

**T.H. VALDERAMA & SONS, INC. AND/OR ROBERTO TINSAY,
PETITIONERS, VS. HON. FRANKLIN DRILON, DANNY GONZAGA AND
276 OTHER WORKERS, RESPONDENTS.**

G.R. No. 78212. January 22, 1990

Ponente: GANCAYCO, J.

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GANCAYCO, J.:

This petition concerns the orders issued by public respondent Secretary of Labor and Employment Franklin M. Drilon denying the appeal of petitioners and affirming the compliance order of the Assistant Regional Director of the Department of Labor and Employment (DOLE), formerly the Ministry of Labor and Employment (MOLE).[1]

The instant case originated from a complaint filed by Danny Gonzaga for and in behalf of 276 other employees against their employer T.H. Valderama & Sons, Inc. (hereinafter referred to as petitioner company) and/or Roberto Tinsay, dated January 7, 1985 before the Iligan City District Office of the Ministry (now Department) of Labor and Employment through its Labor Standards Enforcement Unit.

In their complaint, private respondents alleged failure of their employer, petitioner company, to pay their salaries, wages, allowances and other benefits due them under the applicable laws. Specifically, they are claiming their unpaid wages and emergency cost of living allowance (ECOLA) covering the period of November and December 1984; underpayment of their wages and ECOLA for three years; and non-payment and underpayment of their 13th month pay.[2]

By reason of this complaint, on February 4, 1985, Labor Standards Enforcement Unit officers Somirano Macud and Cornelia Garay went to the premises of petitioner company to conduct an investigation. There, they were met by Ireneo Clarida, personnel aide of petitioner company, and were informed that the manager was not around. The following day, the said labor officers went back to petitioner company's premises but, again, were told that the manager was out. Thereupon, the labor officers conducted their investigation and came out with a report[3] which was submitted to the Regional Director of the MOLE, Region XII, Cotabato City.

In the said report, the following findings were made:

"1. That respondents violated Sec. 11 Rule X, Book III of the Rules Implementing PD 442, as amended, requiring employers to keep their employment records in their premises;

4. That complainants were underpaid of their 13th month pay."[4]

After computing the amount of private respondents' claim, the Labor Standards Enforcement Unit set the amount of petitioner company's liability at the aggregate sum of ONE MILLION NINE HUNDRED TWENTY-EIGHT THOUSAND & 92/100 (P1,928,000.92).

On the basis of the aforesaid report, Assistant Regional Director Martin E. Daiz of the MOLE issued a Compliance Order[5] dated May 28, 1985 requiring petitioner company to pay its liability as computed.

Thereafter, or on July 15, 1985, private respondents filed a motion for execution of the compliance order. A day after, a writ of execution was issued by the Regional Director.

In due time, petitioners filed an urgent motion to recall writ of execution and/or reconsideration dated August 21, 1986 attaching and submitting therewith some pay slips and daily time records showing that some of private respondents' claim had already been paid or otherwise satisfied. Acting on the said motion, the Regional Director reduced the amount of petitioners' liability to ONE MILLION FOUR HUNDRED NINETY-FIVE THOUSAND THREE & 70/100 (P1,495,003.70).

In the light of the foregoing development, the Regional Director called for a summary investigation of the controversy. Petitioners failed to appear therein, henceforth, a writ of execution was issued to satisfy the claims of private respondents.

This was appealed to the then Minister of Labor and Employment Augusto Sanchez who, in an order dated November 14, 1986, ruled against petitioner company. The dispositive portion of the order reads as follows:

"WHEREFORE, premises considered, the Compliance Order dated May 28, 1985 is hereby affirmed subject to the modification that the award therein be reduced to P1,495,003.70 as recomputed. Let the entire records be remanded to the Regional Office of origin for enforcement of the said order which had become final and executory.

SO ORDERED." [6]

A motion for reconsideration of the immediately preceding order was filed but the same was denied by respondent Secretary Franklin Drilon on March 12, 1987. [7] Hence, this petition for certiorari.

The only issue posed in this instant petition is whether petitioners were denied their right to procedural due process.

Petitioners posit the affirmative. However, We find their contention bereft of merit.

There is no denying that in order for this Court to sustain the findings of an administrative body exercising quasi-judicial functions, such body must abide by the elementary rules of due process. [8]. However, procedural due process as understood in administrative proceedings accepts of a more flexible standard as long as the proceedings were undertaken in an atmosphere of fairness and justice. [9]

Contrary to petitioners assertion, the record discloses that they were not denied their right to due process. They had several opportunities to present their side of the controversy but were negligent in defending their cause.

As borne by the record, after the narrative report was forwarded by the Labor Standards Enforcement Unit to the Office of the Regional Director, a hearing was scheduled on February 8, 1985 for petitioners to dispute the report thus submitted. However on the scheduled hearing, petitioners failed to appear.

Likewise, in the summary investigation that was scheduled on May 20, 1986 for the purpose of hearing the parties relative to the amount of petitioner company's liability as recomputed, petitioners, again, did not appear despite due notice. [10]

Petitioners vehemently deny that notices of the aforesated proceedings were ever sent to them. This failure of notice is in fact the core of their argument in their petition. [11]

At any rate, We need not discuss the truthfulness of this assertion. As the record will reveal, petitioners were afforded ample opportunity to present their side of the case. Petitioners were able to submit pay slips and daily time records to the appropriate agency of the DOLE which became the basis of the recomputation conducted.

Besides, they were able to appeal the compliance order and writ of execution to the then Minister of Labor Sanchez. There was also a motion for reconsideration which they filed with Secretary Drilon.

As already ruled by this Court, denial of due process cannot be successfully invoked where a party was given the chance to be heard on his motion for reconsideration.[12] Petitioners' appeal and their subsequent motion for reconsideration have the effect of curing whatever irregularity was committed in the proceedings below.[13]

After a careful deliberation on the facts and issue thus posed, this Court finds no reason to disturb the assailed order.

WHEREFORE, the instant petition is hereby DISMISSED for lack of merit, with costs against petitioners.

SO ORDERED.

Narvasa, (Chairman), Cruz, Griño-Aquino, and Medialdea, JJ., concur.

[1] Page 19, Rollo.

[2] Page 11, Rollo.

[3] Entitled "Narrative Report Re: Inspection Conducted at Valderama & Sons, Inc.", Pages 20-22, Rollo.

[4] Page 21, Rollo.

[5] Pages 23-24, Rollo.

[6] Page 17, Rollo.

[7] Minister Sanchez was succeeded by Secretary Drilon.

[8] Ang Tibay vs. CIR, 69 Phil. 635 (1940).

[9] Gas Corporation of the Phil. vs. Inciong, 93 SCRA 653 (1979).

[10] Page 16, Rollo.

[11] Pages 4-7, Rollo.

[12] Rosales vs. Court of Appeals, 165 SCRA 344 (1988); Cuervo vs. Commission on Audit, 166 SCRA 657 (1988).

[13] Ibid.

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