

SECOND DIVISION

[G.R. NO. 155741, March 31, 2006]

**BARTOLOME C. PELAYO, PETITIONER, VS. AAREMA SHIPPING
AND TRADING CO., INC., MARITIMA FULLMAN, S.L., AND
PHILIPPINE TRANSMARINE CARRIERS, INC., RESPONDENTS**

D E C I S I O N

PUNO, J.:

Before us is a petition for review under Rule 45 assailing the Decision, dated July 18, 2002,^[1] of the Court of Appeals in CA-G.R. SP No. 55707^[2] which affirmed the decision of the National Labor Relations Commission (NLRC) in NLRC NCR Case No. 016773-98, as well as its Resolution dated October 18, 2002^[3] which denied petitioner's motion for reconsideration. The NLRC affirmed the decision of the labor arbiter, denying petitioner's claims for permanent disability benefits, sick wage allowance, moral damages, exemplary damages, and attorney's fees, filed against respondents.

Petitioner Bartolome Pelayo was hired by respondent Aarema Shipping and Trading Co., Inc. (Aarema), for and in behalf of its foreign principal, respondent Maritima Fullman, S.L., as motorman on board the vessel MT "Newbury" for ten (10) months. Before his deployment on November 3, 1994, petitioner underwent the required medical examinations and was certified fit to work. His electrocardiogram (ECG) test showed his heart condition to be "normal within limits." Upon the expiration of the original ten-month period of his contract in September 1995, petitioner's services were extended for a few more months. It was in December 1995 that petitioner returned to the Philippines.

On January 10, 1997, petitioner filed a complaint against respondents before the Department of Labor and Employment asking for permanent disability benefits, sick wage allowance, reimbursement of medical and hospital expenses, moral and exemplary damages, and attorney's fees. Petitioner alleged that he developed a heart disease as a result of the strenuous twelve-hour daily work, including Sundays and holidays, which he rendered on board the MT "Newbury."^[4] He began experiencing chest pains and difficulty in breathing even before the original period of his employment contract expired in September 1995. He requested for a medical check-up but the captain of the vessel refused. The captain relented only when his condition worsened. Petitioner was examined in Bunny, Algeria and was diagnosed with a heart ailment. He was ordered to rest for a week, which he did. However, the captain terminated his employment and discharged him from the vessel. On the way to the airport in Lagos, Nigeria on December 12, 1995, petitioner was again medically examined for which he was issued a medical certificate. Aside from malaria, he was again diagnosed to be suffering from a heart ailment. The Nigerian doctor recommended that he undergo an ECG upon arrival in the Philippines. On December 27, 1995, petitioner presented himself before respondent Aarema's

representative in Manila for a post-medical examination. He showed the medical certificate issued in Nigeria which respondent Aarema's manager took for alleged verification with his counterpart abroad. However, petitioner was later told that the certificate had been misplaced and could no longer be found. Nevertheless, respondents had him medically examined for malaria. But since petitioner needed attention for his heart ailment as well, he went to the R.A. De Leon Medical Clinic on February 6, 1996,^[5] the Philippine General Hospital (PGH) on March 12, 1996, and the AVS Medical Clinic in April 1996. The PGH certified that he was treated for "chronic stable angina"^[6] while the AVS Medical Clinic certified that he was examined for "ischemic heart disease, angina pectoris."^[7] Petitioner was recommended for disability from work as a seaman considering the strenuous work involved.^[8] Consequently, he demanded medical disability and related benefits under the Philippine Overseas Employment Administration (POEA) Standard Employment Contract Governing the Employment of Filipino Seamen on Board Ocean-Going Vessels from the respondents, to no avail.^[9] Hence, the complaint.

On March 11, 1997, the complaint was amended to implead the Philippine Transmarine Carriers, Inc. as party-respondent in view of its execution of an "Affidavit of Assumption of Responsibility" dated October 21, 1996 wherein it assumed all liabilities arising or that may arise with respect to claims of seamen recruited and deployed by respondent Aarema.

