

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
THIRD DIVISION**

**JMM PROMOTIONS AND
MANAGEMENT, INC.,**
Petitioner,

-versus-

**G.R. No. 139401
October 2, 2002**

**COURT OF APPEALS, EMMANUEL
BALANE AND CELSO PAGAPOLA-AN,**
Respondents.

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D E C I S I O N

CORONA, J.:

In the hope of attaining a better future, many Filipinos succumb to the lure of opportunities in distant shores. Not all, however, are able to realize their dreams. A number of them return with neither money nor glory. For these unlucky souls, they take home with them twice the misery which they yearned to elude in the first place. When the dream is gone, there is nothing left but a bitter pill to swallow.

Before us is a Petition for Review under Rule 45 of the Rules of Court of the Decision^[1] dated June 25, 1999 of the Court of Appeals, which denied the petition for certiorari of the decision dated January 30,

1996 of the National Labor Relations Commission filed by herein petitioner JMM Promotions and Management, Inc.

This petition is an offshoot of an illegal dismissal case filed by private respondents Emmanuel Balane (Balane) and Celso Pagapola-an (Pagapola-an) in the POEA seeking justice for the plight they suffered as overseas entertainers. Private respondents charged petitioner with causing injury to their rights.

The facts of this case follow.

In March 1993, Sam Jin Entertainment Co. Ltd. (Sam Jin), through its agency, petitioner JMM Promotions and Management, Inc., hired private respondents and Theresa Domatican (Domatican) as entertainers for deployment in Korea. The three entertainers, as a musical band, assumed the name "Fix Trio." Balane played the keyboard while Pagapola-an handled the guitar. Domatican was the band's original vocalist.

The employment contract provided that private respondents were to receive a monthly salary of four hundred thousand won (W400,000) plus a round trip fare for a one-year contract.

The band was set to leave on March 26, 1993. However, a day before the band's departure, on March 25, 1993, petitioner assigned Bernadette Flores (Flores) instead of Domatican to perform with the band in Korea.

Private respondents, together with Flores, performed as a group for about four months in Seoul, South Korea. Their stint, however, was short-lived because of poor performance. Private respondents laid the blame on Flores' lack of singing talent. Sam Jin thereafter advised private respondents to return to the Philippines. Flores stayed behind.

On July 23, 1993, private respondents were repatriated to the Philippines. Before their departure from Korea, private respondents signed a statement dated July 21, 1993,^[2] prepared by their employer, which expressed their agreement to go back home due to some difficulties in their contractual undertaking and another statement

dated July 22, 1993,^[3] which contained their promise to refund petitioner the sum of one hundred forty thousand won (W140,000) representing the balance of their processing fee.

Private respondents, after arrival in the Philippines, filed with the POEA an illegal dismissal case and money claim for the unfinished employment contract against petitioner and Sam Jin. They claimed that petitioner was mainly responsible for their aborted stint as a band in Seoul, Korea. The last-minute replacement of Domatican with Flores, a singer of allegedly questionable talent, resulted in the band's poor performance. This, in turn, led to the premature termination of the band's contract.

Petitioner denied any liability or responsibility for the untimely termination of private respondents' employment contract. It mainly anchored its defense to the statements dated July 21, 1993 and July 22, 1993, signed by private respondents, arguing that the latter voluntarily expressed their desire to go back to the Philippines.

The POEA ruled in favor of private respondents, ordering petitioner and Sam Jin to jointly and severally pay private respondents the amount of US\$1,049.98 each, representing the compensation for the unfinished portion of the employment contract,^[4] based on the following:

“After a judicious appraisal of the attendant facts and evaluation of the evidence on record, we find that what actually transpired in this case was an unsuccessful and a losing entertainment business venture on account of the entertainers' failure to put up a good show or performance before the customers and clients of the club owners. Complainants blamed the respondents for this fiasco by attributing the cause thereof to the inability of the singer to render her part of the trio as she was not a singer nor had she undergone testing or audition before her engagement as such. What was originally contracted for was the real singer/talent and member of the contracted trio, Theresa Domatican. These facts have not been contradicted or explained by the respondents except the allegation that complainants were having difficulty in their employment, hence they signed a rescission agreement.

“Respondents’ Annexes ‘A’ and ‘B’, the statements executed by complainants, were however disputed by the latter, claiming that they were forced under the circumstances to sign the same. They were put in a situation where they can not (sic) longer perform effectively because of a singer who cannot sing. If they do not perform, they will not be paid. Thus they were sent home by their employer and as a pre requisite for their repatriation, they were made to sign the aforementioned statements citing difficulty in their employment as cause of their discharge. Complainants were definitely pushed against the wall and had no other recourse but to comply with their employer’s orders in order to be repatriated.

