

WILFREDO V. LAPITAN
Division Clerk of Court
Third Division

DEC 1 9 2016



Republic of the Philippines Supreme Court Manila

# THIRD DIVISION

ALMA COVITA, for her behalf and in behalf of her two minor children, JERRY and RON, both surnamed COVITA,

Petitioner,

- versus -

SSM MARITIME SERVICES, INC. and/or MARITIME FLEET SERVICES PTE. LTD. and/or GLADIOLA JALOTJOT,

Respondents.

G.R. No. 206600

**Present:** 

VELASCO, JR., J., Chairperson, PERALTA,

PEREZ,

REYES, and JARDELEZA, JJ.

Promulgated:

December-7, 2016

#### DECISION

PERALTA, J.:

Id. at 27-28.

Before us is a petition for review on *certiorari* seeking to annul and set aside the Decision<sup>1</sup> dated December 13, 2012 and the Resolution<sup>2</sup> dated April 10, 2013 issued by the Court of Appeals (*CA*) in CA-G.R. SP No. 120795.

The antecedent facts are as follows:

On April 29, 2009, Rolando Covita, petitioner's husband, entered into a contract of employment with private respondent SSM Maritime Services, Inc., acting for and in behalf of its foreign principal, private respondent Maritime Fleet Services Pte. Ltd. to work on board M/T Salviceroy as Bosun for a period of eight (8) months with a basic monthly salary of

Rollo, pp. 20-26; Penned by Associate Justice Florito S. Macalino, concurred in by Associate Justices Sesinando E. Villon and Manuel M. Barrios.

US\$635.00.<sup>3</sup> As a condition for employment, Rolando underwent a standard Pre-employment Medical Examination (*PEME*) where he was declared fit for sea duty,<sup>4</sup> and boarded his vessel of assignment on May 7, 2009. However, on May 14, 2009, Rolando developed weakness of both lower extremities and was vomiting; thus, he was confined at the Singapore General Hospital up to May 21, 2009, where he was diagnosed to be suffering from end stage renal failure.<sup>5</sup> On May 23, 2009, he was medically repatriated to the Philippines. He was admitted at the Manila Doctor's Hospital where he was diagnosed by Dr. Nicomedes G. Cruz, the company-designated physician, with chronic renal failure.<sup>6</sup> Later, Dr. Cruz issued a Certification<sup>7</sup> dated May 28, 2009 that Rolando's chronic renal failure was not work-related. Rolando died on September 20, 2009.<sup>8</sup>

Petitioner Alma Covita, Rolando's surviving spouse, for herself and on behalf of her two minor children, Jerry and Ron, filed with the Labor Arbiter (LA) a Complaint for death benefits, allowance for two minor children, burial allowance, moral and exemplary damages, legal interest and attorney's fees. Petitioner contended that her husband's chronic renal failure was work-connected because one of its causes is high blood pressure; that Rolando's work on board the vessel was characterized by stress, among others, which caused his high blood pressure and, in effect, damaged the small blood vessels in his kidneys; that his kidneys cannot filter wastes from the blood and ultimately failed to function.

Respondents denied the claims alleging that Rolando died of a sickness which was not work-related; that he was repatriated due to chronic renal failure, an illness which developed over a period of years and had nothing to do with his one week employment on board M/T Salviceroy.

On November 26, 2010, the LA rendered its Decision, the dispositive portion of which reads:

WHEREFORE, premises considered, judgment is hereby rendered ordering SSM Maritime Services Inc., and/or the foreign employer Maritime Fleet Services Pte., Ltd. jointly and severally to pay Alma J. Covita, for herself and on behalf of her two minor children, Jerry and Ron Covita, the aggregate amount of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00), representing death benefits, allowance for two minor children and burial allowance, plus ten percent (10%) thereof as and for attorney's fees.

<sup>&</sup>lt;sup>3</sup> *Id.* at 139

*Id.* at 140.

<sup>&</sup>lt;sup>5</sup> *Id.* at 141.

<sup>6</sup> Id. at 142.

<sup>7</sup> *Id.* at 214.

