## NINTH DIVISION

# [ CA – G.R. SP NO. 135611, March 20, 2015 ]

### JULIUS P. BAJA, PETITIONER, VS. NATIONAL LABOR RELATIONS COMMISSION (SIXTH DIVISION), C-MAN MARITIME INC., CIEL SHIP MANAGEMENT SA AND/OR MR. GREGORIO F. ORTEGA, RESPONDENTS.

## <u>DECISION</u>

#### DICDICAN, J.:

Before this Court is a Petition for *Certiorari*<sup>[1]</sup> filed pursuant to Rule 65 of the Revised Rules of Court assailing, for having been rendered with grave abuse of discretion amounting to lack or excess of jurisdiction, the January 30, 2014 Decision<sup>[2]</sup> of the National Labor Relations Commission (NLRC), Sixth Division, in labor case docketed as NLRC LAC No. (OFW-M) 01-000003-14 (NLRC-NCR Case No. (M) 04-06004-13 which affirmed the October 8, 2013 Decision<sup>[3]</sup> of the Labor Arbiter dismissing the complaint for disability benefits and damages filed by herein petitioner Julius Porazo Baja ("petitioner"). Also assailed in this petition is the March 24, 2014 Resolution<sup>[4]</sup> of the same Commission which denied the Motion for Reconsideration filed by the petitioner.

The material and relevant facts, as culled from the record, are as follows:

On March 8, 2011, petitioner Julius Porazo Baja was hired by the private respondents C-Man Maritime, Inc., a local manning agency, with private respondent Gregorio F. Ortega as its President, and Ciel Shipmanagement SA, its foreign principal, under the following employment terms:

"Duration of Contract	9 Months
Position	Trainee
Basic Monthly Salary	US\$225.00
Hours of Work	40 Hours/Week
Overtime	US\$133.00/Month fixed OT
Vacation Leave with Pay	US\$45.00/Month
Allowance	US\$17.00/Month
Point of Hire	Manila, Philippines <sup>[5]</sup> "

Prior to his deployment, the petitioner underwent a series of medical examinations wherein he was found to be "fit to work" by the company designated physician.

On March 20, 2011, the petitioner departed Manila, Philippines to join his assigned vessel, MSC Granada.

However, barely a month after his deployment, herein petitioner submitted a duly

signed Resignation Letter<sup>[6]</sup> which was addressed to private respondent Ciel Shipmanagement, Inc. and Captain A. Tomas, pertinent portion of which read as follows:

"I would like to ask in (sic) your good office that (*sic*) I want to resign from my job because the reason is that (*sic*) we have a family matters (*sic*) to settle and my presence is highly needed. Thank you so much for giving me a chance to work in your good company.

"Hoping that you won't hesitate to grant this letter of mine and once again thank you so much."

On April 14, 2011, the petitioner disembarked from his assigned vessel. The petitioner was at the airport in Malaga, Spain to catch his flight back to the Philippines when he exhibited unusual behavior which necessitated his confinement at the Mental Health Unit of the Virgen dela Victoria Hospital<sup>[7]</sup>.

Upon his arrival in the Philippines on May 9, 2011, the petitioner was examined by Dr. George Herman Y. Fernandez, the company designated physician, who, in turn, referred him to Dr. Ruben Encarnacion ("Dr. Encarnacion"), a clinical psychologist, for examination. Dr. Encarnacion, upon assessment of the petitioner's condition, recommended that he should undergo four to six sessions of psychotherapy and that a home leave to his province would be very healthy for him<sup>[8]</sup>.

However, the petitioner never returned to Dr. Encarnacion or to the companydesignated physician for further medical evaluation.

Two years later, or on April 12, 2013, the petitioner sought for a second medical opinion from Dr. Elias D. Adamos ("Dr. Adamos"), a physician and clinical psychologist at the Perpetual Succor Hospital in Sampaloc, Manila. From the medical report<sup>[9]</sup> prepared by Dr. Adamos, the petitioner's serious medical, mental and psychological condition was categorized as equivalent to Grade 1 under the Standard Contract of POEA, thereby making him permanently incapacitated to work as a seafarer.

