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THIRD DIVISION

[G.R. No. 194969, October 07, 2015]

CONVOY MARKETING CORPORATION AND/OR ARNOLD LAAB, PETITIONERS, VS. OLIVER B. ALBIA,* RESPONDENT.

D E C I S I O N

PERALTA, J.:

This is a petition for review on *certiorari* under Rule 45 of the Rules of Court, seeking to nullify and set aside the Court of Appeals (CA) Decision[1] dated May 31, 2010 and the Resolution[2] dated December 28, 2010 inCA-G.R. SP No. 98958.

The factual antecedents, as found by the CA, are as follows:

> Based on his *sinumpaang salaysay*, it appears that the petitioner Oliver Alvia started working as a common laborer for the respondent Convoy Marketing, a distributor of bottled wines, liquor and bottled water, in 2001. He was assigned the job of a *pahinante*, or one who loads and unloads cargoes transported to customers by the delivery vehicles of the company. A year later, he was promoted to delivery van driver.
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> As a driver, he was paid a fixed salary of P290 per trip regardless of route. The delivery van he drove belonged to the company which shouldered its maintenance and gasoline costs. He was on the road from Mondays to Saturdays, observing working hours that often exceeded the usual 8 hours, and despite his perseverance, he was not given holiday pay, vacation leave with pay, service incentive leave pay and 13th month pay.
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> On July 22, 2004, he did something that cost him his job. He smelled of liquor upon his arrival from the delivery route. He gave the explanation that after completing the delivery, he and his two pahinant.es decided to rest a little in a store outside the company compound. They drank several bottles of beer before going back to the compound to start loading for the next morning's delivery.
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> It was, however, reported to the logistics manager, the respondent Arnold Laab, that he was under the influence of liquor. As a result, he received his marching orders. In a memo on July 23, the next day, he was told - we regret to inform that management decided to terminate your delivery agency agreement with Convoy Marketing Corporation effective July 23, 2004. The petition was addressed in the communication signed by Laab as a per trip driver with notice to the HRAD manager, the present-day title for the company official who supervises the company's rank-and-file,

the personnel manager.

The petitioner did not delay in protesting his dismissal, filing on July 26, 2004, only days later, a complaint for illegal dismissal and nonpayment of wage benefits. The respondents Convoy Marketing and Laab joined issue by contending in substance that the petitioner was not an employee of the company but an independent contractor, and presenting papers to document it. x x x

The respondents came forward with a series of *delivery agency agreements* signed by the petitioner to correspond to particular periods of service. There are, on record, four of these agreements relating to the periods November 22, 2002 to April 22, 2003, May 29, 2003 to October 29, 2003, November 11, 2003 to April 10, 2004, and April 13, 2004 to September 13, 2004. In all these documents, it was made to appear that the respondent company would furnish the delivery vehicle and take care of its maintenance and upkeep and pay the petitioner a fixed per trip fee to drive the vehicle according to a schedule prepared by it. The petitioner, in turn, would post a cash bond of P3,000 to answer for damages to the vehicle and be responsible for such payments to the government as SSS premiums and Pag-IBIG contributions. The agreement ends with this stipulation - under no circumstance shall the driver be deemed an employee of the principal, and the driver shall not represent himself as an employee of the principal to any person, it being clearly understood that the driver is an independent service contractor for a fixed period.

Indeed, at the end of every service period stated in the contracts, the petitioner was studiedly made to sign a *quitclaim and release* in which he acknowledged receiving a certain sum, at most P5,172.28, in satisfaction of all claims that he may have against the company, and confirmed the termination of the agreement due to the expiration of the stated period, x x x

The petitioner signed his last two quitclaims and releases in April and August 2004. The April 2004 quitclaim saw him receiving P2,716.42 for releasing the respondents forever from liability in connection with the contract ending April 10, 2004. When the petitioner signed the August 2004 quitclaim, on the other hand, his case against the respondents was already on-going. During the conference held that month before the Labor Arbiter, the petitioner was recorded as having admitted that his claim for non-payment of salaries and refund of the cash bond deposit were already settled. The minutes of the conference read - Non-payment of salaries and cash bond deposit as per manifestation of the complainant was already settled. The minutes also stated - By agreement of the parties, case reset on August 24, 2004 at 10 AM.

In the same month, the petitioner executed the *quitclaim and release* in connection with the termination of his agreement on July 23, 2004 accepting payment of the sum of P1,805.72. In spite of this development, the case went on to its conclusion.[3]

On January 10, 2006, the Labor Arbiter rendered a Decision[4] dismissing Albia's complaint for lack of merit, thus:

> Be it pointed out and emphasized that the record shows that herein complainant signed a Quitclaim and Release in favor of the respondent corporation on 19 April 2004. That during one of the settings herein (on 17 August 2004), complainant manifested in open proceedings that his claims for unpaid salaries and cash bond had already been settled.
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> Indeed, although waivers[,] releases and quitclaims are generally looked down with disfavor as the workers concerned *either* are unaware of the consequences thereof or have signed the same under factors tending to vitiate consent, *not all* waivers and quitclaims are to be considered invalid. It is to be pointed out that absent any pellucid showing of the above-mentioned factors or variables surrounding the execution of said documents, the same must be deemed valid and binding between and among the parties.
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> In the case at bench, there is absolutely nothing on record tending to show the existence of such factors or variables which may have the tendency of invalidating or affecting the validity and binding effect of the quitclaim and release executed by herein complainant in respondents' favor.
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> All told, complainant's cause for illegal dismissal must necessarily fail.[5]

Aggrieved, Albia appealed to the National Labor Relations Commission (*NLRC*).

