357 Phil. 954

FIRST DIVISION

[G.R. No. 125606, October 07, 1998]

SAN MIGUEL CORPORATION, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION, THIRD DIVISION, AND FRANCISCO DE GUZMAN, JR., RESPONDENTS.

D E C I S I O N

QUISUMBING, J.:

Before us is the petition for certiorari under Rule 65 of the Revised Rules of Court seeking to set aside the April 18, 1996 Decision[1] and the May 30, 1996 Resolution[2] of public respondent National Labor Relations Commission[3] in NLRC CA No. 009490-95. Said decision reversed the June 30, 1995 judgment[4] of the Labor Arbiter[5] in NLRC-NCR Case No. 00-08-05954-94, and ordered the reinstatement of private respondent as follows:

> "WHEREFORE, premises considered, the assailed decision is hereby VACATED and SET ASIDE. A new one is hereby entered ordering herein respondent San Miguel Corporation to reinstate complainant to his former position with full backwages from the time he was dismissed from work until he is actually reinstated without loss of seniority rights and other benefits, less earnings elsewhere, if any."[6]

The facts on record show that in November 1990, private respondent was hired by petitioner as helper/bricklayer for a specific project, the repair and upgrading of furnace C at its Manila Glass Plant. His contract of employment provided that said temporary employment was for a specific period of approximately four (4) months.

On April 30, 1991, private respondent was able to complete the repair and upgrading of furnace C. Thus, his services were terminated on that same day as there was no more work to be done. His employment contract also ended that day.

On May 10, 1991, private respondent was again hired for a specific job or undertaking, which involved the draining/cooling down of furnace F and the emergency repair of furnace E. This project was for a specific period of approximately three (3) months.

After the completion of this task, namely the draining/cooling down of furnace F and the emergency repair of furnace E, at the end of July 1991, private respondent's services were terminated.

On August 1, 1991, complainant saw his name in a Memorandum posted at the Company's Bulletin Board as among those who were considered dismissed.

On August 12, 1994, or after the lapse of more than three (3) years from the

completion of the last undertaking for which private respondent was hired, private respondent filed a complaint for illegal dismissal against petitioner, docketed as NLRC NCR Case No. 08-05954-94.[7]

Both parties submitted their respective position papers, reply and rejoinder to Labor Arbiter Felipe Garduque II. On June 30, 1995, he rendered the decision dismissing said complaint for lack of merit. In his ruling Labor Arbiter Garduque sustained petitioner's argument that private respondent was a project employee. The position of a helper does not fall within the classification of regular employees. Hence, complainant never attained regular employment status. Moreover, his silence for more than three (3) years without any reasonable explanation tended to weaken his claim.[8]

Not satisfied with the decision, private respondent interposed his appeal with public respondent NLRC on August 8, 1995. Petitioner filed its opposition thereto on August 29, 1995.

On April 18, 1996, public respondent NLRC, promulgated its assailed decision, reversing Labor Arbiter Garduque's decision. In its ruling, public respondent made the following findings:

> "Respondent's scheme of subsequently re-hiring complainant after only ten (10) days from the last day of the expiration of his contract of employment for a specific period, and giving him again another contract of employment for another specific period cannot be countenanced. This is one way of doing violence to the employee's constitutional right to security of tenure under which even employees under probationary status are amply protected.
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> Under the circumstances obtaining in the instant case we find that herein complainant was indeed illegally dismissed. Respondent failed to adduce substantial evidence to prove that Francisco de Guzman, Jr. was dismissed for a just or authorized cause and after due process. The only reason they advanced is that his contract of employment which is for a specific period had already expired. We, however, find this scheme, as discussed earlier, not in accordance with law."[9]

Petitioner then moved for the reconsideration of said decision. This was, however, denied by public respondent on May 30, 1996 as it found no cogent reason, or patent or palpable error, that would warrant the disturbance of the decision sought to be reconsidered.

Hence, this petition, based on the following grounds:

1. RESPONDENT NLRC GRAVELY ABUSED ITS DISCRETION IN FAILING TO RULE THAT PRIVATE RESPONDENT IS A PROJECT OR A FIXED PERIOD EMPLOYEE.

2. RESPONDENT NLRC GRAVELY ABUSED ITS DISCRETION IN RULING THAT PETITIONER VIOLATED PRIVATE RESPONDENT'S RIGHT TO SECURITY OF TENURE AND THAT PRIVATE RESPONDENT WAS ILLEGALLY DISMISSED.

3. RESPONDENT NLRC GRAVELY ABUSED ITS DISCRETION IN RULING THAT LACHES OR SILENCE OR INACTION FOR AN UNREASONABLE LENGTH OF TIME DID NOT BAR PRIVATE RESPONDENT'S CLAIM.

Given these grounds, this petition may be resolved once the following issues are clarified: (a) What is the nature of the employment of private respondent, that of a project employee or a regular employee? and (b) Was he terminated legally or dismissed illegally?

As a general rule, the factual findings and conclusions drawn by the National Labor Relations Commission are accorded not only great weight and respect, but even clothed with finality and deemed binding on the Court, as long as they are supported by substantial evidence. However, when such findings and those of the Labor Arbiter are in conflict, it behooves this Court to scrutinize the records of the case, particularly the evidence presented, to arrive at a correct decision.[10]

Art. 280 of the Labor Code defines regular, project and casual employment as follows:

> "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.
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> 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 actually exists."

The above mentioned provision reinforces the Constitutional mandate to protect the interest of labor as it sets the legal framework for ascertaining one's nature of employment, and distinguishing different kinds of employees. Its language manifests the intent to safeguard the tenurial interest of worker who may be denied the enjoyment of the rights and benefits due to an employee, regardless of the nature of his employment, by virtue of lopsided agreements with the economically powerful employer who can maneuver to keep an employee on a casual or contractual status for as long as it is convenient to the employer.

Thus, under Article 280 of the Labor Code, an employment is deemed regular when the activities performed by the employee are usually necessary or desirable in the usual business or trade of the employer even if the parties enter into an agreement stating otherwise. But considered not regular under said Article are (1) the so-called "project employment" the termination of which is more or less determinable at the