Consequently, the petitioner filed a complaint<sup>[10]</sup> on April 22, 2013 with the Labor Arbiter against the private respondents for disability benefits, damages, and attorney's fees, alleging that he continued to suffer from his mental illness which rendered him unable to perform any work-related activity. Apparently, his condition disabled the petitioner from earning income as a seafarer, thus, he claimed to be entitled to medical assistance, disability compensation and benefits.

In the Complaint<sup>[11]</sup>, the petitioner alleged that he was an all-around man while on board MSC Granada. He purportedly was made to perform the following kitchenrelated duties: setting tables, serving food or waiting on tables, cleaning the dishes and the equipments, and preparing coffee and other beverages. He claimed that he was also the assistant of the chief cook and was in charge of the cleanliness and sanitation of the galley and the mess hall. He further alleged that he was tasked to transfer heavy provisions or items into the vessel such as meat, fruits, beverages as well as the condiments needed for cooking and was also made to fix the beds and clean the quarters of the officers of the vessel. Despite his dedication to his work, the petitioner contended that he was not afforded with the respect due to him as a worker. He was allegedly made to sleep in the mess hall where his sleep had always been interrupted while his other co-employees had their own cabins or quarters. He claimed that he was oftentimes ridiculed and bullied around by the chief cook and his fellow messman which had caused him to suffer a mental breakdown. Such extremely stressful situation of constant fearfulness and lack of sleep had allegedly compelled him to request for repatriation.

The petitioner furthermore averred that, on his flight back to the Philippines, he failed to board the plane as he was trembling and was in fear that someone might kill him. He was then brought to Virgen dela Victoria Hospital in Malaga, Spain. His uncle then went to Spain for him and accompanied him on his flight back to the Philippines.

In denying their liability, the private respondents contended that the petitioner had no cause of action against them since there was no record of any medical report or proof showing that he suffered from a work-related illness that he incurred while on board the vessel which rendered him permanently and totally disabled. The private respondents further averred that, even assuming that the petitioner was suffering from a permanent and total disability, his claim should still be denied because his failure to return to the company-designated physician or clinical psychologist for further examination was equivalent to medical abandonment.

After evaluating the evidences adduced by both parties, Labor Arbiter Remedios L.P. Marcos rendered a Decision dated October 8, 2013<sup>[12]</sup> dismissing the complaint for permanent disability benefits filed by the petitioner. The dispositive portion of the said decision is quoted herein as follows:

"WHEREFORE, premises considered, the instant complaint is hereby DISMISSED for lack of merit.

" SO ORDERED."

The Labor Arbiter ruled that the petitioner was not medically repatriated as he voluntarily resigned from employment due to family matters. Moreover, despite the recommendation by the clinical psychologist for psychotherapy sessions, the petitioner never returned from the province for further medical management which was tantamount to medical abandonment.

The Labor Arbiter likewise found that it was extraordinary for the petitioner to file the complaint for disability benefits only on April 22, 2013 or after more than two years from his last consultation with the company-designated physician. In the same vein, the declaration with respect to the petitioner's disability by his physician of choice cannot be given credence for being contrary to the mandatory procedures as laid down in the POEA-SEC.

Dissatisfied, the petitioner appealed from the decision of the Labor Arbiter to the NLRC.

On January 30, 2014, the NLRC, Sixth Division, promulgated the assailed Decision<sup>[13]</sup> affirming the decision of the Labor Arbiter, to wit:

"WHEREFORE, premises considered, the Decision dated October 8, 2013 is AFFIRMED.

"SO ORDERED."

Petitioner filed a Motion for Reconsideration of the decision of the NLRC but the said motion was denied in its Resolution<sup>[14]</sup> dated March 24, 2014, *viz*:

"WHEREFORE, the instant motion for reconsideration is hereby DENIED for lack of merit.

"SO ORDERED."

