

DEALCO FARMS, INC., PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION (5TH DIVISION), CHIQUITO BASTIDA, AND ALBERT CABAN, RESPONDENTS.

G.R. No. 153192. January 30, 2009

Ponente: NACHURA, J.

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NACHURA, J.:

Under review are Resolutions[1] of the Court of Appeals (CA) in CA-G.R. SP No. 68972 denying due course to and dismissing petitioner Dealco Farms, Inc.'s petition for certiorari.

Petitioner is a corporation engaged in the business of importation, production, fattening and distribution of live cattle for sale to meat dealers, meat traders, meat processors, canned good manufacturers and other dealers in Mindanao and in Metro Manila. Petitioner imports cattle by the boatload from Australia into the ports of General Santos City, Subic, Batangas, or Manila. In turn, these imported cattle are transported to, and housed in, petitioner's farms in Polomolok, South Cotabato, or in Magalang, Pampanga, for fattening until the cattle individually reach the market weight of 430 to 450 kilograms.

Respondents Albert Caban and Chiquito Bastida were hired by petitioner on June 25, 1993 and October 29, 1994, respectively, as escorts or "comboys" for the transit of live cattle from General Santos City to Manila. Respondents' work entailed tending to the cattle during transportation. It included feeding and frequently showering the cattle to prevent dehydration and to develop heat resistance. On the whole, respondents ensured that the cattle would be safe from harm or death caused by a cattle fight or any such similar incident.

Upon arrival in Manila, the cattle are turned over to and received by the duly acknowledged buyers or customers of petitioner, at which point, respondents' work ceases. For every round trip travel which lasted an average of 12 days, respondents were each paid P1,500.00. The 12-day period is occasionally extended when petitioner's customers are delayed in receiving the cattle. In a month, respondents usually made two trips.

On October 15, 1999, respondents Bastida and Caban, together with Ramon Maquinsay and Roland Parrocha, filed a Complaint for illegal dismissal with claims for separation pay with full backwages, salary differentials, service incentive leave pay, 13th month pay, damages, and attorney's fees against petitioner, Delfin Alcoriza[2] and Paciano Danilo Ramis[3] before the National Labor Relations Commission (NLRC), Sub-Regional Arbitration Branch No. XI, General Santos City. Although the four complainants collectively filed a case against petitioner, Maquinsay and Parrocha never appeared in any of the conferences and/or hearings before the Labor Arbiter. Neither did they sign the verification page of complainants' position paper. Most importantly, Maquinsay and Parrocha executed affidavits in favor of petitioner praying for the dismissal of the complaint insofar as they were concerned.

It appears that, on August 19, 1999, respondents were told by a Jimmy Valenzuela, a hepe de viaje, that he had been instructed by Ramis to immediately effect their replacement. Valenzuela proffered no reason for respondents' replacement. Respondents' repeated attempts to see and meet with Ramis, as well as to write

Alcoriza, proved futile, compelling them to file an illegal dismissal case against petitioner and its officers.

In all, respondents alleged in their position paper that: (1) they were illegally dismissed, as they never violated any of petitioner's company rules and policies; (2) their dismissal was not due to any just or authorized cause; and (3) petitioner did not observe due process in effecting their dismissal, failing to give them written notice thereof. Thus, respondents prayed for money claims, i.e., salary differentials, service incentive leave pay, cost of living allowance (COLA) and 13[th] month pay.

Petitioner, however, paints a different picture. Petitioner asserts that the finished cattle are sold to traders and middlemen who undertake transportation thereof to Manila for distribution to the wet markets. In fact, according to petitioner, the buyers and end-users of their finished cattle actually purchase the cattle as soon as they are considered ready for the market. Petitioner claims that once the finished cattle are bought by the buyers, these buyers act separately from, and independently of, petitioner's business. In this regard, the buyers themselves arrange, through local representatives, for the (a) hauling from petitioner's farm to the port area; (b) shipment of the finished cattle to Manila; and (c) escort or "comboy" services to feed and water the cattle during transit.