<sup>8</sup> *Id.* at 144.

<sup>&</sup>lt;sup>9</sup> *Id.* at 112-119; Per LA Veneranda C. Guerrero.

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All other claims are dismissed for lack of merit.

SO ORDERED.10

In so ruling, the LA found that while Rolando died after the term of his contract, such will not militate against petitioner's claim for death benefits as the underlying cause of Rolando's death was the illness that manifested during the effectivity of their contract; thus, the requirement that the death or cause thereof must have occurred during the term of the contract had been met. As to work connection/aggravation, the LA ruled that respondents did not offer proof to dispute the allegation that prior to his last contract that caused his medical repatriation, Rolando had been contracted for the same position and rendered shipboard services for the respondents and that every time he was contracted, his PEME showed that he was fit for sea duty; and that petitioner had adequately proven that Rolando's working conditions on board the vessel contributed, if not caused, his subsequent illness.

Private respondents filed an appeal with the NLRC.

In a Decision<sup>11</sup> dated March 30, 2011, the NLRC granted the appeal, the decretal portion of which reads:

WHEREFORE, the appeal is GRANTED, and the assailed decision of the Labor Arbiter is REVERSED and SET ASIDE. Accordingly, the complaint for death and other benefits arising from death of seafarer Rolando Covita is DISMISSED for lack of merit.<sup>12</sup>

The NLRC agreed with the findings of the company-designated physician that Rolando's illness which led to his demise was not work-related. It found that Rolando joined M/T Salviceroy on May 7, 2009 and from May 14-21, 2009, he was confined at the Singapore General Hospital where he was diagnosed with end stage renal failure which could not have developed over a one week period; hence, not work-related; that his PEME showed him fit to work was not a conclusive proof that he was free from any ailment prior to his deployment.

Petitioner's motion for reconsideration was denied in a Resolution<sup>13</sup> dated May 30, 2011.

o *Id.* at 119.

<sup>11</sup> Id. at 100-108; Per Commissioner Perlita B. Velasco, concurred in by Presiding Commissioner Gerardo C. Nograles and Commissioner Romeo L. Go.

*Id.* at 107.

<sup>&</sup>lt;sup>13</sup> Rollo, pp. 109-111.

Petitioner filed a petition for *certiorari* with the CA. Respondents filed their Comment and petitioner her Reply thereto. The parties then submitted their respective memoranda and the case was submitted for decision.

On December 13, 2012, the CA issued its assailed Decision which denied the petition and affirmed the NLRC as there was no substantial evidence to prove that the illness which caused Rolando's death was contracted during the term of his contract with respondents or was work-related.

Petitioner's motion for reconsideration was denied in a Resolution dated April 10, 2013.

Dissatisfied, petitioner filed the instant petition for review on certiorari.

Petitioner contends that the CA erred in failing to award her death benefits on the ground that Rolando's illness was not work-related and was not contracted during the term of his employment; that the CA disregarded Section 20B(4) of the Standard Employment Contract, which provides that illnesses not listed as occupational diseases are disputably presumed as work-related and the burden to show the work connection is with the respondents; that Rolando stayed only for one week in respondents' vessel is of no moment as he was able to finish his other contract with respondents prior to his last contract and if the renal cancer was developed prior to his last contract, although unknown to Rolando, his services with the same respondents may have caused or aggravated his illness.

We find no merit in the petition.

It is a settled rule that under Rule 45 of the Rules of Court, only questions of law may be raised in this Court. Judicial review by this Court does not extend to a re-evaluation of the sufficiency of the evidence upon which the proper labor tribunal has based its determination. Firm is the doctrine that this Court is not a trier of facts, and this applies with greater force in labor cases. Factual issues may be considered and resolved only when the findings of facts and conclusions of law of the Labor Arbiter are inconsistent with those of the NLRC and the CA. The reason for this is that the quasi-judicial agencies, like the Arbitration Board and the NLRC,

PCL Shipping Philippines, Inc. v. National Labor Relations Commission, G.R. No. 153031, December 14, 2006, 511 SCRA 44, 54, citing Gerlach v. Reuters Ltd., Phil., G.R. No. 148542, January 17, 2005, 448 SCRA 535, 545.

