

FIRST DIVISION

[G.R. No. 200774, February 13, 2019]

**GERMAN MARINE AGENCIES, INC., ET AL. PETITIONERS, VS.
TEODOLAH R. CARO, IN BEHALF OF HER HUSBAND EDUARDO V.
CARO, RESPONDENT.**

D E C I S I O N

JARDELEZA, J.:

This petition for review on *certiorari*^[1] assails the December 22, 2011 Decision^[2] and February 24, 2012 Resolution^[3] of the Court of Appeals (CA) in CA-G.R. SP No. 109711. The CA reversed the Resolutions of the National Labor Relations Commission (NLRC) dated January 30, 2009^[4] and April 30, 2009 in LAC No. 07-000550-08,^[5] and ordered petitioners German Marine Agencies, Inc., (German Marine) and/or Baltic Marine Mgt., Ltd. (Baltic Marine), or Carlos Anacta to pay respondent Teodolah R. Caro (Teodolah) death benefits and burial expenses in accordance with the 2000 Philippine Overseas Employment Administration-Standard Employment Contract^[6] (2000 POEA-SEC) for the death of her husband Eduardo V. Caro (Eduardo).

German Marine is a domestic corporation which recruited Eduardo for and in behalf of its foreign principal, Baltic Marine.^[7] Since May 1996, German Marine had continuously hired Eduardo until he signed his last employment contract with them as Second Officer on February 15, 2005 for a period of nine months.^[8] Prior to the signing of this contract, Eduardo underwent the Pre-Employment Medical Examination and was declared "[f]it to [w]ork."^[9] Eduardo thereafter boarded the vessel "Pacific Senator" on March 16, 2005.^[10]

On January 3, 2006, Eduardo finished his contract of employment and was repatriated.^[11] On June 25, 2007, Eduardo died of "acute respiratory failure" while he was confined at the National Kidney and Transplant Institute.^[12]

On August 28, 2007, Teodolah filed a complaint^[13] with the Labor Arbiter for death benefits, medical expenses, and attorney's fees. Teodolah alleged that: (1) during Eduardo's employment, he suffered dry cough and experienced difficulty in breathing and urinating; (2) Eduardo's illness, which he tried to address by self-medication, is attributed to exposure to chemicals on board the vessel; (3) Eduardo felt very ill at the time of his repatriation but he merely endured it in the hopes of getting another contract; and (4) Eduardo consulted a physician at the Lung Center of the Philippines who diagnosed him to be suffering from bronchial asthma induced by chemicals.^[14]

The Labor Arbiter, in his Decision,^[15] dismissed Teodolah's complaint for lack of

merit. He ruled that Eduardo's death is not compensable because it occurred after the expiration of his employment contract. The Labor Arbiter further reasoned that even assuming Eduardo died during the term of the contract, it was not clearly and sufficiently established that the cause of death was work-related or considered an occupational disease.^[16]

Upon appeal, the NLRC affirmed the Labor Arbiter's Decision, noting that Teodolah would be entitled to death benefits only if Eduardo died during the term of his employment contract.^[17] Since Eduardo died one (1) year, five (5) months, and twenty-three (23) days after the expiration of the contract, the employer-employee relationship already ceased to exist prior to his death; thus, Teodolah cannot be granted death benefits.^[18] The NLRC likewise denied the motion for reconsideration filed by Teodolah.^[19]

In its Decision^[20] dated December 22, 2011, the CA reversed the ruling of the NLRC. It held that a perusal of the record reveals that Teodolah was able to present substantial evidence to show her entitlement to death benefits. First, Eduardo's series of employment contracts with Baltic Marine covered a total lengthy period of almost 10 years. Second, on March 19, 2001, March 27, 2001, July 19, 2001, July 30, 2001, October 8, 2001, December 3, 2001, November 4, 2003, March 7, 2005, October 7, 2006, January 12, 2007, and January 26, 2007, Eduardo consulted at the Lung Center of the Philippines where he was diagnosed with allergic rhinitis, bronchial asthma, sinusitis, and bronchitis. Third, Eduardo, as a Second Officer (formerly Third Officer) on board the vessel, was exposed to toxic fumes, chemicals, and such other hazards which contributed to his lung illness. Fourth, the immediate cause of Eduardo's death was "Acute Respiratory Failure" and the antecedent cause was "Prob. Sec. to Pulmonary Thromboembolism."^[21]

The CA found that Eduardo acquired bronchial asthma, an occupational disease under Section 32-A of the 2000 POEA-SEC, within the period of his service with Baltic Marine. For the CA, there was at least a reasonable connection between Eduardo's job as a Second Officer and his bronchial asthma, which eventually developed into acute respiratory failure. It likewise held that it is of no moment that Eduardo died after the expiration of his last contract, because what is controlling is the fact that he acquired his lung disease while he was still rendering sea services. Such disease was further aggravated by continued exposure to chemicals while on board.^[22] The CA held that the NLRC gravely abused its discretion in affirming the Labor Arbiter's dismissal of the complaint considering that there was substantial evidence showing a causal connection between Eduardo's lung illness and his work as a seaman. It thus ordered petitioners to pay Teodolah death benefits and burial expenses in accordance with the 2000 POEASEC.^[23]