In its position paper, petitioner relates only one instance when it engaged the services of respondents as "comboys." Petitioner maintains that their arrangement with respondents was only on a "per-trip" or "per-contract" basis to escort cattle to Manila which contemplated the cessation of the engagement upon return of the ship to the port of origin - the General Santos City port.

Petitioner further narrates that sometime in 1998, and well into 1999, its import of cattle from Australia substantially decreased due to the devalued dollar. Consequently, petitioner was forced to downsize, and the sale and shipments to Manila were drastically reduced. Thus, petitioner and/or its buyers no longer retained escort or "comboy" services.

Ultimately, petitioner denies the existence of an employer-employee relationship with respondents. Petitioner posits that: (a) respondents are independent contractors who offer "comboy" services to various shippers and traders of cattle, not only to petitioner; (b) in the performance of work on board the ship, respondents are free from the control and supervision of the cattle owner since the latter is interested only in the result thereof; (c) in the alternative, respondents can only be considered as casual employees performing work not necessary and desirable to the usual business or trade of petitioner, i.e., cattle fattening to market weight and production; and (d) respondents likewise failed to complete the one-year service period, whether continuous or broken, set forth in Article 280[4] of the Labor Code, as petitioner's shipments were substantially reduced in 1998-1999, thereby limiting the escort or "comboy" activity for which respondents were employed.

On June 30, 2000, the Labor Arbiter found that respondents were employees of petitioner, thus:

[Petitioner] admits having engaged the services of [respondents] as caretakers or "comboys" (convoys) though it qualifies that it was on a "per trip" or "per contract" basis. It also admits paying their remuneration of P1,500.00 per trip. It tacitly admits having terminated [respondents'] services when it said that [respondents] were among the group of escorts who were no longer accommodated due to the decrease in volume of imports and shipments. [Petitioner] also undoubtedly exercised control and supervision over [respondents'] work as caretakers considering that the value of the cattle shipped runs into hundreds of thousands of pesos. The preparation of the cattle for shipment, manning and feeding them prior to and during transit, and making a report upon return to General Santos City to tally the records of the cattle shipped out versus cattle that actually reached Manila are certainly all in accordance with [petitioner's] instructions.

Thus, all the four elements in the determination of an employer-employee relationship being present, [x x x] [respondents] were, therefore, employees of [petitioner].

x x x [Respondents] also performed activities which are usually necessary or desirable in the usual business or trade of [petitioner] (Art. 280, Labor Code). [Petitioner's] contention, to the contrary, is erroneous. Transporting the cattle to its main market in Manila is an essential and component aspect of [petitioner's] operation. As held by [the NLRC's] Fifth Division in one case:

Complainant's task of escorting the livestock shipped to Manila, taking care of the livestock in transit, is an activity which is necessary and desirable in the usual business or trade of respondent. It is of judicial notice that the bulk of the market for livestock of big livestock raisers such as respondent is in Manila. Hogs do not swim, they are shipped. When in transit (usually two-and-one-half days) they do not queue to the mess hall, they are fed. x x x The caretaker is a component of the business, a part of the scheme of the operation. (NFL and Ricardo Garcia v. Bibiana Farms, Inc., NLRC CA No. XI-065089-99 (rab-xi-01-50026-98); prom. April 28, 2000).

More, it also appears that [respondents] had rendered service for more than one year doing the same task repeatedly, thus, even assuming they were casual employees they may be considered regular employees with respect to the activity in which they were employed and their employment shall continue while such activity exists (last par. of Art. 280). [Respondents], in fact, were hired on October 29, 1994 (Bastida) and June 25, 1993 (Caban), a fact which [petitioner] dismally failed to refute.