Id., citing Lopez Sugar v. Franco, G.R. No. 148195, May 16, 2005, 458 SCRA 515, 528.

have acquired a unique expertise because their jurisdiction are confined to specific matters. <sup>17</sup> Since the NLRC and the CA's factual findings are conflicting with that of the LA, We are constrained to review the petition.

As with all other kinds of workers, the terms and conditions of a seafarer's employment is governed by the provisions of the contract he signs at the time he is hired. But unlike that of others, deemed written in the seafarer's contract is a set of standard provisions implemented by the POEA, called the Standard Terms and Conditions Governing the Employment of Filipino Seafarers On-Board Ocean-Going Vessels (POEA Standard Employment Contract), which are considered to be the minimum requirements acceptable to the government for the employment of Filipino seafarers on board foreign ocean-going vessels. Notably, paragraph 2 of the Contract of Employment executed between Rolando and respondents stated that the contract's terms and conditions in accordance with Department Order No. 4, and Memorandum Circular No. 9, both series of 2000, shall be strictly and faithfully observed.

Section 20(A) of the 2000 POEA Standard Employment Contract states the rules in granting death benefits to the seafarer's beneficiaries as follows:

# SECTION 20. COMPENSATION AND BENEFITS A. COMPENSATION AND BENEFITS FOR DEATH

1. In the case of work-related death of the seafarer during the term of his contract, the employer shall pay his beneficiaries the Philippine Currency equivalent to the amount of Fifty Thousand US dollars (US\$50,000) and an additional amount of Seven Thousand US dollars (US\$7,000) to each child under the age of twenty-one (21) but not exceeding four (4) children, at the exchange rate prevailing during the time of payment.

X X X X

4. The other liabilities of the employer when the seafarer dies as a result of work-related injury or illness during the term of employment are as follows:

x x x x

c. The employer shall pay the beneficiaries of the seafarer the Philippine currency equivalent to the amount of One Thousand US dollars (US\$1,000) for burial expenses at the exchange rate prevailing during the time of payment.

<sup>17</sup> Id., citing Cosmos Bottling Corporation v. National Labor Relations Commission, 453 Phil. 151, 157 (2003).

Cootauco v. MMS Phil. Maritime Services, Inc., G.R. No. 184722, March 15, 2010, 615 SCRA 529, 542, citing Nisda v. Sea Serve Maritime Agency, G.R. No. 179177, July 23, 2009, 593 SCRA 668, 693.

Issued by the Department of Labor and Employment.
 Issued by the Philippine Overseas Employment Administration.

Clearly, to be entitled for death compensation and benefits from the employer, the death of the seafarer (1) must be work-related; and (2) must happen during the term of the employment contract. While the 2000 POEA-SEC does not expressly define what a "work-related death" means, it is palpable from Part A (4) as above-cited that the said term refers to the seafarer's death resulting from a work-related injury or illness. <sup>21</sup>

A work-related illness is defined under the POEA Standard Employment Contract as any sickness resulting to disability or death as a result of an occupational disease listed under Section 32-A of this contract with the conditions set therein satisfied, to wit: (1) The seafarer's work must involve the risks described herein; (2) The disease was contracted as a result of the seafarer's exposure to the described risks; (3) The disease was contracted within a period of exposure and under such other factors necessary to contract it; and (4) There was no notorious negligence on the part of the seafarer. It is also provided under Section 20B(4) of the same contract that illnesses not listed in Section 32-A are disputably presumed work-related. However, Section 20 should be read together with the conditions specified by Section 32-A for an illness to be compensable.<sup>22</sup>

Accordingly, petitioner cannot just contend that while her husband's chronic renal failure is not listed as an occupational disease, it is disputably presumed work-related, and it is for respondents to overcome such presumption. Petitioner still has to prove her claim for death compensation with substantial evidence or such amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion.<sup>23</sup> We held in *Quizora v. Denholm Crew Management (Phils.), Inc.*<sup>24</sup> that:

[T]he disputable presumption provision in Section 20(B) does not allow him to just sit down and wait for respondent company to present evidence to overcome the disputable presumption of work-relatedness of the illness. Contrary to his position, he still has to substantiate his claim in order to be entitled to disability compensation. He has to prove that the illness he suffered was work-related and that it must have existed during the term of his employment contract. He cannot simply argue that the burden of proof belongs to respondent company.<sup>25</sup>

Petitioner claims that Rolando's death was due to a work-related illness and alleged in her position paper presented before the LA the following:

Canuel v. Magsaysay Maritime Corporation, G.R. No. 190161, October 13, 2014, 738 SCRA 120.
 Jebsen Maritime Inc. v. Ravena, G.R. No. 200566, September 17, 2014, 735 SCRA 494, 512.

Cootauco v. MMS Phil. Maritime Services, Inc., supra note 18, at 544.

G.R. No. 185412, November 16, 2011, 660 SCRA 309.

Quizora v. Denholm Crew Management (Phils.), Inc., supra, at 319.

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One of the main causes of kidney failure is high blood pressure. High blood pressure is mainly caused by stress. In the case of Mr. Covita, he was very much exposed to the strenuous work of a seaman. The working conditions prevailing during the time when the husband of the complainant was employed on board the vessel were characterized by stress, heavy workload, overfatigue to mention a few, which collectively constitute strain of work. As a sea-based overseas employee, his occupation is more stressful than that of a land-based employee. Whereas a land-based employee could easily relieve himself from stress caused by his occupation by just going home to be with his family or to sleep, watch or play games, the same is not true for a sea based overseas employee. A sea-based employee has to endure a long period on board working conditions. Twenty-four hours a day, seven days a week and four weeks a month, several months in a contract, he does not have any place to go in order to loosen up or unwind except to stay on board the vessel. What aggravates the situation is the distance to his family and that he has to stay overseas for a long period of time.

Stress is unarguably inherent in petitioner's husband's job. One of the sources of this damaging stress is the working condition. His duties and responsibilities as previously stated cannot be overemphasized. The continuous heavy workload is enough to take its toll on his health. The body's health condition would naturally suffer if the same is subjected to extreme pressure of work on a daily basis.

Medical researches show that stress is one of the major causes of high blood pressure and, in effect, can damage the small blood vessels in the kidneys. When this happens, the kidneys cannot filter wastes from the blood and will fail to function.

From the above discussion, it is clear that the illness that caused the death of Mr. Covita is work-related.<sup>26</sup>

A reading of petitioner's above-quoted allegations to prove the work-relatedness of her husband's chronic renal failure shows that they are mere general statements with no supporting documents or medical records. She failed to show the nature of Rolando's work as a Bosun on board the vessel since there was no specific description of Rolando's daily tasks or his working conditions which could have caused or aggravated his illness. Her claim that Rolando's working conditions were characterized by stress, heavy workload and overfatigue were mere self-serving allegations which are not established by any evidence on record. In fact, petitioner alleged that one of the main causes of kidney failure is high blood pressure due to stress, however, there was nothing on record to show that Rolando was suffering from high blood pressure during his seven day's employment in the vessel. Bare allegations do not suffice to discharge the required quantum of proof of compensability.<sup>27</sup> The beneficiaries must present evidence to prove a positive proposition.<sup>28</sup>

<sup>6</sup> Rollo, pp. 125-126.

Status Maritime Corporation v. Sps. Delalamon, G.R. No. 198097, July 30, 2014, 731 SCRA 390,

<sup>410.</sup> 

Id.

We agree with the CA when it held that mere allegation that the strenuous demands of Rolando's shipboard duties were the cause of his illness and nothing more, is not sufficient to declare that the same is work-related or work-aggravated. It is settled that probability of work-connection must at least be anchored on credible information and not on self-serving allegations. Indeed, petitioner cannot simply allege without adequate proof that Rolando's working conditions had caused the latter's illness or aggravated the same.

