

MARILYN M. MIRANDA, FOR AND IN BEHALF OF HER TWO (2) MINOR CHILDREN, KENNETH AND KEVIN MIRANDA, PETITIONER, VS. THE NATIONAL LABOR RELATIONS COMMISSION (FIRST DIVISION) AND SOUT...

Ponente: TIJAM, J.

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TIJAM, J.:

This petition for certiorari filed under Rule 65 of the Rules of Court seeks to annul the Decision,[1] dated July 31, 2012 and Resolution,[2] dated November 16, 2012 of the Public Respondent National Labor Relations Commission, which affirmed the Decision,[3] dated January 27, 2012 of the Labor Arbiter and declared that Petitioner is not entitled to death benefits.

The facts of the case are as follows:

On December 20, 2010, Domingo G. Miranda (Miranda) was employed as Chief Engineer for a period of eight months with a basic monthly salary of USD3,813.69 by Private Respondent Southeast Asia Shipping Corporation (SAS), a local manning agency, in behalf of a foreign principal NOS Shipmanagement Pte. LTD to work on board the vessel MV "A LADYBUG." Prior to the signing of the contract on April 28, 2010, Miranda was required to undergo Pre-employment Medical Examination⁴ (PEME) and was declared fit to work by the company doctors. On January 7, 2011, Miranda boarded MV "A Ladybug" in Mokpo, Korea.

Sometime on January 27, 2011, the Master of the vessel, allegedly accused Miranda of having poor performance and ordered, without due process, the termination of his employment, which caused his repatriation to the Philippines on February 6, 2011.

On February 8, 2008, Miranda reported to SAS office, which offered a new assignment. He accepted his new assignment but few days thereafter, he experienced severe stomach pain with difficulty in breathing and total body weakness.

On February 25, 2011, Miranda was confined at the University of Perpetual Help Dalta Medical Center and was discharged on February 28, 2011. He was diagnosed of CAP: Moderate Risk; Liver Cirrhosis with Portal Hypertension Secondary to Schistosomiasis."^[5] On March 18, 2011, Miranda was admitted and confined at Seaman's hospital and upon examination, the doctors diagnosed him of "Liver Cirrhosis, Hepatic Nodule in the Left Lobe, Consider New Growth, Choledocholithiasis, Marginal to Slight Enlarged Spleen, Probable Right Adrenal Nodule, Left Renal Cyst, Multiple Mesentric Lymph Nodes."^[6] Miranda was discharged but died on March 30, 2011 and the immediate cause of his death was hepatorenal syndrome.^[7]

Petitioner Marilyn Miranda, legal wife of Miranda, requested the Private Respondents to pay for the death benefits of her husband but this was denied by the company. Petitioner was constrained to file a complaint for non-payment of death benefits, burial assistance, additional benefits for two minor children, moral and exemplary damages and attorney's fees against the Private Respondents with the Labor Arbiter.

In their Answer to the complaint, Private Respondents alleged that, while Miranda was on board the vessel, the officers and the crew noticed his poor performance and he was having hard time coping with his job. The captain of the vessel, Captain Amado, gave verbal warnings on several occasions and asked him to improve his performance. The Site Manager Wayne Chien and the Technical Manager Kinashi of the NOS Shipmanagement, called the attention of Captain Amado regarding the unsatisfactory performance of Miranda. As a consequence, Captain Amado called for a meeting with Miranda as witnessed by 3AE Romel Porras, where Miranda was advised to improve his work performance.

Private Respondents claimed that despite several warnings, Miranda did not improve prompting Captain Amado to call another meeting on January 27, 2011. The meeting was attended by Miranda, Chiefmate William Jandoc and 2/E Edwin Panlileo. In the said meeting, a written final warning[8] was issued against Miranda, formally advising him to improve his performance. However, Miranda refused to sign the final warning and instead opted to sign off the vessel as evidenced by his letter,[9] dated January 28, 2011.

Miranda disembarked from the vessel on February 6, 2011 and on the same date he received his full and final salary. He likewise signed a quitclaim[10] as witnessed by his replacement C/E Julito C. Espina, C/O William Jandoc and Captain Amado.

Upon arrival in Manila, Miranda did not report to the Private Respondents' office as attested to by the affidavit executed by Efren S. Aguinaldo, Vice President of SAS.

