



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

OSCAR S. ORTIZ,

Petitioner,

G.R. No. 238289

Present:

-versus-

PERLAS-BERNABE, S.A.J.,

Chairperson,

GESMUNDO,

LAZARO-JAVIER,

LOPEZ, and

ROSARIO*, JJ.

FOREVER RICHSONS
TRADING CORPORATION,
CHARVERSON WOOD
INDUSTRY CORPORATION,
and ADAN CO,

Respondents.

Promulgated:

JAN 20 2021

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DECISION

LOPEZ, J.:

Before this Court is a Petition for Review on *Certiorari*¹ assailing the September 22, 2017 Decision² and February 21, 2018 Resolution³ of the Court of Appeals-Cagayan de Oro City (CA) that upheld the rulings of the labor tribunals and dismissed petitioner's complaint for illegal dismissal and money claims.

ANTECEDENTS

On June 28, 2013, Oscar S. Ortiz (Oscar), filed a complaint for illegal dismissal and monetary claims against Forever Richsons Trading Corporation (Forever Richsons), now Charverson Wood Industry Corporation, and Adan

* Designated additional Member *per* Special Order No. 2797 dated November 5, 2020.

¹ *Rollo*, pp. 47-84.

² *Id.* at 88-97; penned by Associate Justice Ronaldo B. Martin, with the concurrence of Associate Justices Oscar V. Badelles and Louis P. Acosta.

³ *Id.* at 98-99.

Co (respondents).⁴ In his Position Paper,⁵ Oscar narrated that he was hired by Forever Richsons in June 2011, and signed a 5-month employment contract with Workpool Manpower Services (Workpool Manpower). Despite the expiration of the contract, Oscar continued to work for respondents. Sometime in April 2013, news spread among the personnel of respondents that five of its previous employees won their case in the CA. Thereafter, respondents' paymaster, Paulino Tinoy, required the workers to sign a 5-month employment contracts, blank papers, and vouchers. For fear of having their employment terminated, most of the employees acquiesced; a handful, including Oscar and one William Longakit, however, refused to sign.⁶

To support his claims, Oscar alleged that he was a regular employee of the respondents since he served them for two years after the expiration of his 5-month contract, and that he performed tasks which were necessary and desirable to respondents' usual business of plywood manufacturing and marketing. He was illegally dismissed after he refused to sign a new 5-month employment contract, blank vouchers, and papers. Moreover, Oscar submitted some of his payslips to prove that he was paid a daily wage of ₱155.00, far from the mandated minimum daily wage.⁷ Neither was Oscar paid holiday pay, 13th month pay, service incentive leave pay, and overtime pay. Finally, Oscar prayed to be reinstated and be granted backwages, as well as moral and exemplary damages, and attorney's fees.⁸

For their part, respondents averred that they entered into a contract with Workpool Manpower – a legitimate job contractor, certified⁹ by the Department of Labor and Employment (DOLE) for the supply of workers who will perform various jobs in the production and office areas.¹⁰ Oscar signed a Contract Agreement as Project Worker with Workpool Manpower covering his employment from January 24, 2013 to June 24, 2013.¹¹ Workpool Manpower's manager, Bethuel B. Cruzado, attested that Oscar was an employee of Workpool Manpower whose employment was terminated by reason of the expiration of his contract.¹² Thus, Oscar is not an employee of the respondents; he was hired by Workpool Manpower for a specific undertaking and for a fixed duration; and his salaries were paid by Workpool Manpower. Considering that Oscar is not an employee of the respondents, there is no way for them to dismiss him, nor can he claim for monetary benefits from them.¹³

⁴ *Id.* at 100. Oscar claimed for the following monetary benefits: (1) unpaid salaries/wages; (2) holiday pay; (3) premium pay for rest day/holiday pay; (4) overtime pay; (5) allowances; (6) 13th month pay; and (7) service incentive leave pay, as well as moral and exemplary damages.

