

LESLIE A. REYES, PETITIONER VS. NATIONAL LABOR RELATIONS COMMISSION, NXP SEMICONDUCTORS PHILIPPINES, INC. (FORMERLY PHILIPS SEMICONDUCTORS) AND/OR EMELITA REYES, RESPONDENTS.[]

SP No. 112107, July 20, 2010

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/3362c0b830d7/>

Court of Appeals

Before Us is a Petition for Certiorari[1] under Rule 65 of the Rules of the Court assailing the Resolution[2] dated May 29, 2009 of public respondent National Labor Relations Commission (NLRC), Second Division, which affirmed the Decision[3] dated March 10, 2008 of the Labor Arbiter finding that petitioner Leslie A. Reyes was not illegally dismissed from work; and, the Resolution[4] dated October 21, 2009 denying the motion for reconsideration thereof.

THE FACTS

On March 9, 2005, petitioner Leslie A. Reyes was hired as a timekeeper by private respondent NXP Semiconductors Philippines, Inc. (formerly Philips Semiconductors), a domestic corporation engaged in the manufacture of semiconductors.[5] A Project Employment Contract[6] was signed by petitioner which stipulated that her employment shall commence on March 9, 2005 and end on May 31, 2005, pursuant to the "Human Resources Timekeeping Ramp-Up Project" of the company. Petitioner's contract was renewed for another four (4) months, or from June 1, 2005 up to September 30, 2005. Again, petitioner was made to work for the period October 1, 2005 to December 31, 2005. The corresponding project employment contracts[7] were signed by petitioner.

On January 2, 2006, petitioner was re-hired, this time as a logistic clerk, under private respondent company's "Logistics Subcon Group Ramp-Up Project". Petitioner signed another project employment contract[8] which stated that her employment shall commence on January 2, 2006 and end on June 2, 2006. After the end of said contract, private respondent company re-employed petitioner as a junior planner under the same project, for the period June 3, 2006 to November 3, 2006.[9]

On May 9, 2007, petitioner filed a complaint[10] for illegal dismissal believing that she was unlawfully dismissed. In her Position Paper[11], petitioner alleged that even after November 3, 2006, she was required by private respondent company to work. In fact, private respondent Emelita Reyes, the company's recruitment officer, told petitioner that starting December 1, 2006, she would be assigned as a production controller. However, when petitioner reported for work, she was not given any assignment. On December 6, 2006, petitioner was surprised when she was informed by private respondent Reyes that she would no longer be rehired since the position of production controller was no longer available.

Petitioner likewise asseverated that she was a regular employee. As such, she could not arbitrarily dismissed. Petitioner cannot be deemed as a project employee because her works as timekeeper, logistics clerk and junior planner were indispensable to the operation or business of private respondent company. The purported projects

stated in the contracts of employment were imaginary or non-existent.

In their traverse, private respondents argued that there could be no illegal dismissal since petitioner was a project employee. When petitioner was hired, it was made clear to her that her employment would be on a project basis. In fact, all the project employment contracts voluntarily signed by petitioner explicitly stated the duration and scope of her employment pursuant to the specific projects undertaken by the company. With respect to the first project, the same was intended to upgrade the company's timekeeping functions and to outsource the same to a third party. In fact, private respondent company eventually outsourced the timekeeping functions to Jupiter Systems, Inc.[12] Private respondent company came up with the second project to address the increase in the sub-contracting work farmed out by the company due to the increased demand for its products.[13]

What further militates against petitioner's claim that she was not a project employee was her admission in the curriculum vitae she submitted to private respondent company when she applied for a regular position, where she categorically stated that she was hired as a project-based contractual. Petitioner's application was, however, not accepted. After the expiration of her contract, petitioner applied for a clearance[14], stating therein that her contract ended on December 6, 2006.