Private Respondent denied Miranda's claim for death benefits; the cause of his death not being work related and it occurred outside the term of his contract, hence, there is no basis for the claim.

On January 27, 2012, the Labor Arbiter rendered a decision dismissing the complaint for lack of merit.

Petitioner filed an appeal with the Public Respondent NLRC, which affirmed the decision of the Labor Arbiter. Petitioner's motion for reconsideration was likewise denied by the NLRC.

Petitioner filed this petition for certiorari raising the following issues:

- "1. There is prima facie abuse of discretion amounting to lack or excess of jurisdiction on the part of the Public Respondent in finding that the illness of the petitioner's husband was not work-related.
2. There is prima facie abuse of discretion amounting to lack or excess of jurisdiction on the part of Public Respondent NLRC in ruling that petitioner's husband should have died during the term of his contract in order to be compensable.
3. Petitioner is entitled to death benefits amounting to US\$50,000.00 plus US\$7,000 each for her two minor children plus burial assistance in the amount of US\$1,000.00 under the POEA-SEC."

The petition is not meritorious.

Death Benefits under Section 20 (A)
of the POEA Contract does not find
application in Miranda's case.

Section 20 (A) of the POEA Contract, and a long line of jurisprudence explaining the provision, require that for Petitioner to be entitled to death benefits, Miranda must have suffered a work-related death during the term of his contract. The provision reads:

SECTION 20. COMPENSATION AND BENEFITS. — 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) 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.

xxx xxx xxx

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:

xxx xxx xxx

c. The employer shall pay the beneficiaries of the seafarer the Philippines 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.[11]

Miranda signed a 8-month employment contract with the Private Respondents but he was repatriated to the Philippines on February 6, 2011 and few days thereafter, he died on March 30, 2011. Based on the foregoing law, Miranda's beneficiaries may be entitled to receive death benefits if he died during the term of his employment contract and the cause of his death is work-related. The labor tribunals correctly denied Petitioner's claim for death benefits. Evidence shows that Miranda pre-terminated his contract as evidenced by his letter, dated January 28, 2011. The veracity and authenticity of the said letter was not disputed by the Petitioner, thus, the same can be legally given weight.

The NLRC correctly applied Section 18(B)[3] of the POEA Standard Employment Contract, viz:

"SECTION 18. TERMINATION OF EMPLOYMENT

xxx xxx xxx

B. The employment of the seafarer is also terminated when the seafarer arrives at the point of hire for any of the following reasons:

xxx xxx xxx

3. when the seafarer, in writing, voluntarily resigns and signs-off prior to expiration of contract pursuant to Section 19(G) of this Contract.

xxx xxx xxx"[12]

It is undisputed that, at the time Miranda died, his employment contract already ceased as he opted to sign off from the vessel when Captain Amado required him to sign a copy of his final warning regarding his poor performance. Due to his pre-termination of his employment contract, Miranda's heirs are not entitled to claim death benefits.

Petitioner failed to establish that she can legally claim Death Benefits under Section 32-A of the POEA Contract.

As stated in his death certificate, Miranda's immediate cause of death was hepatorenal syndrome while its antecedent cause was hepatocellular carcinoma with liver cirrhosis decompensated, which is not among those listed in the POEA Contract under Section 32-A as an occupational disease. Be that as it may, Section 20 (B) (4) of the POEA Contract provides that "those illnesses not listed in Section 32 of this Contract are disputably presumed as work related."

However, for disability to be compensable under Section 20 (B) of the 2000 POEA-SEC, it must be the result of a work-related injury or a work-related illness, which are 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 this contract with the conditions set therein satisfied," which provides:

"Section 32-A. OCCUPATIONAL DISEASES. — For an occupational disease and the resulting disability or death to be compensable, all of the following conditions must be satisfied:

- The seafarer's work must involve the risks described herein;
- The disease was contracted as a result of the seafarer's exposure to the described risks;
- The disease was contracted within a period of exposure and under such other factors necessary to contract it;
- There was no notorious negligence on the part of the seafarer.[13]

Section 20 (B) (4) only affords a disputable presumption and the same should be read together with the requirements specified by Section 32-A of the POEA Contract. Unlike Section 20 (A), Section 32-A of the POEA Contract considers the possibility of compensation for the death of the seafarer occurring after the termination of the employment contract on account of a work-related illness.[14]

Granting that Miranda's disease was disputably presumed as work-related, Petitioner however failed to satisfy the foregoing requirement of the law. Petitioner merely alleged that Miranda's illness was contracted and occurred during the term of his contract of employment and capitalizes on her claim that Miranda was declared by the company designated doctors as fit to work in his PEME.

