, 1969

Ponente: ZALDIVAR, J.

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ZALDIVAR, J.:

Appeal by certiorari from the decision of the Court of Appeals of January 29, 1964 and from its resolution of March 3, 1965 denying petitioner's motion for recon-sideration.

The facts, as gathered from the findings of the Court of Appeals, follow:

Petitioner Mackay Radio and Telegraph Co., Inc., (hereinafter referred to as Mackay) is an American corporation, engaged in the business of world-wide wireless and radio communications, with a branch office in Manila. Sometime in April, 1952, in Tokyo, Mackay engaged the services of respondent John W. Rich (hereinafter referred to as Rich), an American citizen and a resident of San Francisco, California. A few months later, Mackay assign-ed Rich to its Manila office as commercial supervisor. Rich arrived in Manila on July 7, 1952. On October 21, 1952, a contract of employment was executed between Mackay and Rich, providing that the employment was for a three-year period from May 1, 1952 to April 30, 1955, at a salary of U.S. \$400 a month; that "upon the satisfactory completion of the term of service x x x, the Company will grant to the Employee a furlough of three months on full pay with free passage" to San Francisco, California, U.S.A. After having satisfactorily com-pleted the terms of the contract in May 1955, Rich went on furlough to the United States with the cost of his transportation to San Francisco, round trip, paid for by Mackay.

While on furlough, Rich was made to report to Mackay's main offices in New York and he was sent to the New Or-leans branch on company business. This work of Rich, at a time when he was supposed to be on vacation, lasted for 21 days. In New York, Rich's new assignment was taken up, and in due time he was again sent to Manila, arriving in the latter place for his second assignment on October 5, 1955.

The second tour of duty of Rich in Manila lasted only until February 15, 1956. On February 16, 1956, Rich boarded the SS Tungus for Hongkong, and after staying in Hongkong for a few days he took the SS President Cleve-land for San Francisco where he arrived in March 1956. Rich paid for his transportation from Manila to San Fran-cisco because Mackay refused to so pay.

In June or July, 1957, Rich returned to Manila. He came this time on his own as a temporary visitor. Short-ly afterwards, Rich obtained employment with the local office of the RCA Communications, married a Filipino woman, and became a permanent Philippine resident. It was then that Rich pursued his claim against Mackay for breach of contract of employment. His claims having been denied by Mackay, Rich brought suit against Mackay before the Court of First Instance of Rizal, for damages arising from wrongful dismissal from employment. After trial, the Court of First Instance of Rizal rendered a decision, the dispositive portion of which reads as follows:

"IN VIEW OF THE FOREGOING, this Court renders judgment in favor of plaintiff and sentences the

defendant to pay unto the former the sum of P15,000.00, representing the balance of salary up to October 5, 1958; the sum of P1,438.00, as reimbursement of transportation fare from Manila to San Francisco; the sum of P560 as salary for extra services for 21 days; the sum of P10,000.00 as moral damages; the sum of P10,000.00 as exemplary damages and the sum of P5,000 for and as attorney's fees, together with interest at the legal rate from November 24, 1959, until fully paid, and the costs of the suit."

Defendant Mackay appealed from the above-mentioned decision of the Court of First Instance of Rizal to the Court of Appeals. On January 29, 1964, the Court of Appeals rendered a decision modifying the judgment of the lower court by eliminating the award of exemplary damages and reducing the award of moral damages from P10,000 to P5,000, and providing that the award for moral damages and attorney's fees should bear no interest. In all other respects the judgment of the lower court was affirmed.

Hence, the present appeal before this Court.

Appellant Mackay now contends that the Court of Appeals erred:[1]

1. In not holding that after the termination of Rich's contract of employment, exhibit A, on April 30, 1955, without having executed a new contract, his employment from October 5, 1955 to February 15, 1956 was on a month-to-month basis.
2. In finding that Rich was dismissed by Mackay on February 15, 1956 before the expiration of the alleged 3-year contract of employment and that Rich is entitled to actual damages of P15,000.00 which is approximately 60% of the balance of his unpaid salary of P25,333.34; and further erred in not deducting the earnings received by Rich during the unexpired period of his alleged 3-year contract of employment from February 16, 1956 to October 5, 1958 in the amount of P20,966.66 from his claim of P25,333.34 to mitigate his damages.^{1-a}
3. In not finding that the award of attorney's fees in the amount of P5,000.00 is excessive, unreasonable and disproportionate to the main claim.
4. In finding that Rich is entitled to moral damages without proof of bad faith or fraud on the part of petitioner.