⁵ *Id.* at 101-114.

⁶ *Id.* at 115-117.

⁷ *Id.* at 118.

⁸ *Id.* at 112.

⁹ *Id.* at 148-149.

¹⁰ *Id.* at 131-133.

¹¹ *Id.* at 134.

¹² *Id.* at 135-136.

¹³ *Id.* at 126-128.

In his reply, Oscar maintained that he was an employee of the respondents, and that the latter submitted forged documents to show that he is an employee of Workpool Manpower.¹⁴

The Labor Arbiter (LA), in a Decision dated November 28, 2013, dismissed Oscar's complaint for his failure to implead Workpool Manpower as an indispensable party.¹⁵ The LA held that, "*to adjudicate the whole controversy[,] especially on the issues of illegal dismissal and money claims[,] and to determine completely the liabilities of [the] parties,*"¹⁶ it is necessary to implead Workpool Manpower. It was also ruled that Oscar became Workpool Manpower's regular employee because of his continued employment after the lapse of his 5-month employment contract, and that based on the evidence on record, Workpool Manpower is a legitimate labor contractor.¹⁷

Oscar appealed to the National Labor Relations Commission (NLRC).¹⁸ On June 11, 2014, the NLRC denied the appeal,¹⁹ and affirmed the LA's ruling that Workpool Manpower is an indispensable party since it was alluded to be Oscar's direct employer. Oscar's motion for reconsideration,²⁰ was likewise denied by the NLRC.²¹

Before the CA,²² Oscar's petition for *certiorari* was dismissed, and the NLRC decision – that Workpool Manpower is an indispensable party – was affirmed. For one, the CA agreed with the labor tribunals that Workpool Manpower is the employer of Oscar. Also, the CA declared that "*the labor arbiter ordered [Oscar] to implead [Workpool Manpower] as it found that it is an indispensable party to the case. [Oscar] refused to obey such order and argued that [Workpool Manpower] is not an indispensable party because it is a labor-only contractor.*"²³ Moreover, it was raised that the CA decision in *Charverson Wood Industry Corporation v. National Labor Relations Commission and William Longakit (Longakit case)*,²⁴ is not applicable to Oscar since in the *Longakit* case there was no allegation of a contract between

¹⁴ *Id.* at 153-159.

¹⁵ *Id.* at 169-173. The dispositive portion of the decision reads:

WHEREFORE, premises considered, this complaint is hereby dismissed for failure to implead and/or joined [*sic*] WORKPOOL MANPOWER SERVICES as an indispensable party to this case.

SO ORDERED.

¹⁶ *Id.* at 173.

¹⁷ *Id.* at 171-172.

¹⁸ *Id.* at 174-175.

¹⁹ *Id.* at 245-248. The dispositive portion of the NLRC's Decision provides:

WHEREFORE, foregoing premises considered, the instant appeal is hereby DISMISSED for lack of merit and the decision appealed from AFFIRMED, subject to the above qualification.

SO ORDERED.

²⁰ *Id.* at 249-266.

²¹ *Id.* at 267-269.

²² *Supra* note 2.

²³ *Rollo*, p. 94.

²⁴ CA-G.R. SP No. 06422-MIN.

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Longakit and Workpool Manpower, while in the case of Oscar, he categorically admitted that he signed an employment contract with Workpool Manpower. Aggrieved, Oscar moved for the reconsideration,²⁵ but was denied.²⁶ Hence, this petition.