Given the foregoing, [petitioner's] contention that [respondents] were independent contractors and free lancers deserves little consideration. Its argument that its usual trade or business (importation/production and fattening) ends in General Santos City, and does not include transporting the cattle, does not persuade us.

[Petitioner's] witnesses tried to corroborate [its] contention that [respondents] also offered their services to various shippers and traders of cattle, not only to [petitioner]. Former complainants Maquinsay and Parrocha mentioned the names of these traders/buyers or shippers as Lozano Farms, Bibiana Farms and other big cattle feedlot farms in SOCSARGEN (Annexes "A" and "E," [petitioner's] position paper.) But not a modicum of evidence was adduced to prove payment of [respondent's] services by any of these supposed traders or that [respondents] received instructions from them. There is also no record that shows that the trader/s actually shipped livestock and engaged the services of caretakers.[5]

Accordingly, the Labor Arbiter granted respondents' claim for separation pay, COLA and union service fees. The Labor Arbiter awarded respondents: (a) separation pay of one month for every year of service; (b) COLA, as petitioner failed to prove payment thereof or its exemption therefrom; and (c) union service fees fixed at 10% of the total monetary award. The Labor Arbiter computed respondents' total monetary awards as follows:

NAME

SEPARATION PAY

COLA

SUB-TOTAL

Chiquito Bastida

P15,000.00

P2,400.00

P17,400.00

Albert Caban

18,000.00

2,400.00
20,400.00
P37,800.00
Plus 10% Union Service Fees
3,780.00
TOTAL -----
P41,580.00[6]

However, the Labor Arbiter denied respondents' claim for backwages, 13[th] month pay, salary differential, service incentive leave pay and damages, to wit:

But we deny the "claim" for backwages which was merely inserted in the prayer portion of [respondents'] position paper. Reasons are abundant why we decline to grant the same. In their complaint, [respondents] prayed for separation pay (not reinstatement with consequent backwages) thereby indicating right from the start that they do not want to work with [petitioner] again. More importantly[,] during the conference held on January 6, 2000, [petitioner] manifested its willingness to reinstate [respondents] to their former work as [comboys] under the same terms and conditions but [respondents] answered that they do not want to return to work and instead are asking for payment of their separation pay. Finally[,] [respondents] do not dispute that [petitioner's] downsizing of its escorts in 1999 was due to a legitimate cause, i.e., dollar devaluation.

Also to go are [respondents'] labor standard claims for 13[th] month pay and service incentive leave pay as well as the claim for damages. We also deny the "claim" for salary differentials.

[Respondents] are not entitled to their claims for 13[th] month pay and service incentive leave pay because they were paid on task basis. The claim for damages is denied for lack of factual and legal basis as there is no showing that respondent acted in bad faith in downsizing the number of its caretakers. It even appears that the same is due to a legitimate cause. The "claim" for salary differentials is denied on two grounds: (1) [these are] not prayed for in their complaint; and (2) for lack of merit. It takes not more than 3 days for the Gen. Santos-Manila trip. Even if we include counting the return trip that would be total of six (6) days to the maximum. [Respondents] were paid P1,500.00 per trip. Or, since they made an average of 2 trips/month they were paid P3,000.00 for a twelve (12) days' work (or the equivalent of P250.00/day).[7]

On appeal to the NLRC, the Fifth Division affirmed the Labor Arbiter's ruling on the existence of an employer-employee relationship between the parties and the total monetary award of P41,580.00 representing respondents' separation pay, COLA and union service fees. The NLRC declared:

After a judicious review of the records of this case, we found no cogent reason to disturb the findings of the branch.

The presence of the four (4) elements in the determination of an employer-employee relationship has been clearly established by the facts and evidence on record, starting with the admissions of [petitioner] who acknowledged the engagement of [respondents] as escorts of their cattles shipped from General Santos to Manila, and the compensation of the latter at a fee of P1,500.00 per trip. The dates claimed by [respondents] that they were engaged remain not disputed by [petitioner] as observed by the branch.