In a Decision[15] dated March 10, 2008, the Labor Arbiter dismissed the complaint for lack of merit ratifying that petitioner was not a regular employee of private respondent company. Petitioner was hired on a fixed project basis, as expressly provided under the employment contracts signed by petitioner herself. The said contracts even specifically stated the scope and duration of the projects. Petitioner's services were then coterminous with the duration of a specific job order. Petitioner was well aware of her status when she expressly admitted in her curriculum vitae and application for clearance that she was indeed a project-based contractual. Since her contract with private respondent company simply expired, there can be no illegal dismissal. The pertinent portions of the Decision read:

[t]his Office finds that complainant is a project employee or respondents.

Case records readily show that complainant was hired for three (3) specific projects, namely:

* * *

The foregoing belie complainant's contention that at the time of her hiring, the scope and duration of her employment was not made known to her at the time of her engagement. Complainant herself listed her work description * * * which proves that she was aware of the scope of her functions in relation to the project she was hired for. Moreover, the fact that the project employment contract states that her employment shall end at the "actual completion, as determined by the company" or that her employment is "coterminous with the duration of the project for which you are hired, upon the completion of which, your employment will automatically cease without any need for verbal or written notice" does not mean that the project duration is undeterminable. It must be emphasized that the project employment contracts provide for specific periods of employment such as the dates of the actual duration or targets set for the completion of the projects. * * *

Complainant is very much aware that she is project employee as this is specifically stated her project employment contract. Moreover, she herself admitted in the Curriculum Vitae she prepared that she is a project based contractual. At the end of her contract, she even applied for clearance from the company where she indicated "end of contract" as the purpose for the clearance. Complainant, who is a college graduate cannot therefore rightfully claim that she lacks knowledge that her right to security of tenure is already being violated by respondents. * * *

Being a project employee, the complainant for illegal dismissal must necessarily fail. When complainant's services were terminated, this was due to the completion of the project and the expiration of her contract. She

was employed only for a specific duration and the arrival of that day certain necessarily terminates her employment. * * * The fact that he had been rehired or re-contracted does not mean that she has acquired the regular status of employment. * * *

Aggrieved by the adverse decision, petitioner appealed to public respondent NLRC. In the assailed Resolution[16] dated May 29, 2009, the NLRC affirmed the Labor Arbiter's finding that petitioner was not illegally dismissed from work. There was no evidence that she was terminated from work. Petitioner's employment contract with private respondent company simply ended on December 6, 2006. In her application for clearance, petitioner herself wrote that the purpose thereof was "End of Contract-December 6, 2006". Petitioner even indicated her initials therein.

Petitioner filed a Motion for Reconsideration but the same was denied in a Resolution[17] dated October 21, 2009.

Hence, the instant petition in which petitioner raised the following grounds[18] for its allowance, to wit:

I.

WHETHER OR NOT PUBLIC RESPONDENT NLRC COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK AND/OR EXCESS OF JURISDICTION IN AFFIRMING THE LABOR ARBITER'S FINDING THAT PETITIONER WAS NOT ILLEGALLY DISMISSED DESPITE HAVING RULED THAT SHE WAS A REGULAR EMPLOYEE.

II.

WHETHER OR NOT PUBLIC RESPONDENT NLRC COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK AND/OR EXCESS OF JURISDICTION IN FINDING THAT PETITIONER'S CONTRACT HAD SIMPLY ENDED.

III.

WHETHER OR NOT PUBLIC RESPONDENT NLRC COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK AND/OR EXCESS OF JURISDICTION IN DISMISSING PETITIONER'S COMPLAINT FOR ILLEGAL DISMISSAL INCLUDING HER CLAIMS FOR MORAL AND EXEMPLARY DAMAGES AND ATTORNEY'S FEES.

IV.

WHETHER OR NOT PUBLIC RESPONDENT NLRC COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK AND/OR EXCESS OF JURISDICTION IN DISMISSING THE COMPLAINT AGAINST PRIVATE RESPONDENT EMELITA REYES.