THE PARTIES' ARGUMENTS

Invoking the highest interest of substantive justice and equity, Oscar prays for this Court to declare him a regular employee of the respondents; affirm that Workpool Manpower is a labor-only contractor; render his dismissal as illegal; and order his reinstatement with full backwages, as well as attorney's fees. Oscar asserts that the CA erred when it failed to appreciate that he is a regular employee of the respondents, and that he cannot be dismissed without just cause and due process of law; and when it dismissed his petition for failure to obey the order to implead Workpool Manpower as an indispensable party, a purely technical ground in blatant violation of his substantive rights. Oscar maintains that Workpool Manpower is a labor-only contractor; thus, he is a regular employee of the respondents. For one, he was directly hired by the respondents on June 11, 2011, at their office in Mahayag, Bunawan, Davao City. Respondents exercise control and supervision over his work as receiver of the Dahul machine, and operator of the spreader machine, and core cutter machine. It was also the respondents who paid his wages. During the course of his employment, respondents illegally dismissed him because of his refusal to sign a new 5-month employment contract.²⁷

On the other hand, respondents assert that Oscar is not their employee as shown by his employment contract with Workpool Manpower, and numerous documents revealing that Workpool Manpower paid for Oscar's wages and contributions to the Social Security System, Pag-IBIG Fund, and PhilHealth. As Oscar's employer, Workpool Manpower is an indispensable party in this case.²⁸

THE COURT'S RULING

The petition is meritorious.

The general rule is that only questions of law may be raised and resolved by this Court in petitions under Rule 45 of the Rules of Court, because the Court, not being a trier of facts, is not duty-bound to reexamine

²⁵ *Rollo*, pp. 337-350.

²⁶ *Supra* note 3.

²⁷ *Rollo*, pp. 61-81.

²⁸ *Id.* at 424-432.

and calibrate the evidence on record.²⁹ Findings of fact of quasi-judicial bodies, especially when affirmed by the CA, are generally accorded finality and respect.³⁰ In exceptional cases,³¹ however, such as the instant case, when the findings of fact are conflicting, this Court may review and re-evaluate the evidence on record.³² Here, on the one hand, the LA concluded that Oscar is a regular employee of Workpool Manpower, and that the latter is a legitimate labor-only contractor. On the other hand, the NLRC and the CA refrained from determining the contracting relationship of the parties.³³ Instead, the NLRC and the CA's rulings centered on the failure of Oscar to implead Workpool Manpower as an indispensable party. In view of the foregoing differing conclusions of the labor tribunals and the CA, we undertake to decide the contracting relationship of the respondents and Workpool Manpower.

Considering the allegations of the parties, it is crucial to determine whether labor-only contracting exists. Incidentally, it must be resolved whether there is an employer-employee relationship between Oscar and the respondents, and whether Oscar was illegally dismissed.

Article 106 of the Labor Code, defines *labor-only contracting* as an arrangement where a person, who does not have substantial capital or investment in the form of tools, equipment, machineries, work premises, among others, supplies workers to an employer to perform activities which are directly related to the principal business of the employer. To implement the law, Department Order (DO) No. 18-02, series of 2002,³⁴ and later, DO No. 18-A, series of 2011, were issued, which declare that labor-only contracting is prohibited. Labor-only contracting was further defined as an arrangement where the contractor merely recruits, supplies or places workers

²⁹ *Deocariza v. Fleet Management Services Phils., Inc.*, 836 Phil. 1087, 1097 (2018); *Quintanar v. Coca-Cola Bottlers, Philippines, Inc.*, 788 Phil. 385, 401 (2016).

³⁰ *Deocariza v. Fleet Management Services Phils., Inc.*, 836 Phil. 1087 (2018).

³¹ *Id.* at 1097. 1) when the findings are grounded entirely on speculations, surmises, or conjectures; 2) when the inference made is manifestly mistaken, absurd, or impossible; 3) when there is grave abuse of discretion; 4) when the judgment is based on misapprehension of facts; 5) when the findings of fact are conflicting; 6) when in making its findings, the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee; 7) when the findings are contrary to that of the trial court; 8) when the findings are conclusions without citation of specific evidence on which they are based; 9) when the facts set forth in the petition, as well as in the petitioner's main and reply briefs, are disputed by the respondent; 10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; or 11) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion. (See *Manila Shipmanagement & Manning, Inc. v. Aninang*, [824 Phil. 916, 925 (2018)].)

