

THIRD DIVISION

[G.R. No. 103144, April 04, 2001]

**PHILSA INTERNATIONAL PLACEMENT AND SERVICES
CORPORATION, PETITIONER, VS. THE HON. SECRETARY OF
LABOR AND EMPLOYMENT, VIVENCIO DE MESA, RODRIGO MIKIN
AND CEDRIC LEYSON, RESPONDENTS.**

D E C I S I O N

GONZAGA-REYES, J.:

This is a petition for certiorari from the Order dated November 25, 1991 issued by public respondent Secretary of Labor and Employment. The November 25, 1991 Order affirmed *en toto* the August 29, 1988 Order of the Philippine Overseas Employment Administration (hereinafter the "POEA") which found petitioner liable for three (3) counts of illegal exaction, two (2) counts of contract substitution and one count of withholding or unlawful deduction from salaries of workers in POEA Case No. (L) 85-05-0370.

Petitioner Philsa International Placement and Services Corporation (hereinafter referred to as "Philsa") is a domestic corporation engaged in the recruitment of workers for overseas employment. Sometime in January 1985, private respondents, who were recruited by petitioner for employment in Saudi Arabia, were required to pay placement fees in the amount of P5,000.00 for private respondent Rodrigo L. Mikin and P6,500.00 each for private respondents Vivencio A. de Mesa and Cedric P. Leyson^[1].

After the execution of their respective work contracts, private respondents left for Saudi Arabia on January 29, 1985. They then began work for Al-Hejailan Consultants A/E, the foreign principal of petitioner.

While in Saudi Arabia, private respondents were allegedly made to sign a second contract on February 4, 1985 which changed some of the provisions of their original contract resulting in the reduction of some of their benefits and privileges^[2]. On April 1, 1985, their foreign employer allegedly forced them to sign a third contract which increased their work hours from 48 hours to 60 hours a week without any corresponding increase in their basic monthly salary. When they refused to sign this third contract, the services of private respondents were terminated by Al-Hejailan and they were repatriated to the Philippines^[3].

Upon their arrival in the Philippines, private respondents demanded from petitioner Philsa the return of their placement fees and for the payment of their salaries for the unexpired portion of their contract. When petitioner refused, they filed a case before the POEA against petitioner Philsa and its foreign principal, Al-Hejailan., with the following causes of action:

1. Illegal dismissal;
2. Payment of salary differentials;
3. Illegal deduction/withholding of salaries;
4. Illegal exactions/refund of placement fees; and
5. Contract substitution.^[4]

The case was docketed as POEA Case No. (L) 85-05-0370.

Under the rules of the POEA dated May 21, 1985, complaints involving employer-employee relations arising out of or by virtue of any law or contract involving Filipino workers for overseas employment, including money claims, are adjudicated by the Workers' Assistance and Adjudication Office (hereinafter the "WAAO") thru the POEA Hearing Officers^[5]. On the other hand, complaints involving recruitment violations warranting suspension or cancellation of the license of recruiting agencies are cognizable by the POEA thru its Licensing and Recruitment Office (hereinafter the "LRO").^[6] In cases where a complaint partakes of the nature of both an employer-employee relationship case and a recruitment regulation case, the POEA Hearing Officer shall act as representative of both the WAAO and the LRO and both cases shall be heard simultaneously. In such cases, the Hearing Officer shall submit two separate recommendations for the two aspects of the case.^[7]

In the case at bench, the first two causes of action were in the nature of money claims arising from the employer-employee relations and were properly cognizable by the WAAO. The last two causes of action were in the nature of recruitment violations and may be investigated by the LRO. The third cause of action, illegal deduction/withholding of salary, is both a money claim and a violation of recruitment regulations and is thus under the investigatory jurisdiction of both the WAAO and the LRO.

