

LIGHT RAIL TRANSIT AUTHORITY, PETITIONER, VS. NOEL B. PILI, MEDEL I. LIRIO, RODERICK B. JAMON, VICTORINO A. MACHICA, RONNIE C. VALORIA, VIRGILIO M. FLORES, RENATO C. PALMA, ANGE...*G.R. No. 202047. June 08, 2016*

Ponente: CARPIO, ACTING C.J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-202047/>**CARPIO, ACTING C.J.:****The Case**

This is a petition for review on certiorari under Rule 45 of the Rules of Court. Petitioner Light Rail Transit Authority (LRTA) challenges the 1 June 2011 Decision[1] and 23 May 2012 Resolution[2] of the Court of Appeals (CA) in CA-G.R. SP No. 107593 which set aside the 24 June 2008 Resolution[3] of the National Labor Relations Commission (NLRC) and reinstated the 27 October 2005 Decision[4] of the Labor Arbiter.

The Facts

LRTA is a government-owned and controlled corporation created under Executive Order (EO) No. 603[5] for the "construction, operation, maintenance, and/or lease of light rail transit systems in the Philippines." [6] It entered into a ten-year operations and management agreement (Agreement) with Meralco Transit Organization, Inc. (MTOI) from 8 June 1984 to 8 June 1994. MTOI, a corporation organized under the Corporation Code, hired its own employees and thereafter entered into collective bargaining agreements (CBAs) with the unions of its employees. However, on 7 April 1989, the Commission on Audit declared the Agreement between LRTA and MTOI void. As a result, on 9 June 1989, LRTA purchased all the shares of stock of MTOI and renamed MTOI to Metro Transit Organization, Inc. (Metro) and formally declared Metro as its wholly-owned subsidiary.

The Agreement between LRTA and Metro expired on 8 June 1994, and was thereafter extended on a month-to-month basis. On 25 July 2000, the union of rank-and-file employees of Metro staged a strike over a bargaining deadlock which resulted in the paralysis in the operations of Metro. On 31 July 2000, the Agreement expired when LRTA decided no longer to renew. On 30 September 2000, Metro ceased its operations.

Respondents[7] were employees of Metro who have been terminated upon the expiration of the Agreement. While the rest of the respondents filed cases involving purely monetary claims in the form of separation pays, balances of separation pays, and other unpaid claims, respondent Noel B. Pili (Pili), in addition to his monetary claims, alleged that he was illegally dismissed.

Pili was employed by Metro on 29 November 1984, and was holding the position of Liaison Assistant when he was dismissed on 30 September 2000, when Metro stopped its operations. He received the first fifty percent (50%) of his separation pay in accordance with the CBA with Metro. On 29 May 2003, he received the amount of P63,117.65 as financial assistance for which he was compelled to execute a Release, Waiver and Quitclaim. Based on the foregoing, Pili argues that his dismissal was illegal and violative of his security of tenure. He alleges

that the mere fact of the expiration of the Agreement was not sufficient to justify his dismissal. He also claims that the Release, Waiver and Quitclaim he executed does not bar him from demanding the benefits to which he is legally entitled to or from contesting the legality of his dismissal.

On the other hand, the rest of the respondents filed cases for purely monetary claims. They assert that under Article 4.05 of the Agreement, LRTA contractually bound itself to shoulder and provide all "Operating Expenses" of Metro. Operating Expenses is defined in the Agreement as:

x x x all salaries, wages and fringe benefits (both direct and indirect) up to the rank of Manager, and a lump sum amount to be determined annually as top Management compensation (above the rank of Manager up to the President).[8]

The respondents, except Pili, further allege that LRTA sanctioned and approved all the CBAs Metro entered with its employees; that LRTA and Metro jointly declared the continued implementation of the Agreement; and that there would be no interruption in the employment of the employees of the former MTOI (now Metro). On 17 November 1997, LRTA approved the severance pay of the employees of Metro amounting to one and a half months salary per year of service. They claim that this shows that the LRTA bound itself solidarity liable with Metro.

On 28 July 2000, the Board of Directors of LRTA issued Resolution No. 00-44 where LRTA officially assumed the obligation to ensure that the Metro Inc. Employees Retirement Fund is updated and that it fully covers all retirement benefits payable to the employees of Metro. Based on the foregoing, the respondents - except Pili - argue that the LRTA is liable for their monetary claims.

