



Republic of the Philippines  
Supreme Court  
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Third Division, issued a Resolution dated August 17, 2022, which reads as follows:*

**“G.R. No. 260913 (Executive Genesis Manpower Services, Inc., Petitioner, vs. Arturo Jarloc Viloso, Jr., Rizalde R. Periarce, Remen B. Urbino, Benjie Chavez Arceno, and Jessie Laban Peña, Respondents).** – Considering the allegations, issues, and arguments adduced in the Petition for Review on *Certiorari*,<sup>1</sup> the Court resolves to **DENY** it for failure to show that the Court of Appeals (CA) committed any reversible error in rendering its assailed Decision<sup>2</sup> dated October 29, 2021 and Resolution<sup>3</sup> dated April 22, 2022 in CA-G.R. SP No. 161361.

Preliminarily, the issues of whether Executive Genesis Manpower Services, Inc. (ExeGen) is a labor-only contractor and whether respondents were not illegally dismissed are *factual matters* which the Court generally does *not* dwell upon in a petition for review on *certiorari* under Rule 45 of the Rules of Court.<sup>4</sup> The factual findings and conclusions made by administrative agencies and quasi-judicial bodies, such as the labor tribunals, which have acquired expertise because their jurisdiction is confined to specific matters, are generally 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,<sup>5</sup> as in this case.

Further, in distinguishing between permissible job contracting and prohibited labor-only contracting, the rule is that the totality of the facts and the surrounding circumstances of the case must be considered.<sup>6</sup>

Here, the Court finds no error on the part of the CA in holding that the National Labor Relations Commission (NLRC) did not commit grave abuse

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<sup>1</sup> *Rollo*, pp. 3-20.

<sup>2</sup> *Id.* at 23-41. Penned by Associate Justice Florencio M. Mamauag, Jr. and concurred in by Associate Justices Zenaida T. Galapate-Laguilles and Carlito B. Calpatura.

<sup>3</sup> *Id.* at 42-43.

<sup>4</sup> *Tamares v. Heirs of Natividad*, G.R. No. 233118, August 4, 2021.

<sup>5</sup> *Eagle Clarc Shipping Philippines, Inc. v. National Labor Relations Commission (Fourth Division)*, G.R. No. 245370, July 13, 2020.

<sup>6</sup> *Daguinod v. Southgate Foods, Inc.*, G.R. No. 227795, February 20, 2019.

of discretion when it affirmed the Labor Arbiter's (LA) finding that respondents are regular employees of Collins and not ExeGen.<sup>7</sup>

While ExeGen met the substantial capital requirement under Section 3,<sup>8</sup> of Department Order No. 174-17,<sup>9</sup> it, however, failed to satisfy the other two requirements of law on legitimate job contracting.<sup>10</sup> In particular, respondents were performing activities which are directly related to the main business of the principal, Collins; and ExeGen does not exercise any form of control over the performance of the work of the respondents.<sup>11</sup>

It also bears stressing that: (1) respondents' tasks as drivers and delivery/warehouse helpers are directly related to Collins business of trading various products, providing logistic services and sales operation, and marketing and promotional programs; and (2) it was Jesus Mendizabal and Reywin Iranzo, Collin's regular employees, who were supervising the respondents in the performance of their tasks, and not ExeGen.<sup>12</sup>

In fine, petitioners have failed to show that the CA committed reversible error that would warrant the exercise of the Court's appellate jurisdiction. Moreover, pursuant to the case of *Nacar v. Gallery Frames*,<sup>13</sup> the Court finds that the CA's total monetary award in favor of the respondents should earn legal interest at the rate of six percent (6%) *per annum* computed from finality of this Resolution until full satisfaction thereof.

**WHEREFORE**, the petition is **DENIED**. The Decision dated October 29, 2021 and Resolution dated April 22, 2022 of the Court of Appeals in CA-G.R. SP No. 161361 are **AFFIRMED with MODIFICATION** in that legal interest at the rate of six percent (6%) *per annum* shall be imposed on the total monetary awards to be computed from the finality of this Resolution until full satisfaction.

<sup>7</sup> *Rollo*, p. 37.

<sup>8</sup> Section 3. Definition of Terms. x x x.

x x x x

(l) "Substantial capital" – refers to paid-up capital stock/shares of at least Five Million Pesos (P5,000,000.00) in case of corporations, partnerships and cooperatives; in the case of single proprietorship, a net worth of at least Five Million Pesos (5,000,000.00).

<sup>9</sup> Rules Implementing Articles 106 to 109 of the Labor Code, as Amended, Department of Labor and Employment [DOLE] Department Order No. [DO] 174, s. 2017.

<sup>10</sup> Namely, the contractor's or subcontractor's employees recruited and placed are performing activities which are directly related to the main business operation of the principal; and the contractor or subcontractor does not exercise the right to control over the performance of the work of the employee. (See Section 5 of DOLE DO 174, s. 2017).

<sup>11</sup> *Manila Memorial Park Cemetery, Inc. v. Lluza*, 780 Phil. 425 (2016), citing Section 5 of DOLE DO 18, s. 2002.

<sup>12</sup> *Rollo*, p. 36.

<sup>13</sup> 716 Phil. 267 (2013).

**SO ORDERED.”**

By authority of the Court:

*Mis-RDC Batt*  
**MISAEAL DOMINGO C. BATTUNG III**  
*Division Clerk of Court*  
G.R.  
25173

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(NLRC NCR Case No. 08-12222-17)

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**G.R. No.260913**

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