Several hearings were conducted before the POEA Hearing Officer on the two aspects of private respondents' complaint. During these hearings, private respondents supported their complaint with the presentation of both documentary and testimonial evidence. When it was its turn to present its evidence, petitioner failed to do so and consequently, private respondents filed a motion to decide the case on the basis of the evidence on record.^[8]

On the aspects of the case involving money claims arising from the employer-employee relations and illegal dismissal, the POEA rendered a decision dated August 31, 1988^[9], the dispositive portion of which reads:

"CONFORMABLY TO THE FOREGOING, judgment is hereby rendered ordering respondent PHILSA INTERNATIONAL PLACEMENT AND SERVICE CORPORATION to pay complainants, jointly and severally with its principal Al-Hejailan, the following amounts, to wit:

1. TWO THOUSAND TWO HUNDRED TWENTY FIVE SAUDI RIYALS (SR2,225.00) to each complainant, representing the refund of their

unpaid separation pay;

2. ONE THOUSAND SAUDI RIYALS (SR1,000.00) for V.A. de Mesa alone, representing the salary deduction from his March salary;
3. TWO THOUSAND SAUDI RIYALS (SR2,000.00) each for R.I. Mikin and C.A.P. Leyson only, representing their differential pay for the months of February and March, 1985; and
4. Five percent (5%) of the total awards as and by way of attorney's fees.

All payments of the abovestated awards shall be made in Philippine Currency equivalent to the prevailing exchange rate according to the Central Bank at the time of payment.

All other claims of complainants as well as the counterclaims of respondent are dismissed for lack of merit.

SO ORDERED."^[10]

Under the Rules and Regulations of the POEA, the decision of the POEA-Adjudication Office on matters involving money claims arising from the employer-employee relationship of overseas Filipino workers may be appealed to the National Labor Relations Commission (hereinafter the "NLRC")^[11]. Thus, as both felt aggrieved by the said POEA Decision, petitioner and private respondents filed separate appeals from the August 31, 1988 POEA Decision to the NLRC.

In a decision dated July 26, 1989^[12], the NLRC modified the appealed decision of the POEA Adjudication Office by deleting the award of salary deductions and differentials. These awards to private respondents were deleted by the NLRC considering that these were not raised in the complaint filed by private respondents. The NLRC likewise stated that there was nothing in the text of the decision which would justify the award.

Private respondents filed a Motion for Reconsideration but the same was denied by the NLRC in a Resolution dated October 25, 1989.

Private respondents then elevated the July 26, 1989 decision of the NLRC to the Supreme Court in a petition for review for certiorari where it was docketed as G.R. No. 89089. However, in a Resolution dated October 25, 1989, the petition was dismissed outright for "insufficiency in form and substance, having failed to comply with the Rules of Court and Circular No. 1-88 requiring submission of a certified true copy of the questioned resolution dated August 23, 1989."^[13]

Almost simultaneous with the promulgation of the August 31, 1988 decision of the POEA on private respondents' money claims, the POEA issued a separate Order dated August 29, 1988^[14] resolving the recruitment violations aspect of private respondents' complaint. In this Order, the POEA found petitioner guilty of illegal exaction, contract substitution, and unlawful deduction. The dispositive portion of this August 29, 1988 POEA Order reads:

"WHEREFORE, premises considered, this Office finds herein respondent PHILSA International Placement and Services Corporation liable for three (3) counts of illegal exaction, two (2) counts of contract substitution and one count of withholding or unlawful deduction from salaries of workers.

Accordingly, respondent is hereby ordered to refund the placement fees in the amount of P2,500.00 to Rodrigo L. Mikin, P4,000.00, each, to Vivencio A. de Mesa and Cedric A.P. Leyson plus restitution of the salaries withheld in the amount of SR1,000.00 to Vivencio A. de Mesa.

Moreover, respondent's license is hereby suspended for eight (8) months to take effect immediately and to remain as such until full refund and restitution of the above-stated amounts have been effected or in lieu thereof, it is fined the amount of SIXTY THOUSAND (P60,000.00) PESOS plus restitution,

SO ORDERED."

In line with this August 29, 1988 Order, petitioner deposited the check equivalent to the claims of private respondents and paid the corresponding fine under protest. From the said Order, petitioner filed a Motion for Reconsideration which was subsequently denied in an Order dated October 10, 1989.