³² *Alaska Milk Corporation v. Paez*, G.R. No. 237277, November 27, 2019; *Consolidated Building Maintenance, Inc. v. Asprec*, 832 Phil. 630, 642 (2018).

³³ *Rollo*, p. 248. The pertinent portion of the NLRC's Decision reads:

The matter of whether or not [Workpool Manpower] is a labor-only contractor has yet to be determined in the arbitration proceedings, with it be given a day in court to be heard. Otherwise, it would deprive [Workpool Manpower] of its fundamental right to due process. Thus, there can be no final determination of such issue without [Workpool Manpower] being impleaded as respondent in this case. x x x.

³⁴ Rules Implementing Articles 106 to 109 of the Labor Code, as Amended; see also DO No. 18-A, Series of 2011, which became effective on December 4, 2011.

to perform a job, work or service for a principal;³⁵ and (a) the contractor does not have substantial capital or investments in the form of tools, equipment, machineries, work premises, among others, and the employees recruited and placed are performing activities which are usually necessary, or desirable to the operation of the company, or directly related to the main business of the principal within a definite or predetermined period, regardless of whether such job, work or service is to be performed, or completed within, or outside the premises of the principal; or (b) the contractor does not exercise the right to control over the performance of the work of the employee.³⁶

Verily, not all forms of contracting are prohibited. The law allows contracting and subcontracting of services, but closely regulates these activities for the protection of workers. An employer can contract out part of its operations, provided, it complies with the limits and standards provided in the Labor Code and in its implementing rules.³⁷ Contracting or subcontracting shall be legitimate if all the following circumstances concur:

- (a) The contractor must be registered in accordance with the rule and carries a distinct and independent business and undertakes to perform the job, work or service on its own responsibility, according to its own manner and method, and free from control and direction of the principal in all matters connected with the performance of the work except as to the results thereof;
- (b) The contractor has substantial capital and/or investment; and
- (c) The Service Agreement ensure compliance with all the rights and benefits under Labor Laws.³⁸

While the existence of registration in favor of a contractor is a strong badge of legitimacy, the elements of substantial capital, or investment and control over the workers may be examined to rebut the presumption of regularity to prove that a contractor is not a legitimate one.³⁹ In *Consolidated Building Maintenance, Inc. v. Asprec, Jr.*,⁴⁰ this Court held that there was legitimate job contracting since the contractor was able to prove that it had sufficient capital and investment to sustain its manpower business, and that it ran a trade independent from the principal. Likewise, the contractor retained the right of control over its employees and exercised the right in the selection and engagement, payment of wages, dismissal, and control over the employees' conduct.⁴¹

³⁵ DO No. 18-02, series of 2002, Sec. 5.

³⁶ DO No. 18-A, series of 2011, Sec. 6.

³⁷ *Coca-Cola Bottlers Phils., Inc. vs. Dela Cruz*, 622 Phil. 886, 902 (2009).

³⁸ DO No. 18-A, series of 2011, Sec. 4.

³⁹ See *Consolidated Building Maintenance, Inc. v. Asprec, Jr.*, *Supra* note 32, at 644.

⁴⁰ 832 Phil. 630 (2018).

⁴¹ *Id.* at 647-650.

In this case, the respondents submitted two of Workpool Manpower's certificates of registration with the DOLE Davao Region: the first was issued on April 16, 2010, and valid until April 15, 2013;⁴² and the second was issued June 14, 2013, valid until June 13, 2016.⁴³ Notwithstanding Workpool Manpower's registration, its contractor status may be evaluated on the basis of its activities.⁴⁴ Differently stated, in distinguishing between permissible job contracting and prohibited labor-only contracting, the totality of the facts and the surrounding circumstances of the case are to be considered, each case to be determined by its own facts, and all the features of the relationship assessed.⁴⁵