Hence, on June 2, 2014, the petitioner filed this instant Petition raising the following acts of grave abuse of discretion purportedly committed by the NLRC, to wit:

I.

THE PUBLIC RESPONDENT COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION WHEN IT DISMISSED THE PETITIONER'S CLAIM FOR TOTAL AND PERMANENT DISABILITY BENEFITS.

II.

THE PUBLIC RESPONDENT COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN OMITTING THE AWARD OF DAMAGES AND ATTORNEY'S FEES IN FAVOR OF THE PETITIONER.

In a nutshell, the issue to be resolved in this instant petition is whether the private respondents are liable to pay to the petitioner his claim for permanent disability benefits.

The petitioner contended that the Labor Arbiter and the NLRC gravely erred when they dismissed his complaint for permanent disability benefits considering that, where an illness of an employee or worker occurred in the course of his employment, it is presumed that, under the law, such illness was directly caused by or arose out of the employment or was aggravated by the same. He further asserted that he was declared as mentally and psychologically fit before his embarkation and that it was the demeaning incidents which he experienced on board the vessel which were the cause of his mental illness that eventually led to his repatriation.

At the outset, it is well to note that, in resolving disputes on disability benefits, the fundamental consideration has been that the POEA-SEC was designed primarily for the protection and benefit of Filipino seamen in the pursuit of their employment on board ocean-going vessels<sup>[15]</sup>.

The relevant statutory provisions on the matter of entitlement to disability benefits of seafarers are Articles 191 to 193 under Chapter VI (Disability Benefits) of the Labor Code, in relation to Rule X of the Rules and Regulations Implementing Book IV of the Labor Code. The provisions of the seafarer's contract, the employees' and the employer's Collective Bargaining Agreement (CBA), if there be any, and the

Standard Employment Terms and Conditions Governing the Employment of Filipino Seafarers Onboard Ocean-Going Vessels are also binding.

Paragraph 6 of Section 20(B) of the 2000 POEA Amended Standard Employment Terms and Conditions Governing Filipino Seafarers on Board Ocean-Going Vessels (POEA-SEC)<sup>[16]</sup> provides as follows:

"Section 20 (B)

### COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

#### XXX XXX XXX

6. In case of permanent total or partial disability of the seafarer caused by either injury or illness the seafarer shall be compensated in accordance with the schedule of benefits enumerated in Section 32 of this Contract. Computation of his benefits arising from an illness or disease shall be governed by the rates and rules of compensation applicable at the time the illness or disease was contracted."

Pursuant to the aforequoted provision, two elements must concur for an injury or illness of a seafarer to be compensable. First, the injury or illness must be work-related; and second, that the work-related injury or illness must have existed during the term of the seafarer's employment contract.<sup>[17]</sup>

A work-related injury or a work-related illness is defined as "injury(ies) resulting in disability or death arising out of and in the course of employment" and as "any sickness resulting to disability or death as a result of an occupational disease listed under Section 32-A of the POEA-SEC".

In interpreting the said definition, for disability to be compensable under Section 20(B) of the 2000 POEA-SEC, it is not sufficient to establish that the seafarer's illness or injury has rendered him permanently or partially disabled. It must also be shown that there is a causal connection between the seafarer's illness or injury and the work for which he had been contracted<sup>[18]</sup>.

The Supreme Court has likewise ruled that the list of illnesses/diseases in Section 32-A does not preclude other illnesses/diseases not so listed from being compensable<sup>[19]</sup>. The POEA-SEC cannot be presumed to contain all the possible injuries that render a seafarer unfit for further sea duties<sup>[20]</sup>. This is in view of Section 20(B)(4) of the POEA-SEC which states that "those illnesses not listed in Section 32 of this Contract are disputably presumed as work-related".

Concomitant with such presumption is the burden placed upon the claimant to present substantial evidence that his working conditions caused or at least increased the risk of contracting the disease<sup>[21]</sup>. Substantial evidence consists of such relevant evidence which a reasonable mind might accept as adequate to justify a conclusion that there is a causal connection between the nature of his employment and his