In their answer to the complaint, respondents denied that petitioner complained of chest pains and difficulty in breathing while on board the MT "Newbury." Neither did petitioner complain upon his arrival in the Philippines. Allegedly, petitioner merely complained of fever and chills and asked to be examined for malaria only. Respondents granted petitioner's request and had him examined for malaria on January 20, 1996, March 8, 1996, and March 22, 1996. After the examinations, petitioner was cleared of malaria by the company-accredited physician and by the Department of Health-Malaria Control Service. On April 2, 1996, petitioner executed a "Deed of Receipts, Release and Quitclaim" acknowledging that he is not sick of malaria, and releasing respondents from all claims arising from his previous employment with them.

On April 30, 1998, the Labor Arbiter decided the case in favor of the respondents and dismissed petitioner's complaint for lack of merit.^[10] He ruled that petitioner was not entitled to medical disability benefits because he was not discharged from the MT "Newbury" on account of any illness. He concluded that petitioner's alleged heart disease was "*not contracted during or at the time that he was working as a seaman but rather if at all occurred subsequently after the expiration of his employment contract.*" The NLRC affirmed the Labor Arbiter's decision on appeal.^[11]

Petitioner filed a special civil action for *certiorari* before the Court of Appeals contending that the NLRC committed grave abuse of discretion in rendering its assailed decision contrary to the evidence on record. On July 18, 2002, the Court of Appeals dismissed the petition on the ground that petitioner raised factual issues which are not proper in petitions for *certiorari* under Rule 65.^[12] Hence, this petition for review.

Petitioner contends that the Court of Appeals erred: (1) in dismissing the petition for *certiorari* on the sole ground that it is not a trier of facts; and, (2) in misapplying the pertinent provisions of the POEA Standard Employment Contract.

In **St. Martin Funeral Home v. NLRC**,^[13] we held that all petitions for *certiorari* from decisions and resolutions of the NLRC, instead of being filed directly with this Court, shall be filed instead in the Court of Appeals in strict observance of the doctrine on the hierarchy of courts. This was intended to relieve the Court of the unnecessary caseload of labor cases which, more often than not, present issues important only within the particular facts and parties involved in the case. From a litigant's point of view, the measure was important in providing a valuable opportunity of having the evidence reexamined and reweighed by the Court of Appeals in the course of affirming, modifying or reversing the findings of facts and conclusions of the labor officials. The Court of Appeals was considered procedurally equipped for the purpose under Section 9 of Batas Pambansa Blg. 129, known as the **Judiciary Reorganization Act**, which provides, *viz*:

SEC. 9. *Jurisdiction*.— The Court of Appeals shall exercise:

(1) Original jurisdiction to issue writs of *mandamus*, prohibition, *certiorari*, *habeas corpus*, and *quo warranto*, and auxiliary writs or processes, whether or not in aid of its appellate jurisdiction;

x x x

The Court of Appeals shall have the power to try cases and conduct hearings, receive evidence and perform any and all acts necessary to resolve factual issues raised in cases falling within its original and appellate jurisdiction, including the power to grant and conduct new trials or further proceedings. Trials or hearings in the Court of Appeals must be continuous and must be completed within three (3) months, unless extend[ed] by the Chief Justice. (*emphasis ours*)

The Court of Appeals can clearly resolve factual issues in special civil actions for *certiorari* from decisions and resolutions of the NLRC. However, rather than remand the case at bar to the Court of Appeals, we deem it expedient in the interest of speedy justice to rule on the merits of petitioner's claims based on the evidence before us.

Petitioner is asking for permanent disability benefits, sickwage allowance, and reimbursement for medical expenses under the Standard Employment Contract Governing the Employment of Filipino Seamen on Board Ocean-Going Vessels approved by the POEA on July 14, 1989^[14] which provides, *viz*:

4. The liabilities of the employer when the seaman suffers injury or illness **during the term of his contract** are as follows:

a. The employer shall continue to pay the seaman his basic wages during the time he is on board the vessel;

b. If the injury or illness requires medical and/or dental treatment in a foreign port, the employer shall be liable for