On November 28, 2006, the NLRC dismissed the appeal and affirmed the Labor Arbiter's Decision, thus:

> An examination of the minutes of the August 17, 2004 proceedings indeed shows that the admission by complainant as to the settlement of his claims merely referred to non-payment of salaries and refund of cash bond. However, the Quitclaim and Release executed by the complainant on August 4, 2004 clearly contained an admission of his engagement as an "independent service contractor" and the termination of the said contract on July 23, 2004. Such admission of the nature of complainant's work accords credence to the claim of the respondents that they acted upon complainant's representation as an independent contractor as he conducted his own business on his own account and free from their supervision and control. This is further supported by a contract otherwise being referred to as a "Delivery Agency Agreements."
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> It is, therefore, incorrect for the complainant to state that the quitclaim only covered his money claims. Said quitclaim specifically made reference to the termination of the juridical relationship between the parties on July 23, 2004 which was the same date when complainant alleged that he

was dismissed from employment. And, there being no contest raised by the complainant with respect to the genuineness and due execution of the said quitclaim, the presumption to that effect accorded to a public document, it being notarized, mu[s]t be acknowledged.[6]

Albia filed a motion for reconsideration which the NLRC denied in a Resolution[7] dated March 30, 2007.

Unfazed, Albia filed a petition for *certiorari* before the Court of Appeals.

On May 31, 2010, the CA reversed and set aside the NLRC's Resolutions, and ruled as follows:

WHEREFORE, IN VIEW OF THE FOREGOING, the assailed NLRC resolutions of November 28, 2006 and March 30, 2007 are set aside. The private respondent Convoy Marketing Corporation is ordered to reinstate the petitioner to his former position and pay him full backwages from the date of his termination on July 23, 2004 until (sic) payment,[8] plus 10% of the monetary award of attorney's fees. This case is remanded to the NLRC for computation of the award.

SO ORDERED.[9]

Petitioners filed a motion for reconsideration, but the CA denied it in a Resolution dated December 28, 2010.

Hence, this petition for review on *certiorari* wherein petitioners raised two issues:

I.

WITH ALL DUE RESPECT, THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR IN EXCESS OF JURISDICTION WHEN IT REVERSED THE DECISION AND RESOLUTION OF BOTH THE HONORABLE LABOR ARBITER AND THE HONORABLE COMMISSION.

II.

WITH ALL DUE RESPECT, THE DECISION DATED 31 MAY 2010, AND THE RESOLUTION DATED 28 DECEMBER 2010, OF THE HONORABLE COURT OF APPEALS, ARE CONTRARY TO LAW AND WELL-SETTLED JURISPRUDENCE.[10]

Petitioners insist that Albia was not a regular employee of Convoy, but merely a contractual one whose services ended upon the expiration of the period agreed upon. They aver that the activities which he was called upon to undertake are not necessary and/or desirable in the company business. They point out that Albia was

only an on-call driver who did not have to report for work every day, but only when excess deliveries could no longer be made by Convoy's fifteen (15) regular drivers; that he was not even included in the company payroll because he was paid on a per trip basis; and that Convoy did not have control over him and his helpers.

To substantiate their claim that Albia was a mere contractual employee of Convoy, petitioners presented the affidavit of Ofelia B. Miranda, Convoy's Human Resources Administration Manager, and the Delivery Agency Agreements (*For Driver*)[11] executed between him and Convoy. Stating that such agreements are valid fixed-period employment contracts, they assert that Albia knowingly and voluntarily entered into them, without any force, duress or improper pressure or moral dominance brought upon him.

Petitioners also contend that Albia was dismissed for serious misconduct after admittedly having been caught under the influence of alcohol while in the discharge of his official functions.

Petitioners further argue that the quitclaims and releases executed by Albia on various occasions are valid and binding, and the fact that he executed one of such quitclaims after he had filed the illegal dismissal complaint on July 26, 2004 only shows that he was not forced to sign it nor was his consent thereto vitiated. Moreover, not having assailed the genuineness and authenticity of such quitclaim, Albia's bare allegation that he was constrained to sign it because he was in dire need of money and employment, will not suffice to invalidate the same.

Petitioners fault the CA for not giving weight to the fact that the quitclaim was voluntarily executed by Albia after he filed an illegal dismissal complaint. They argue that the issue of whether or not he is an employee of Convoy should have been laid to rest, since the validity of the quitclaim where he had admitted to be a mere independent contractor, was upheld by the Labor Arbiter and the NLRC. Noting that Albia even manifested in the proceedings before the Labor Arbiter that his claim for unpaid salaries and cash bond had already been settled, they claim that such act shows that he signed the quitclaim voluntarily and with the intention of fully discharging Convoy from any and all of his claims. In support of their contentions, they invoke the principle that factual findings of the NLRC affirming those of the Labor Arbiter - both bodies being deemed to have acquired expertise in matters within their jurisdictions — when supported by evidence on record, are accorded respect if not finality and are considered binding on the CA.

The core issues are: (1) whether Albia is a regular or a fixed-term employee of Convoy; (2) whether he was dismissed for a just cause; and (3) whether the quitclaims and releases he executed are valid.

The petition lacks merit.

It is well settled that the Court is not a trier of facts, and the scope of its authority under Rule 45 of the Rules of Court is confined only to errors of law and does not extend to questions of fact, which are for labor tribunals to resolve.[12] However, the rule is not cast in stone and admits of recognized exceptions, such as when the factual findings and conclusion of the labor tribunals are contradictory or inconsistent with those of the CA.[13] When there is such a variance in the factual