In Gau Sheng Phils., Inc. v. Joaquin,<sup>30</sup> We denied the claim for death compensation benefits of the heirs of a seafarer who died of chronic renal failure and held:

It, thus, behooved the respondent to show a reasonable connection between Roberto's work and the cause of his death; or that the risk of contracting chronic renal failure was increased by Roberto's working conditions. The respondent must submit such proof as would constitute as a reasonable basis for concluding either that the conditions of employment of the claimant caused the ailment or that such working conditions had aggravated the risk of contracting that ailment. However, the respondent failed to do so. There is no showing that the progression of the disease was brought about largely by the conditions in Roberto's job as a fisherman. His medical history, medical records, or physicians reports, were not even presented in order to substantiate the respondents claim that the working conditions on board MV Bestow Ocean increased the risk of contracting chronic renal failure.

In Harrisons Principles of Internal Medicine, chronic renal failure is described in the following manner:

Chronic renal failure results from progressive and irreversible destruction of nephrons, regardless of cause (Chap. 237). This diagnosis implies that GFR is known to have been reduced for at least 3 to 6 months (see Table 233-1). Often a gradual decline in GFR occurs over a period of years. Proof of chronicity is also provided by the demonstration of bilateral reduction of kidney size by scout ultrasonography, intravenous pyelography, or tomography. Other findings of long-standing renal failure, such as renal osteodyastrophy or symptoms of uremia, also help to establish this syndrome. Several laboratory abnormalities are often regarded as reliable indicators of chronicity of renal disease, such hyperphosphatemia or hypocalcemia, but there are not specific (Chap. 235). In contrast, the finding of broad casts in the urinary sediment (Chap. 44) is specific for chronic renal failure, the wide diameters of these casts reflecting the compensatory dilation and hypertrophy of surviving nephrons. Protenuria is a frequent but nonspecific finding,

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<sup>)</sup> Id

G.R. No. 144665, September 8, 2004, 437 SCRA 608.

as is hematuria. Chronic obstructive uropathy polycystic and medullary cystic disease, analgesic nephrophaty, and the inactive end stage of any chronic tubulointerstitial nephrophaty are conditions in which the urine often contains little or no protein cells, or casts even though nephron destruction has progressed to chronic renal failure.<sup>31</sup>

It bears stressing that Rolando was only on board the vessel for seven days when he was diagnosed with chronic renal failure which, as abovequoted, is a progressive deterioration of the kidney function which happens over a period of time, therefore, it cannot be absolutely declared that he developed such illness during that short period in respondents' vessel. As declared in *Masangcay v. Trans-Global Maritime Agency, Inc.*, <sup>32</sup> to wit:

In Harrison's Principles of Internal Medicine, chronic renal failure is described as a result of progressive and irreversible destruction of nephrons, regardless of cause. This diagnosis implies that glomerular filtration rate (GFR) is known to have been reduced for at least 3 to 6 months. Often a gradual decline in GFR occurs over a period of years. It is, therefore, highly improbable that Masangcay's chronic renal failure developed in just a month's time, the length of time he was on board M/T Eastern Jewel before the symptoms became manifest. 33

Rolando was medically repatriated on May 23, 2009 and died on September 20, 2009. It is provided under Section 18B(1) of the POEA Standard Employment Contract that the employment of the seafarer is terminated when *he arrives at the point of hire* and signs off and is disembarked for medical reasons. Hence, when Rolando was medically repatriated on May 23, 2009, his contract of employment with respondents was effectively terminated. Considering that Rolando's death did not occur during the term of his employment contract and not work-related, his death is not compensable.

Petitioner claims that the fact that Rolando stayed only in respondents' vessel for one week with his last contract is of no moment as he was able to finish his eight-month contract with respondents prior to his last contract; that there is a big possibility that he had contracted such illness in his previous assignment with the respondents.

We are not impressed.

Gau Sheng Phils., Inc. v. Joaquin, supra, at 619-620.

G.R. No. 172800, October 17, 2008, 569 SCRA 592.

Masangkay v. Trans-Global Maritime Agency, Inc., supra, at 611-612.