To begin with, the agreement⁴⁶ between Workpool Manpower and the respondents was entered into on January 22, 2013, effective until January 22, 2014,⁴⁷ and states that Workpool Manpower shall supply workers to the respondents to perform various jobs in the production and office areas subject to its terms and conditions. We note, however, that Oscar started working for the respondents in June 2011, when he applied for a job directly with the respondents, and signed his employment contract within the work premises of the respondents. That the contract he signed was with Workpool Manpower as employer, does not have a leg to stand on since the document was not presented as evidence. The respondents merely countered that "*there is no competent proof that complainant was hired by herein CWIC but rather, it is Workpool who engaged him for a specific undertaking and duration.*"⁴⁸ Consequently, there is nothing to support the allegation that Oscar was hired and employed by Workpool Manpower.

Moreover, a careful perusal of the agreement between the respondents and Workpool Manpower, shows that the latter's obligation was solely to provide workers and nothing more. The contract between the principal and the contractor is not the final word on how the contracted workers relate to the principal and the purported contractor; the relationship must be tested on the basis of how they actually operate.⁴⁹ Other than the respondents' bare allegation and mere presentation of certificates of registration to show that Workpool Manpower is a legitimate job contractor, no other proof demonstrates that Workpool Manpower had substantial capital or investment to be utilized in providing the contracted services. Neither was it shown that Workpool Manpower provided its workers with tools or equipment necessary to carry out the services required by the respondents. On the contrary, Oscar declared that the workers used machines owned by the respondents in the production of plywood. In effect, Workpool Manpower cannot be considered

⁴² *Rollo*, p. 148.

⁴³ *Id.* at 149.

⁴⁴ *Consolidated Building Maintenance, Inc. v. Aspreco, Jr.*, *supra* note 32 at 645.

⁴⁵ *Alaska Milk Corporation v. Paez*, *supra* note 32.

⁴⁶ *Rollo*, pp. 131-133.

⁴⁷ *Id.* at 133.

⁴⁸ *Id.* at 126-127.

⁴⁹ *Coca-Cola Bottlers Phils., Inc. v. Dela Cruz*, *supra* note 37, at 905.



as an independent business with its own equipment, means, and method capable of carrying out manufacturing plywood as required by the respondents. Instead, it only supplied manpower to the respondents. The possession of substantial capital or investments is indispensable in proving a contractor's legitimacy.⁵⁰

Another conclusive indicator of labor-only contracting is the fact that the contractor does not exercise control over its purported employees.⁵¹ *Right of control* refers to the right reserved to the person for whom the services of the contractual workers are performed, to determine not only the end to be achieved, but also the manner and means to be used in reaching that end.⁵² The pertinent portion of the agreement between the respondents and Workpool Manpower, states:

6. It is expressly and clearly understood and agreed that the CLIENT is not [the] employer of the CONTRACTOR and/or its hired workers or employees. Nothing herein shall be construed as establishing the relationship of employer and employee, between the CLIENT and CONTRACTOR. As such, the CONTRACTOR shall at times be personally and directly responsible for the:
 - a. Control and supervision over the personnel it may utilize to perform the contracted jobs without prejudice to the right of the CLIENT to report and protest to [sic] the CONTRACTOR any untoward act, omission, negligence, nonfeasance, incompetence or any misdeeds of said personnel so as to achieve the quality performance the CLIENT requires. The CONTRACTOR shall have the sole right to discipline, suspend or dismiss any of its employees;
 - b. payments of salary and other benefits of the employees in accordance with applicable laws and regulations in the area of assignment in order
 - c. not to interfere their services[.]⁵³

On the other hand, Oscar attested, and the respondents did not dispute, that he was assigned the following tasks: (1) receiver in the Dahul 1 machine, which is used to strip the bark of logs; (2) spreader machine operator of the plywood finish assembly department; (3) core cutter operator at the production section; and (4) piling 3-foot Cross Band and gathering and burning of wood debris.⁵⁴ It cannot be denied that the duties of Oscar involve the production and manufacturing of the respondents' main product, plywood. Thus, his functions are necessary and desirable to the usual business and trade of the respondents. In addition, the machines operated by Oscar were owned

⁵⁰ *Alaska Milk Corporation v. Paez*, supra note 32.