The element of control, jurisprudentially considered the most essential element of the four, has not been demolished by any evidence to the contrary. The branch has noticed that the preparation of the shipment of cattle, manning and feeding them while in transit, and making a report upon their return to General Santos that the cattle shipped and which reached Manila actually tallied were all indicators of instructions, supervision and

control by [petitioner] on [respondents'] performance of work as escorts for which they were hired. This we agree on all four[s]. The livestock shipment would cost thousands of pesos and the certainty of it reaching its destination would be the only thing any operator would consider at all [time] and under all circumstances. Nothing more, nothing less. It is illogical for [petitioner] to argue that the shipment was not necessary [or] desirable to their business, as their business was mainly livestock production, because they were undeniably the owners of the cattle escorted by [respondents]. Should losses of a shipment occur due to [respondents'] neglect these would still be [petitioners'] loss, and nobody else's.

At this point, we emphasize the fact that even on appeal [petitioner] declines to refute, by way of evidence, the finding of the branch that they failed to prove the payment of [respondents'] services by any of the supposed traders, or that said traders actually shipped livestock. This is the point where the case of *NFL v. Bibiana Farms* cited by [petitioner] differs from the instant case in that bills of lading issued to, thus, in the name of the hog shippers were submitted as proof that said shippers engaged, compensated and supervised the escorts or convoys in their work, and not the hog raisers.[8]

Undaunted, petitioner filed a petition for certiorari before the CA. As previously adverted to, the CA denied due course and dismissed the petition for the following procedural flaws:

- 1) other material portions of the record referred to in the petition are not attached thereto such as the Complaint for illegal dismissal and position papers of the parties, in violation of Sec. 3, Rule 46 of the 1997 Rules of Civil Procedure; and
- 2) there is no written explanation why personal service was not resorted to, as required under Sec. 11, Rule 13, *Ibid.*[9]

Petitioner's motion for reconsideration was, likewise, denied by the appellate court.

Hence, this appeal positing the following issues:

- Whether the CA gravely abused its discretion when it dismissed the petition for certiorari based on technical rules of procedure.
- Whether the NLRC gravely abused its discretion when it affirmed the Labor Arbiter's ruling on the existence of an employer-employee relationship between the parties.
- Corollary thereto, whether the NLRC gravely erred when it affirmed the Labor Arbiter's finding that respondents were illegally dismissed by petitioner and the consequent award of money claims to respondents.

At the outset, we observe that petitioner raises extraneous issues which were obviously not passed upon by appellate court when the latter denied due course and dismissed outright the petition for certiorari. As such, the instant petition for review on certiorari directly assails the NLRC's decision which mainly involves factual issues, such as whether respondents were employees of petitioner and if they are entitled to their money claims.

Petitioner is unconcerned with the CA's reasons for dismissing the petition and, in fact, declares that the dismissal was done with grave abuse of discretion for sticking to the provisions of the Rules of Court - a "mere technicality" as petitioner cavalierly puts it. Petitioner asseverates that the CA dismissal "defeat[s] substantial justice considering that [it] has a strong cause of action against [respondents]." In all, petitioner submits that it had faithfully complied with Section 11, Rule 13 of the Rules of Court by submitting an explanation and a duly notarized affidavit of service of Maria Fe Sobrevega. Petitioner likewise points out that the Explanation for the resort to service of the petition for certiorari via registered mail is found on page 30 thereof. Curiously, however, only the copy of the same document submitted to the CA lacked an Explanation.

We completely agree with the appellate court's forthright dismissal of the petition for certiorari.

