

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
FIRST DIVISION**

**RAMON RASE and ROSITA RASE,  
*Petitioners,***

***-versus-***

**G.R. No. 110637  
October 7, 1994**

**NATIONAL LABOR RELATIONS  
COMMISSION, G & M (Phils.), INC.,  
and RIYADH MEDICAL CENTER,  
*Respondents.***

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**D E C I S I O N**

**DAVIDE, JR., J.:**

The Petitioners urge this Court to set aside for having been rendered with grave abuse of discretion the decision of the National Labor Relations Commission (NLRC) in NLRC-NCR-CA No. 001585,<sup>[1]</sup> which reversed the decision of the Philippine Overseas and Employment Administration (POEA) in POEA Case No. (L) 89-03-241.<sup>[2]</sup> The POEA had ordered private respondents G & M (Phils.), Inc. and Riyadh Medical Center to pay the salary differential and death and burial benefits of Marilyn Rase, an overseas contract worker.

The petitioners are the parents of Marilyn. She was recruited by private respondent G & M (Phils.), Inc. (hereinafter (G & M) and was subsequently deployed to respondent Riyadh Medical Center in Saudi Arabia. She was to work as a nursing aide with a salary of US\$400.00 monthly.<sup>[3]</sup> On 2 July 1987, Marilyn left for Saudi Arabia.

On 6 March 1989, Marilyn died of acute viral encephalitis. At the time of her death, Marilyn was not working with the Riyadh Medical Center but with Sheik Fahad Al Owaidah as a domestic helper to the Sheik's fourth wife.

On 20 March 1989, the petitioners filed a complaint before the POEA for recovery of salary differential, for death and burial benefits, and for reimbursement of the P50,000.00 which they had spent for the recovery of the remains of Marilyn and for her burial. The petitioners alleged therein that a few days after she had arrived in Saudi Arabia, Marilyn was made to work as a domestic helper in violation of the contract she signed and which was approved by the POEA. In its answer, G & M admitted the factual allegations except that on Marilyn's change of employment from nursing aide to domestic helper and the expenditure of P50,000.00 which it denied for lack of knowledge or information sufficient to form a belief as to its truth. G & M alleged that Marilyn had never complained of any contract violation, that her parents never reported that Marilyn was not working as a nursing aide, and that Marilyn's death was not work-connected.<sup>[4]</sup>

To substantiate their complaint,<sup>[5]</sup> the petitioners submitted among other pieces of evidence Marilyn's letter dated 24 July 1987 wherein she stated:

“Siya nga pala and bait ng amo naming lalaki yung may-ari ng buong palasyo binigyan niya ako ng 2.00 riyall para pangastos malaki-laki rin yon P1,000 na yun kung phil. money. Ang suweldo ko nga pala dito ay 1.50 riyall kasi umangal ako ang hirap-hirap; ng trabaho. Kapag nahirapan ako uli padadagdagan ko ayos ba!!

Ang ‘kapal’ ko ano kala mo kung sino pero ganon pa man ay wala akong masabi sa dalawa kung amo mababait sila.”<sup>[6]</sup>

and the affidavit of Imelda Enciong, a domestic helper who worked with Marilyn in the household of Al Owaidah. Imelda stated therein that Marilyn had been working as a domestic helper for not less than one year and six months with a monthly salary of SR150.00 for the first six months and SR350.00 thereafter until her death in 1989.<sup>[7]</sup>

On 29 June 1989, respondent G & M requested ten days from the said date to file its position paper, after which the case would be deemed submitted for decision. On 10 July 1989, it submitted its position paper. However, on 26 October 1989, it requested that it be allowed to present additional evidence on or before 27 November 1989.<sup>[8]</sup> Then on 12 February 1990, it filed a motion for extension of time to adduce additional evidence, wherein it admitted that its principal had transmitted to it documents “consisting of the certification as to the deceased’s cause of death, her contract of employment as nursing aide and other documents showing that the foreign principal had shouldered all expenses for hospitalization and repatriation,” but that it still requested for other documents to support its defense.<sup>[9]</sup> It was only on 8 March 1990 when it finally submitted its documentary exhibits, the most important of which is the alleged acceptance by the Riyadh Medical Center of Marilyn’s resignation effective 15 August 1987 (Exhibit “4”). The document reads:

“August 18, 1987

Dear Miss Rase,

Your resignation effective August 15 of this month is accepted. All your salaries during your employment with us have been paid. The hospital is no more liable in your desire to transfer to any other employer in the Kingdom of Saudi Arabia.

