

SECOND DIVISION

[G.R. No. 116629, January 16, 1998]

NFD INTERNATIONAL MANNING AGENTS AND BARBER INTERNATIONAL A/S, PETITIONERS, VS. THE NATIONAL LABOR RELATIONS COMMISSION AND NELIA MISADA, FOR HERSELF AND IN BEHALF OF HER MINOR CHILDREN CAESAR AND ALPHA JOY, ALL SURNAMED MISADA AND HIMAYA ENVIDIADO, FOR HERSELF AND IN BEHALF OF HER MINOR CHILDREN HENREA, HAZEL, AND HENDRICK, ALL SURNAMED ENVIDIADO, RESPONDENTS.

D E C I S I O N

PUNO, J.:

This special civil action for certiorari seeks to annul and set aside the decision dated April 25, 1994 of the National Labor Relations Commission which ordered petitioners to pay a total of U.S.\$26,641.42 as death benefits to private respondents.

Petitioner NFD International Manning Agents, Inc., a domestic manning corporation, engaged the services of Eduardo P. Misada and Enrico A. Envidiado to work for petitioner Barber International A/S (Barber), a Norwegian shipping company. Misada and Envidiado were hired as second and third officers, respectively, on board the vessel M/V Pan Victoria. They were to travel from Sweden to South Korea for a period of ten months from January 1991 to November 1991.

On July 5, 1991, private respondent Nelia Misada received notice that her husband, Eduardo Misada, died on June 28, 1991 while on board the M/V Pan Victoria. On July 12, 1991, private respondent Himaya Envidiado likewise received notice that her husband, Enrico Envidiado, died on board the vessel.

As heirs of the deceased seamen, private respondents, in their behalf and in behalf of their minor children, filed for death compensation benefits under the Philippine Overseas Employment Agency (POEA) Standard Contract of Employment and the Norwegian National Insurance Scheme (NIS) for Filipino Officers. Their claims were denied by petitioners.

Private respondents filed separate complaints before the POEA Adjudication Office. They prayed for U.S.\$13,000.00 each as death compensation under the POEA Standard Contract of Employment and U.S.\$30,000.00 for each wife and U.S.\$8,000.00 for each child under eighteen years under the Norwegian NIS.^[1]

In their Answer, petitioners claimed that private respondents are not entitled to death benefits on the ground that the seamen's deaths were due to their own willful act. They alleged that the deceased were among three (3) Filipino seamen who implanted fragments of reindeer horn in their respective sexual organs on or about

June 18, 1991; that due to the lack of sanitary conditions at the time and place of implantation, all three seamen suffered "severe tetanus" and "massive viral infections;" that Misada and Envidiado died within days of the other; that the third seaman, Arturo Fajardo, narrowly missed death only because the vessel was at port in Penang, Malaysia at the time the tetanus became critical.^[2]

The complaints were consolidated and the parties filed their respective position papers and documentary evidence. On October 20, 1993, the POEA Administrator dismissed the case for lack of merit.

Private respondents appealed to respondent Commission. During the pendency of the appeal, private respondents submitted additional documentary evidence in support of their Memorandum on Appeal.

On April 25, 1994, respondent Commission reversed the POEA Administrator and ordered petitioners to pay private respondents the following:

"(a) To complainant Nelia F. Misada and her two minor children, Julius Caesar and Alpha Joy, all surnamed Misada:

(1) Death compensation of U.S.\$13,000.00 under the POEA Standard Format;

(b) To complainant Himaya G. Envidiado and her three (3) minor children, Henrea, Hazel and Hendrick, all surnamed Envidiado;

(1) Death compensation of U.S.\$13,000.00 under the provisions of the POEA Rules and Regulations; and

(2) Backwages as of July 1991 amounting to U.S.\$641.42 or its peso equivalent.

SO ORDERED."^[3]

Hence this petition. Petitioners claim that:

"I

FIRSTLY, THE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN CONSIDERING DOCUMENTS WHICH DO NOT FORM PART OF THE EVIDENCE IN THE INSTANT CASE, THEREBY DEPRIVING PETITIONERS OF DUE PROCESS;

II

SECONDLY, THE NLRC COMMITTED GRAVE ABUSE OF DISCRETION WHEN IT OVERTURNED WHAT HAS BEEN ESTABLISHED BY CIRCUMSTANTIAL AND DOCUMENTARY EVIDENCE ON THE BASIS OF DOCUMENTS WHICH AT BEST ARE HEARSAY; and

III

THIRDLY, THE NLRC COMMITTED GRAVE ABUSE OF DISCRETION IN

REVERSING THE POEA DECISION ON THE BASIS OF DOCUMENTS WHICH AT BEST ARE NOT CONCLUSIVE AS TO THE CAUSE OF DEATH OF SUBJECT SEAMEN."^[4]

Petitioners claim respondent Commission gravely abused its discretion in admitting private respondent's additional evidence on appeal. Petitioners allege that the additional evidence were "surreptitiously" submitted in violation of petitioner's right to due process.

The submission of additional evidence before the respondent Commission is not prohibited by the New Rules of Procedure of the NLRC. After all, rules of evidence prevailing in courts of law or equity are not controlling in labor cases.^[5] The NLRC and labor arbiters are directed to use every and all reasonable means to ascertain the facts in each case speedily and objectively, without regard to technicalities of law and procedure all in the interest of substantial justice.^[6] In keeping with this directive, it has been held that the NLRC may consider evidence, such as documents and affidavits, submitted by the parties for the first time on appeal.^[7] The submission of additional evidence on appeal does not prejudice the other party for the latter could submit counter-evidence.^[8]

In the case at bar, the additional evidence was submitted by private respondents before the respondent Commission in their Memorandum on Appeal dated November 8, 1993. The decision of respondent Commission was rendered on April 25, 1994, i.e., six (6) months after the additional documents were submitted. Petitioners had ample opportunity to object and refute the documents. They had the chance to submit counter-evidence during this period but they did not do so. It was only when they moved for reconsideration of the decision of respondent Commission that they questioned the admission of these evidence.

The essence of due process is simply an opportunity to be heard, or as applied to administrative proceedings, a fair and reasonable opportunity to explain one's side.^[9] It is also an opportunity to seek a reconsideration of the action or ruling complained of.^[10] It is not the denial of the right to be heard but denial of the opportunity to be heard that constitutes violation of due process of law.^[11]

Procedural matters having been disposed of, the substantive issue in this case is whether respondent Commission gravely erred in finding that the deaths of the two seamen, Eduardo Misada and Enrico Envidiado, did not come as a result of their willful and deliberate act.

Part II, Section C, No. 1, Paragraph 1 of the POEA "Standard Employment Contract Governing the Employment of All Filipino Seamen on Board Ocean-Going Vessels"^[12] provides that:

"1. In case of death of the seaman during the term of this Contract, the employer shall pay his beneficiaries the Philippine Currency equivalent to the amount of U.S.\$50,000.00 and an additional amount of U.S.\$7,000.00 to each child under the age of twenty-one (21) but not exceeding four children at the exchange rate prevailing during the time of payment.