1. Appellant Mackay contends that the Court of Appeals erred in not holding that after the termination of Rich's contract of employment on April 30, 1955 his employment from October 5, 1955 to February 15, 1956 was "on a month to month basis", no new contract of employment having been executed. Mackay argues that clause 8 of the original contract of employment (Exhibit A), which provides that

"8. It is further mutually agreed between the parties hereto that upon the satisfactory completion of the term of service specified in Clause 1 of this Agreement, the Company will grant to the Employee a furlough of three months on full pay, with free passage to the place referred to in Clause 7 above, and free passage from such place to the station of the company to which he may be assigned upon a renewal of this agreement between the parties hereto being executed" (Brief for the Petitioner, p. 53).

should govern the relationship of the parties, it being stated in said clause that "a renewal of this agreement between the parties hereto being executed". It is admitted in the instant case that no written contract of renewal of employment was executed.

Appellee Rich, on the other hand, argues that the matter regarding his re-employment for a 3-year period is a factual question, and the Court of Appeals had found that his re-employment was for a 3-year period; and the finding of the Court of Appeals is conclusive upon this Court.

What is to be considered, therefore, is whether the question raised is one of fact or of law. In *Joaquin vs. Navarro*,^[2] this Court laid down a guide in determining whether a question is of fact or of law, thus:

"When the evidence is purely documentary, the authenticity of which is not questioned and the only issue is the construction to be placed thereon, or where a case is submitted upon an agreement of facts, or where all the facts are stated in the judgment and the issue is the correctness of the conclusions drawn therefrom, the question is one of law which may be reviewed by the Supreme Court."

The decision of the Court of Appeals, appealed from, shows that the issue regarding the period of re-employment was resolved on the basis of evidence not purely documentary, because appellee's evidence on the matter was both documentary and testimonial. Neither was the issue decided on the basis of an agreement of facts, because there was no such agreement. We find that the Court of Appeals made a thorough examination of the evidence of both parties before arriving at findings and conclusions, as follows:[3]

"The appellee's statement that he was sent back to Manila for another 3 years finds confirmation from the appellant's own officers. Upon the other hand, the appellant did not produce any evidence that the second contract was month-to-month, nor did the appellant deny the appellee's statement that he was asked to come back for another three years. The appellant does not question the authenticity of Exhs. F, G, H, I and J. In short, the appellant relies on the absence of a written contract. But even in its own documentary evidence, Exh. 16, sent by its New York to the Manila office, reference is made to the appellee's period of employment as 'HIS CONTRACT TERM OF THREE YEARS'.

"It seems that every one always considered the re-employment as for another 3 years and the failure to put the contract in writing hardly affected its duration. In fact, no fault should be attributed to the appellee, for even with regard to the first tour of duty which began on May 1, 1952, the written contract for it, Exh. A, was executed only on October 21, 1952, or more than 5 months later. To our minds, it is conclusive that the appellant rehired or reemployed the appellee for another period of 3 years. This contract commenced on October 5, 1955, the day the appellee arrived in Manila for the second assignment and the day he started drawing his salary for this second assignment."

The foregoing conclusions of the Court of Appeals, based as they are upon its findings of facts, cannot be reviewed by this Court.[4]

Applicable to the issue at bar is the statement of this Court in *Lim vs. Calaguas*,[5] to wit:

"That query necessarily invites calibration of the whole 'evidence' considering mainly the credibility of witnesses, existence and relevancy of specific surrounding circumstances, their relation to each other and to the whole and the probabilities of the situation. Consequently, the question must be deemed factual, for the Appeals' Court to solve."

In *Corbin on Contracts*,[6] We read that the question regarding the term of service in service contracts is "one of factual interpretation, and very frequently it is a jury question."

At any rate, the case is now before this Court, and upon examination of the record and of the issue therein raised We find that the Court of Appeals correctly held that appellee Rich was reemployed by appellant Mackay under the same terms and conditions as in the original contract of employment.

In *Horton vs. Wollner*, 71 Ala. 452, cited in *Abbot on Facts*, 5th ed., 1937, p. 651, We read:

"The weight of authority holds that an employee originally hired for a definite term, who continues to render the same services after the expiration of such term without explicitly entering into a new agreement, is prima facie presumed to be serving under a new contract having the same terms and conditions as the original one."