THE ISSUE

The pivotal issue to be resolved is whether or not public respondent NLRC acted with grave abuse of discretion amounting to lack or excess of jurisdiction in dismissing petitioner's complaint for illegal dismissal.

THE RULING

The petition is bereft of merit.

Petitioner contends that public respondent NLRC gravely abused its discretion in affirming the Labor Arbiter's finding that she was not illegally dismissed. Petitioner was a regular employee of private respondent company having been hired for positions which are indispensable to the company's operations. Likewise, petitioner's

repeated and continued hiring for more than one (1) year only shows that her job was necessary to the company's operations. Private respondent merely used the cloak of project contracts in hiring employees who are supposed to perform the functions of regular employees.

We are not persuaded.

A close scrutiny of the records would show that petitioner was actually a project employee of private respondent company.

Article 280 of the Labor Code defines regular and casual employees as distinguished from project employees. We quote:

Art. 280. Regular and Casual Employment.—* * * an employment shall be deemed to be regular where the employee has been engaged to perform activities which are usually necessary or desirable in the usual business or trade of the employer, except where the employment has been fixed for a specific project or undertaking the completion or termination of which has been determined at the time of the engagement of the employee or where the work or service to be performed is seasonal in nature and the employment is for the duration of the season.

An employment shall be deemed to be casual if it is not covered by the preceding paragraph: Provided, That, any employee who has rendered at least one (1) year of service, whether such service is continuous or broken, shall be considered a regular employee with respect to the activity in which he is employed and his employment shall continue while such activity exists.

It must be stressed that the above provision does not proscribe or prohibit an employment contract with a fixed period. Jurisprudence is replete that the principal test for determining whether particular employees are properly characterized as "project employees" as distinguished from "regular employees" is whether or not the "project employees" were assigned to carry out a "specific project or undertaking", the duration and scope of which were specified at the time the employees have been engaged for that project.[19] As defined, project employees are those workers hired (1) for a specific project or undertaking, and (2) the completion or termination of such project or undertaking; has been determined at the time of engagement of the employee.[20]

In the case at bench, We find that petitioner was properly informed at the onset of her status as a project employee. A perusal of the records shows that all the employment contracts which petitioner signed-stipulated that she was being hired by private respondent company as a project employee in its two different projects, namely: the "Human Resources Timekeeping Ramp-Up Project" and the "Logistics Subcon Group Ramp-Up Project". Private respondent company satisfactorily explained the reasons why the said projects were undertaken, that is, to upgrade the company's timekeeping functions and to address the increase in the sub-contracting work farmed out by the company. Furthermore, not only was petitioner assigned to a specific project, but the duration and completion of such project had also been determined and stipulated at the time of her employment. The pertinent portions of the contracts are quoted:

March 9, 2005 contract:

This is to confirm your employment with the Company as a project employee occupying the position of Timekeeper under the following terms and conditions:

1. Your employment shall commence on March 9, 2005 up to May 31, 2005 or until the actual completion, as determined by the Company, of the Human Resources Timekeeping Ramp-Up Project * * *, herein referred to as the Project. Attached is the project schedule/outline.

June 1, 2005 contract: This is to confirm your employment with the Company as a project employee occupying

the position of Timekeeper under the following terms and conditions:

1. Your employment shall commence on June 1, 2005 up to September 30, 2005 or until the actual completion, as determined by the Company, of the Human Resources Timekeeping Ramp-Up Project * * *, herein referred to as the Project. Attached is the project schedule/outline.

October 1, 2005 contract:

This is to confirm your employment with the Company as a project employee occupying the position of Timekeeper under the following terms and conditions:

1. Your employment shall commence on October 1, 2005 up to December 31, 2005 or until the actual completion, as determined by the Company, of the Human Resources Timekeeping Ramp-Up Project * * *, herein referred to as the Project. Attached is the project schedule/outline.

