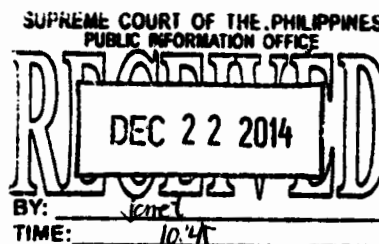




Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE



Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **November 24, 2014** which reads as follows:*

“G.R. No. 213503 (Bayan Telecommunications, Inc. v. Virginia S. Espino, Jennifer C. Sumook, and Marilou Cueva).- The petitioner’s motion for an extension of thirty (30) days within which to file a petition for review on certiorari (with full payment of docket and other lawful fees) is **GRANTED**, counted from the expiration of the reglementary period.

The National Labor Relations Commission is **DELETED** as party respondent in this case pursuant to Sec. 4, Rule 45, 1997 Rules of Civil Procedure, as amended, and the Cash Collection and Disbursement Division is hereby **DIRECTED** to **RETURN** to the petitioner the excess amount of ₱470.00 paid for filing fees under O.R. No. 0099558-SC-EP dated August 12, 2014.

This is a Petition for Review on Certiorari under Rule 45 of the Revised Rules of Court, seeking to reverse the Court of Appeals (CA) Decision dated 20 January 2011 in CA-G.R. SP No. 00606.¹ The assailed Decision affirmed the ruling of the National Labor Relations Commission (NLRC) in NLRC Case No. V-000038-2003.² This ruling had earlier affirmed the Decision in NLRC RAB Case Nos. 5-0192-2001, 5-0193-2001 and 5-0194-2001, which found that respondents had been illegally dismissed by petitioner.³

- over – five (5) pages

¹ CA Decision in CA-G.R. SP No. 00606 dated 20 January 2011, penned by then CA Associate Justice Eduardo B. Peralta, Jr. and concurred in by Associate Justices Edgardo L. delos Santos and Agnes Reyes Carpio.

² *Rollo*, p. 59.

³ *Id.* at 75.

Petitioner is a private company engaged in telecommunications business and is the dominant carrier in the Eastern Visayas region. It utilizes independent sales agents to solicit subscriptions for telephone services and related products. Respondents signed with petitioner sales agency contracts, which stipulated that they would be paid by commission and with other incentives based on their sales quotas. Their contracts took effect on 26 April 2000 and was set to expire one year thereafter.⁴

After the expiration of respondents' contracts in April 2001, petitioner no longer renewed them. Respondents then filed their respective illegal dismissal complaints against petitioner. They claimed that they were its regular employees, and that they were illegally dismissed. They sought payment of separation pay, backwages, service incentive leave, 13th month pay and attorney's fees.⁵

Petitioner, on the other hand, asserts that respondents were independent sales agents, and not its regular employees. It argues that its relationship with them was governed by sales agency contracts, which clearly show that respondents were independent contractors, thus belying the existence of an employer-employee relationship.⁶ When the parties failed to reach a compromise agreement, the cases were submitted for resolution by the labor arbiter.

RULING OF THE LABOR ARBITER

On 13 November 2002, the labor arbiter ruled that respondents had been illegally dismissed by petitioner.⁷ It held that a closer study of the agency contracts signed by respondents revealed the existence of an employer-employee relationship. Respondents were subject to petitioner's power to discipline and were sufficiently under its control. Thus, it concluded that the sales agency contracts were a mere subterfuge used by petitioner to evade being considered its regular employees.

RULING OF THE NLRC

Petitioner elevated the labor arbiter's Decision to the NLRC. On 10 November 2004, the latter rendered its Decision⁸ affirming that of the labor arbiter. The NLRC in fact affirmed all the findings of the labor arbiter and emphasized that the sales agency contracts signed by respondents were but a scheme to block their acquisition of security of tenure on their jobs. In addition, the identification cards issued to them clearly stated that they

⁴ Id. at 15.

⁵ Id. at 150.

⁶ Id. at 185.