Again, in *Corbin on Contracts*, Vol. 3, pp. 689-690, We read:

"When parties have made a contract of employment for a definite period of the expiration of that period the employment is often continued without making any new agreement about it. From this conduct, especially if

the original contract was for one year's service, an inference will usually be made that the parties intend a renewal of the contract for a second similar period; such is said to be the 'presumption,' rebuttable in character. Even though the parties expressly agree upon a different salary, the presumption will be indulged as to the extension of time." (Citing *Associated Newspapers v. Phillips*, 294 F.845; *Williams vs. Schalk Chemical Co.*, 53 P.2d 1015, 11 Cal. App. 2d 396; *Fletcher v. Crichton*, 164 So. 411, 183 La. 551; *Allen v. Chicago Pneumatic Tool Co.*, 91 N.E. 887, 205 Mass. 569; *Adams v. Fitzpatrick*, 26 N.E. 143, 125 N.Y. 124; *Magnolia Compress & Warehouse Co. v. Davidson*, 38 S.W. 2d 634; *Virginia Cannery Exchange v. Scheidt*, 119 S.E. 56, 137 Va. 452; *Conrad v. Ellison-Harvey Co.*, 91 S.E. 763, 120 Va. 458, Ann. Cas. 1918 B, 1171; *Kellogg v. Citizens Co. of Pittsburgh*, 69 N.W. 362, 94 Wis. 554; and *Steward Dry Goods Co. v. Hutchison*, 198 S.W. 17, 177 Ky. 757, L.R.A. 1918 C, 704.)

In 56 CJS p. 83, We read:

"As a general rule, where one enters into the service of another for a definite period, and continues in the employment after the expiration of that period, without any new contract, the presumption is that the employment is continued on the terms of the original contract."

We find in the record that the presumption of renewal of the contract of employment of Rich, for the same 3-year period, has not been rebutted. On the contrary, as the Court of Appeals said, Rich's statement that he was sent back to Manila for another 3 years found confirmation from Mackay's own officers. For instance: a Vice-President of Mackay, after re-viewing the concessions given to Rich for his second assignment to Manila, reported to Executive Vice-President Henderson that:

"He [Rich] appeared very pleased with these decisions, and he returned to Manila for a further 3-year period." (Exhibit H-1)

And in Henderson's second letter to Rich, Exhibit J, he stated that:

"x x x [Mackay] would have provided you with a return passage to San Francisco at the end of your second three-year term, just as we did at the end of the term of your first three-year tour of duty x x x." (Exh. J-2)

Even Mackay itself understood the contract to be for 3 years, as the New York cable (Exh. 16) stated that:

"x x x Pls note as Rich is leaving Manila without completing his contract term of three years his transportation back to the States will be at his own expense."

The foregoing evidence certainly militates against, and overcomes, appellant Mackay's contention that the second employment of Rich was on a month-to-month basis because there was no written contract of renewal of employment for another 3-year service.

2. We now come to the question of whether, or not, the Court of Appeals erred: (a) in finding that Rich was dismissed by Mackay before the expiration of the 3-year period of the second employment; (b) in declaring that Rich is entitled to actual damages of P15,000 which is approximately 60% of the balance of his unpaid salary of P25,333.34; and (c) in not deducting the earnings of Rich, in other employments during the unexpired portion of the term of the contract, in the amount of P20,966.66.

We find in the record conflicting evidence on the question of whether Rich was dismissed from, or Rich did abandon, his job. In spite of appellant Mackay's own evidence which shows that it had discharged Rich from his job, said appellant asserts that Rich abandoned his job. Regarding this question, the Court of Appeals made the following findings:

"... [Like] the trial court we also 'cannot but note the contradictory and irreconcilable positions adopted by defendant in this regard'. In the face of documents coming from the appellant itself, we find, as the lower court

found, that the appellee did not abandon his employ-ment but was dismissed by the appel-lant. This dismissal is a breach of the 3-year contract of employment."[7]

The question, therefore, is another question of fact, and the finding of the Court of Appeals on this matter is conclusive on this Court.

"The question had of whether an employee was in fact discharged or had voluntarily quit or resigned is ordinarily a question of fact for the jury." (56 CJS p. 461)

"In employee's action against employer for wrongful discharge, evidence that he did not leave employ-ment of his own accord held to pre-sent jury question and to make jury's finding in favor of plaintiff thereon conclusive on appeal." (D. Buchanan & Son v. Ewell, 139 S.E. 483)

"In action for wrongful discharge of employee, whether employee volunta-rily quit his employment was for jury." (Sinclair Refining Co. v. McCullom, et al., 24 NE 2d 784).

