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# CRITICAL SUPREME COURT DECISIONS ON LABOR CASES

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**Friday, September 21, 2018 \* 9:00am to 5:00pm**  
**Radisson Blu Hotel, Cebu City, Philippines**

## COURSE OUTLINE

### I. 2018 Cases

- a. Retirement (Laya, vs. CA, et al., G.R. No. 205813, January 10, 2018)
  - i. Refusal to retire
  - ii. Retirement plan vs. Labor Code
    1. Philippine Airlines, Inc. vs. Arjan T. Hassaram
    2. G.R. No. 217730, June 5, 2017
- b. Redundancy (American Power Conversion Corporation vs. Lim, G.R. No. 214291, January 11, 2018)
  - i. Redundancy carried out by persons belonging to related companies; Labor claims against related companies
- c. Employment contract (De Roca vs. Dabuyan, et al., G.R. No. 215281, March 5, 2018)
  - i. Employment contract cannot take effect outside of the contracting parties
- d. FASAP Case: Retrenchment (G.R. No. 178083/A.M. No. 11-10-1-SC, March 13, 2018)
  - i. Audited financial statement (AFS); AFS may not be presented;
  - ii. Judicial notice of losses;
  - iii. Rehiring of some of the retrenched employees; Rehabilitation;
  - iv. Quitclaim

### II. 2017 Cases

- a. Employer-Employee Relationship (Nestle Philippines, Inc. vs. Puedan, G.R. No. 220617, January 30, 2017)
  - i. Valencia vs. Classique Vinyl Products Corporation, G.R. No. 206390, January 30, 2017
  - ii. Element of Control
    1. Lu vs. Enopia, G.R. No. 197899, March 6, 2017
  - iii. Remittance with SSS as proof of employment
    1. Lu vs. Enopia, G.R. No. 197899, March 6, 2017
  - iv. Imposition of disciplinary action; company policy
    1. Sumifru (Philippines) Corp. vs. Nagkahiusang Mamumuo sa Suyapa Farm (Namasufa-Naflu-Kmu), G.R. No. 202091, June 7, 2017
- b. Due Process in Labor Cases
- c. Labor-Only Contracting
  - i. Valencia vs. Classique Vinyl Products Corporation, G.R. No. 206390, January 30, 2017
- d. Serious misconduct
  - i. Maula vs. Ximex Delivery Express, Inc., G.R. No. 207838, January 25, 2017
  - ii. No serious misconduct but there is loss of trust
    1. Bravo vs. Urios College (Now Father Saturnino Urios University), G.R. No. 198066, June 7, 2017
  - iii. No serious misconduct
    1. BDO Unibank, Inc. vs. Nerbes, G.R. No. 208735, July 19, 2017
  - iv. Disrespect towards superior
    1. Sterling Paper Products Enterprises, Inc. vs. KMM-Katipunan, G.R. No. 221493, August 2, 2017
- e. Willful disobedience
  - i. Disobedience is not willful
    1. BDO Unibank, Inc. vs. Nerbes, G.R. No. 208735, July 19, 2017
  - ii. Penalty is too harsh
    1. BDO Unibank, Inc. vs. Nerbes, G.R. No. 208735, July 19, 2017
- f. Totality of Infractions
  - i. Maula vs. Ximex Delivery Express, Inc., G.R. No. 207838, January 25, 2017
- g. Disability Benefits;
  - i. Scanmar Maritime Services, Inc. Crown Shipmanagement Inc. vs. De Leon, G.R. No. 199977, January 25, 2017
  - ii. Compensation for disability
    1. Maersk Filipinas Crewing Inc., and Maersk Co. IOM Ltd. vs. Ramos, G.R. No. 184256, January 18, 2017