Rolando's employment as a seafarer is governed by the contract he signs every time he is rehired and his employment is terminated when his contract expires.<sup>34</sup> Therefore, his contract with respondents was considered automatically terminated after the expiration of each overseas employment contract.<sup>35</sup> If Rolando was already suffering from chronic renal failure when he began his last contract with respondents, his illness during his previous contract with respondents is deemed pre-existing during his subsequent contract.<sup>36</sup> Hence, his death arising from a pre-existing illness is not compensable<sup>37</sup> as he did not acquire it during the term of his last employment contract with respondents.

While it is true that the pre-existence of an illness does not irrevocably bar compensability because disability laws still grant the same provided the seafarer's working conditions bear causal connection with his illness, these rules, however, cannot be asserted perfunctorily by the claimant as it is incumbent upon him to prove, by substantial evidence, as to how and why the nature of his work and working conditions contributed to and/or aggravated his illness.<sup>38</sup> Rolando was only on board the vessel for seven days and there was no substantial evidence to prove how his job as a bosun or his working conditions had aggravated his illness which caused his death.

The PEME declaring Rolando to be fit for sea duty could not have disclosed his actual health condition as the examinations were not exploratory. The PEME is not exploratory and does not allow the employer to discover any and all pre-existing medical condition with which the seafarer is suffering and for which he may be presently taking medication.<sup>39</sup> The PEME is nothing more than a summary examination of the seafarer's physiological condition.<sup>40</sup> The "fit to work" declaration in the PEME cannot be a conclusive proof to show that one is free from any ailment prior to his deployment.<sup>41</sup> As discussed in *Masangcay v. Trans Global Maritime Agency Inc.*,<sup>42</sup> the decrease of GFR, which is an indicator of chronic renal failure, is measured thru the renal function test,<sup>43</sup> and in pre-employment examination, the urine analysis (urinalysis), which is normally included, measures only the creatinine, the presence of which cannot conclusively indicate chronic renal failure.<sup>44</sup>

Francisco v. Bahia Shipping Services, Inc., G.R. No. 190545, November 22, 2010, 635 SCRA 660, 665, citing *Millares v. National Labor Relations Commission*, G.R. No. 110524, July 29, 2002, 385 SCRA 306.

Quizora v. Denholm Crew Management (Phils.), Inc., supra note 24, at 320.

Francisco v. Bahia Shipping Services, Inc., supra note 34.

NYK-FIL Ship Management, Inc. v. National Labor Relations Commission, G.R. No. 161104, September 27, 2006, 503 SCRA 595, 608.

Status Maritime Corporation v. Sps. Delalamon, supra note 27, at 409.

<sup>9</sup> Id.

Id., citing Philman Marine Agency, Inc. (now DOHLE-PHILMAN Manning Agency, Inc.) v. Cabanban, G.R. No. 186509, July 29, 2013, 702 SCRA 467, 491.

<sup>&#</sup>x27; *Id.* 

Supra note 32.

<sup>43</sup> *Id.* at 612.

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Finally, as petitioner failed to prove their claim for the grant of death benefits under Section 20(A) of the 2000 POEA Standard Employment Contract, there is also no basis for the award of damages and attorney's fees.

WHEREFORE, the petition is **DENIED.** The Decision dated December 13, 2012 and the Resolution dated April 10, 2013 issued by the Court of Appeals in CA-G.R. SP No. 120795 are hereby **AFFIRMED**.

SO ORDERED.

D**i⊙**≶DADO M. PERALTA

Associate Justice

**WE CONCUR:** 

PRESBITERØ J. VELASCO, JR.

Associate Justice Chairperson

JOSE PORTUGAL PEREZ

Associate Justice

BIENVENIDO L. REYES

Associate Justice

FRANCIS H JARDELEZA

Associate Justice

### **ATTESTATION**

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

PRESBITERO J. VELASCO, JR.

Associate Justice Chairperson, Third Division

# **CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO

Chief Justice

**CERTIFIED TRUE COPY** 

WILFREDO V. LAPITAN Division Clerk of Court Third Division

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