“It is also worthy to note that one of the complainants, Emmanuel Balane, corroborated their stance by executing a statement in the presence of our Consul at the Philippine Embassy in Seoul, Korea. This statement is further supported by the Statement dated July 22, 1993 (Annex ‘B’, Joint Affidavit of Complainants) which was signed by Kang Ho Suck, Cho Jin Young and Shin Bok Hu.”^[5]

The NLRC affirmed the decision of the POEA on appeal, holding that the findings of the POEA were supported by substantial evidence.

Twice thwarted but still unyielding, petitioner filed with the Court of Appeals a petition for certiorari under Rule 65 of the Rules of Court seeking the reversal of the NLRC decision.

Petitioner’s hope of vindication in the Court of Appeals failed as the latter found no reason to disturb the findings of the NLRC. The Court of Appeals attributed fault to the petitioner for the band’s poor performance abroad when it replaced the band’s original vocalist Domatican with Flores at the “eleventh hour.” Thus, it held:

“The effect of petitioner’s fault should not be used as the excuse to terminate its contract of employment with private respondents.”^[6]

Aggrieved by the ruling of the Court of Appeals, petitioner now comes before us with the following —

“GROUNDS IN SUPPORT OF THE PETITION

- a — The law is clear that an aggrieved party, before the appellate body may consider such as the findings of facts, been able to substantiate the matter arrived at by preponderance of evidence.
- b — That public respondent cannot shied (sic) away from the mandated rule in the appreciation of evidence; the proceedings before the inferior quasi-judicial bodies is one of mere submission of affidavits whereon no open testimony is taken to cross-examine the witnesses; uprightness of the findings is, therefore, questionable and subject to review.”^[7]

Petitioner argues that the Court of Appeals erroneously sustained the findings of fact of the NLRC. Private respondents could not have performed with Flores for four months in Korea if they did not initially do well as a band. Fights within and among themselves, therefore, caused their misfortunes.

Petitioner disputes the observation of the Court of Appeals that private respondents were intimidated into signing the quitclaim and request for repatriation. They were paid their salaries and they even committed to pay petitioner the amount of 140,000 as reimbursement for expenses incurred in their deployment to Seoul, Korea.

Petitioner also avers that the execution of statements critical of petitioner before the Philippine Consul in Seoul was not reflected in the records. There being no evidence thereof, private respondents' stories were bereft of factual basis. Furthermore, the identity of the Koreans who allegedly signed and backed up private respondents' statements was neither ascertained nor proved.

Petitioner asserts that the quitclaims executed by private respondents on July 21, 1993 and July 22, 1993 were valid and binding. The

existence of fraud, mistake or duress in their execution has not been established. Thus, documents attesting that a compromise agreement has been reached between the parties remain valid in the absence of any proof to the contrary.

On the other hand, due to alleged financial difficulties,^[8] private respondent Balane filed his comment through a mere attorney-in-fact and contended that the petition for review is merely a dilatory tactic employed by petitioner.^[9]

Petitioner's arguments border on despair.

As an overture, clear and unmistakable is the rule that the Supreme Court is not a trier of facts. Just as well entrenched is the doctrine that pure issues of fact may not be the proper subject of appeal by certiorari under Rule 45 of the Revised Rules of Court as this mode of appeal is generally confined to questions of law.^[10] We therefore take this opportunity again to reiterate that only questions of law, not questions of fact, may be raised before the Supreme Court in a petition for review under Rule 45 of the Rules of Court. This Court cannot be tasked to go over the proofs presented by the petitioners in the lower courts and analyze, assess and weigh them to ascertain if the court a quo and the appellate court were correct in their appreciation of the evidence.^[11]

We note that petitioner's arguments are based on factual and evidentiary matters which the Supreme Court does not inquire into in an appeal on certiorari.^[12] The issues propounded by petitioner involve only questions of fact previously raised and satisfactorily ruled upon by the courts a quo.

The POEA and the NLRC were one with respect to the finding that private respondents were illegally dismissed. Petitioner's obstinacy proved futile as the Court of Appeals was likewise in agreement with the labor courts. "Findings of fact by administrative agencies are generally accorded great respect, if not finality, by the courts because of the special knowledge and expertise over matters falling under their jurisdiction."^[13] Moreover, it is a time-honoured rule that "the factual findings of the Court of Appeals are conclusive on the parties and not reviewable by the Supreme Court — and they carry even more

weight when the Court of Appeals affirms the factual findings of the trial court.”^[14] Any exception to these principles, as set forth in the case of *Ramos vs. Pepsi-Cola Bottling Co.*^[15] must be clearly and convincingly proven. Petitioner, however, failed to prove that this case falls within the exception.