Very Truly yours,

(SGD.)

AHMED ABDULRAHMAN ABU-HAIMID  
*General Manager*

With my conformity

(SGD.)

MARILYN RASE

(typed) MARILYN RASE”<sup>[10]</sup>

In its Decision of 19 February 1991,<sup>[11]</sup> POEA Administrator Jose N. Sarmiento upheld the claims of the petitioners. He defined the issues as follows:

1. Whether or not respondent is liable for death benefits; and
2. Whether or not respondent is liable to salary differential.

and resolved them thus:

“Anent the first issue, we find the claim for death benefits meritorious. The deceased died during the period of her employment. As such, there is a presumption that her illness or cause of death arose out of and in the course of her employment because when the deceased was hired and employed overseas, she underwent the required pre-employment physical examination and was declared physically fit. Furthermore, this office is inclined to believe that the conditions of employment of the deceased, being a domestic helper exposed herself to deleterious elements which was the cause, if not the direct cause of the death, which as per medical report by the Riyadh Central Hospital was acute viral encephalitis. It must be noted that the deceased worked not as a nurse aide but as a domestic helper as shown by the report of the Riyadh Police Station entitled Form for Transfer of Human Remains.

Moreover, the letter of the deceased to her parents dated July 24, 1987 or twenty-two (22) days upon arrival in Saudi Arabia made mention of her ‘Amo’ and their palace and her salary is SR150.00 which established the fact that the deceased indeed worked as a domestic helper. This piece of evidence renders incredible the alleged resignation letter of the deceased and the acceptance thereof by the employer (Exh. “3” & “4”) submitted

by respondent. G & M On March 8, 1990 to substantiate its defense that the deceased worked as a nursing aide at Riyadh Medical Center.

We also find the claim for salary differential meritorious. As per Affidavit of Imelda Inciong, a co-worker of the deceased, Marilyn Rase was only being paid SR150/month for the first six (6) months and thereafter the salary was raised to SR350/month. It must be noted that in a claim for an underpayment of salary, the burden of proof that the worker has been fully paid lies on the employer since they have in their possession the documents evidencing payment. However, respondent failed to submit any evidence to controvert the said claim. As such, respondent is liable to pay the salary differential of the deceased computed as follows:

Period of employment	—	1 yr. and eight months
Deployed	—	July 2, 1987
Date of death	—	March 6, 1989
Salary for the first 6 months	—	SR150.00/month
Salary as per TEP	—	US\$400.00/month

(A) Salary Differential — for six months

1	SR	=	0.26 US\$
	SR150 x .26 SR/US\$	=	US\$39.00
	US\$39/mo. x 6 mos.	=	US\$234.00 — salary received for 6 mos.
	US\$400/mo. x 6 mos.	=	US\$2,400 — salary as per TEP for 6 mos.
Less: Salary actually received		=	<u>US\$234</u>
			US\$2,166 — salary differential for 6 mos.

(B) Salary Differential — for the remaining 1 yr. and 2 mos.

Salary after 6 mos.	—	SR350.00/mo.
SR250 x .26 SR/US\$	=	US\$1,274 — salary received for 1 yr. and 2 mos.
US\$400 x .34 mos.	=	US\$5,600 — salary as

		Per TEP for 1 yr. and 2 mos.
Less: Salary actually received (for 1 yr. & 1 mos.)	=	<u>US\$1,274</u> US\$4,326 – salary differential for 1 yr. and 2 mos.
(C) Total Salary Differential	–	1 yr. and 8 mos.
US\$4,326	–	salary differential for 1 yr. and 2 mos.
<u>US\$2,166</u>	–	salary differential for 6 mos.
US\$6,492	–	TOTAL SALARY
=====		DIFFERENTIAL” <sup>[12]</sup>

The dispositive portion of the decision reads:

“WHEREFORE, premises considered, judgment is hereby rendered ordering respondent G & M to pay the complainant the following or in Philippine Currency at the current exchange rate at the time of payment:

1. FIFTEEN THOUSAND PESOS (P15,000.00) as death benefits and THREE THOUSAND PESOS (P3,000.00) as burial benefits;
2. SIX THOUSAND FOUR HUNDRED NINETY TWO (US\$6,492.00) as salary differential.