- iii. Disability refers to loss or impairment of earning capacity and not to pain or injury
  - 1. Maersk Filipinas Crewing Inc., and Maersk Co. IOM Ltd. vs. Ramos, G.R. No. 184256, January 18, 2017
- iv. Permanent Total Disability
  - 1. Hoegh Fleet Services Phils., Inc., vs. Turallo, G.R. No. 230481, July 26, 2017
  - 2. 120-day rule; 240-day rule
    - a. Crystal Shipping doctrine
      - i. Atienza vs. Orophil Shipping International Co., Inc., et al., G.R. No. 191049, August 7, 2017
    - b. Filing before the lapse of 120 days
      - i. Status Maritime Corporation and Admibros Shipmanagement Co., Ltd. vs. Doctolero, G.R. No. 198968, January 18, 2017
    - c. Caderao vs. Senator Crewing (Manila), Inc., et al./Senator Crewing (Manila), Inc., et al. vs. Caderao, G.R. No. 224532/G.R. No. 224565, June 21, 2017
    - d. Hoegh Fleet Services Phils., Inc., vs. Turallo, G.R. No. 230481, July 26, 2017
    - e. TSM Shipping Phils., Inc. vs. Patiño, G.R. No. 210289, March 20, 2017
    - f. Aldaba vs. Career Philippines, Shipmanagement, Inc., Columbia Shipmanagement Ltd., and/or Verlou Carmelito, G.R. No. 218842, June 21, 2017
    - g. Gomez vs. Crossworld Marine Services, Inc., G.R. No. 220002, August 2, 2017
  - 3. When findings of company physician prevail
    - a. Jepsens Maritime, Inc., et al. vs. Rapiz, G.R. No. 218871. January 11, 2017
  - 4. Findings of company physician vs. private doctor
    - a. Espere vs. NFD International Manning Agents, Inc., G.R. No. 212098, July 26, 2017
    - b. Perea vs. Elburg Shipmanagement Philippines, Inc., et al., G.R. No. 206178, August 9, 2017
  - 5. Return of award
    - a. Espere vs. NFD International Manning Agents, Inc., G.R. No. 212098, July 26, 2017
  - 6. Vergara doctrine
    - a. TSM Shipping Phils., Inc. vs. Patiño, G.R. No. 210289, March 20, 2017
  - 7. Third doctor
    - a. Caderao vs. Senator Crewing (Manila), Inc., et al./Senator Crewing (Manila), Inc., et al. vs. Caderao, G.R. No. 224532/G.R. No. 224565, June 21, 2017
    - b. North Sea Marine Services Corporation vs. Enriquez, G.R. No. 201806, August 14, 2017
  - 8. Ailment not complained of at the time of repatriation
    - a. Maunlad Trans Inc., Carnival Cruise Lines vs. Isidro, G.R. No. 222699, July 24, 2017
- v. Temporary total disability
  - 1. TSM Shipping Phils., Inc. vs. Patiño, G.R. No. 210289, March 20, 2017
- vi. Partial Permanent Disability
  - 1. Gomez vs. Crossworld Marine Services, Inc., G.R. No. 220002, August 2, 2017
- h. Backwages
  - i. Computation
    - 1. C.I.C.M. Mission Seminaries School of Theology, Inc., Fr. Romeo Nimez, CICM vs. Perez, G.R. No. 220506, January 18, 2017
    - 2. United Coconut Chemicals, Inc. vs. Valmores, G.R. No. 201018, July 12, 2017
  - ii. Not due when dismissal is for just cause
    - 1. Bravo vs. Urios College (Now Father Saturnino Urios University), G.R. No. 198066, June 7, 2017
- i. Affidavit of service
  - i. Effect of failure to append

1. C.I.C.M. Mission Seminaries School of Theology, Inc., Fr. Romeo Nimez, CICM vs. Perez, G.R. No. 220506, January 18, 2017
- j. Immutability of judgment
  - i. Re-computation of award
    1. C.I.C.M. Mission Seminaries School of Theology, Inc., Fr. Romeo Nimez, CICM vs. Perez, G.R. No. 220506, January 18, 2017
- k. Supersedeas Bond
  - i. Motion to reduce bond
    1. Turks Shawarma Company vs. Pajaron, G.R. No. 207156. January 16, 2017
- l. Compensability of illness
  - i. No automatic compensability
    1. Barsolo vs. Social Security System, G.R. No. 187950. January 11, 2017
  - ii. Grieg Philippines, Inc. Grieg Shipping Group vs. Gonzales, G.R. No. 228296, July 26, 2017
- m. Work-related Death
  - i. Barsolo vs. Social Security System, G.R. No. 187950. January 11, 2017
  - ii. Death compensation
    1. Marlow Navigation Philippines, Inc. vs. Heirs of Ganal, G.R. No. 220168, June 7, 2017
  - iii. Suicide of seafarer
    1. Marlow Navigation Philippines, Inc. vs. Heirs of Ganal, G.R. No. 220168, June 7, 2017
    2. Burden of proof; Strange behavior
      - a. Seapower Shipping, Ent., Inc. vs. Heirs of Warren M. Sabanal, G.R. No. 198544, June 19, 2017
  - iv. Notorious negligence; "in the course of"
    1. Marlow Navigation Philippines, Inc. vs. Heirs of Ganal, G.R. No. 220168, June 7, 2017
    2. Atienza vs. Orophil Shipping International Co., Inc., et al., G.R. No. 191049, August 7, 2017
- n. Resignation
  - i. Defense of resignation by employer
    1. Grande vs. Philippine Nautical Training College, G.R. No. 213137, March 1, 2017
  - ii. Clear and convincing evidence
    1. Grande vs. Philippine Nautical Training College, G.R. No. 213137, March 1, 2017
  - iii. Forced resignation
    1. Doble vs. ABB, Inc., G.R. No. 215627, June 5, 2017
  - iv. Option to resign
    1. Cosue vs. Ferritz Integrated Development Corporation, et al., G.R. No. 230664, July 24, 2017
- o. Abandonment of work
  - i. Immediate filing of illegal dismissal
    1. Brown vs. Marswin Marketing, Inc., et al., G.R. No. 206981, March 15, 2017
    2. Spectrum Security Services, Inc. vs. Grave, G.R. No. 196650, June 7, 2017
  - ii. Premature filing of labor case
    1. Claudia's Kitchen, Inc. vs. Tanguin, G.R. No. 221096, June 28, 2017
- p. Petition for Certiorari
  - i. Reglementary period vs. Petition for review on certiorari
    1. Nueva Ecija II Electric Cooperative, Inc., et al. vs. Mapagu, G.R. No. 196084, February 15, 2017
  - ii. Consideration of errors not assigned; opening entire case for review
    1. Javines vs. Xlibris a.k.a. Author Solutions, Inc., G.R. No. 214301, June 7, 2017
  - iii. Execution pending certiorari
    1. Espere vs. NFD International Manning Agents, Inc., G.R. No. 212098, July 26, 2017
  - iv. Filing Motion for Reconsideration
    1. Genpact Services, Inc. vs. Santosfalceso, G.R. No. 227695, July 31, 2017
  - v. Extension to file
    1. Heavy workload of counsel
      - a. Adtel, Inc. vs. Valdez, G.R. No. 189942, August 9, 2017
- q. Loss of trust and confidence / Willful breach of trust
  - i. Failure to establish breach of trust

