

**ANDRES CASTRO, PLAINTIFF AND APPELLEE, VS. A. R. YANDOC,
DOING BUSINESS UNDER THE TRADE-NAME OF YANDOC
CONSTRUCTION CO., AND GERARDO P. TIOSECO, DEFENDANTS.
GERARDO P. TIOSECO, ...**

G.R. No. 46889. June 25, 1940

Ponente: LAUREL, J.

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LAUREL, J.:

Sometime in December of 1935, A. R. Yandoc entered into a contract with Gerardo P. Tioseco by which the former was to construct for the latter the "Tiolan Building" in the City of Baguio for P14,500. Subsequently, Yandoc further agreed to build a retaining wall for an additional amount of P1,000. On January 1, 1936, Andres Castro, the plaintiff-appellee here, and A. B. Yandoc entered into a separate contract whereby, for the stipulated sum of P2,800, the former would supply the necessary labor for the construction of the building. It appears that before the completion of the structure Gerardo P. Tioseco paid the full amount of P14,500 to his co-defendant A. R. Yandoc without requiring the latter to execute the contractor's bond and affidavit pursuant to sections 1 and 2 of Act No. 3959. When the final permit authorizing the occupancy of the building was issued by the City Engineer of Baguio, A. R. Yandoc had paid but P1,800 to the plaintiff, who thereupon instituted this action against both the owner and the contractor for the amount outstanding. The trial court entered judgment in favor of the plaintiff, the dispositive part of which is as follows:

"Wherefore, judgment is hereby rendered ordering the defendants A. R. Yandoc and G. P. Tiosego to pay the plaintiff, jointly and severally, the sum of P1,000 plus the legal interest from the date of the filing of the complaint and court costs."

From this decision defendant Gerardo P. Tioseco alone has appealed, and has assigned three errors.

The sole question however to be resolved in this appeal, hinges on the liability of Tioseco under the provisions of sections 1 and 2 of Act No. 3959 for the sum claimed by the plaintiff.

Sections 1 and 2 of Act No. 3959 read as follows:

"Section 1. Any person, company, firm, or corporation, or agent or partner thereof, carrying on any construction or other work through a contractor, shall require such contractor to furnish bond in a sum equivalent to the cost of the labor, and shall take care not to pay such contractor the full amount which he is entitled to receive by virtue of the contract, until he shall have shown that he first paid the wages of the laborers employed in said work, by means of an affidavit made and subscribed by said contractor before a notary public or other officer authorized by law to administer oaths: Provided, That the bond herein provided shall be automatically cancelled at the expiration of one year from the completion of the work, unless a claim for the payment of laborer's wages has been filed within said period, in which case said bond shall continue in force and effect until such claim has been paid or otherwise finally settled.

"Sec. 2. Any person, company, firm, or corporation, or any agent or partner thereof, who shall violate the

provisions of the preceding section by paying to the contractor the entire cost of the work before receiving the affidavit mentioned in said section, shall be responsible jointly and severally with the contractor for the payment of the wages of the laborers employed in the work covered by the contract. In case the violation is committed by a company or corporation, the liability for the violation of this Act shall devolve upon the agent, director, or manager, or upon the person having charge of the management, direction or administration of the work."

It is clear that under the foregoing provisions appellant Tioseco by paying Yandoc the entire cost of the work without complying with the requirement of the law rendered himself "responsible jointly and severally with the contractor for the payment of the wages of the laborers employed in the work covered by the contract." The plaintiff is indicated in the labor contract attached to the complaint as a labor contractor and under the circumstances, having furnished labor individually or collectively he is within the purview of the social legislation.

The lower court also found that the construction of the retaining wall was not part of the contract for the construction of the building for which the plaintiff's labor was contracted and that what remained to be paid to Yandoc was the cost of the retaining wall. This is a finding which we are not inclined to disturb.

The judgment appealed from is hereby affirmed, with costs against the appellant.

So ordered.

Avanceña, C.J., Imperial, Diaz, Concepcion, and Moran, JJ., concur.

Judgment affirmed.

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