SO ORDERED.”<sup>[13]</sup>

G & M appealed the Decision to the NLRC. In its Decision of 30 April 1993,<sup>[14]</sup> the NLRC, by a 2-1 vote of its Second Division,<sup>[15]</sup> reversed the appealed decision. The NLRC held:

“We agree with respondent. The complainants have not sufficiently shown, through evidence that their daughter was forced to seek employment elsewhere upon arrival in Riyadh. The evidence on record, and un rebutted at that, shows that about a few days upon her arrival, she resigned (p. 21, record)

from respondent's principal, the Riyadh Medical Center, to join her friends at Sheik Fahd [sic] Abdullah Al Owaidah as a domestic helper. Since the deceased worked only for a few days with respondent's principal and worked for about one (1) year and four (4) months with Sheik Fahad Abdullah Al Owaidah and that she violated the POEA Approved Contract, she is not entitled to the salary differential, death benefits and burial allowance from respondent. As gesture of help however the respondent is urged to make a grant to the complainant's [sic] any amount on a voluntary and *ex gratia* basis."<sup>[16]</sup>

Hence, this special civil action. The petitioner allege that the NLRC acted with grave abuse of discretion in reversing the decision of the POEA Administrator by totally disregarding the latter's findings that (a) Marilyn Rase's death was work-connected; (b) there was in fact underpayment of salaries; and (c) the award for death and burial benefits was proper.

In their separate Comments, respondent G & M and public respondent NLRC (represented by the Office of the Solicitor General) maintain otherwise and pray for the dismissal of the petition. After due deliberation on the allegations, issues, and arguments of the parties in their initiatory pleadings, the Court resolved to give due course to the petition.

There is merit on the issue of salary differential. The disagreement thereon between the POEA and the NLRC revolves upon a question of fact. The former gave full faith and credit to the 24 July 1987 letter of Marilyn and the affidavit of Imelda Enciong to prove the fact that Marilyn was made to work as a domestic helper upon her arrival in Riyadh with a salary of SR150.00 for the first six months and SR350.00 a month thereafter until she died. On the other hand, the latter agreed with private respondent G & M that, as evidenced by the letter of the Riyadh Medical Center of 18 August 1987 (Exhibit "4"), Marilyn voluntarily resigned as a nursing aide in the said Center effective 15 August 1987 and concluded that the petitioners herein "have not sufficiently shown, through evidence that their daughter was forced to seek employment elsewhere upon arrival in Riyadh."

Did the NLRC commit grave abuse of discretion in overruling the POEA? The resolution depends on whether the decision of the POEA is in fact supported by substantial evidence.

Section 5, Rule 133 of the Rules of Court provides that in cases filed before administrative or quasi-judicial bodies (like the POEA) a fact may be deemed established if it is supported by substantial evidence, or that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion. In *Atlas Consolidated Mining and Development Corp. vs. Factoran*,<sup>[17]</sup> this Court stated:

“It is sufficient that administrative findings of fact are supported by evidence, or negatively stated, it is sufficient that findings of fact are not shown to be unsupported by evidence. Substantial evidence is all that is needed to support an administrative finding of fact, and substantial evidence is ‘such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.’ (*Ang Tibay vs. Court of Industrial Relations*, 69 Phil. 635, 642; *Police Commission vs. Lood*, 127 SCRA 762 [1984]).”

The POEA is not bound by the technical rules of procedure and evidence. Under its Rules and Regulations in force at the time the petitioners filed their complaint (1989), adjudication proceedings before it were summary in nature and judgment may be rendered on the basis of position papers and memoranda. Thus Sections 4 to 8, Rule III, Book VI thereof provided as follows:

“Section 4. Summary Judgment. — If on the basis of the pleadings/evidence on record, the Hearing Officer finds that there is sufficient ground to render judgment, he shall consider the case submitted for decision.

