

Title: Francisco Bautista vs. Gerardo Murillo

Facts:

- Background:** On March 16, 1955, Francisco Bautista, a dealer in gravel and sand for building construction, started demolishing his business premises located on the ground floor of his residential house at No. 350 Dimasalang St., Manila, to erect a new building.
- Involvement of Gerardo Murillo:** Gerardo Murillo, introduced by his brother Jesus (a servant of Bautista) to Bautista, volunteered to perform odd jobs during the construction. Murillo was allowed to stay at Bautista's residence, receiving P3.00 per day for his work.
- Accident:** During the demolition in March 1955, a wall collapsed, fracturing Murillo's left leg. Bautista facilitated Murillo's treatment at North General Hospital, and later, the National Orthopedic Hospital, covering incidental expenses.
- Compensation Claim:** Gerardo Murillo filed a claim for compensation with the Workmen's Compensation Commission, asserting his entitlement to benefits arising from the accident.
- Proceedings before the Referee:** The case was heard by a referee, who deemed Murillo an implied 'casual' laborer working in connection with Bautista's business. The referee awarded Murillo P699.56 for disability compensation and P7.00 in Commission fees.
- Appeals and Review:** Bautista disputed the decision, arguing the employment was not related to his business and filed a petition for review. Upon denial, he appealed to the Workmen's Compensation Commission, which upheld the referee's decision.
- Supreme Court Review:** Bautista petitioned for review in the Supreme Court, reiterating his claim that Murillo was a casual laborer not covered under the Workmen's Compensation Act.

Issues:

- Whether Murillo was a regular employee or merely a casual laborer.
- Whether Murillo's employment was connected to Bautista's business, making him eligible for compensation under the Workmen's Compensation Act.

Court's Decision:

1. **Employment Status**: The Court affirmed that Murillo, although a casual laborer, was indeed employed by Bautista, receiving compensation for his services. Therefore, under the expansive definition of “employee” in the Workmen’s Compensation Act, Murillo’s employment status was confirmed.

2. **Employment Purpose**: The Court considered the demolished and reconstructed site integral to Bautista’s business operations, thus deeming Murillo’s employment connected to Bautista’s business. Consequently, Murillo was qualified to claim benefits under the Act.

3. **Statutory Interpretation**: Emphasizing the Workmen’s Compensation Act’s nature as social legislation, the Court underscored the need for liberal interpretation to favor employees, resolving doubts in their favor to ensure protections afforded by the Act.

Doctrine

- The decision reinforces the doctrine that the Workmen’s Compensation Act, being remedial in nature, merits liberal interpretation to protect employees. Employment, even casual, contributing to the business’s operations qualifies for compensation benefits.

Class Notes

- **Key Concepts**: Casual Employment, Compensation Eligibility, Liberal Statutory Interpretation, Workmen’s Compensation Act.

- **Statutory Provisions**: Section 39(b) of the Workmen’s Compensation Act defines “laborer” broadly to include casual laborers involved in the employer’s business operations.

- **Application**: Employment in construction related to business premises is construed as employment for business purposes, entitling affected employees to compensation despite casual status.

Historical Background

- The case reflects the post-war reconstruction era in the Philippines when urban redevelopment was common, necessitating broader worker protections under evolving labor laws. The expansion of the business district in Manila created contexts wherein labor definitions and protections were critically tested, as seen in this case.