"Substantial capital" refers to paid-up capital stocks/shares of at least Three Million Pesos (P3,000,000.00) in the case of corporations, partnerships and cooperatives; in the case of single proprietorship, a net worth of at least Three Million Pesos (P3,000,000.00)[.] DO No. 18-A, series of 2011, Sec. 3 (1).

⁵¹ DO No. 18-A, series of 2011, Sec. 5 (ii); DO No. 18-02, series of 2002, Sec. 6 (b).

⁵² DO No. 18-A, series of 2011, Sec. 3 (i).

⁵³ *Rollo*, p. 132.

⁵⁴ *Id.* at 115.

by the respondents. Also, it was the respondents' leadmen in the sections/departments who taught and trained Oscar to use and operate the machineries.⁵⁵ Finally, it was respondents' paymaster, Paulino Tinoy, who paid his wages.⁵⁶

Evidently, Workpool Manpower is a mere supplier of labor who had no sufficient capitalization and equipment to undertake the production and manufacture of plywood as independent activities, separate from the trade and business of the respondents, and had no control and supervision over the contracted personnel. Workpool Manpower is a labor-only contractor.

It is worth mentioning that there are three parties in a legitimate contracting relationship, namely: the principal, the contractor, and the contractor's employees. In this trilateral relationship, the principal, controls the contractor and his employees with respect to the ultimate results or output of the contract; the contractor, on the other hand, controls his employees with respect, not only to the results to be obtained, but with respect to the means and manner of achieving this result. This pervasive control by the contractor over its employees results in an employer-employee relationship between them.⁵⁷

In a labor-only contracting situation, the contractor simply becomes an agent of the principal; either directly or through the agent, the principal then controls the results as well as the means and manner of achieving the desired results. In other words, the party who would have been the principal in a legitimate job contracting relationship, and who has no direct relationship with the contractor's employees, simply becomes the employer in the labor-only contracting situation with direct supervision and control over the contracted employees. Strictly speaking, in labor-contracting, there is no contracting, and no contractor; there is only the employer's representative who gathers and supplies people for the employer.⁵⁸

At this point, *Coca-Cola Bottlers Phils., Inc. v. Dela Cruz*,⁵⁹ is enlightening:

Where, as in this case, the main issue is labor contracting and a labor-only contracting situation is found to exist as discussed below, the question of whether or not the purported contractors are necessary parties is a non-issue; these purported contractors are mere representatives of the principal/employer whose personality, as against that of the workers, is merged with that of the

⁵⁵ Cf. *Alaska Milk Corporation v. Paez, et al.*, G.R. No. 237277, November 27, 2019, *supra* note 32.

⁵⁶ *Rollo*, pp. 115-116.

⁵⁷ *Coca-Cola Bottlers Phils., Inc. v. Dela Cruz*, *supra* note 37, at 900.

⁵⁸ *Id.* at 900-901.

⁵⁹ 622 Phil. 886 (2009).



principal/employer. Thus, this issue is rendered academic by our conclusion that labor-only contracting exists. Our labor-only contracting conclusion, too, answers the petitioner's argument that confusion results because the workers will have two employers.⁶⁰ (Emphases supplied.)

Considering that the respondents and Workpool Manpower's contracting relationship is a prohibited form of contracting, it is no longer necessary to implead Workpool Manpower as a party to the case. It is a consequence of labor-only contracting that the personality of the principal and the contractor is merged into one. Thus, Workpool Manpower becomes a mere representative of the respondents, who is the employer of Oscar.

Since Oscar is deemed an employee of the respondents, we now delve into the issue of his dismissal.