Section 5. Judgment Based on Position Paper. — Whenever summary judgment is not appropriate, the Hearing Office shall direct the parties to the case to simultaneously submit their position papers and/or memoranda within fifteen (15) calendar days from notice after which the case shall be deemed submitted for decision.

Section 6. Investigation Procedure. — Where the Hearing Officer finds that there are complicated factual issues involved which cannot be resolved through position papers and/or memoranda, he shall conduct investigation by requiring the parties to submit affidavits. He may, if necessary, direct the parties to appear before him to answer clarificatory questions. For this purpose, he may allow the parties to submit suggested written clarificatory questions which he may propound to the parties concerned.

Section 7. Resolution of the Case. — The Hearing Officer after evaluation of the evidences submitted by the parties, shall submit his recommendation together with the records of the case to the Director, WAAO; who shall in turn submit his recommendation to the Administrator for appropriate action.

Section 8. Service of Order/Decision. — Once the order/decision is issued by the Administration, a copy of it shall be served upon the parties. The order/decision shall become final after the lapse of ten (10) calendar days from receipt of a copy thereof if no motion for reconsideration/appeal is perfected.”

Rule III, Book VII of the 1991 Rules and Regulations of the POEA has substantially reproduced the aforesaid Sections 4, 5, and 6; specified the scope of position papers; and explicitly declared that such proceedings are non-litigious in nature and that the technicalities of law and procedure and the rules obtaining in the courts of law shall not apply thereto. Thus:

“Section 4. Judgment Based on Position Paper. — When the parties fail to agree upon an amicable settlement and summary judgment is not appropriate, the Hearing Officer shall direct the parties to the case to submit their verified position papers and/or memoranda within fifteen (15) calendar days from notice.

The verified position papers shall cover only those claims and causes of action raised in the complaint, excluding those which may have been amicably settled, and shall be accompanied by

supporting documents. The parties shall thereafter not be allowed to allege facts or present evidence to prove facts not referred to and any cause/s of action not included in the complaint or position papers, affidavits and other documents.

X X X

Section 6. Nature of Proceedings. — The proceedings before the Hearing Officer shall be non-litigious in nature, subject to the requirements of due process. The technicalities of law and procedure and the rules obtaining in the courts of law shall not strictly apply thereto.

The Hearing Officer may avail himself of all reasonable means to ascertain the facts of the case, including ocular inspection, where appropriate, and examination of informed persons.”

In other words, the POEA is not, among other things, strictly bound by the technical rules of evidence.

In the instant case, the POEA resolved the petitioners’ complaint on the basis of the documentary evidence submitted by the parties which, insofar as the petitioner are concerned, included the assailed letter of Marilyn and the affidavit of Imelda Enciong. The procedure it adopted strictly conformed with its Rules and Regulations. Thus, it was not necessary for the affiant to appear and testify and to be cross-examined by the counsel for the adverse party. To require otherwise would be to negate the rationale and purpose of the summary nature of the administrative proceedings mandated by the Rules and to make mandatory the application of the technical rules of evidence. The challenge then against the use of affidavits without the presentation of the affiant for cross-examination is futile. In *Rabago vs. National Labor Relations Commission*,<sup>[18]</sup> which also involved a challenge on a similar proceeding, this Court stated that:

“The argument that the affidavit is hearsay because the affiant were not presented for cross-examination is not persuasive because the rules of evidence are not strictly observed in proceedings before administrative bodies like the NLRC, where decisions may be reached on the basis of position papers only.”