LRTA, on the other hand, argues that NLRC cannot exercise jurisdiction over it as it is a government-owned and controlled corporation, and that only the Civil Service Commission (CSC) can take cognizance of the matter. Further, LRTA maintains that it has a separate legal personality from Metro, and thus there can be no illegal dismissal and no basis for the monetary claims of the employees of Metro.

The Ruling of the Labor Arbiter

On 27 October 2005, Labor Arbiter Catalino R. Laderas rendered his Decision in favor of Pili and the rest of the respondents. The Labor Arbiter found that Pili was illegally dismissed and that LRTA was solidarity liable with Metro for the monetary claims. The dispositive portion of the Decision states:

WHEREFORE, premises considered, judgment is hereby rendered as follows:

1. Ordering the respondents Metro Transit Organization and LRTA to pay complainant Noel Pili jointly and severally the amount of P379,710 representing backwages for eight (8) months and balance of his separation pay plus ten [sic] (10%) of the monetary award as attorney's fee.

a. unpaid wages/salaries for August and September 2000 of:

P31,848.00

to

Arnel F. Magsalin

P31,548.00

to

Angelito V. Guinto

P30,928.00

to

Enrique L. Ciubal

P31,538.00

to

Ronnie C. Valoria

P31,046.00

to

Maximo M. Vitangcol

P31,046.00

to

Ramiro M. Feliciano

P31,538.00

to

Virgilio M. Flores

P31,046.00

to

Vena[n]cio T. Madria

P30,906.00

to

Ruel F. Magbalana

P30,728.00

to

Renato C. Palima

P28,004.00

to

Victorino A. Machica

P27,804.00

to

Rodolfo L. Paguio

P21,136.00

to

Roderick B. Jamon

P18,170.00

to

Elmer P. Tabigan

b. unpaid 13[th] month and earned leave benefits of:

P42,097.68

to

Angelito V. Guinto

P25,749.91

to

Enrique L. Ciubal

P36,138.16

to

Ronnie C. Valoria

P36,178.90

to

Ramiro M. Feliciano

P39,400.82

to

Virgilio M. Flores

P28,015.96

to

Vena[n]cio T. Madria

P45,626.15

to

Renato C. Palima

P31,948.09

to

Victorino A. Machica

P15,381.08

to

Roderick B. Jamon

c. unpaid hazard pays for August and September 2000 of:

P1,400.00

to

Arnel F. Magsalin

P1,400.00

to

Angelito V. Guinto

P1,400.00

to

Enrique L. Ciubal

P1,400.00

to

Ronnie C. Valoria

P1,400.00

to

Maximo M. Vitangcol

P1,400.00

to

Ramiro M. Feliciano

P1,400.00

to

Virgilio M. Flores

P1,400.00

to

Vena[n]cio T. Madria

P1,400.00

to

Ruel F. Magbalana

P1,400.00

to

Renato C. Palima

P1,400.00

to

Victorino A. Machica

P1,400.00

to

Rodolfo L. Paguio

P1,400.00

to

Roderick B. Jamon

P1,400.00

to

Elmer P. Tabigan

d. amounts of unsupplied rice subsidiaries for August and September 2000 of:

P2,000.00

to

Arnel F. Magsalin

P2,000.00

to

Angelito V. Guinto

P2,000.00

to

Enrique L. Ciubal

P2,000.00

to

Ronnie C. Valoria

P2,000.00

to

Maximo M. Vitangcol

P2,000.00

to

Ramiro M. Feliciano

P2,000.00

to

Virgilio M. Flores

P2,000.00

to

Vena[n]cio T. Madria

P2,000.00

to

Ruel F. Magbalana

P2,000.00

to

Renato C. Palima

P2,000.00

to

Victorino A. Machica

P2,000.00

to

Rodolfo L. Paguio

P2,000.00

to

Roderick B. Jamon

P2,000.00

to

Elmer P. Tabigan

e. reimbursement for over deductions for settled accountabilities and/or 10% retention from the first fifty percent (50%) separation pay of:

P45,557.33

to

Ma. Theresa B. Delos Reyes

P 8,471.82

to

Roberto H. Monterey

P 8,994.75

to

Edgardo G. Gambayan

f. Fifty percent (50%) balance of separation pay of:

P455,473.32

to

Ma. Theresa B. Delos Reyes

P294,703.50

to

Juliana N. Dolor

P198,428.25

to

Roberto H. Monterey

P201,429.92

to

Rolando C. Cebanico

P193,301.85

to

Edgardo G. Gambayan

P281,203.02

to

Rolando I. Navarro

P189,300.00

to

Jose Allan S. Pacifico

P212,148.00

to

Lucilo C. Del Monte

P184,884.00

to

Earl G. Ponco

P188,640.00

to

Allan R. Corpuz

P188,520.00

to

Ma. Emilian S. Cruz

P236,748.00

to

German N. De Luna

P186,396.00

to

Robert D. Pablo

P236,808.00

to

Frederick B. Del Corro

P186,648.00

to

Medel I. Lirio

P242,628.00

to

Paciano J. Villavieja, Jr.