January 2, 2006 contract:

This is to confirm your employment with the Company as a project employee occupying the position of Logistics Clerk under the following terms and conditions:

1. Your employment shall commence on January 2, 2006 up to June 2, 2006 or until the actual completion, as determined by the Company, of the Logistics Subcon Group Ramp-Up Project, herein referred to as the Project. Attached is the project schedule/outline.

June 3, 2006 contract:

This is to confirm your employment with the Company as a project employee occupying the position of Logistics Clerk under the following terms and conditions:

1. Your employment shall commence on June 3, 2006 up to November 3, 2006 or until the actual completion, as determined by the Company, of the Logistics Subcon Group Ramp-Up Project, herein referred to as the Project, Attached is the project schedule/outline.

In like manner, petitioner's act of indicating in her curriculum vitae and application for clearance the status of her employment as project contractual could be deemed as an admission on her part of such fact. Petitioner was thus very much aware that she was merely a project employee. Petitioner's employment was then necessarily coterminous with the completion of the projects for which she had been hired.

Petitioner's contention that she must be considered a regular employee having been continuously re-hired by private respondent company for at least one (1) year also deserves scant consideration. The fact that petitioner was constantly re-hired for different positions does not ipso facto establish that she became a regular employee. In *Caseres, et al. vs. Universal Robina Sugar Milling Corp. et al.*[21], the Supreme Court held that even if the employees were repeatedly and successively re-hired, it did not qualify them a regular employees. Length of service is not the controlling determinant of the employment tenure of a project employee but whether the employment has been fixed for a specific project or undertaking, the completion of which has been determined at the time of the engagement of the employee. The proviso in Article 280 stating that an employee who has rendered service for at least one (1) year shall be considered a regular employee pertains to casual employees and not to project employees.[22]

Accordingly, petitioner cannot complain of illegal dismissal inasmuch as the completion of the contract for which she has been engaged automatically terminates her employment.[23]

Certiorari lies only where it is clearly shown that there is a patent and gross abuse of discretion amounting to an evasion of positive duty or virtual refusal to perform a duty enjoined by law, or to act at all in contemplation of

law, as where the power is exercised in an arbitrary and despotic manner by reason of passion or personal hostility. Certiorari may not be availed of where it is not shown that the respondent tribunal lacked or exceeded its jurisdiction over the case.[24] In this case, We find the allegations of petitioner insufficient to qualify as grave abuse of discretion warranting the issuance of a writ of certiorari.

WHEREFORE, premises considered, the instant petition for certiorari is hereby DISMISSED.

SO ORDERED.

Carandang and Barrios, JJ., concur.

Petition dismissed.

[1] Rollo, PP- 3-23.

[2] Rollo, PP. 27-36.

[3] Rollo, P- 151-164

[4] Rollo, pp. 24-26.

[5] Rollo, pp. 70-71

[6] Rollo, pp. 37-39

[7] Rollo, pp. 41-46

[8] Rollo, pp. 47-49

[9] Rollo, pp. 50-51

[10] Rollo, p. 53.

[11] Rollo, pp. 55-69

[12] Rollo, pp. 109-115.

[13] Rollo, pp. 70-88, 97-108.

[14] Rollo, p. 317.

[15] Supra, see note 3.

[16] Supra, see note 2.

[17] Supra, see note 4.

[18] Rollo, p. 11.

[19] Alcatel Phil., Inc. vs. Delos Reyes, et al, G.R. No. 164315, July 3, 2009; Kiamco vs. NLRC, et al., G.R. No. 129449, June 29, 1999.

[20] Ibid.

[21] G.R. No. 159343, September 28, 2007.

[22] Caseres, et al., vs. Universal Rabina Sugar Milling Corp. et al., G.R. No. 159343, September 28, 2007.

[23] Ibid.

[24] Johnson Lee and Sonny Moreno vs. People of the Philippines and the Court of Appeals, G.R. No. 137914. December 4, 2002.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.