Confronted with the affidavit of Enciong and aware of the Rules and Regulations of the POEA on the submission of a case for decision on the basis of position papers and affidavits, private respondent G & M should have submitted a counter-affidavit, instead of merely objecting to Enciong's affidavit on the ground that it was hearsay (unless Enciong was presented to be cross-examined). More than anything else, G & M should not be heard to demand strict compliance with the strict rules and evidence applicable in the courts of justice when at the same time it submitted its evidence in consonance with the Rules and Regulations of the POEA. If the rules on evidence were to be strictly construed, then its Exhibits "1," "2," "3," and "4," and more specifically the last, which is the letter of the General Manager of the Riyadh Medical Center allegedly accepting the resignation of Marilyn effective 15 August 1987, should also be rejected for being hearsay. Yet, it insists that it be given unquestioned faith and credit. This obvious duplicity is condemnable and merits no reward.

Regarding the salary differential, the Court finds the evaluation of the evidence by the POEA to be more logical and persuasive than that of the NLRC. The latter's conclusion that the petitioners failed to sufficiently prove the Marilyn "was forced to seek employment elsewhere upon arrival in Riyadh" and that, on the contrary, the "evidence on record, and unrebutted at that, shows that about a few days upon her arrival she resigned from respondent's principal, the Riyadh Medical Center, to join her friends at Sheik Fahd Abdullah Al Owaidah as a domestic helper," is unacceptable. Firstly, there is absolutely no evidence that she joined her friends as a domestic helper. Secondly, as correctly observed by the POEA, Marilyn's alleged resignation from the Riyadh Medical Center effective 15 August 1987 is incredible since in her letter of 24 July 1987, she already informed her parents that she was a domestic helper,<sup>[19]</sup> a fact corroborated by Imelda Enciong. Thirdly, it would have been foolish for Marilyn to voluntarily abandon her contract as a nursing aide with a monthly salary of US\$400.00 in favor of a contract as a domestic helper at a salary of only SR150.00. The exchange rate then per the challenged decision of the POEA was 1 SR = 0.26 US\$.<sup>[20]</sup> A person is presumed to take ordinary care of his concerns.<sup>[21]</sup> It would have been contrary to the ordinary habits of men and of reason for one, like

Marilyn, who goes to a foreign country to earn a few dollars at great personal sacrifice (and even at the risk of honor, life, and limb in view of the reported rape and maltreatment of Filipina domestic helpers in the Middle East) and to save every cent of it for a hungry family back home, to voluntarily incur considerable loss of income.

Moreover, there was an attempt to mislead the POEA that Exhibit “4” is the resignation letter of Marilyn. It is in fact the letter of the general manager of the Riyadh Medical Center purporting to inform Marilyn of the acceptance of her resignation. No letter of resignation was presented and this Court finds the alleged “conformity” of Marilyn appearing at the lower left corner thereof to be rather dubious. An acceptance of the resignation does not require the conformity of the resigning employee. Such entry only indicates that Marilyn was forced to resign, for which reason her “conformity” was obtained to make it appear as voluntary of legal. Finally, the Rules and Regulations of the POEA imposed upon an overseas contract worker the obligation to abide by the terms and conditions of his employment contract, to behave in the best manner and tradition of a Filipino, and to observe and respect the laws, customs, morals, traditions, and practices of the country where he is working.<sup>[22]</sup> Compliance therewith by Marilyn must be presumed and any claim to the contrary must be proved by satisfactory evidence. None was presented by respondent G & M.

There is strong reason to believe that Marilyn was forced to accept the job of a domestic helper. Our overseas workers are mostly ordinary laborers not conversant with legal niceties and with the manner they can assert and protect their rights. In foreign lands, they have no compatriot-lawyers to seek advice from and no labor unions to support them. Some of them have complained that even the staffs of Philippine embassies and consulates are indifferent to their plight. Denied the protection they need, they are easy prey to exploitation by foreign employers, who are usually able to get away with their abused because they are in their own territory.<sup>[23]</sup> The tribute paid by government leaders of Philippine overseas workers as the country’s modern heroes and heroines would only be a hollow gesture if the government cannot provide them with adequate protection against exploitation and abuse.

As to the claim for death benefits, we are constrained to deny the same.

Encephalitis is the inflammation of the brain and its coverings (the meninges)<sup>[24]</sup> which produce disturbances of sensorial, seizures,<sup>[25]</sup> drowsiness, delirium, and, rarely, coma. There are several different forms of encephalitis, a few of which are occasionally epidemic.

