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WHEREFORE, the petition is hereby granted, and the Orders of May 21, 1975, August 4, 1975 and September 3, 1975, of respondent Judge are hereby set aside. No pronouncement as to costs.

Fernando, Acting C. J., Barredo, J. (Acting Chairman), Aquino, and *Concepcion Jr., JJ.,* concur.

Petition granted and orders set aside.

[No. L-42134. April 30, 1976]

FIRST DIVISION

ABOITIZ & COMPANY, INC., petitioner, *vs.* WORKMEN'S COMPENSATION COMMISSION, HERMOGENA T. CAÑETE and PIONEER DETECTIVE CREDIT SECURITY AGENCY, INC., respondents.

PETITION FOR REVIEW of a resolution of the Workmen's Compensation Commission.

SYNOPSIS

The Workmen's Compensation Commission affirmed the decision of its Cebu Unit ordering petitioner to pay respondent-claimant benefits for the death of her husband who was a security guard assigned to petitioner's establishment. Upon a petition to review, the Supreme Court gave limited due course thereto insofar only as

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petitioner claimed the right to be reimbursed by respondent security agency of all liability from the claim that had been filed against both of them jointly and alternatively. The court thus treated the petition as a special civil action.

The Supreme Court ordered respondent security agency, the direct employer of the deceased, to reimburse and pay petitioner all the amounts adjudged against the latter since under the contract for security guard service, the said security agency assumed sole responsibility for all liabilities under the labor laws including the Workmen's Compensation Act.

SYLLABUS
of the Ruling of the Court

WORKMEN'S COMPENSATION ACT; CLAIM FOR DEATH BENEFITS; INSTANCE WHERE EMPLOYER IS NOT ULTIMATELY LIABLE THEREFOR.– Although the employer is statutorily liable for the death compensation for purposes of the Workmen's Compensation Act, still the security agency should be liable ultimately as the direct employer who employed and furnished the security guard in pursuance of its business of providing business establishment with the services of security guards where under the contract for security guard service, the security agency expressly assumed sole responsibility for all liabilities under the labor laws including the Workmen's Compensation Act.

APPEARANCES OF COUNSEL

Abelardo P. Cecilio for petitioner.

Alfredo B. Perez, Jr. for respondent Cañete.

Enrique V. Español & Rodolfo M. Cornejo for respondent W. C. C.

Edgar Gica for respondent Pioneer Detective Credit Security Agency, Inc.

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DECISION

TEEHANKEE, *J.*:

While respondent Workmen's Compensation Commission correctly held petitioner as the owner of the establishment guarded by the deceased security guard liable for the payment of death compensation as the statutory employer, respondent commission erred in not holding respondent Pioneer Detective Credit Security Agency, Inc. as the direct employer or agency who supplied the security guard liable in turn to petitioner for reimbursement of the amount of compensation awarded.

In its Resolution of even date, the Court denied for lack of merit the petition of petitioner Aboitiz & Co. Inc. for review of respondent Workmen's Compensation Commission's decision affirming its Cebu Unit's decision ordering petitioner to pay respondent claimant Hermogena T. Cañete as widow and her minor children death benefits in the sum of ₱6,000.00 for the death of Anastacio Cañete (from hypertensive heart disease which caused a fatal heart attack in the course of his employment) plus ₱200.00 for burial expenses, ₱300.00 attorney's fee and ₱61.00 administrative fee and assessing the further sum of ₱300.00 as attorney's fee and ₱5.00 as costs of review in the commission.

The Court however gave limited due course to the petition insofar as petitioner claimed the right to be reimbursed by respondent security agency and complained against the commission's absolving *sub silentio* said agency of all liability from the claim that had been filed against both of them jointly and alternatively. The Court further resolved to treat the limited petition as a special civil action

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and declared the same submitted for decision after respondent security agency had failed to file its comment despite an extension secured by its counsel, Atty. Edgar Gica, for the purpose (and for which he has been cited for contempt of court).

Petitioner has valid cause for complaint. Under its contract for security guard service with respondent security agency, the latter had expressly assumed sole responsibility for all liabilities under the labor laws including the Workmen's Compensation Act that may be claimed by the guard, as follows:

> "h) The AGENCY shall solely assume all responsibilities and liabilities for any claim or demand by or against the guard arising under all Philippine Labor Laws, including overtime pay, extra compensation on Sundays and legal holidays, liability under the Workmen's Compensation Act, Social Security Act, * * *."[1]

While petitioner was statutorily liable[2] for the death compensation for purposes of the Workmen's Compensation Act, still the security agency should be held ultimately liable as the direct employer who employed and furnished the security guard in pursuance of its business of providing business establishments with the services of security guards.

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[1] Petition, Rollo, page 11.

[2] (a) "Employer" includes every person or association of persons, incorporated or not, public or private, and the legal representative of the deceased employer. It includes the owner or lessee of a factory or establishment or place of work or any other person who is virtually the owner or manager of the business carried on in the establishment or place of work but who, for the reason that there is an independent contractor in the same, or for any other reason, is not the direct employer of laborers employed there." (Sec. 39 Workmen's Compensation Act as amended.)

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Furthermore, as already indicated, the security agency was contractually liable to hold petitioner safe and harmless from any such claims by virtue of the agency's express contractual undertaking to assume sole and ultimate liability therefor.

ACCORDINGLY, judgment is hereby rendered sentencing respondent Pioneer Detective Credit Security Agency, Inc. to reimburse and pay petitioner all the amounts that were adjudged against petitioner in the respondent commission's decision of November 12, 1975.

SO ORDERED.

Makasiar, Esguerra, Muñoz Palma, and *Martin, JJ.*, concur.

[No. L-42323. April 30, 1976]

FIRST DIVISION

EUFRONIO RUELAN, claimant, *vs.* REPUBLIC OF THE PHILIPPINES (Bureau of Public Schools), and WORKMEN'S COMPENSATION COMMISSION, respondents.

PETITION FOR REVIEW of a decision of the Workmen's Compensation Commission.

SYNOPSIS

Petitioner-claimant was employed as a public school teacher for thirty-six years when his illnesses (pulmonary