Even if we are to overlook petitioner's account on the curious case of the missing Explanation only in the CA's copy of the petition, petitioner's non-compliance with the requisites for the filing a petition for certiorari remains. We detect petitioner's ploy to sidestep a more fatal procedural error, i.e., the failure to attach copies of all pleadings and documents relevant and pertinent to the petition for certiorari set forth in paragraph 2, Section 1, Rule 65 of the Rules of Court which reads:

The petition shall be accompanied by a certified true copy of the judgment, order or resolution subject thereof, copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification of non-forum shopping as provided in the third paragraph of Section 3, Rule 46.[10]

Corollary thereto, the second paragraph of Section 6, Rule 65, the first paragraph of Section 2, Rule 56, and the last paragraph of Section 3, Rule 46 respectively read:

SEC. 6. Order to comment. -- x x x

In petitions for certiorari before the Supreme Court and the Court of Appeals, the provisions of Section 2, Rule 56, shall be observed. x x x

SEC. 2. Rules applicable. -- The procedure in original cases for certiorari, prohibition, mandamus, quo warranto and habeas corpus shall be in accordance with the applicable provisions of the Constitution, laws, and Rules 46, 48, 49, 51, 52 and this Rules[.] x x x

SEC. 3. Contents and filing of petition; effect of non-compliance with requirements. -- x x x

The failure of the petitioner to comply with any of the foregoing requirements shall be sufficient ground for the dismissal of the petition.

Quite apparent from the foregoing is that the CA did not err, much less commit grave abuse of discretion, in denying due course to and dismissing the petition for certiorari for its procedural defects. Petitioner's failure to attach copies of all pleadings and documents relevant and pertinent to its petition for certiorari warranted the outright dismissal thereof.

Petitioner, however, invokes the righteous ends of substantial justice as would exempt it from adherence to procedural rules. Petitioner claims that the merits of its case necessitate a liberal interpretation of the Rules of Court leading to a reversal of the appellate court's outright dismissal of its petition.

Regrettably, upon an evaluation of the merits of the petition, we do not find cause to disturb the findings of the Labor Arbiter, affirmed by the NLRC, which are supported by substantial evidence.

The well-entrenched rule is that factual findings of administrative or quasi-judicial bodies, which are deemed to have acquired expertise in matters within their respective jurisdictions, are generally accorded not only respect but even finality, and bind the Court when supported by substantial evidence.[11] Section 5, Rule 133 defines substantial evidence as "that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion."

Consistent therewith is the doctrine that this Court is not a trier of facts, and this is strictly adhered to in labor cases.[12] We may take cognizance of and resolve factual issues only when the findings of fact and conclusions of law of the Labor Arbiter are inconsistent with those of the NLRC and the CA.[13]

In the case at bench, both the Labor Arbiter and the NLRC were one in their conclusion that respondents were not independent contractors, but employees of petitioner. In determining the existence of an employer-employee relationship between the parties, both the Labor Arbiter and the NLRC examined and weighed the circumstances against the four-fold test which has the following elements: (1) the power to hire, (2) the payment of wages, (3)

the power to dismiss, and (4) the power to control the employees' conduct, or the so-called "control test." [14] Of the four, the power of control is the most important element. More importantly, the control test merely calls for the existence of the right to control, and not necessarily the exercise thereof. [15]

Naturally, both petitioner's and respondents' claims are on opposite poles. Respondents aver that they were regular employees of petitioner, designated as escorts or "comboys" for the latter's cattle. Petitioner, on the other hand, denies that claim, and simultaneously asserts that respondents are free lance escorts who offer their services to the buyers, middlemen and traders of petitioner. Petitioner further asserts that its business is only confined to the fattening of cattle and their sale once they reach the required market weight. According to petitioner, its business does not include the shipment of cattle, which is undertaken by the middlemen, traders and buyers, who, as owners thereof, engage respondents' services to care for the cattle while in transit. Thus, petitioner ultimately asserts that respondents, at that juncture, were under the control and supervision of these middlemen, traders and buyers.

