

### Title:

Universal Robina Sugar Milling Corporation and Rene Cabati vs. Ferdinand Acibo, et al.: A Case on Employment Regularization in the Sugar Industry

### Facts:

Universal Robina Sugar Milling Corporation (URSUMCO) engaged numerous employees under contracts for specific periods or seasons to perform various tasks necessary for its sugar milling business. These roles included drivers, crane operators, and laborers, among others. Initially engaged for a month or a season, these employees were repeatedly hired for the same roles over several years, leading them to seek regularization, CBA benefits, and attorney's fees through a complaint filed on August 23, 2002, before the Labor Arbiter (LA).

The LA dismissed the complaint, categorizing the complainants as seasonal or project workers, thus not regular employees. Dissatisfied, seven of the twenty-two original complainants appealed to the National Labor Relations Commission (NLRC), which reversed the LA's decision, declaring them regular employees entitled to monetary claims under the CBA. The petitioners then moved to challenge the NLRC's ruling through a certiorari petition before the Court of Appeals (CA), which partially granted the petition, affirming the regular employment status but denying the award of CBA benefits.

### Issues:

1. Are the respondents considered regular employees of URSUMCO?
2. Should the fifteen complainants who did not appeal the LA's decision receive affirmative relief?

### Court's Decision:

The Supreme Court partially granted the petition. It clarified the employment status of the respondents as regular seasonal employees of URSUMCO, due to the nature of their tasks and the repeated and seasonal nature of their employment. However, it also set aside the CA's and the NLRC's decisions to grant CBA benefits, emphasizing the distinction between seasonal and regular employees under the company's collective bargaining framework.

### Doctrine:

The Supreme Court reiterated the doctrine of regular seasonal employment in the sugar industry, clarifying that workers repeatedly and regularly employed seasonally for tasks necessary and desirable in the employer's usual business are considered regular seasonal employees. Such employees, while regular, belong to a distinct category from the regular

employees who work year-round and may not automatically be entitled to the same benefits negotiated in a CBA for year-round regular employees.

**### Class Notes:**

- **\*\*Regular Seasonal Employment\*\***: Employees who are hired seasonally for tasks necessary and desirable in the usual business or trade of the employer are considered regular with respect to the activity they are hired for, as long as the activity exists.
- **\*\*Article 280 of the Labor Code\*\***: This statute distinguishes between regular, project or seasonal, and casual employment, primarily based on the nature of the work performed in relation to the employer's usual business or trade.
- **\*\*Brent School, Inc. v. Zamora Doctrine\*\***: Recognizes fixed-term employment as valid, provided it is knowingly and voluntarily agreed upon by the parties, and is not designed to circumvent security of tenure laws.

**### Historical Background:**

This case underscores the evolving jurisprudence regarding employment classification and regularization in the Philippines, particularly in industries with seasonal operations such as sugar milling. It reflects the Supreme Court's attempt to balance the rights of workers to security of tenure against the flexibility needed by employers in managing seasonal variations in their operations.