P224,376.00

to

Noel C. Cruz

P179,061.58

to

V[er]liente S. Fantastico

P185,786.68

to

Sandy C. Jarilla

P204,556.18

to

Dante D. Palomara

P177,686.46

to

Henry L. Liao

P107,383.32

to

Bertito I. Servidad

P105,592.08

to

Gerardo M. Rumbawa

P 91,719.00

to

Clodualdo B. Pasiolan

P 74,550.00

to

Judith C. Banez

P 53,866.71

to

Marlyn V. Villanueva

P 51,035.63

to

Restituto R. Malapo

with legal interests thereon from June 1, 2001 until actually and fully paid; and

g. severance pays of:

P406,062.00

to

Arnel F. Magsalin

P378,576.00

to

Angelito V. Guinto

P371.136.00

to

Enrique L. Ciubal

P378,456.00

to

Ronnie C. Valoria

P372,552.00

to

Maximo M. Vitangcol

P359,978.37

to

Ramiro M. Feliciano

P365,683.11

to

Virgilio M. Flores

P358,581.30

to

Vena[n]cio T. Madria

P356,964.30

to

Ruel F. Magbalana

P345,690.00

to

Renato C. Palima

P213,600.51

to

Victorino A. Machica

P194,558.49

to

Rodolfo L. Paguio

P 79,260.00

to

Roderick B. Jamon

P 60,760.73

to

Elmer P. Tabigan

with legal interest thereon from October 1, 2000 until actually and fully paid.

Respondents are further ordered to pay solidarity to complainants an amount equivalent to ten percent (10%) of the total awards, as and by way of attorney's fees.

Other claims dismissed.

SO ORDERED.[9]

On 5 December 2005, LRTA appealed to the NLRC. LRTA averred that the Labor Arbiter acted with grave abuse of discretion in (1) taking cognizance of the case against LRTA despite the fact that it is a government-owned and controlled corporation with an original charter; (2) holding LRTA guilty of illegal dismissal despite the lack of employer-employee relationship between LRTA and Pili; and (3) awarding separation pay and other benefits to the respondents despite the utter lack of factual and legal basis.[10]

The Ruling of the NLRC

On 24 June 2008, the NLRC found that there was no illegal dismissal as Pili's dismissal was valid on account of the termination of the Agreement between Metro and LRTA.[11] The NLRC issued a Resolution modifying in part the Decision of the Labor Arbiter, to wit:

WHEREFORE, premises considered the separate appeals are partly GRANTED and the Decision dated 27 October 2005 is MODIFIED deleting the finding of illegal dismissal and award of backwages to complainant-appellee Pili, ordering respondents-appellants METRO and LRTA to pay complainant-appellee Pili the balance of his separation pay in the amount of P165,398.35 plus ten percent (10%) of the award as attorney's fees and affirming the monetary awards in the appealed Decision in its entirety including the 10% attorney's fees to complainants-appellees Lirio, et al.

SO ORDERED.[12]

The Motion for Partial Reconsideration[13] filed by LRTA was denied by the NLRC. Thereafter, LRTA filed a petition for certiorari under Rule 65 before the CA on 10 November 2008.[14]

The Ruling of the CA

In a Decision dated 1 June 2011, the CA set aside the Resolution of the NLRC and reinstated the 27 October 2005 Decision of the Labor Arbiter in toto.[15] The CA found that Pili was illegally dismissed as the expiration of the Agreement between LRTA and Metro was not a valid ground to terminate Pili's employment. The CA held:

Indeed, and as stated above, Article 283 allows an employer to terminate the services of his employees in case of closure of business as a result of grave financial losses. But the employer must comply with the clearance or report required under the Labor Code and its implementing rules before the employment of the employees.