To support the foregoing contentions, petitioner simply presents the affidavits of Maquinsay and Parrocha, original complainants before the Labor Arbiter, praying for the withdrawal of the complaint for illegal dismissal insofar as they are concerned. Maquinsay and Parrocha both allege that their engagement with petitioner is on a "per-trip" or "per-contract" basis, and that they and their fellow "comboys" or escorts, herein respondents, did not offer their services to petitioner alone.

Paying no heed to petitioner's narration of the contemplated arrangement with respondents, the Labor Arbiter pointed out the following:

[Maquinsay and Parrocha, petitioner's] witnesses, tried to corroborate [petitioner's] contention that complainants also offered their services to various shippers and traders of cattle, not only to [petitioner]. Former complainants Maquinsay and Parrocha mentioned the names of these traders/buyers or shippers as Lozano Farms, Bibiana Farms and other big cattle feedlot farms in SOCSARGEN (Annexes "A" and "B", [petitioner's] position paper). But not a modicum of evidence was adduced to prove payment of [respondents'] services by any of these supposed traders or that [respondents] received instructions from them. There is also no record that the trader/s actually shipped livestock and engaged the services of caretakers. [16]

Echoing the same observation, the NLRC declared, thus:

At this point, we emphasize the fact that even on appeal [petitioner] decline to refute, by way of evidence, the finding of the branch that they failed to prove the payment of [respondents'] services by any of the supposed traders, or that said traders actually shipped livestock. This is the point where the case of *NFL v. Bibiana Farms* cited by [petitioner] differ from the instant case in that bills of lading issued to, thus, in the name of the hog shippers were submitted as proof that said shippers engaged, compensated and supervised the escorts or convoys in their work, and not the hog raisers. [17]

Yet, petitioner is adamant that its lack of documentary evidence should not be taken against it since Maquinsay and Parrocha, two of the original complainants, attest to the nature of a "comboy's" or escort's work.

Significantly, Maquinsay's and Parrocha's affidavits proffer no reason why, in the first place, they filed, along with herein respondents, the complaint for illegal dismissal against petitioner. Maquinsay and Parrocha made an absolute turnaround and retracted their previous claim of regular employee status without proof to support their allegations as against the claim of the remaining complainants, herein respondents.

Conveniently, for its purposes, petitioner claims that Maquinsay's and Parrocha's affidavits "substantiate the claim of petitioner that indeed shipping arrangements and accommodation of escorts, which are informal in nature and, thus, unrecorded, are under the responsibility, control and supervision of the buyers and traders." Essentially,

petitioner insists that the affidavits of Maquinsay and Parrocha should bear more weight than the claims of respondents in their complaint and position paper.

We reject petitioner's self-serving contention. Having failed to substantiate its allegation on the relationship between the parties, we stick to the settled rule in controversies between a laborer and his master that doubts reasonably arising from the evidence should be resolved in the former's favor.[18] The policy is reflected in no less than the Constitution,[19] Labor Code[20] and Civil Code.[21]

Moreover, petitioner's other contention that the shipment and the escort of live cattle is not part of its business, thus, at most, respondents may only be considered as casual employees, likewise fails to persuade.

First. Petitioner failed to disprove respondents' claim that they were hired by petitioner as "comboys" from 1993 and 1994, respectively. In fact, petitioner admits that respondents were engaged, at one point, as "comboys," on a "per trip" or "per contract" basis. This assertion petitioner failed anew to substantiate. Noteworthy is the fact that Maquinsay's and Parrocha's affidavit merely contain a statement that the offer of their services as "comboys" or escorts was not limited to petitioner alone. The affidavits simply aver that they, including herein respondents, were engaged by Dealco on a "per trip" basis, which commenced upon embarkation on a ship for Manila and terminated upon their return to the port of origin. Maquinsay and Parrocha did not state that respondents' engagement by petitioner was on a one-time basis. As a result, petitioner's claim remains an unsubstantiated and bare-faced allegation.

Second. Even assuming that respondents' task is not part of petitioner's regular course of business, this does not preclude their attainment of regular employee status.

