

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
FIRST DIVISION**

**MARIO CARTAGENAS, JESUS N.  
MIRABALLES, VICTOR C. MONSOD  
and VICENTE BARROA,**  
*Petitioners,*

*-versus-*

**G.R. No. 82973  
September 15, 1989**

**ROMAGO ELECTRIC COMPANY, INC.,  
NATIONAL LABOR RELATIONS  
COMMISSION (Fifth Division),**  
*Respondents.*

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**DECISION**

**GRÑO-AQUINO, J.:**

The issue in this case is whether the petitioners are project employees of the private respondent Romago Electric Company, Inc., as found

by the National Labor Relations Commission, or regular employees as found by the Labor Arbiter.

The facts are recited in the decision of the NLRC as follows:

“Respondent Romago is a general contractor engaged in contracting and sub-contracting of specific building construction projects or undertaking such as electrical, mechanical and civil engineering aspects in the repair of buildings and from other kindred services.

“Individual complainants are employed by the respondent in connection with particular construction projects and they are as follows:

1. Jesus N. Miraballes

Project Assigned	Period Covered
L. Towers	4/23/79-2/26/80
Nat'l Bookstore	2/26/80-8/28/80
PNRC-MHQ Bldg.	8/29/80-9/09/80
A. Payumo's Res.	9/10/80
State Center	3/05/81-7/13/81
FEBTC Bldg.	7/14/81-9/21/81
SMC Complex	9/22/81-9/10/84
PNB Finance Complex	9/11/84-7/12/86

(Annexes 1 to 25, respondent's Position Paper)

2. Victor C. Monsod

Project Assigned	Period Covered
MMRH Project	4/13/76-2/02/80
Manila Hotel	2/03/80-7/19/81
PNB Project	7/20/81-7/16/84
Manila Hotel	7/17/84-10/02/84
PNB Finance Center	10/3/84-7/12/86

(Annexes 30 to 41, ibid)

### 3. Vicente Barroa

Project Assigned	Period Covered
SMC Hoc. Project	7/5/82-1/21/85
PNB Finance Complex (Annexes 42 to 47, ibid)	1/22/85-7/12/86

### 4. Mario Cartagenas

Project Assigned	Period Covered
PNB Finance Complex (Annexes 52 to 54, ibid)	3/26/82-7/12/86

“Effective July 12, 1986, individual complainants and Lawrence Deguit were temporarily laid-off by virtue of a memorandum issued by the respondent. In said memorandum they were also informed that a meeting regarding the resumption of operation will be held on July 16, 1986 and that they will be notified as to when they will resume work.

“On July 28, 1986, complainants filed the instant case for illegal dismissal but before the respondent could receive a copy of the complaint and the notification and summons issued by the NLRC National Capital Region (actually received only on August 22, 1986, page 4, records) individual complainants re-applied with the respondent and were assigned to work with its project at Robinson — EDSA, specifically on the following dates, to wit:

1. Miraballes and Monsod — August 2/86
  2. Barroa August 11/86
  3. Cartagenas August 4/86
- (Annexes 26 to 29-B; ‘39-41’; 48 to 51-B; ‘55 to 58-A’, ibid)

“In hiring the herein complainants to be assigned to a particular project they have to fill up an employment application form and are subjected to a pre-hiring examination. If evaluated to be

qualified they sign at the end portion of their employment application form that:

“AGREEMENT

“I hereby agree to the foregoing conditions and accept my employment for a fixed period and from the above mentioned Project Assignment only.’

The conditions of employment to which the complainant agreed are mentioned in the right upper portion of the same page of said application form, an example of which reads:

‘Assigned to FEBTC G.P FORMOSO

Project

Position: Electrician  
Effectivity: 7-14-81  
Salary: P18.50/day & allowance  
Conditions: Hired for above project only

Approved: Signed  
Personnel Manager  
7/14/81  
Date’

(Employment Application Form of MIRABALLES JESUS NIEVA dated July 14, 1981, Annex 16; 16-A and 16-B, ibid)

“Thereafter the hired employee is given by the respondent an assignment slip, an example of which reads:

“ASSIGNMENT SLIP  
DATE: July 14, 1981

Engr. C. A. Castro  
Project In-Charge  
F E F T C  
Name of Project

The bearer, Mr. Jesus N. Miraballes will work under you as electrician effective 14 July 81. His employment will terminate upon completion stoppage of the project or terminated earlier for cause.