Nevertheless, employers who contemplate terminating the services of their workers cannot be so arbitrary and ruthless as to find flimsy excuses for their decisions. Thus must be so, considering that the dismissal of an employee from work involves not only the loss of his position but more important, his means of livelihood.

x x x x

In the case at bar, private respondent Pili's employment was terminated on account of the expiration of the management contract between petitioner LRTA and Metro. Such cause for termination of employment is not within the contemplation of Article 283. Further, there is no indication that Metro was closing shop after the termination of its management contract with petitioner LRTA. Much less, it was not proved that Metro was closing its business due to financial losses or business reverses. Thus, the termination of Pili's employment by Metro cannot be justified and, therefore, illegal.[16]

In a Resolution dated 23 May 2012, the CA denied the Motion for Reconsideration[17] filed by LRTA. Hence, this petition.

The Issues

In this petition, the LRTA seeks a reversal of the decision of the CA, and raises the following arguments:

A. THE HONORABLE COURT OF APPEALS DECIDED A QUESTION OF LAW NOT IN ACCORD WITH THE APPLICABLE DECISION OF THIS HONORABLE COURT ON THE LACK OF JURISDICTION OF THE LABOR ARBITER AND THE NATIONAL LABOR RELATIONS COMMISSION OVER PETITIONER AND THE LABOR COMPLAINTS AGAINST PETITIONER; and

B. ASSUMING ARGUENDO THAT THE LABOR ARBITER AND THE NLRC HAVE SUCH JURISDICTION, THE HONORABLE COURT OF APPEALS DECIDED A QUESTION OF SUBSTANCE NOT IN ACCORD WITH THE APPLICABLE LAW AND DECISIONS OF THIS HONORABLE COURT ON ARTICLE[S] 106 AND 107 OF THE LABOR CODE GOVERNING THE EXTENT OF LIABILITIES OF INDIRECT EMPLOYERS.[18]

The Ruling of the Court

The petition has no merit.

Jurisdiction of the NLRC over LRTA - Monetary Claims

We find error with the NLRC taking cognizance of the cases against Metro and LRTA as far as the monetary claims are concerned. This is despite the fact that LRTA is a government-owned and controlled corporation with an original charter.

All of the respondents allege that they were employed by Metro. Thus, there is no real issue as far as the employer-employee relationship is concerned - the respondents themselves do not claim to be employed by LRTA. While Pili claims that LRTA should also be considered his true employer based on the doctrine of piercing the corporate veil, this argument, as discussed below is baseless and erroneous. The employees were employed solely by Metro as Metro and LRTA each maintained their separate juridical personalities. We have already consistently recognized, in clear and categorical terms, that LRTA, even after it purchased all the shares of stock of Metro, maintained and continued to have its separate and juridical personality.[19] Nonetheless, the argument of LRTA that only the CSC may exercise jurisdiction over it - even for monetary claims, must necessarily fail.

The NLRC acquired jurisdiction over LRTA not because of the employer-employee relationship of the respondents and LRTA (because there is none) but rather because LRTA expressly assumed the monetary obligations of Metro to its employees. In the Agreement, LRTA was obligated to reimburse Metro for the latter's Operating Expenses which included the salaries, wages and fringe benefits of certain employees of Metro. Moreover, the Board of Directors of LRTA issued Resolution No. 00-44 where again, LRTA assumed the monetary obligations of Metro more particularly to update the Metro Inc. Employees Retirement Fund and to

ensure that it fully covers all the retirement benefits payable to the employees of Metro.

It is clear from the foregoing, and it is also not denied by LRTA, that it has assumed the monetary obligations of Metro to its employees. As such, the NLRC may exercise jurisdiction over LRTA on the issue of the monetary obligations. To repeat, NLRC can exercise jurisdiction over LRTA not because of the existence of any employer-employee relationship between LRTA and the respondents, but rather because LRTA clearly assumed voluntarily the monetary obligations of Metro to its employees. We therefore find no error on the part of NLRC when it exercised jurisdiction over LRTA which solidarity obligated itself to pay the monetary obligations of Metro.

Jurisdiction of the NLRC over LRTA - Illegal Dismissal

However, as far as the claim of illegal dismissal is concerned, we find that NLRC cannot exercise jurisdiction over LRTA. The NLRC and Labor Arbiter erred when it took cognizance of such matter.