Article 280 of the Labor Code explicitly provides:

Art. 280. Regular and Casual Employment. -- The provisions of written agreement to the contrary notwithstanding and regardless of the oral agreement of the parties, 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 services 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 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.[22]

Undoubtedly, respondents were regular employees of petitioner with respect to the escort or "comboy" activity for which they had been engaged since 1993 and 1994, respectively, without regard to continuity or brokenness of the service.

Lastly, considering that we have sustained the Labor Arbiter's and the NLRC's finding of an employer-employee relationship between the parties, we likewise sustain the administrative bodies' finding of respondents' illegal dismissal. Accordingly, we are not wont to disturb the award of separation pay, claims for COLA and union service fees fixed at 10% of the total monetary award, as these were based on the finding that respondents were dismissed without just or authorized cause.

WHEREFORE, the petition is DENIED. The Resolution dated July 29, 2001 of the NLRC in NLRC CA No. M-005974-2000 (RAB-11-10-50453-99) is hereby AFFIRMED. Costs against the petitioner.

SO ORDERED.

Austria-Martinez, (Acting Chairperson), Tinga[*], Chico-Nazario, and Peralta, JJ., concur.

[*] Additional member in lieu of Associate Justice Consuelo Ynares-Santiago per Special Order No. 556 dated January 15, 2009.

[1] Penned by Associate Justice Romeo A. Brawner (now deceased), with Associate Justices Elvi John S. Asuncion (dismissed) and Rebecca de Guia-Salvador, concurring; rollo, pp. 202-203, 323.

[2] President of petitioner Dealco Farms, Inc.

[3] South Cotabato manager of petitioner Dealco Farms, Inc.

[4] Art. 280. Regular and Casual Employment. - The provisions of written agreement to the contrary notwithstanding and regardless of the oral agreement of the parties, 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 services 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 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.

[5] Rollo, pp. 49-51.

[6] Id. at 53.

[7] Id. at 51-52.

[8] Id. at 60-61.

[9] Id. at 202.

[10] Emphasis supplied.

[11] G & M (Phils.), Inc. v. Cruz, G.R. No. 140495, April 15, 2005, 456 SCRA 215, 220.

[12] PCL Shipping Philippines, Inc. v. NLRC, G.R. No. 153031, December 14, 2006, 511 SCRA 44, 54.

[13] Id.

[14] Caurdanetaan Piece Workers Union v. Laguesma, 350 Phil. 35, 58 (1998); Coca-Cola Bottlers (Phils.), Inc. v. Climaco, G.R. No. 146881, February 5, 2007, 514 SCRA 164, 171.

[15] Lopez v. Metropolitan Waterworks and Sewerage System, G.R. No. 154472, June 30, 2005, 462 SCRA 428, 446.

[16] Rollo, p. 51. (Emphasis supplied.)

[17] Id. at 60-61.

[18] L.T. Datu & Co., Inc. v. NLRC, 323 Phil. 521, 531 (1996).

[19] Art. XIII, Sec. 3. The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all.

It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with law. They shall be entitled to security of tenure, humane conditions of work and a living wage. They shall also participate in policy and decision-making processes affecting their rights and benefits as may be provided by law.

The State shall promote the principle of shared responsibility between workers and employers and the preferential use of voluntary modes in settling disputes including conciliation, and shall enforce their mutual compliance therewith to foster industrial peace.

The State shall regulate the relations between workers and employers, recognizing the right of labor to its just share in the fruits of production and the right of enterprises to reasonable returns on investments, and to expansion and growth.

[20] Art. 4. Construction in favor of Labor. -- All doubts in the implementation and interpretation of the provisions of this Code, including its implementing rules and regulations, shall be resolved in favor of labor.

[21] Art. 1702. In case of doubt, all labor legislation and all labor contracts shall be construed in favor of the safety and decent living for the laborer.

[22] Emphasis supplied.

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