Nonetheless, we find it necessary to discuss the issue of validity of the quitclaims. In the instant case, private respondents claim that they were merely compelled to sign the releases in favor of their employer. Petitioner, on the other hand, asserts that private respondents entered into the compromise agreement freely and voluntarily and should not, at this late stage, be permitted to renounce their signed commitments.

No reasonable argument, however, can possibly sustain petitioner’s position. Although quitclaims have long been accepted in this jurisdiction, when the voluntariness of the execution of the quitclaim or release is squarely at issue, then the employee’s claim may still be given due course.^[16] The law looks with disfavor on quitclaims and releases by employees who have been inveigled or pressured into signing them by unscrupulous employers seeking to evade their legal responsibilities.^[17]

We are not ready to deviate from this rule for the reason that the courts a quo have sufficient factual basis in ruling that private respondents were merely pressured to sign the quitclaims/compromise agreements. The fact that private respondents signed the subject statements releasing petitioner and Sam Jin from any liability and assenting to a refund of the amount allegedly representing the expenses incurred by petitioner, without any objection, does not automatically mean the absence of duress, considering the pathetic circumstances private respondents were in. We find it incredible that, after all the expense and the trouble they went through in seeking greener pastures abroad, private respondents would suddenly and without reason decide to return home and face, as jobless people, a staggering debt of 140,000. The private respondents had no choice but to sign. They were stranded in a foreign land with no work and no income, and with their employer threatening not to give them their return tickets to Manila if they refused to sign.

Thus, we have time and again held that quitclaims, waivers and/or complete releases executed by the employees do not stop them from pursuing their claims arising from unfair labor practice — if there is a showing of undue pressure or duress. The basic reason for this is that such quitclaims, waivers and/or complete releases, being figuratively exacted through the barrel of a gun, are against public policy and therefore null and void ab initio. Accordingly, private respondents' signatures in the subject waivers or quitclaims never foreclosed their right to pursue a case for illegal dismissal and money claim. Employer and employee were not on equal footing.^[18] As aptly observed by the Court of Appeals, private respondents' backs were to the wall. Had they been in a position to object, private respondents would not have agreed to reimburse petitioner the amount of W140,000 as no person in his right mind, specially if he is in dire financial straights, would agree to such an undertaking. Private respondents went abroad precisely to escape poverty. Obviously it was out of desperation and helplessness that private respondents agreed to affix their signatures on the subject waivers. They are therefore deemed not to have waived any of their rights. *Renuntiatio non praesumitur.*^[19]

This Court sees no compelling reason to reverse the findings of the POEA, the NLRC and respondent Court of Appeals for lack of any showing of error, mistake misappreciation of facts.^[20] This assailed decisions are in harmony with the law and the evidence.

WHEREFORE, the petition is hereby **DENIED**.

SO ORDERED.

Puno, Panganiban and Morales, JJ., concur.
Sandoval-Gutierrez, J., on leave.

[1] Penned by Associate Justice Hilarion L. Aquino and concurred in by Associate Justices Ramon U. Mabutas, Jr. and Wenceslao I. Aguir, Jr. in CA-G.R. SP No. 50793.

[2] Annex "A"; Rollo, p. 21.

[3] Annex "B"; Rollo, p. 22.

[4] Rollo, p. 37.

- [5] Ibid., pp. 35-36.
- [6] Ibid., p. 57.
- [7] Ibid., p. 14.
- [8] Rollo, pp. 62, 65.
- [9] Rollo, p. 65.
- [10] Valmonte vs. Court of Appeals, 303 SCRA 278 (1999).
- [11] Tinio vs. Manzano, 307 SCRA 460 (1999).
- [12] Villarico vs. Court of Appeals, 309 SCRA 193 (1999).
- [13] Calvo vs. Bernardito, G.R. No. 134741, December 19, 2001.
- [14] Borromeo vs. Sun, 317 SCRA 176 (1999).
- [15] 19 SCRA 289 (1967); see also Batingal vs. Batingal, G.R. No. 128636, February 1, 2001.
- [16] Philippine Carpet Employees Association vs. Philippine Carpet Manufacturing Corporation, 340 SCRA 383 (2000).
- [17] Veloso vs. Department of Labor and Employment, 200 SCRA 201 (1991).
- [18] Cariño vs. Agricultural Credit and Cooperative Financing Administration, 18 SCRA 183 (1966).
- [19] Agoy vs. National Labor Relations Commission, 252 SCRA 588 (1996); supra.
- [20] Villarico vs. Court of Appeals, supra.