The petitioners filed the instant petition after the CA issued a Resolution denying their motion for reconsideration.^[24] They argue that: Teodolah is not entitled to death compensation considering that Eduardo died after the termination of his contract;^[25] there was no proof that Eduardo's illness, which resulted in his death, was work-related;^[26] the mere fact that the immediate cause of Eduardo's death was acute respiratory failure does not necessarily mean that he died due to a lung disease because the term acute respiratory failure merely refers to a stage of lung failure due to complications arising from a person's illness, which in this case, is his

prostate cancer;^[27] and Eduardo failed to comply with the mandatory three-day reportorial requirement under the 2000 POEA-SEC.^[28]

The petition is unmeritorious.

The pertinent provision of Section 20(A) on Compensation and Benefits for Death under the 2000 POEA-SEC reads:

A. Compensation and benefits for death

1. In 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\$50,000.00) and an additional amount of Seven Thousand US dollars (US\$7,000.00) 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.

When a party claims benefits for the death of a seafarer due to a work related illness, one must be able to establish that: (1) the death occurred during the term of his employment; and (2) the illness is work-related.^[29]

Here, there is no contest that Eduardo's death occurred more than one year after the end of his employment contract. The only issue for our consideration is whether Eduardo's death is compensable for having been caused by an illness contracted during his employment; in other words, whether Eduardo's death is work-related.

The CA concluded that Eduardo acquired bronchial asthma, an occupational disease under Section 32-A of the 2000 POEA-SEC, during his employment with petitioners. The CA further found that there was a reasonable connection between Eduardo's job as a Second Officer and his bronchial asthma, which eventually developed into an acute respiratory failure and ultimately caused his death.^[30]

We agree.

The causes of Eduardo's death as stated in his Certificate of Death^[31] are:

17. CAUSES OF DEATH

I. Immediate cause: a. ACUTE RESPIRATORY FAILURE

Antecedent cause: b. PROB. SEC. TO PULMONARY THROMBOEMBOLISM

Underlying cause: c. SEC. TO PROSTATE CA

Under the given definition of the 2000 POEA-SEC, a work-related illness is "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."^[32] The 2000 POEA-SEC creates a disputable presumption that illnesses not mentioned therein are work-related.^[33]

However, on the ground of due process, the claimant may still prove by substantial

evidence, or that amount of relevant evidence which a person might accept as adequate to justify a conclusion, that the seafarer's work conditions caused or, at least, increased the risk of contracting the disease. This is because awards of compensation cannot rest entirely on bare assertions and presumptions;^[34] substantial evidence is required to prove the concurrence of the conditions that will merit compensability, consistent with the liberal interpretation accorded the provisions of the Labor Code and the social justice guarantee in favor of the workers.^[35]

In the present case, Teodolah was able to prove through substantial evidence the causal connection between Eduardo's work as a seafarer and his cause of death. Evidence substantiating the same included an enumeration of Eduardo's exposure to chemicals, noise and whole-body vibrations, strong draft winds and stormy weather, cold stress and heat stress, excessive heat from burners and steam pipes, and ultraviolet radiation during welding operations while on board and in the exercise of his duties as a Second Officer for petitioners.

In point of fact, Teodolah already established the causal link between the nature of Eduardo's work and the cause of the deterioration of his health leading to his repatriation at the first instance in her complaint^[36] before the Labor Arbiter. There, she contended, among others, that after his repatriation, a physician at the Lung Center of the Philippines diagnosed him then to have been suffering from bronchial asthma, which was chemical-induced. These claims were not dispelled by the Labor Arbiter but were merely disregarded on the reasoning that Eduardo's death was not compensable because it occurred after the expiration of his employment contract.^[37]

Upon full consideration of the evidence presented by Teodolah, the CA correctly found that there is at least reasonable correlation established between the nature of Eduardo's work and the cause of his death. Under settled jurisprudence, reasonable correlation is all that is required to prove a rightful claim for death benefits.

In the early case of *Iloilo Dock & Engineering Co. v. Workmen's Compensation Commission*,^[38] this Court has already made the pronouncement that the question of compensation coverage necessarily revolves around the core requirement of work-connection, and the corresponding evidence that establishes it.^[39] This Court has also taken the early occasion to qualify that when it comes to evaluating work-relatedness with respect to its guiding provisions in labor laws and their implementing rules, the same must always be construed fairly, reasonably, or liberally in favor, or for the benefit, of employees and their dependents, with all doubts as to the right to compensation being resolved, and all presumptions indulged in their favor.^[40]

This liberal construction of the rules pertaining to compensability has been affirmed time and again, as in the recent case of *Canuel v. Magsaysay Maritime Corporation*,^[41] where we said:

However, a strict and literal construction of the 2000 POEA-SEC, especially when the same would result into inequitable consequences against labor, is not subscribed to in this jurisdiction. Concordant with the State's avowed policy to give **maximum aid and full protection to**