Signed

GUDIOSO PLATA  
Chief Engineer

CONFORME:  
SGD. JESUS N. MIRABALLES'  
(Assignment slip of Jesus N. Miraballes, Annex 17, ibid.)

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“Respondent introduced documentary exhibits that the complainant have invariably been issued appointment from project to projects and were issued notice of temporary lay-off when the PNB Finance Center project was suspended due to lack of funds and that when work was available particularly respondent’s project at Robinson — EDSA they were rehired and assigned to this project.” (pp. 16-19; 21-22, Rollo.)

The NLRC held that the complainants were project employees because their appointments were “co-terminus with the phase or item of work assigned to them in said project.” It held further:

“The fact that the complainants worked for the respondent under different project employment contracts for so many years could not be made a basis to consider them as regular employees for they remain project employees regardless of the number of projects in which they have worked.” (p. 22, Rollo.)

Article 280 of the Labor Code provides:

“ART. 280. Regular and Casual Employment. — The provisions of written agreement to the contrary notwithstanding and regardless of the oral agreements 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 actually exists (Emphasis supplied).” (p. 46, Rollo.)

As an electrical contractor, the private respondent depends for its business on the contracts it is able to obtain from real estate developers and builders of buildings. Since its work depends on the availability of such contracts or “projects,” necessarily the duration of the employment of its work force is not permanent but co-terminus with the projects to which they are assigned and from whose payrolls they are paid. It would be extremely burdensome for their employer who, like them, depends on the availability of projects, if it would have to carry them as permanent employees and pay them wages even if there are no projects for them to work on. We hold, therefore, that the NLRC did not abuse its discretion in finding, based on substantial evidence in the records, that the petitioners are only project workers of the private respondent.

This case is similar to *Sandoval Shipyards, Inc. vs. NLRC*, 136 SCRA 675 (1985), where we held:

“We feel that there is merit in the contention of the applicant corporation. To our mind, the employment of the employees concerned were fixed for a specific project or undertaking. For the nature of the will not allow it to employ workers for an indefinite period.

“It is significant to note that the corporation does not construct vessels for sale or otherwise which will demand continuous productions of ships and will need permanent or regular workers. It merely accepts contracts for shipbuilding or for repair of vessels from third parties and, only, on occasion when it has work contract of this nature that it hires workers to do the job which, needless to say, lasts only for less than a year or longer.

“The completion of their work or project automatically terminates their employment, in which case, the employer is, under the law, only obliged to render a report on the termination of the employment.” (p. 48, Rollo.)

Petitioners’ invocation of the resolution of this Court in *Romago Electric Company, Inc. vs. Romago Electric United Workers Union-Christian Labor Organization, (REWU-CLOP), et al.*, G.R. No. 79774, February 1, 1988, where this Court dismissed the petition, is not well taken. As pointed out by the public respondent, the issue in that case was whether the members of the union may properly participate in the holding of a certification election. Since the petitioners in their complaint for illegal dismissal dated July 28, 1986 (Annex A of petition) averred that they do not belong to any union, the ruling in *Romago vs. REWU-CLOP* may not apply to them. In their Reply to the public respondents’ Comment in this case, they disclosed that they are members and officers of a new union which they organized on March 13, 1988 (pp. 62-63, Rollo). That supervening fact, however, has no relevance to this case.

We find no reason to depart from the well-settled rule that findings of fact of labor officials are generally conclusive and binding upon this Court when supported by substantial evidence, as in this case (*Edi-Staff Builders International, Inc. vs. Leogardo, Jr.*, 152 SCRA 453; *Asiaworld Publishing House, Inc. vs. Ople*, 152 SCRA 219; *National Federation of Labor Union vs. Ople*, 143 SCRA 124; *Dangan vs. NLRC*, 127 SCRA 706; *Special Events & Central Shipping Office Workers Union vs. San Miguel Corp.*, 122 SCRA 557; *Mamerto vs. Inciong*, 118 SCRA 265; *Phil. Labor Alliance Council vs. Bureau of Labor Relations*, 75 SCRA 162).

**WHEREFORE**, the Petition for *Certiorari* is dismissed for lack of merit. No costs.

**SO ORDERED.**

**Narvasa, Cruz, Gancayco and Medialdea, JJ., concur.**

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