

VINCENT RIKER, PETITIONER, VS. HON. BLAS F. OPLE AND MAYON IMPERIAL HOTEL, RESPONDENTS.*G.R. No. 50492. October 27, 1987*

Ponente: PARAS, J.

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This is a petition for review on certiorari seeking to set aside the Order of the Minister of Labor* dated January 9, 1970 in the case entitled VINCENT RIKER v. MAYON IMPERIAL HOTEL, RD 4-3369-77-T, affirming the Order dated May 3, 1978 of the Regional Director** Region IV of the Minister of Labor dismissing for lack of merit petitioner's complaint for illegal dismissal.

The facts of this case as found by the Minister of Labor are as follows:

Sometime in April, 1976, petitioner (complainant) met Minister Baltazar Aquino, husband of Mrs. Josefa Imperial Aquino, who is the president of respondent hotel, the Mayon Imperial Hotel, in a coffee shop at the Manila Hilton Hotel. At that time respondent Hotel was in need of a general manager and while the parties in that meeting were talking about the hotel industry, Minister Aquino was made to understand that complainant was an expert in the industry and could be a hotel manager par excellence (Rollo, p. 18). At the expense of the respondent Hotel (Rollo, p. 61), complainant Riker accepted the invitation of Minister Aquino to visit respondent Hotel in Legaspi City, and while there on April 23, 1976, it was verbally agreed that respondent hotel would engage complainant's services as general manager of the hotel beginning May 1, 1976, (Rollo, p. 18) on a four months probationary basis (Rollo, p. 61). A proposed contract for two years with the terms and conditions stated therein was considered by the parties. This other contract contained the following benefits to be extended to petitioner by respondent hotel, to wit: (a) payment of air fares of petitioner and his family as well as expenses of transport of personal effects from New York to Legaspi City and vice versa; (b) free residential quarters and accommodations including food and beverages; (c) monthly salary of P7,000.00 net-net and (d) arrangements for conversion of petitioner's visa and those of his family as well as for petitioner's working visa (Rollo, p. 5). Said probationary contract was signed by the complainant but not by the respondent. Petitioner was nevertheless paid his salary in full in the amount of P7,000.00 a month per his own admission (Rollo, p. 61).

Hardly a month passed when respondent began to notice that complainant could not be a good manager. He was lavish in entertaining his guests at the hotel. He would be drunk occasionally (Rollo, p. 61).

On June 20, 1976, the employees of Mayon Imperial Hotel wrote a letter to the Commission on Immigration and lodged a complaint against the petitioner for "un-Filipino activities and attitudes." (Rollo, p. 121).

On August 20, 1976, complainant received a letter from Pacifico A. Gonzales, corporate secretary of respondent hotel informing him that a working visa for him was not secured and a change of status of the members of his family was not obtained, advising him therefore, to leave on or before August 23, 1976. Upon complainant's request so that he could find another job, the letter did not state anymore respondent's unfavorable opinion of him (Rollo, p. 62). All these notwithstanding and on the belief that he was illegally dismissed, complainant filed a

complaint on March 29, 1977 against the hotel for illegal dismissal, unpaid wages and other money claims with the Department of Labor, Regional Office No. IV. After efforts to settle the case amicably failed, the same was submitted for resolution. Finding the employment contract submitted by complainant without the signature of respondent and therefore not perfected, the Regional Director on May 3, 1978 issued an Order (Rollo, p. 19) which reads:

"WHEREFORE this case should be as it is hereby dismissed for lack of merit.

"SO ORDERED.

"Manila, Philippines, 3 May 1978.

FRANCISCO ESTRELLA

Director" (Rollo, p. 24)

On Appeal, public respondent Minister of Labor without making any pronouncement as to the validity of the employment contract, held that respondent did not violate the same. On the contrary, complainant was held guilty of serious misconduct resulting in the employer's loss of confidence in him. Consequently, respondent cannot be blamed for not helping complainant obtain a working visa as the reason therefor no longer existed.

Corollary thereto, there being no violation the contract, the Ministry ruled that complainant is not entitled to salaries for the remaining part of the two-year contract nor to other money claims. Accordingly the Minister of Labor issued his assailed order which affirmed the order of May 3, 1978 of public respondent Director Estrella (Rollo, p. 18). Hence, this petition.