⁷ *Rollo*, pp. 75-82.

⁸ Id. at 59-64.

were employees of petitioner. In sum, it found that all the elements that would prove the existence of an employer-employee relationship were present. Hence, it concluded that the labor arbiter was correct in declaring that respondents had been illegally dismissed from their jobs. Petitioner filed a Motion for Reconsideration, which was later denied by the NLRC.

RULING OF THE CA

Aggrieved by the NLRC Decision, petitioner appealed to the Court of Appeals (CA). On 20 January 2011, the CA through its 20th Division promulgated the assailed Decision,⁹ which affirmed that of the NLRC. The appellate court ruled that the NLRC was correct in holding that the elements establishing an employer-employee relationship were present. The CA also noted that respondents' work was necessary and desirable to petitioner's main business. Finally, it observed that petitioner failed to show that respondents' severance from employment was for a just cause. Petitioner moved to have the CA's Decision reconsidered but the motion was denied for lack of merit.

Thus, the instant Petition seeking the reversal of the CA Decision.

ISSUES

The following are the issues raised by petitioner:

- A. Whether or not herein private respondents are employees of petitioner when they are clearly independent contractors or free-lance agents paid on commission basis.
- B. Whether or not the respondent Commission (NLRC) validly assumed jurisdiction over the instant case when there clearly exists no employer-employee relations between petitioner and private respondents.
- C. Whether or not the act of petitioner in allowing the sales agency contracts to expire constitutes illegal dismissal.
- D. Whether or not the proceedings before the Court of Appeals should have been suspended by virtue of the issuance of the Resolution dated May 19, 2005 by the respondent Commission pursuant to the STAY ORDER issued in SEC Case No. 03-25.¹⁰

OUR RULING

The appeal lacks merit.

⁹ Id. at 46-51.

¹⁰ *Rollo*, p. 8.

We affirm the CA ruling, which sustained the Decisions of the NLRC and the labor arbiter. The appellate court found that there existed an employer-employee relationship between petitioner and respondents, and that the latter were terminated without just cause. We have reviewed the records and found that the Decision's of the CA and the NLRC are supported by evidence and prevailing jurisprudence.

In the instant case, petitioner impugns the finding that there existed an employer-employee relation between itself and respondents. This finding was adequately reached by the labor arbiter and affirmed by the NLRC and the CA.

It is well-entrenched in jurisprudence that the determination of the existence of an employer-employee relationship is factual. The rule is that findings of fact of quasi-judicial agencies like the NLRC are accorded by this Court not only respect, but even finality.¹¹ That is, if the findings are supported by substantial evidence or that amount of relevant evidence that a reasonable mind might accept as adequate to justify a conclusion.¹² Also, the issues raised by petitioner call for a reevaluation of the evidence submitted by the parties. Factual reevaluation is not allowed in an appeal under Rule 45 of the Rules of Court.¹³

Finally, we find that the NLRC and the CA exhaustively evaluated the evidence supporting their respective findings. In addition, the jurisprudence cited by the appellate court is applicable to the factual and legal issues raised by the parties to this case. Thus, we find no compelling reason to deviate from the findings of the NLRC as affirmed by the CA.

WHEREFORE, the Decision of the Court of Appeals dated 20 January 2011 in CA-G.R. SP No. 00606 is hereby affirmed *in toto*.

SO ORDERED. PERLAS-BERNABE, J., on leave;
VILLARAMA, JR., J., acting member per S.O. No. 1885 dated November 24, 2014.

Very truly yours,


EDGAR O. ARICHETA

Division Clerk of Court *pk 12/6*

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¹¹ *Dimalanta v. Cainta Coliseum, Inc.*, G.R. No. 161058, 30 July 2014.

¹² *Heirs of Pajarillo v. Court of Appeals*, G.R. No. 155056-57, 19 October 2007, 537 SCRA 96.

¹³ *Rivera v. Unilab Laboratories, Inc.*, G.R. No. 155639, 22 April 2009, 586 SCRA 269.

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