It is axiomatic that regular employees may only be terminated for just or authorized cause.⁶¹ The burden of proof to establish valid cause for dismissal, and that the employee was afforded due process, is on the employer.⁶² Here, respondents insist that Oscar's employment was terminated for alleged expiration of his contract. However, we have already established that Oscar rendered work for the respondents that are necessary and desirable in its primary business of manufacturing and marketing plywood for more than one year. As a consequence, Oscar is a regular employee and his dismissal must be for a valid cause, and cannot be merely because of *end of contract*. On this note, the respondents failed to provide proof of either just, or authorized cause for the termination of Oscar's employment. The respondents were unable to discharge their burden of proof.

Pursuant to Article 279 of the Labor Code,⁶³ Oscar is entitled to reinstatement without loss of seniority rights; payment of backwages inclusive of allowances and other benefits, or their monetary equivalent from the time his compensation was withheld up to the time of actual reinstatement; or if reinstatement is no longer possible, Oscar may be entitled to separation pay equivalent to one month pay for every year of service up to the finality of this judgment.⁶⁴

⁶⁰ *Id.* at 901.

⁶¹ LABOR CODE, Art. 279, reads:

Security of Tenure. – In cases of regular employment, the employer shall not terminate the services of an employee except for a just cause or when authorized by this Title. An employee who is unjustly dismissed from work shall be entitled to reinstatement without loss of seniority rights and other privileges and to his full backwages, inclusive of allowances, and to his other benefits or their monetary equivalent computed from the time his compensation was withheld from him up to the time of his actual reinstatement.

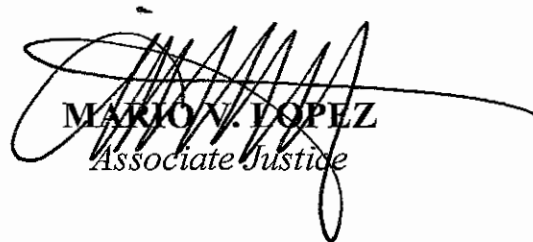
⁶² *Parayday v. Shogun Shipping Co., Inc.*, G.R. No. 204555, July 6, 2020.

⁶³ *Supra* note 61.

⁶⁴ See *Petron Corporation v. Caberte*, 759 Phil. 353, 371-372 (2015).

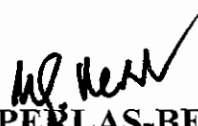
FOR THE STATED REASONS, the petition is **GRANTED**. The September 22, 2017 Decision and February 21, 2018 Resolution of the Court of Appeals in CA-G.R. SP No. 06555-MIN are **REVERSED** and **SET ASIDE**. Petitioner Oscar S. Ortiz is declared illegally dismissed, and respondents are **ORDERED** to reinstate petitioner to his former position without loss of seniority rights and other privileges, and to pay petitioner's backwages and other benefits computed from the time of his dismissal to the time of actual reinstatement.

SO ORDERED.



MARION V. LOPEZ
Associate Justice

WE CONCUR:



ESTELA M. PERLAS-BERNABE
Senior Associate Justice
Chairperson



ALEXANDER G. GESMUNDO
Associate Justice

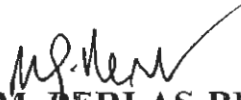


AMY C. LAZARO-JAVIER
Associate Justice

(On Official Leave)
RICARDO R. ROSARIO
Associate Justice

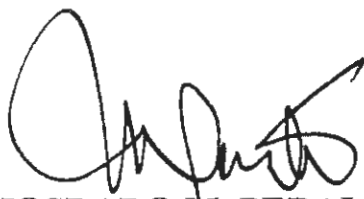
A T T E S T A T I O N

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ESTELA M. PERLAS-BERNABE
Senior Associate Justice
Chairperson

C E R T I F I C A T I O N

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


DIOSDADO M. PERALTA
Chief Justice