Petitioner raised the following assignment of errors:

I

THE HONORABLE MINISTER AS WELL AS THE REGIONAL DIRECTOR COMMITTED GRAVE ERROR AMOUNTING TO GRAVE ABUSE OF DISCRETION IN RENDERING A DECISION NOT SUPPORTED BY THE EVIDENCE.

II

THE HONORABLE MINISTER AS WELL AS THE REGIONAL DIRECTOR COMMITTEE GRAVE ERROR IN RULING THAT RESPONDENT DID NOT VIOLATE THE CONTRACT OF EMPLOYMENT.

III

ASSUMING ARGUENDO THAT PETITIONER WAS A MANAGERIAL EMPLOYEE, HIS DISMISSAL FOR ALLEGED LOSS OF TRUST AND CONFIDENCE HAD NO BASIS.

Respondent submitted his comment on the petition for review on June 15, 1979 (Rollo, pp. 58-69) while the Solicitor General, for public respondent, submitted his comment on August 31, 1979 (Rollo, pp. 112-126) both in compliance with the resolution of the First Division of this Court dated May 14, 1979 (Rollo, p. 48). Petitioner submitted his reply to respondent's comment on December 1, 1979 (Rollo, pp. 139-150) in compliance with the resolution of October 17, 1979 (Rollo, p. 128). Thereafter the petition was given due course in the resolution of January 16, 1980. Petitioner filed his memorandum on March 17, 1980 (Rollo, pp. 152-180) while the Solicitor General manifested on March 11, 1980 (Rollo, pp. 148-149) that he is adopting his comment as his memorandum. The case was submitted for decision in the resolution of April 11, 1980 (Rollo, p. 182).

The crucial issues of this case are the following:

1. Whether or not complainant-appellant's dismissal from employment as general manager of the Mayon Imperial Hotel was with legal basis.
2. Whether or not alleged contract existed and was violated by the respondent so as to warrant the grant of damages prayed for and other money claims the petitioner.

The petition is devoid of merit.

As regards the first issue, there is no doubt that the petitioner was designated and actually did manage the big hotel. It is a pretentious assumption on the part of the petitioner to assail the ruling that he was a managerial employee (Memorandum of Petitioner; Rollo, p. 160). The records show that Vincent Riker assumed the position of General Manager from May 1, 1976 and continued to do so until August 20, 1976 (Rollo, p. 19). There is nothing in the record indicating that the petitioner was ever limited or restricted in his functions as such during the period covered.

By the very nature of his position, the maintenance of an employer-employee relationship is highly dependent upon the trust and confidence reposed on him by the employer. The loss of trust and confidence by the employer would instantly mean the termination of his employment (Order of the Respondent Minister of Labor, Rollo, p. 20).

Thus, the claim of the petitioner that his dismissal was without basis and not supported by evidence is untenable. As correctly found by the respondent Minister Ople:

"Complainant is guilty of serious misconduct resulting in the employer's loss of confidence on him. Records show that complainant's bar and storeroom requisitions (for beverage and food) were way beyond what a manager should normally consume. Even if we take the contract to be valid, the provision on the matter states that complainant shall be entitled to normal food and beverage requirement free of charge. But the records would show that his requisitions of these items were not in keeping with the aforesighted provision of the employment contract. Complainant might have been forgiven for this but certainly his un-Filipino attitude could not be countenanced. If only for this reason a Filipino employer may, as did respondent Hotel in this case, very well loss confidence on such employee. It was unfortunate indeed that complainant uttered words belittling the Filipinos and did discriminating acts against the said people, even to the extent of having to make a memo that a particular place in that hotel was reserved for him and other white men. Respondent therefore convinced that the complainant is not the right person who could very well manage the hotel and having lost confidence on him because of the latter's serious misconduct did the most practical thing, the situation demanded to terminate his services."