In *Hugo v. LRTA*,^[20] we have already addressed the issue of jurisdiction in relation to illegal dismissal complaints. In the said case, the employees of Metro filed an illegal dismissal and unfair labor practice complaint against Metro and LRTA. We held that the Labor Arbiter and NLRC did not have jurisdiction over LRTA, to wit:

The Labor Arbiter and the NLRC do not have jurisdiction over LRTA. Petitioners themselves admitted in their complaint that LRTA "is a government agency organized and existing pursuant to an original charter (Executive Order No. 603)" and that they are employees of METRO.^[21] (Emphasis and underscoring in the original)

Pili admits that he was employed by Metro. However, in the same breath, he argues that the doctrine of piercing the corporate veil should be applied and LRTA should also be considered his employer. We find this argument untenable. Pili cannot claim to be employed by LRTA merely on the bare allegation that the corporate veil must be pierced based on LRTA's ownership of the shares of stock of Metro. This Court has already rejected such proposition - there is no sufficient evidence to support the application of the doctrine of piercing the corporate veil and LRTA, even after it purchased all the shares of stock of Metro, maintained and continued to have its separate juridical personality.^[22]

Worse, if LRTA was his true employer, as he claims, it is CSC which would have jurisdiction to hear his complaint against LRTA. LRTA is a government-owned and controlled corporation - any allegation of illegal dismissal against it by its employees should have been brought to the CSC. However, the fact remains that Pili was an employee of Metro alone - the Labor Arbiter and NLRC could not have acquired jurisdiction over LRTA insofar as the illegal dismissal complaint is concerned.

Monetary Claims of the Former Employees of Metro

The respondents, except Pili, all have purely monetary claims against LRTA. They all anchor their claims on the Agreement, more particularly the definition of Operating Expenses in relation to Article 4.05.1 thereof, which states that LRTA shall reimburse Metro for the latter's Operating Expenses. Moreover, LRTA's Resolution No. 00-44 provides that LRTA assumes the obligation to ensure full payment of the retirement/separation pay of the employees of Metro. LRTA had already paid the first fifty percent (50%) of the separation pay to some of the employees of Metro. Therefore, the respondents, except Pili, are merely claiming their unpaid balance, or the unpaid separation pay, unpaid wages and other benefits which have accrued during their employment with Metro.

This Court has already resolved this very issue on the monetary claims of the employees of Metro as against LRTA. In *LRTA v. Mendoza*,^[23] we found that LRTA is liable for the monetary claims of the employees of Metro. The respondents in the said case were employees of Metro who, similar to the respondents in this case,

have been separated due to the expiration of the Agreement between LRTA and Metro. We held:

First. LRTA obligated itself to fund METRO'S retirement fund to answer for the retirement or severance/resignation of METRO employees as part of METRO'S "operating expenses." Under Article 4.05.1 of the O & M agreement between LRTA and Metro, "The Authority shall reimburse METRO for x x x OPERATING EXPENSES x x x." In the letter to LRTA dated July 12, 2001, the Acting Chairman of the METRO Board of Directors at the time, Wilfredo Trinidad, reminded LRTA that funding provisions for the retirement fund have always been considered operating expenses of Metro. The coverage of operating expenses to include provisions for the retirement fund has never been denied by LRTA.

x x x x

The clear language of Resolution No. 00-44, to our mind, established the LRTA's obligation for the 50% unpaid balance of the respondents' separation pay. Without doubt, it bound itself to provide the necessary funding to METRO'S Employee Retirement Fund to fully compensate the employees who had been involuntary retired by the cessation of operations of METRO. This is not at all surprising considering that METRO was a wholly owned subsidiary of the LRTA.

Second. Even on the assumption that the LRTA did not obligate itself to fully cover the separation benefits of the respondents and others similarly situated, it still cannot avoid liability for the respondents' claim. It is solidarity [sic] liable as an indirect employer under the law for the respondents' separation pay. This liability arises from the O & M agreement it had with METRO, which created a principal-job contractor relationship between them, an arrangement it admitted when it argued before the CA that METRO was an independent job contractor who, it insinuated, should be solely responsible for the respondents' claim.[24]

Thus, based on (1) the Agreement where LRTA bound itself to be liable for the Operating Expenses of Metro; (2) Resolution No. 00-44 which contained LRTA's declaration to bind itself for the payment of the separation pay of Metro's employees; and (3) the solidary liability of an indirect employer under Articles 107[25] and 109[26] of the Labor Code and Department Order No. 18-02, s. 2002 (which implements Articles 106-109 of the Labor Code),[27] we found LRTA liable for the monetary claims of the respondents therein.

