

KOPPEL (PHILIPPINES) INC., PETITIONER, VS. DANILO DARLUCIO, ET AL., RESPONDENTS.

G.R. No. 14903. August 29, 1960

Ponente: CONCEPCION, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-14903/>

CONCEPCION, J.:

Koppel (Philippines) Inc., seeks a review of an order and a resolution of the Workmen's Compensation Commission dated November 25 and December 18, 1958, respectively, affirming the decision of a hearing officer of its Regional Office No. III, ordering said petitioner.

"1. To pay claimants, * * * the amount of three thousand six hundred seventy-five and 86/100 (P3,675.36) pesos as compensation;

"2. To pay claimant Maura Medina the sum of P200.00 representing burial expenses; and

"3. To pay * * * the sum of P37.00 as fees pursuant to Sec. 55 of the Workmen's Compensation Act, as amended. The share of claimant Maura Medina as widow of the deceased workman is one-third of the entire compensation benefits or P1,225.12 and the three minor claimants will divide the rest share and share alike or P816.75 each which is hereby ordered to be deposited in their respective names in the Philippine National Bank and will only be expended and invested for the welfare and interest of said children. Withdrawals will only be made upon previous approval of the Regional Administrator of this Office."

The facts are not disputed. The claimants are the widow and the minor children of Jaime Darlucio, Sr. who, while performing his duties as security guard or watchman in the establishment of petitioner herein, at the corner of Taft Avenue and San Luis Street, Manila, on February 26, 1957, at about 8:30 a.m., was feloniously shot and killed by Jose Rites y Rico, a former employee of petitioner herein whose entry into said establishment was blocked by Darlucio, in obedience to an order of petitioner's personal manager, Kurt Ehlers. As a consequence, Jose Rites y Rico was accused and convicted of homicide in Criminal Case No. 39343 of the Court of First Instance of Manila and sentenced accordingly, by virtue of a decision which is now final and executory. Within the time provided by law, Darlucio's widow and their minor children filed the corresponding claim with the Workmen's Compensation Commission. After appropriate proceedings, a hearing officer of Regional Office No. III of said Commission rendered the aforementioned decision, dated May 20, 1958. Eight days from receipt thereof, petitioner filed a one-paragraph petition, praying that said decision be reviewed by the Commission upon the ground that it "is contrary to both law and the evidence." By an order dated November 25, 1958, the Chairman of the Commission held that said petition "does not conform with the law (Act 3428, as amended) and the Rules of this Commission, in that it does not specify any particular error or objection to the decision of the hearing officer", referring particularly to section 49 of said Act, reading:

"Any party in interest who is dissatisfied with the order entered by the referee may petition to review the same and the referee may reopen said case, or may amend or modify said order, and such amended or modified order shall be a final award unless objection is made thereto by petition for review, In case said referee does not amend or modify said order, he shall refer the entire case to the Commissioner, who shall thereupon review the

entire record * * *. Every petition for review shall be in writing and shall specify in detail the particular errors and objections."

and section 2, Rule 23 of the Rules of said Commission, which provides:

"Form of the petition for review.—Every petition for review or motion for reconsideration shall be in writing and shall specify in detail the particular errors and objections to the decision or award."

that, falling short, as it does, of the requirements of said law and rule, said petition "cannot serve as a basis for a review" of the aforementioned decision, which "has become final and executory"; and that the decision sought to be reviewed had been found "to be in accord with the facts and the law" and consequently remanded the case to said Regional Office No. III, "for disposition in accordance with the tenor" of said order.

On motion for reconsideration filed by petitioner herein, the Workmen's Compensation Commission, sitting en banc, by a resolution dated December 18, 1958, "failed to find any reason or justification for changing, altering, or modifying, much less reversing" the aforesaid order of November 25, 1958. Hence, the present petition for review by certiorari.

Petitioner herein maintains that:

"1. The Workmen's Compensation Commission erred in passing upon the sufficiency of the appeal after its allowance by Regional Office No. 3.

"2. The Workmen's Compensation Commission erred in finding that the late Jaime Darlucio was an employee of petitioner."

The first pretense is clearly devoid of merit. The decision of the hearing officer having become final and executory owing to said failure to comply with the above quoted provisions of the law and the rules of said Commission the same had no authority to entertain the petition for review of said decision, regardless of the action taken by the regional office. The matter affected the jurisdiction of the Commission, and, hence, the latter was entitled to consider it *motu proprio*.

The second pretense is predicated upon paragraph (2) of the partial stipulation of facts submitted by the parties, reading:

"That Jaime Darlucio was employed as a watchman by the Enriquez Detective and Protective Agency, Inc., an independent contractor, with which defendant had a contract for guarding and protecting its properties, as such independent contractor."

It is now urged, that, pursuant to this stipulation, particularly the circumstance that the agency therein mentioned is an "independent contractor" the deceased Darlucio was not an employee of the petitioner herein, which, accordingly, should not be held liable for compensation under the Workmen's Compensation Act.

This pretense overlooks, however, two facts, namely, that the aforementioned stipulation was only "partial", and that testimonial evidence was introduced by both parties on the duties of Darlucio as watchman or security guard of petitioner herein, and on petitioner's authority over him as such.