It has been repeatedly held by the Supreme Court in a long line of decisions that where an employee has been guilty of breach of trust or that his employer has ample reason to distrust him, a labor tribunal cannot deny the employer the authority to dismiss the employee. (National Labor Union vs. Standard Vacuum Oil Company, 73 Phil. 279; Reynolds Philippines Corporation vs. Eslave, 137 SCRA 265; Metro Drug Corporation vs. National Labor Relations Commission et al., G.R. No. 72248, July 22, 1986). It is an established principle that an employer cannot be compelled to continue in employment, an employee guilty of acts inimical to the interests of the employer and justifying loss of confidence in him (San Miguel Corporation vs. Deputy Minister of Labor, 145 SCRA 196 [1986]).

Hence, no cogent reason can be found to disturb the pronouncement of the Minister of Labor as to the validity of the act of respondent hotel in terminating the employment of complainant, as an act well within the prerogatives of the former to terminate the employment of erring employees.

As further observed by the Solicitor General, the above-quoted factual findings of public respondent Minister Ople are supported by evidence. As shown in Exhibit "I" petitioner had made requisitions for wines and other beverages for his personal use from May 24 to August 20, 1976, which amounted to P5,080.40. Such excessive requisitions for wines gave veracity to the claim of the respondent company that the petitioner is an alcoholic and a suspected drug addict as reported by hotel guests and evidenced by his huge consumption of the hotel liquor supplies xxx (Exhibit "IV"). Similarly, the petitioner did not refute the claims in the answer of the respondent company that he (petitioner) had been the subject of complaints for anti-Filipino behavior and activities (Record, p. 70). Considering the seriousness of the aforesaid allegations, petitioner's silence thereon is an implied admission of the same. (Rollo, pp. 124-125).

Records also reveal that he withdrew amounts of hotel funds for official trips to and stay in Manila; and on one occasion he withdrew P3,000.00 for his travel expenses to Manila as per his voucher dated June 7, 1976. Then a bill was sent to Secretary Aquino by the Hyatt Regency Manila and respondent to maintain its good name, paid it (P2,856.65) as per receipt dated "8-9, 1976"). (Rollo, pp. 61-62).

The findings of fact being supported by substantial evidence, the same should not be disturbed. (*Antipolo Highway Lines vs. Inciong*, 64 SCRA 441; *Jacqueline Industries vs. National Labor Relations Commission*, 68 SCRA 397; *Obrera vs. Noriel*, 77 SCRA 414; *Monark International, Inc. vs. Noriel*, 83 SCRA 114; *De la Concepcion vs. Mindanao Portland Cement Corporation*, 127 SCRA 647).

Unquestionably, proof beyond reasonable doubt of the employees' misconduct is not required, it being sufficient that there is some basis for the same or that the employer has reasonable ground to believe that the employee is responsible for the misconduct and his participation therein renders him unworthy of the trust and confidence demanded by his position (*Nevans vs. CIR*, 23 SCRA 1321; *Central Textile Mills, Inc. vs. NLRC*, 90 SCRA 9; *San Miguel Corporation vs. NLRC*, 128 SCRA 180; *Villadolid vs. Inciong*, 121 SCRA 205; *DOLE Philippines vs. NLRC*, 123 SCRA 673; *Tabacalera Insurance Co. vs. NLRC*, G.R. No. 72555, July 31, 1987). By and large, the Court has continually recognized the right of the employer to dismiss an employee on the ground of loss of confidence or breach of trust (*San Miguel Corporation vs. Minister of Labor*, 145 SCRA 196 [1986]).

Neither is the claim that respondent's act of dismissing complainant amounts to a breach of contract, meritorious.

Of prime importance is the fact that the proposed employment contract, not having been signed by private respondent, lacks consent which is the first essential requisite of every contract (Art. 1319, Civil Code). This lack of consent lends credence to private respondent's claim that its verbal agreement with complainant was on a four-month probationary basis, the finalization of which depends on whether or not after the probationary period, respondent is satisfied with complainant's services (Rollo, pp. 60-61).

As to the claims for unpaid wages, the Regional Director found that complainant was paid in full in the amount of P7,000.00 a month as shown by his own testimony appearing on page 30 of the transcript of stenographic notes taken on June 3, 1977; and was given reimbursement for his expenses from New York to Manila (Rollo, p. 24).

PREMISES CONSIDERED, the petition is hereby DISMISSED.

SO ORDERED.

Teehankee, C.J., Narvasa, Cruz, and Gancayco, JJ., concur.

* Minister Blas Ople.

** Director Francisco Estrella.

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