"In action by employee for breach of contract of employment, evidence as to whether plaintiff voluntarily quit or was discharged held sufficient for jury." (Crosby v. Bradley, 140 SE 702)

We now determine whether, or not, the award of damages made by the Court of Appeals to appellee Rich is correct. It is the settled rule in this juris-diction that in an action for breach of contract for employment where the employee is wrongfully discharged the employee is entitled to recover damages to the extent of the amount stipulated to be paid to him by the terms of the contract.[8] It has been shown that appel-lee Rich was reemployed for a period of three years from October 5, 1955, so that the period of his employment would last until October 4, 1958. It having been shown, also, that Rich was wrongfully discharged from his employment, and the discharge took effect on February 16, 1956, it follows that the period from February 16, 1956 to October 4, 1958 constitutes the remaining period of the contract of employment. It has been computed that, based on the salary of \$400.00 a month (or P800.00), the total salary that Rich would have earned during the unexpired period of his employment if he was not wrongfully discharged was P25,333.34. It was proved by appel-lant Mackay that during the period from February 16, 1956 to October 4, 1958, Rich was able to find work and received compensation amounting to P20,966.66, as follows:

(1) As training automotive salesman	
with Crown Auto Sales at Palo	
Alto, at \$300 a month, for two	
Months	P1,200.00
(2) Automotive salesman in same	
company for one month	600.00
(3) Earnings from Wilson Sporting	
Goods at \$400 a month from	
September 1956 to January 1957	
(5 months)	4,000.00
(4) As Far Eastern Sales Representative	
of RCA Communications,	

Manila, from July 1, 1957 to

October 5, 1958 (15 months &

5 days at P1,000 a month 15,166.66

TOTAL P20,966.66

The Court of Appeals, however, did not deduct what Rich had earned in other employments, during the unexpired period of his employment with Mackay, from the amount that he would have earned had he not been wrongfully discharged by Mackay and had worked till the end of the period stipulated in the contract for employment. Instead, the Court of Appeals awarded to Rich the sum of P15,000 as actual damages, representing about 60% of what he would have earned during the unexpired period of his contract of employment with Mackay. The Court of Appeals affirmed the award made by the trial court in this respect, based on the decisions in the cases of Garcia Palomar vs. Hotel de France Co., 42 Phil. 660, and the case of Sotelo vs. Behn Meyer & Co. 57 Phil. 775.

It is now claimed by appellant Mackay that the Court of Appeals erred in not deducting the compensation earned by Rich during the period of the unexpired term of the contract from the amount which he would have earned during the same period if he had not been wrongfully discharged. In other words, it is the contention of Mackay that the Court of Appeals erred in giving a downright award of P15,000 to Rich.

We find merit in the contention of appellant Mackay.

The ruling in the cases of Garcia Palomar vs. Hotel de France Co., supra, and Sotelo vs. Behn Meyer & Co., supra, can not be applied in the present case. In those two cases, the complaints for damages for breach of contracts of employment were filed before the lapse of the agreed period of employment. In Garcia Palomar, the contract had more than 20 months to run when the case was submitted; and in Sotelo, the unexpired term of the contract was 33 months when the case was brought to court. In the latter case, this Court awarded plaintiff "about 60 per centum of the amount which he would have earned under his contract with defendant if he had been permitted to serve as its salesman for the entire term," because the Court took into account the probability that the discharged employee would be able to earn money in another employment during the period which was still to run after the breach.

In the case now before Us, however, the action for damages for breach of the contract of employment was filed after the lapse of the agreed period of employment, and, therefore, there is no reason to take into consideration what the employee might earn during the period after discharge until expiration of the agreed period, because the evidence shows what the discharged employee had actually earned during the period from the date of his discharge to the date of the expiration of the contract of employment.