1. Sta. Ana vs. Manila Jockey Club, Inc., G.R. No. 208459, February 15, 2017
- ii. Actual and willful breach supported by substantial evidence
  1. Panaligan vs. Phyvita Enterprises Corporation, G.R. No. 202086, June 21, 2017
- iii. Managerial employee
  1. PJ Lhuillier, Inc. vs. Camacho, G.R. No. 223073, February 22, 2017
  2. Must be exercised without abuse of discretion
    - a. Bravo vs. Urios College (Now Father Saturnino Urios University), G.R. No. 198066, June 7, 2017
- r. Project employment
  - i. Usually necessary and desirable
    1. E. Ganzon, Inc. (EGI) vs. Ando, G.R. No. 214183, February 20, 2017
    2. Herma Shipyard, Inc. vs. Oliveros, G.R. No. 208936, April 17, 2017
  - ii. Length of service
    1. E. Ganzon, Inc. (EGI) vs. Ando, G.R. No. 214183, February 20, 2017
  - iii. Repeated and successive re-hiring
    1. E. Ganzon, Inc. (EGI) vs. Ando, G.R. No. 214183, February 20, 2017
- s. Retirement
  - i. Continued engagement after retirement
    1. De La Salle Araneta University vs. Bernardom, G.R. No. 190809, February 13, 2017
  - ii. Estoppel
    1. De La Salle Araneta University vs. Bernardom, G.R. No. 190809, February 13, 2017
  - iii. Retirement plan vs. Labor Code
    1. Philippine Airlines, Inc. vs. Arjan T. Hassaram
    2. G.R. No. 217730, June 5, 2017
- t. MCLE Compliance of counsel
  - i. Doble vs. ABB, Inc., G.R. No. 215627, June 5, 2017
- u. Certified true copy vs. certified photocopy
  - i. Doble vs. ABB, Inc., G.R. No. 215627, June 5, 2017
- v. Work-related illness
  - i. No automatic compensability
    1. Madridejos vs. Nyk-Fil Ship Management, Inc., G.R. No. 204262, June 7, 2017
  - ii. Reasonable connection
    1. Espere vs. NFD International Manning Agents, Inc., G.R. No. 212098, July 26, 2017
  - iii. Presumption of work-relatedness; presumption of compensability
    1. Atienza vs. Orophil Shipping International Co., Inc., et al., G.R. No. 191049, August 7, 2017
    2. Romana vs. Magsaysay Maritime Corporation, G.R. No. 192442, August 9, 2017
- w. SSS Contributions
  - i. Acquittal from criminal case and extinguishment of civil liability
    1. Ambassador Hotel, Inc. vs. Social Security System, G.R. No. 194137, June 21, 2017
- x. Closure of business
  - i. Piercing the veil; alter ego doctrine
    1. Zambrano vs. Philippine Carpet Manufacturing Corporation/Pacific Carpet Manufacturing Corporation, et al., G.R. No. 224099, June 21, 2017
- y. Redundancy
  - i. Philippine National Bank vs. Dalmacio/ Dalmacio vs. Philippine National Bank, G.R. No. 202308/G.R. No. 202357, July 5, 2017
- z. Burden of proof in illegal dismissal case
  - i. Cosue vs. Ferritz Integrated Development Corporation, et al., G.R. No. 230664, July 24, 2017
- aa. Graceful exit
  - i. Cosue vs. Ferritz Integrated Development Corporation, et al., G.R. No. 230664, July 24, 2017
- bb. Expulsion or impeachment of union officer
  - i. No loss of union membership
    1. United Polyresins, Inc. vs. Pinuela, G.R. No. 209555, July 31, 2017
- cc. Testimony
  - i. Recantation