The epidemic forms are caused by a virus transmitted to man by the bite of mosquitoes and ticks (arboviruses encephalitides). The condition can also occur as a rare complication of some other viral diseases, such as herpes-viruses and accompanying exanthematous diseases of childhood, such as measles and varicella.<sup>[26]</sup> Occasionally, it may be produced by contact with a toxic substance, such as lead.<sup>[27]</sup> In other words, acute viral encephalitis may be due to a number of causes, or even due to a complication of other illnesses. The virus has an incubation period from as short as three to four days to as long as twenty years.

In a letter addressed to Marilyn's parents, it was revealed that her illness started as a severe headache. Prior to her confinement at the hospital, she had hallucinations and would fail to recognize the people around her. She also became violent, which prompted her employer to have her admitted to a hospital. While confined, her condition deteriorated until she died.<sup>[28]</sup>

From the foregoing, it is apparent that the symptoms leading to encephalitis are manifest. Viral encephalitis is debilitating and is also known as a sleeping sickness. There are no specific drugs for this condition. Treatment and nursing care are aimed at relief of the symptoms and prevention of complications.<sup>[29]</sup>

The POEA Administrator attributed the cause of Marilyn's death to the deleterious elements to which she had been exposed. Indeed, there is a possibility that she acquired viral encephalitis at her work environment. Unfortunately, there is not enough evidence to even make a reasonable presumption that her work environment caused her to contract encephalitis. Even her letters are devoid of any hint that as a domestic helper she was exposed to any unhealthy or injurious

conditions. Hence, we do not agree with the POEA Administrator that the claim for death benefits should be allowed. Consequently the claim for burial allowance should likewise be denied.

**WHEREFORE**, the challenged Decision of the National Labor Relations Commission is hereby **SET ASIDE**. The Decision of the Philippine Overseas Employment Administrator in POEA Case No. (L) 89-03-241 is **REINSTATED**; however, the award of death benefits and burial allowance is **SET ASIDE**.

Costs against private respondent G & M (Phils.), Inc.

**SO ORDERED.**

**Cruz, Chairman, Bellosillo, Quiason and Kapunan, JJ., concur.**

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[1] Rollo, 13-22.

[2] Id., 57-62.

[3] Original Records (OR), 7.

[4] Id., 86.

[5] Id., 72.

[6] OR, 106; Annex "A" of Petition, Rollo, 11. Reading to context of the letter, the writer must have meant, SR200.00 instead of SR2.00 and SR.150.00 instead of SR1.50.

[7] Rollo, 64-65.

[8] Id., 66-67.

[9] Annex "E" of G & M's Comment; Id., 68-69.

[10] Rollo, 42.

[11] Id., 56-62.

[12] Rollo, 59-62.

[13] Id., 62.

[14] Annex "C" of Petition; Id., 13-23.

[15] Per Commissioner Domingo H. Zapanta, with the concurrence of Commissioner Rogelio I. Rayala. Presiding Commissioner Edna Bonto-Perez dissented.

[16] Rollo, 22.

[17] 154 SCRA 49, 54 [1987]. See also Manalo vs. Roldan-Confessor, 215 SCRA 808 [1992], and on a motion for reconsideration, 220 SCRA 606 [1993].

[18] 200 SCRA 158, 164-165 [1991].

[19] She told them of her "Amo" and of the latter's palace.

[20] Rollo, 61.

- [21] Section 3(d), Rule 131, Rules of Court.
- [22] Section 1, Rule III, Book VII, 1985 Rules and Regulations; Section 1, Rule VI, Book VIII, 1991 Rules and Regulations.
- [23] Cuadra vs. NLRC, 207 SCRA 279 [1992].
- [24] Dorland's Medical Dictionary, 24<sup>th</sup> Ed. [1965], 483.
- [25] Medical Diagnosis and Treatment, 33<sup>rd</sup> Int'l. Ed. [1994], 1059.
- [26] Id., 1113.
- [27] Miller and Keane, Encyclopedia and Dictionary of Medicine and Nursing, [1972], 315.
- [28] OR, 17-22.
- [29] Supra note 27.

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