In the case of Coleman vs. Hotel de France,[9] this Court, in deciding in favor of the plaintiff who sued for damages for breach of a contract of employment, held:

"Holding as we do that the defendant corporation without just cause or excuse discharged the plaintiff in flagrant violation of its contract of employment with her, we agree with the trial judge that plaintiff is entitled to recover not merely compensation for services rendered before the breach of the contract by her employer, but the full amount which she might have earned under the contract less such compensation as she actually obtained or might have obtained in some other employment during the term of the contract which had not yet expired at the date of the breach, the burden of proof as to the amount by which the prima facie damage may thus be reduced being upon the defendant. (Aldaz vs. Gay, 7 Phil. Rep. 268).[10]

The doctrine laid down in the above-cited case, regarding the amount of damages recoverable in suit for breach of contract of employment and the deductions therefrom, had been applied in the case of Knust vs. Morse.[11] In

the case of *Potenciano vs. Estefani*,^[12] which is a tenancy case, the Court of Industrial Relations ordered the landowner to deliver to the tenant 81.2 cavans of palay, or their current market value, for damages suffered by the latter as a consequence of his illegal ejectment from the land he was working on as a tenant. On appeal, this Court ruled:

"....Since there is evidence to show that during his ejectment the tenant was able to cultivate the ricelands of Regino Cano and Paula Arce contain-ing an area of almost two hectares and that during the two agricultural years of 1951 and 1952 he received a share of at least 8 cavans of palay for each year, or a total of 16 cavans, it is the sense of this Tribunal that this earning should be deducted from the cavans of palay awarded to him in the decision ap-pealed from."

In labor cases, this Court has invariably ruled that the amount earned by an employee during the period when he was laid off, or from the time of his discharge to the time of his reinstatement, is deductible from the back wages that are paid to the employee. Thus, in *Philippine Air Lines Inc. vs. Philippine Air Lines Em-ployees Association*, No. L-15544, July 26, 1960, this Court said:

"In the past, we have had occasion to rule upon the question of deducting from the back wages accruing to an em-ployee due for reinstatement any amount that he may have received in the meantime. On the principle that one should not be allowed to enrich himself at the expense of another, we almost invariably granted the deduction."^[13]

In the instant case, therefore, the amounts actual-ly earned by appellee Rich during the unexpired period of his employment contract with Mackay should be deduct-ed from what he could have earned from Mackay had Mackay not discharged him. The amount of P1,800.00 received by Rich as allowances from Crown Auto Sales at Palo Alto is deductible because he actually earned said amount, even if it is claimed that said amount was given to him as allowances. Also deductible are the earnings from Wil-son Sporting Goods in the amount of P4,000, and from the RCA Communications, Manila, in the amount of P15,166.70.

Regarding the sum of P1,438.00 which Rich claims to be reimbursed for his transportation expenses in returning to San Francisco after he was discharged from his employment by Mackay, the lower court cor-rectly granted the reimbursement. As a matter of fact, Mackay does not question that award in the present appeal. However, Rich asserts that he had to spend an equal amount for transportation from San Francisco to Manila in order to get an employment from the RCA. Rich maintains that this sum of P1,438.00 which he spent in coming back to Manila to get an employment should be charged against Mackay, because these expenses were incurred in order to get an employment which re-sulted in reducing the damages to be paid by Mackay. We find merit in this claim of Rich. Under Article 2203 of the Civil Code, the party suffering loss or injury must exercise the diligence of a good father of a family to minimize the damage resulting from the act or omis-sion of another. In the instant case, We consider it reasonable that whatever measure the discharged employee had taken to minimize the damage he suffered should be at the cost of the person liable to pay the damage, being an indirect consequence of the act of the latter, and an integral part of the injury caused.^[14] We believe that it is but just that an employee wrongfully discharged by his employer should be entitled to recover from his employer the necessary and reasonable expenses incurred by him in seeking or in obtaining other employment.^[15]

Consequently, the amount of P1,438.00 which ap-pellee Rich spent in coming back to the Philippines to get a job at the RCA should be credited to him, and this amount should be taken from the sum of P20,966.66 which is deductible from the sum of P25,333.34 which Rich would have earned till October 4, 1958 if he was not wrongfully discharged by Mackay. In other words, the deductible amount should be reduced to P19,528.66.

3. Appellant Mackay also contends that the award for attorney's fees in the sum of P5,000 is excessive. We have examined the record carefully, to assess the legal services of counsel for the appellee, and bearing in mind the

guidelines in the award of attorney's fees laid down in the case of *Delgado vs. De la Rama*,^[16] We find that the award made by the Court of Appeals of P5,000 for attorney's fees is reasonable.

4. Petitioner also contends that the Court of Appeals erred in awarding moral damages because there is no evidence that appellant acted in bad faith.