1. Sterling Paper Products Enterprises, Inc. vs. KMM-Katipunan, G.R. No. 221493, August 2, 2017
- dd. Post-Employment Medical Examination
  - i. Scanmar Maritime Services, Inc. Crown Shipmanagement Inc. vs. De Leon, G.R. No. 199977, January 25, 2017
- ee. Cancellation of union registration
  - i. Asian Institute of Management vs. Asian Institute of Management Faculty Association, G.R. No. 207971, January 23, 2017
  - ii. De Ocampo Memorial Schools, Inc. vs. Bigkis Manggagawa sa De Ocampo Memorial School, Inc., G.R. No. 192648, March 15, 2017
- ff. Security of tenure
- gg. Management prerogative
  - i. Transfer of employee
    1. Chateu Royale Sports and Country Club, Inc. vs. Balba, G.R. No. 197492, January 18, 2017
- hh. Termination of employment
  - i. Stipulation to terminate is void
    1. Dagasdas vs. Grand Placement and General Services Corporation, G.R. No. 205727, January 18, 2017
  - ii. Employment contract
    - i. Lex loci contractus
      1. Dagasdas vs. Grand Placement and General Services Corporation, G.R. No. 205727, January 18, 2017
- jj. Release, Waiver and Quitclaim
  - i. Dagasdas vs. Grand Placement and General Services Corporation, G.R. No. 205727, January 18, 2017
  - ii. Improperly notarized release and quitclaim; effects
    1. Doble vs. ABB, Inc., G.R. No. 215627, June 5, 2017
  - iii. Allegation of "forced to sign"
    1. Philippine National Bank vs. Dalmacio/ Dalmacio vs. Philippine National Bank, G.R. No. 202308/G.R. No. 202357, July 5, 2017
- kk. Appeal
  - i. One-day late due to unforeseen events; Perfection
    1. Maersk Filipinas Crewing Inc., and Maersk Co. IOM Ltd. vs. Ramos, G.R. No. 184256, January 18, 2017
  - ii. Finality of decision for failure to appeal
    1. Javines vs. Xlibris a.k.a. Author Solutions, Inc., G.R. No. 214301, June 7, 2017
  - iii. Consideration of errors not assigned on appeal
    1. Javines vs. Xlibris a.k.a. Author Solutions, Inc., G.R. No. 214301, June 7, 2017
- ll. Authority of counsel
  - i. Presumed authorized
    1. Maersk Filipinas Crewing Inc., and Maersk Co. IOM Ltd. vs. Ramos, G.R. No. 184256, January 18, 2017
- mm. Separation benefits
  - i. Acceptance; Estoppel
    1. Doble vs. ABB, Inc., G.R. No. 215627, June 5, 2017
- nn. Constructive dismissal
  - i. Doble vs. ABB, Inc., G.R. No. 215627, June 5, 2017
  - ii. Constructive dismissal in relation to off-detail period
    1. Spectrum Security Services, Inc. vs. Grave, G.R. No. 196650, June 7, 2017
- oo. Off-detail status
  - i. Return to work order should indicate specific assignment
    1. Ibon vs. Genghis Khan Security Services and/or Marietta Vallespin, G.R. No. 221085, June 19, 2017
- pp. Separation pay
  - i. Separation pay where there is no dismissal
    1. Claudia's Kitchen, Inc. vs. Tanguin, G.R. No. 221096, June 28, 2017
- qq. Post employment medical examination for seafarers
  - i. Mandatory reporting upon repatriation
    1. Andres vs. Diamon H Marine Services & Shipping Agency, Inc., et al., G.R. No. 217345, July 12, 2017
- rr. Res judicata
  - i. Issue preclusion rule; collateral estoppel; law of the case doctrine; supervening event

1. Philtranco Service Enterprises, Inc., et al. vs. Cual, G.R. No. 207684,  
July 17, 2017

III. Salient 2016 Cases

IV. Lessons Learn based on the cases discussed

- a. Remedies and strategies
  - i. To improve position
  - ii. To prevent future labor disaster

V. Highlights of 2014 and 2015 Supreme Court Decisions in relation to Recent Rulings

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