

### Title: Dominic Inocentes et al. v. R. Syjuco Construction, Inc.

### Facts:

The litigants, Dominic Inocentes, Reymark Catangui, Jeffrey Inocentes, and Joseph Cornelio, filed a complaint against their employer, R. Syjuco Construction, Inc. (RSCI) and its owner, asserting they were unjustly denied various employment benefits and subsequently constructively dismissed from their positions as construction workers. They contested they were regular employees who had been working under no-work-no-pay conditions, were not compensated with night differentials, overtime pay, among other grievances, and were denied entry into the jobsite in September 2015, signaling their termination.

RSCI countered by stating the complainants were project employees engaged for specific durations and that their employment terminated upon the completion of the projects they were assigned. RSCI emphasized that the nature of its business did not necessitate continuous employment and labeled the termination of the complainants' employment as due to project completion, not dismissal.

The Labor Arbiter initially dismissed the complaint for illegal dismissal but ordered RSCI to pay for underpayment of salaries and other benefits. Upon appeal, the NLRC deemed the complainants as regular employees and found them illegally dismissed, mandating RSCI to provide compensations. Contesting the NLRC's decision, RSCI pursued relief from the Court of Appeals (CA), which reversed the NLRC's disposition and reinstated the Labor Arbiter's decision, concluding that the complainants were project employees.

### Issues:

1. Whether the CA erred in reversing the NLRC decision, thus finding no illegal dismissal and denying the money claims of the petitioners.
2. Whether the petitioners were regular or project employees.
3. Whether the termination of the petitioners' employment constituted illegal dismissal.

### Court's Decision:

The Supreme Court granted the petition, reversing the CA and reinstating the NLRC decision with modifications. The Court determined substantial evidence supported the NLRC's conclusion that the petitioners were regular employees and were illegally dismissed. It elaborated that the respondents failed to establish the petitioners were informed at the time of hiring that their employment was project-based. The absence of reporting to the DOLE about the termination of supposed project employment also

weakened RSCI's position. Furthermore, respondents' reliance on the summary of project assignments was insufficient to overturn the presumption of regular employment.

### ### Doctrine:

The case reiterates the doctrine regarding the distinction between regular and project employment, emphasizing the employer's burden to prove the project employment status. It confirms that the failure of the employer to comply with reportorial requirements to DOLE substantiates the employees' claim of regular employment status.

### ### Class Notes:

- **Regular vs. Project Employee:** A regular employee is engaged to perform activities usually necessary or desirable in the employer's business, not covered by fixed, project, or seasonal employment categories. Conversely, a project employee is hired for a specific project with a clear duration and scope communicated at the time of hiring.
- **Burden of Proof:** The employer must demonstrate that the employment was genuinely project-based, identifying the project's scope and duration at the outset.
- **Illegal Dismissal and Due Process:** Regular employees can only be dismissed for just or authorized causes, with due process followed. The absence of due process or valid cause in termination constitutes illegal dismissal.
- **Reportorial Requirements:** Employers are mandated to report the termination of project employment to DOLE, failing which suggests the employment was not genuinely project-based.

### ### Historical Background:

This case boldens the jurisprudential guidelines on employment classification within the construction industry in the Philippines, stressing the necessity for employers to transparently delineate the nature of employment upon hiring and to adhere strictly to labor laws and due process rights, reinforcing workers' protection against unjust dismissal and ensuring entitlement to lawful benefits.