Accordingly, we find that the application of the doctrine of stare decisis is in order. The doctrine of stare decisis et non quieta movere means "to adhere to precedents, and not to unsettle things which are established." [28] Under this doctrine, when this Court has once laid down a principle of law as applicable to a certain state of facts, it will adhere to that principle, and apply it to all future cases, where facts are substantially the same; regardless of whether the parties and property are the same.[29]

The basic facts in this petition are the same as those in the case of LRTA v. Mendoza.[30] Thus, we find that LRTA is solidarity liable for the monetary claims of respondents, in light of this Court's findings in said case. It is the duty of the Court to apply the previous ruling in LRTA v. Mendoza[31] in accordance with the doctrine of stare decisis. Once a case has been decided one way, any other case involving exactly the same point at issue, as in the present case, should be decided in the same manner.[32]

We find no reversible error in the CA ruling, insofar as the monetary claims are concerned.

WHEREFORE, we DENY the petition.

SO ORDERED.

Del Castillo, Mendoza, and Leonen, JJ., concur.

Brion, J., on official leave.

[*] Also referred to in the records as Paciano J. Villavieja, Jr.

[1] Rollo, pp. 190-204. Penned by Associate Justice Danton Q. Bueser, with Associate Justices Hakim S. Abdulwahid and Ricardo R. Rosario concurring.

[2] Id. at 219-222.

[3] Id. at 111-126.

[4] Id. at 71-90.

[5] Entitled "Creating a Light Rail Transit Authority, Vesting the Same with Authority to Construct and Operate the Light Rail Transit (LRT) Project and Providing Funds Therefor." Issued on 12 July 1980.

[6] Section 2, Article 1, EO No. 603.

[7] Noel B. Pili, Medel I. Lirio, Roderick B. Jamon, Victorino A. Machica, Ronnie C. Valoria, Virgilio M. Flores, Renato C. Palma, Angelito V. Guinto, Ramiro M. Feliciano, Enrique L. Ciubal, Elmer P. Tabigan, Venancio T. Madria, Maximo M. Vitangcol, Rodolfo L. Paguio, Arnel F. Magsalin, Juliana N. Dolor, Noel C. Cruz, Sandy C. Jarilla, Bertito I. Servidad, Alan R. Corpuz, Robert D. Pablo, Robert H. Monterey, Henry L. Liao, Rolando C. Cebanico, Veliente S. Fantastico, Ma. Emilian S. Cruz, Edgardo G. Gambayan, Gerardo M. Rumbawa, Dante D. Palomara, Ma. Teresa B. De los Reyes, Jose Allan S. Pacifico, Restituto R. Malapo, Earl G. Pongco, Lucilo C. Del Monte, Ruel F. Magbalana, Marlyn V. Villanueva, Judith C. Banez, German N. De luna, Frederick B. Del Corro, Clodualdo B. Pasiolan, Rolando I. Navarro, and Paciano J. Villanueva.

[8] Article 1.05, Agreement.

[9] Rollo, pp. 87-90.

[10] Id. at 91-108.

[11] Id. at 111-126.

[12] Id. at 125.

[13] Id. at 127-142.

[14] Id. at 148-178.

[15] Id. at 203-204.

[16] Id. at 202-203.

[17] Id. at 205-216.

[18] Id. at 23.

[19] See *Light Rail Transit Authority v. Venus, Jr.*, 520 Phil. 233 (2006) and *Hugo v. Light Rail Transit Authority*, 630 Phil. 145 (2010).

[20] 630 Phil. 145(2010).

[21] Id. at 151.

[22] See *Light Rail Transit Authority v. Venus, Jr.*, 520 Phil. 233 (2006) and *Hugo v. Light Rail Transit Authority*, *supra* note 19.

[23] G.R. No. 202322, 19 August 2015.

[24] Id.

[25] Art. 107. Indirect employer. The provisions of the immediately preceding article shall likewise apply to any person, partnership, association or corporation which, not being an employer, contracts with an independent contractor for the performance of any work, task, job or project.

[26] Art. 109. Solidary liability. The provisions of existing laws to the contrary notwithstanding, every employer or indirect employer shall be held responsible with his contractor or subcontractor for any violation of any provision of this Code. For purposes of determining the extent of their civil liability under this Chapter, they shall be considered as direct employers.

[27] Section 19. x x x. In addition, the principal shall also be solidarily liable in case the contract between the principal and contractor or subcontractor is preterminated for reasons not attributable to the fault of the contractor or subcontractor.

[28] Ty v. Banco Filipino Savings and Mortgage Bank, 689 Phil. 603 (2012).

[29] Id.

[30] Supra note 23.

[31] Supra note 23.

[32] Ty v. Banco Filipino Savings and Mortgage Bank, supra note 28.

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