

SECOND DIVISION

[G.R. No. 179792, March 05, 2010]

**LNS INTERNATIONAL MANPOWER SERVICES, PETITIONER, VS.
ARMANDO C. PADUA, JR., RESPONDENT.**

D E C I S I O N

DEL CASTILLO, J.:

Bare and unsubstantiated allegations do not constitute substantial evidence and have no probative value.

This petition for review on *certiorari*^[1] assails the Decision^[2] dated November 30, 2006 of the Court of Appeals (CA) in CA-G.R. SP No. 90526, which affirmed the Order^[3] dated October 16, 2004 of the Department of Labor and Employment (DOLE), which in turn affirmed the Order^[4] dated April 28, 2004 of the Philippine Overseas Employment Administration (POEA), which held petitioner LNS International Manpower Services (LNS) liable for misrepresentation and non-issuance of official receipt. Also assailed is the CA Resolution dated September 12, 2007^[5] which denied the motion for reconsideration.

Factual Antecedents

On January 6, 2003, respondent Armando C. Padua, Jr. (Padua) filed a Sworn Statement^[6] before the Adjudication Office of the POEA against LNS and Sharikat Al Saedi International Manpower (Sharikat) for violation of Section 2(b), (d), and (e) of Rule I, Part VI of the 2002 POEA Rules and Regulations Governing the Recruitment and Employment of Land-based Overseas Workers which provides:

Section 2. Grounds for imposition of administrative sanctions:

x x x x

b. Charging or accepting directly or indirectly any amount greater than that of specified in the schedule of allowable fees prescribed by the Secretary, or making a worker pay any amount greater than that actually received by him as a loan or advance;

x x x x

d. Collecting any fee from a worker without issuing the appropriate receipt clearly showing the amount paid and the purpose for which payment was made;

e. Engaging in act/s of misrepresentation in connection with recruitment

and placement of workers, such as furnishing or publishing any false notice, information or document in relation to recruitment or employment;

x x x x

Padua alleged that on July 12, 2002, he applied as auto electrician with petitioner LNS and was assured of a job in Saudi Arabia. He paid LNS the amounts of P15,000.00 as processing fees, P6,000.00 for medical expenses, and P1,000.00 for trade test, but he was not issued the corresponding receipts. He further alleged that he signed an employment contract with LNS as a body builder with a monthly salary of US\$370.00.

Padua further alleged that it was another agency, Sharikat, which processed his papers and eventually deployed him on September 29, 2002 to Saudi Arabia. However, he returned to the Philippines on December 23, 2002 because he was not allegedly paid his salaries and also because of violations in the terms and conditions of his employment contract.

LNS and Sharikat filed their respective Answers.

In its Verified Answer,^[7] LNS averred that it is a sole proprietorship owned and managed by Ludevina E. Casabuena. It admitted that Padua applied for employment abroad but he withdrew all the documents he submitted to LNS on July 27, 2002. As proof, LNS attached the withdrawal letter duly signed by Padua.

LNS alleged that it did not know that Padua applied with Sharikat or that he was eventually deployed by the latter to Saudi Arabia. LNS denied that it endorsed Padua's application papers to Sharikat. LNS claimed that after Padua withdrew his documents, it no longer had any knowledge whether he applied with another employment agency. LNS insisted that the contract of employment submitted by Padua to the POEA clearly indicated that the same was only between him and Sharikat and not LNS.

Thus, LNS claimed that it could not be held liable for non-issuance of receipt or misrepresentation.

For its part, Sharikat admitted that it processed Padua's papers for employment in Saudi Arabia.^[8] However, it argued that it cannot be held liable for any alleged violation of labor standards because its principal in Saudi Arabia faithfully complied with the terms and conditions of Padua's employment.^[9] Sharikat also argued that Padua's contentions are vague and unsubstantiated and deserve no probative weight at all. Aside from his bare allegations, Padua did not present evidence to show that he was not paid his salaries or that he was illegally dismissed.^[10]

In his Reply to Answer of LNS,^[11] Padua admitted signing the withdrawal letter but alleged that he did not actually receive the documents because he was made to understand that the same would be endorsed to Sharikat.

Ruling of POEA

On April 28, 2004, the POEA issued its Order finding LNS liable for non-issuance of receipt and misrepresentation. As to Sharikat, the POEA found no sufficient evidence to hold it liable for the violations charged. The dispositive portion of the said Order reads:

WHEREFORE, premises considered, We find and so hold respondent LNS International liable for violation of Section 2(d) Rule 1, part VI of the 2002 POEA Rules and Regulations and the penalty of Four (4) months suspension or fine of P40,000.00 is hereby imposed, being its first offense and for violation of Section 2(e) Rule 1, part VI of the 2002 POEA Rules and Regulations, the penalty of Eight (8) months suspension or fine of P80,000.00 is hereby imposed, being its second offense.

The charges against SHARIKAT AL SAIDI INTERNATIONAL MANPOWER are hereby dismissed for insufficiency of evidence.

SO ORDERED.^[12]

Ruling of the Secretary of DOLE

Only LNS filed its Appeal Memorandum with the DOLE.^[13] Padua did not appeal from the said POEA Order absolving Sharikat from any liability. Hence, the same is already deemed final as against Sharikat.

On December 16, 2004, the DOLE dismissed the appeal of petitioner and affirmed the ruling of the POEA. The decretal portion of the Order reads:

WHEREFORE, the Appeal, herein treated as Petition for Review, filed by L.N.S. International Manpower Services is hereby **DISMISSED** for lack of merit. The Order dated April 28, 2004 of the POEA Administrator, finding petitioner liable for violation of Section 2 (d) and (e), Rule I, Part VI of the POEA Rules and Regulations, and imposing upon it the penalty of suspension of license for a period of twelve (12) months or, in lieu thereof, the payment of fine in the amount of One Hundred Twenty Thousand Pesos (P120,000.00), is **AFFIRMED**.

SO ORDERED.^[14]

Petitioner moved for reconsideration, but the motion was denied for lack of merit in an Order dated May 12, 2005.^[15]

Ruling of the Court of Appeals

Aggrieved, petitioner filed with the CA a petition for *certiorari* but it was dismissed in its November 30, 2006 Decision. The CA opined that the affirmative assertion of respondent that he paid petitioner a placement fee is entitled to great weight than the bare denials of petitioner; and, that respondent was made to believe that