Appellant Mackay is presumed to be a debtor in bad faith. In *Lemoine vs. Alkan*,^[17] this Court said that when an employee is wrongfully discharged, the employer should be considered, in relation to the injured employee, a debtor in bad faith. In *Garcia Palomar vs. Hotel de France Co.*^[18] this Court said:

"Commenting upon Article 1586 of the Civil Code, the well-known author Manresa says that the obligation to indemnify is implicit in the prohibition to dismiss without cause; and in this connection he says that in strictness the employer who is proved to have dismissed his employee capriciously or unjustifiably should be considered a debtor in bad faith...."

The Court of Appeals gave reasons for granting moral damages, as follows:

"With our finding that the appellee was in fact dismissed by the appellant, what remains to be resolved is whether the awards are justified under the circumstances. The appellee because of the nature of his work belonged to exclusive clubs and moved in select business circles. He had a good name in the community and this good name no doubt suffered from his unjustified dismissal. No doubt also, this dismissal caused mental anguish and suffering such that when he arrived in San Francisco he was hospitalized. Further contributing to and increasing the appellee's suffering is the appellant's changing stand from dismissal then to that of abandonment. While it was bad enough that the appellee was dismissed without justification, to be blamed later for abandonment compounds the breach. It shows a clear attempt on the part of the appellant to evade liability at all cost which we cannot countenance. We also note that while the appellee had simply requested to use part of his accrued leave, the appellant, because of what can be called a distorted cable of its then Manila manager, cabled back releasing him without ado. The appellee was not even afforded the simple courtesy of being asked for an explanation nor a softening letter explaining his termination. To our minds, the behavior of the appellant amounts to bad faith entitling the appellee to moral damages (Article 2220, Civil Code). We feel, however, that an award of P5,000 moral damages is reasonable and sufficient."

We agree with the Court of Appeals in the award of P5,000 as moral damages.

WHEREFORE, the decision appealed from should be modified, such that petitioner-appellant Mackay Radio and Telegraph Co., Inc. is ordered to pay respondent-appellee John W. Rich the following:

1. The balance of the salary
amounting to P25,333.34
which appellee could have
earned for the unexpired
portion of the contract,
less P19,528.66, or P5,804.68
2. Reimbursement for transportation
fare from Manila to San Francisco 1,438.00
3. Salary for extra services
for 21 days P 560.00

4. Moral damages	5,000.00
5. Attorney's fees	5,000.00
TOTAL	P17,802.68

All the amounts awarded, except those for moral damages and attorney's fees, shall bear interest at the legal rate from November 24, 1959, until fully paid. No pronouncement as to costs.

IT IS SO ORDERED.

Concepcion, C.J., Reyes, Makalintal, Sanchez, Fernando, Capistrano, Teehankee, and Barredo, JJ., concur.
Ruiz Castro, J., took no part.
Dizon, J., on leave.

[1] As paraphrased from the assignment of errors, pp. 1 and 2, petitioner's brief.

1-a This is, in fact, the first error assigned, but for sequence purposes in our discussion We place this as the second.

[2] 93 Phil. 257.

[3] Quoted from decision of the Court of Appeals, pp. 6 and 7 of Appendix A of petitioner-appellant's brief.

[4] Macapinlac, et al., vs. Court of Appeals, et al., 86 Phil. 359.

[5] 83 Phil. 796, 799.

[6] Vol. 3, p. 686.

[7] Decision of the Court of Appeals, pp. 12-13, Appendix A of petitioner-appellant's brief.

[8] Aldaz vs. Gay, 7 Phil. 268; Hicks vs. Manila Hotel Co., 28 Phil. 325; Coleman vs. Hotel de France Co., 29 Phil. 323; Lemoine vs. Alkan, 33 Phil. 162; Knust vs. Morse, 41 Phil. 184; Potenciano vs. Stefani, 97 Phil. 978; Philippine Air Lines Inc. vs. Philippine Airlines Employment Association, L-15544, July 26, 1960.

[9] 29 Phil. 323.

[10] Underscoring supplied.

[11] 41 Phil. 184.

[12] G. R. No. L-7690, July 27, 1955; 99 Phil. 97.

[13] Citing cases of Macleod & Co. vs. Progressive Federation of Labor, G. R. No. L-7881, May 31, 1955; Mindanao Lumber Co. vs. Mindanao Federation of Labor, G. R. No. L-10170, April 25, 1957; etc.

[14] Tolentino, Civil Code of the Philippines, Vol. V, p. 547, citing 1 Von Tuhr, Obligaciones, p. 80.

[15] 84 A.L.R., p. 171, and cases cited therein.

[16] 43 Phil. 419.

[17] 33 Phil. 162, 167.

[18] 42 Phil. 660, 671.

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