Under the POEA Rules and Regulations, the decision of the POEA thru the LRO suspending or canceling a license or authority to act as a recruitment agency may be appealed to the Ministry (now Department) of Labor and Employment.^[15] Accordingly, after the denial of its motion for reconsideration, petitioner appealed the August 21, 1988 Order to the Secretary of Labor and Employment. However, in an Order dated September 13, 1991^[16], public respondent Secretary of Labor and Employment affirmed *en toto* the assailed Order. Petitioner filed a Motion for Reconsideration but this was likewise denied in an Order dated November 25, 1991.

Hence, the instant Petition for Certiorari where petitioner raises the following grounds for the reversal of the questioned Orders:

I.

THE PUBLIC RESPONDENT HAS ACTED WITHOUT OR IN EXCESS OF JURISDICTION OR WITH GRAVE ABUSE OF DISCRETION IN HOLDING PETITIONER GUILTY OF ILLEGAL EXACTIONS. THE FINDING IS NOT SUPPORTED BY EVIDENCE. AND IN ANY EVENT, THE LAW ON WHICH THE CONVICTION IS BASED IS VOID.

II.

THE PUBLIC RESPONDENT HAS ACTED WITHOUT OR IN EXCESS OF JURISDICTION OR WITH GRAVE ABUSE OF DISCRETION IN PENALIZING PETITIONER WITH CONTRACT SUBSTITUTION. IN THE PREMISES, THE CONTRACT SUBSTITUTION IS VALID AS IT IMPROVED THE TERMS AND CONDITIONS OF PRIVATE RESPONDENTS' EMPLOYMENT.

III.

THE PUBLIC RESPONDENT HAS ACTED WITHOUT OR IN EXCESS OF JURISDICTION, OR WITH GRAVE ABUSE OF DISCRETION IN HOLDING PETITIONER LIABLE FOR ILLEGAL DEDUCTIONS/WITHHOLDING OF SALARIES. FOR THE SUPREME COURT ITSELF HAS ALREADY ABSOLVED PETITIONER FROM THIS CHARGE.

With respect to the first ground, petitioner would want us to overturn the findings of the POEA, subsequently affirmed by the Secretary of the Department of Labor and Employment, that it is guilty of illegal exaction committed by collecting placement fees in excess of the amounts allowed by law. This issue, however, is a question of fact which cannot be raised in a petition for certiorari under Rule 65.^[17] As we have previously held:

"It should be noted, in the first place, that the instant petition is a special civil action for certiorari under Rule 65 of the Revised Rules of Court. An extraordinary remedy, its use is available only and restrictively in truly exceptional cases wherein the action of an inferior court, board or officer performing judicial or quasi-judicial acts is challenged for being wholly void on grounds of jurisdiction. The sole office of the writ of certiorari is the correction of errors of jurisdiction including the commission of grave abuse of discretion amounting to lack or excess of jurisdiction. It does not include correction of public respondent NLRC's evaluation of the evidence and factual findings based thereon, which are generally accorded not only great respect but even finality."^[18]

The question of whether or not petitioner charged private respondents placement fees in excess of that allowed by law is clearly a question of fact which is for public respondent POEA, as a trier of facts, to determine. As stated above, the settled rule is that the factual findings of quasi-judicial agencies like the POEA, which have acquired expertise because their jurisdiction is confined to specific matters, are generally accorded not only respect, but at times even finality if such findings are supported by substantial evidence.^[19]

On this point, we have carefully examined the records of the case and it is clear that the ruling of public respondent POEA that petitioner is guilty of illegal exaction is supported by substantial evidence. Aside from the testimonial evidence offered by private respondents, they also presented documentary evidence consisting of receipts issued by a duly authorized representative of petitioner which show the payment of amounts in excess of those allowed by the POEA. In contrast, petitioner did not present any evidence whatsoever to rebut the claims of private respondents despite the many opportunities for them to do so.

Petitioner insists, however, that it cannot be held liable for illegal exaction as POEA Memorandum Circular No. II, Series of 1983, which enumerated the allowable fees which may be collected from applicants, is void for lack of publication.

There is merit in the argument.

In *Tañada vs. Tuvera*^[20], the Court held, as follows: