

**\*\*Title:\*\***

Marites Bernardo, et al. vs. National Labor Relations Commission & Far East Bank and Trust Company

**\*\*Facts:\*\***

- **\*\*Initial Employment and Contracts:\*\*** Between 1988 and 1993, Far East Bank and Trust Company (FEBTC) hired 56 deaf-mute individuals to work as Money Sorters and Counters. These employees were hired under a special employment contract specifically for handicapped workers, which was renewed every six months.

- **\*\*Duration and Nature of Employment:\*\*** The stipulations in the employment contract were prepared in accordance with Article 80 of the Labor Code, providing specifications on handicapped employment, including duration and work conditions. Each deaf-mute worker underwent a one-month training period before continuing the six-month term of the contract.

- **\*\*Renewal of Contracts:\*\*** From 1988 to 1993, these contracts were repeatedly renewed, indicating that these positions were important and beneficial to the bank's operations.

- **\*\*Termination and Claims:\*\*** By the time their contracts ended, FEBTC opted not to renew the contracts of several employees. Petitioners argued that they should be recognized as regular employees since they performed tasks necessary to the bank's functions and had worked for more than six months.

- **\*\*Procedural Posture:\*\*** Petitioners filed complaints before the Labor Arbiter. The Labor Arbiter dismissed these complaints, and the NLRC upheld the decision. The petitioners then filed a Petition for Certiorari with the Supreme Court, challenging the NLRC's ruling.

**\*\*Issues:\*\***

1. **\*\*Regular Employee Status:\*\*** Should petitioners be considered regular employees under Article 280 of the Labor Code given the nature and duration of their employment?

2. **\*\*Validity of Employment Contracts:\*\*** Were the six-month employment contracts and the repeated renewals valid under the Labor Code and the Magna Carta for Disabled Persons?

3. **\*\*Application of the Magna Carta for Disabled Persons:\*\*** Did the NLRC err in not

applying the provisions of the Magna Carta for Disabled Persons, which prohibit discrimination against disabled persons?

**\*\*Court's Decision:\*\***

- **\*\*Regular Employee Status:\*\*** The Supreme Court concluded that while FEBTC's humanitarian goal to employ disabled individuals was commendable, it must also comply with the legal consequences of regular employment. Petitioners who worked for more than six months and whose contracts had been repeatedly renewed were deemed regular employees. These workers were performing tasks necessary to the bank's business, meeting the criteria under Article 280 of the Labor Code.

- **\*\*Illegal Dismissal:\*\*** The Court ruled that the bank illegally dismissed the 27 employees who had worked for more than six months. These employees are entitled to back wages, separation pay in lieu of reinstatement, and other privileges. The other 16 employees who worked only for six months were not granted regular employment status and thus were not entitled to similar benefits.

- **\*\*Application of the Magna Carta for Disabled Persons:\*\*** The Court applied the Magna Carta for Disabled Persons (RA No. 7277), affirming that qualified disabled employees should receive the same terms and conditions of employment as able-bodied employees. This confirms their status as regular employees and affords them protection against discriminatory employment practices.

**\*\*Doctrine:\*\***

The doctrine established through this ruling is that disabled employees who perform tasks that are necessary and desirable to the business of the employer and who have worked for at least six months should be deemed regular employees under Article 280 of the Labor Code. This ruling also reiterates the equal employment rights protected under the Magna Carta for Disabled Persons, ensuring that qualified disabled workers have the same employment rights as their able-bodied counterparts.

**\*\*Class Notes:\*\***

- **\*\*Elements of Regular Employment:\*\***
- Duration of employment (more than six months even if intermittent).
- Nature of work which is necessary or desirable to the business operations.

- **Relevant Statutes:**
- **Article 80, Labor Code:** Specifies terms for employment agreements with handicapped workers.
- **Article 280, Labor Code:** Defines regular employment and under what conditions an employee becomes regular.
- **Magna Carta for Disabled Persons (RA No. 7277):** Ensures equal employment rights for qualified disabled persons, prohibiting discrimination based on disability.
- **Application:** The key elements were applied by interpreting the repeated contract renewals and ongoing need for the sorting and counting tasks as evidence of regular employment. The Court held that justice and equality under the Magna Carta for Disabled Persons necessitated granting regular employment status and associated benefits to the qualified disabled employees.

**Historical Background:**

This case arose in a period where there was notable advancement in laws protecting disabled individuals, particularly with the enactment of the Magna Carta for Disabled Persons in 1992. This law was part of a broader movement towards recognizing and protecting the rights of disabled persons in the workplace, ensuring they are not merely subjects of charity but are given justice and equal treatment under the law. The ruling signifies moral and legal progress in employee rights and non-discrimination principles within Philippine labor law.