

Title: Reynaldo S. Geraldo vs. The Bill Sender Corporation/MS. Lourdes Ner Cando

Facts:

- Initial Employment:** On June 20, 1997, Reynaldo S. Geraldo was employed by The Bill Sender Corporation, a company involved in delivering bills and other mail matters for its clients, such as the Philippine Long Distance Telephone Company (PLDT). Geraldo worked as a delivery/messenger and was compensated on a per-piece basis, depending on the number of bills he delivered.
- Complaint for Illegal Dismissal:** On February 6, 2012, Geraldo filed a complaint against The Bill Sender Corporation alleging illegal dismissal. He claimed that on August 7, 2011, he was informed by Operations Manager Nicolas Constantino that he was terminated for failing to deliver certain bills. Geraldo argued that he wasn't assigned those particular bills and claimed his dismissal violated due process.
- Company's Defense:** The company countered that Geraldo was not a regular employee but a piece-rate worker, denying an employer-employee relationship. They argued that Geraldo abandoned his job and occasionally worked for competitors, making other employees deliver bills when he didn't report.
- Labor Arbiter Decision (November 29, 2012):** The Labor Arbiter (LA) found Geraldo to be a regular employee as his work was necessary and desirable to the company's business. The LA ruled that Geraldo was illegally dismissed without due process and ordered the company to pay separation pay, service incentive leave pay, and attorney's fees totaling P352,214.13.
- NLRC Affirmation (May 9, 2013):** The National Labor Relations Commission (NLRC) affirmed the LA's decision, emphasizing non-compliance with the "twin notice" rule and rejected claims of abandonment, agreeing on the need for compensatory measures from dismissal to the decision finality.
- CA Reversal (August 7, 2014 and Resolution September 28, 2015):** The Court of Appeals set aside the NLRC ruling, determining that Geraldo was not an employee due to the per-piece payment method, thereby negating his claims for monetary awards.
- Filing of Supreme Court Petition:** Dissatisfied with the CA's decision, Geraldo filed a petition with the Supreme Court to annul the previous decision, asserting his status as a

regular employee entitled to employment benefits and security of tenure.

****Issues:****

1. Could Geraldo be considered a regular employee of The Bill Sender Corporation, despite being paid on a per-piece basis?
2. Was Geraldo's dismissal by The Bill Sender Corporation without just cause, thus constituting illegal dismissal?
3. Are the officers of The Bill Sender Corporation, particularly Lourdes Ner Cando, personally liable for monetary claims of Geraldo due to his alleged illegal dismissal?

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

1. ****Regular Employee Status:**** The Supreme Court reaffirmed that Geraldo was a regular employee. His work was necessary and desirable to the company's usual trade, as evidenced by his long tenure of over 14 years, which was beyond temporarily or intermittently required. Payment method (per-piece basis) merely highlights compensation methodology, not employment nature.
2. ****Illegal Dismissal Finding:**** The Court upheld the illegal dismissal ruling by confirming a lack of just cause presented by The Bill Sender Corporation and failure to observe required due process ("twin notice" rule). Geraldo's unproven abandonment excused any delay in filing his complaint within the allowable statutory period.
3. ****Liability of Corporate Officers:**** The Supreme Court absolved Lourdes Ner Cando from personal liability, citing a lack of evidence for acts done with malice or bad faith on her part as president. The corporate veil remained intact without just cause for piercing.

****Doctrine:****

1. ****Regular Employment:**** An employee is deemed regular if performing tasks required by the nature of business, whether continuous or intermittent and not dictated by compensation methods.
2. ****Burden of Proof in Dismissals:**** Responsibility falls on the employer to verify cause and compliance with due process standards in contested dismissals.

****Class Notes:****

- **Employer-Employee Relationship Tests:** Necessary/desirable work relation to business; at least one year of service, even intermittent.
- **Piece-rate Payment:** Does not negate regular employment; only a method of wage determination under Article 97, Labor Code.
- **Twin-notice Requirement:** Essential for legal dismissals; lack of formal notification violates Labor Code's due process.

Historical Background:

- **Labor Rights Evolution:** Reflects continuing balance emphasis between business flexibility and protecting worker rights post-1987 Constitution—establishing security of tenure, and legally mandated processes for termination within the Philippine labor arena.
- **Piece Rate vs. Regular Employment Debate:** Clarifies the misconception seeded from the evolving nature of work mechanics seeking comprehensive statute interpretation and fundamental fairness safeguarding employees.