It appears from said testimonial evidence that petitioner required all guards, including Darlucio, to submit their daily time records to a Mr. Martin, an officer of said petitioner, and to report to him; that after initiating said time records, Mr. Martin submitted them to petitioner's president; that petitioner provided the guards with clocks and required them to time the same at different stations specified by petitioner; that the guards received instructions or directions from petitioner herein, on what persons to admit and not to admit into the compound or offices of said petitioner; that the guards were required to, and did report pilferages and other incidents occurring within the

premises of petitioner herein, directly to the latter; that petitioner investigated the guards whenever, any unusual incident happened in the compound of the former; that being engaged in the business of importing and distributing as well as selling heavy equipment, it was necessary and imperative that petitioner engaged the services of guards primarily for protection; and that the name of Darlucio was included in a list of employees of petitioner herein, submitted by the same to the Workmen's Compensation Commission prior to the event that resulted in his death.

In the light of these facts, the aforementioned decision of the Hearing Officer, which was affirmed by the Workmen's Compensation Commission held:

"* * * it is believed that the Enriquez Detective & Protective Agency is not an independent contractor as contemplated in the Workmen's Compensation Act, as amended, to bar the herein claimants from receiving benefits. As defined by the Honorable Supreme Court—"an independent contractor is one who exercises independent employment and contracts to do a piece of work according to his own methods and without being subject to control of his employer except as to the result of the work. A person who has no capital or money of his own to pay his laborers or to comply with his obligations to them, who files no Bond to answer for the fulfillment of his contracts with his employer, falls short of the requisites or conditions necessary to classify him as independent contractor." (Andoyo vs. M.R.R. Co., G. R. No. 84722, March 28, 1932.)

"* * * in this connection, it was already ruled by the Supreme Court in the case of Associated Watchmen & Security Union (PTWO), et al., vs. United States Lines, et al., G. R. No. L-10333, promulgated July 25, 1957 that—

'But no matter how studiously the complaint avoids stating that the watchmen employed by the steamship agencies are not their employees, because they are of the watchmen agencies, the stubborn fact remains that the said watchmen are ultimately working for the steamship agencies and ultimately paid for the latter. It may have been true that these watchmen were contracted for by the watchmen agencies, but the fact remains that their services were availed of and their compensation paid by the steamship agencies, even if such were done thru the agencies and without the direct intervention of the steamship agencies.'

'* * * As the watchmen were actually employed in watching and guarding the steamers no amount of reasoning can deny the fact that they necessarily and actually work for the respondent steamship agencies. If their services were contracted for and are paid thru the watchmen, agencies, the relationship may not have been proximate, but this fact cannot belie the existence of the relationship of employer and employee, nor argue against the existence of a labor dispute.

"The foregoing facts clearly show that the respondent corporation assumed control and supervision over its guards, including the deceased, even going to the extent of utilizing them as checkers by requiring them to check all outgoing goods or invoices and delivery receipts of outgoing cargoes to see to it that no cargo would leave the premises without bill of particular.

"In this connection, in the case of Mo-Bernal vs. Star-Chronicle Pub. Col., No. A-84 S. W. (2) 429 (1935) cited by Morabe and Inton in their book entitled 'The Workmen's Compensation Act', it was held that 'if one contracts to do a piece of work according to his own methods and without being subject to the control of the other party, except as to the final result of the work, he may not be said to be the other's employee, but if such other person reserves the right of control, not only as to the final result of the work, but also as to the mode of doing the work and the means by which the final result is to be accomplished, then the relationship of employer and employee is deemed to be established, regardless of whether such right of control is actually exercised or not."

"Moreover, the Workmen's Compensation Act, as amended, section 39 thereof, gives us the definition of the word 'employer' which 'includes every person or association Of persons, incorporated or not, public or private, and the

legal representative of the deceased employer. It includes the owner of a lessee of a factory or establishment or place or work or any other person who is virtually the owner or manager of the business carried on in the establishment or place of work but who, for the reason that there is an independent contractor in the same or for any other reason is not the direct employer of laborers employed there.'

"In other words, after a consideration of the foregoing facts together with a careful perusal of the records of this case, this office has arrived at the conclusion and so holds that there exists an employee-employer relationship between the deceased and the respondent—that is to say, respondent herein, and not the Enriquez Detective & Protective Agency, Inc., is the statutory employer of Jaime Darlucio, Sr."

We are fully in agreement with the foregoing findings. Indeed in *Compañia Maritima vs. Ernesta Cabagnet, et al.*, (107 Phil., 873; 58 Off. Gaz. [12] 2415), we held that the heirs of a watchman, who died in the performance of his duties as such, for the benefit of a shipping company, were entitled to compensation from the latter, despite the fact that the same had contracted directly with a watchman's agency (Pablo Velez Special Watchmen's Agency), which had supplied the services of the deceased watchman.

To the same effect were, substantially, our decisions in *U. S. Lines, et al. vs. Associated Watchmen and Security Union (PTWO)*; L-12208-12210 (promulgated May 21, 1958), *Maligaya Ship Watchmen Agency, et al. vs. Associated Watchmen and Security Union (PTWO)* 103 Phil., 920; 55 Off. Gaz., [52] 10681), and *Associated Watchmen and Security Union (PTWO) vs. U. S. Lines, et al.*, 101 Phil., 896; 64 Off. Gaz., [31] 2397).

Wherefore, the decision appealed from is hereby affirmed, with costs against the petitioner. It is so ordered.

Paras, C. J., Bengzon, Padilla, Bautista Angelo, Labrador, Reyes, J. B. L., Barrera, and Gutierrez David JJ., concur.

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.