We quote with approval the NLRC's discussion on this matter, thus said:

"Further, records of the case shows that Domingo did not die of a work-related illness. It is worthy to note that Domingo's final diagnosis is CAP: Moderate Risk; Liver Cirrhosis with Portal Hypertension Secondary to Schistosomiasis, which were already present and noted during the PEME done on (sic) April 2010. Needless to say Domingo's condition was pre-existing as he already suffering from illness of the liver before he joined the respondents' vessel. In fact, this is the reason why the gastroenterologist noted and advised him for proper diet and alcohol restriction.

Thus, Marilyn's argument that her husband's death is compensable because the illness which caused his death was acquired during the term of his employment with Southeast Asia has no basis.

Needless to state, without a post medical examination or its equivalent to show that the disease for which the seaman died was contracted during his employment or that his working conditions increased the risk of contracting the ailment, the employer cannot be made liable for death compensation. Thus, in the absence of substantial evidence, working conditions cannot be presumed to have increased the risk of contracting the disease. Here, there is no showing that the cause of Domingo's death is listed as an occupational disease, and there was no evidence to convince Us that it is work related, or that his working conditions increased the risk of contracting the same. What is clear is that respondents were able to dispute or overturn the presumption that Domingo's illness is work related. Thus, We find no basis to award the death compensation benefits prayed for by the beneficiaries of Domingo."[15]

We stress that it is the oft-repeated rule that whoever claims entitlement to the benefits provided by law should establish his right to the benefits by substantial evidence. Often described as more than a mere scintilla, substantial evidence is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion, even if other equally reasonable minds might conceivably opine otherwise. Any decision based on

unsubstantiated allegations cannot stand as it will offend due process.[16] Hence, the burden to prove entitlement to disability benefits lies on Petitioner, thus she must establish that Miranda had contracted his illness during the term of his employment contract or that his work condition in the vessel had aggravated his pre-existing illness, which resulted to his death after he signed off the vessel. However, Petitioner miserably failed to support her claim that Miranda's illness was work-related.

While the Court adheres to the principle of liberality in favor of the seafarer in construing the POEA-SEC, it cannot allow claims for compensation based on conjectures and probabilities. When there is no evidence on record to permit compensability, the Court has no choice but to deny the claim, lest injustice is caused to the employer. The Court emphasizes that Its commitment to the cause of labor does not prevent it from finding for the employer when it is right and just. The Court is always mindful that justice is in every case for the deserving, to be dispensed with in the light of established facts, the applicable law, and existing jurisprudence.[17]

All told, We find that both labor tribunals correctly denied Petitioner's claim for death benefits.

WHEREFORE, the petition is Dismissed. The assailed Decision, dated July 31, 2012 and Resolution, dated November 16, 2012 of the Public Respondent National Labor Relations Commission are hereby AFFIRMED.

SO ORDERED.

Lopez, M.V., and Garcia-Fernandez, M.V., JJ., concur.

[1] Annex A, Rollo, pp. 33-41.

[2] Annex D, Rollo, pp. 57-58..

[3] Annex B, Rollo, pp. 42-48.

[4] Rollo, p. 84.

[5] Rollo, pp. 87-88.

[6] Rollo, p. 89.

[7] See, Certificate of Death, Rollo, p. 143.

[8] Rollo, p. 139.

[9] Rollo, p. 135.

"Dear Sir,

I, C/E Domingo G. Miranda, presently onboard A Ladybug, refused to sign the final warning against me. My decision is to sign off from Ladybug on arrival (sic) Singapore but I want to get my salary and plane ticket back to Manila.

Hoping for your consideration regarding above.

Very Truly Yours,

signed

C/E Domingo G. Miranda" (emphasis supplied).

[10] Rollo, p.142.

[11] Seapower Shipping Enterprises Inc. vs. Salazar, G.R. No. 188595, August 28, 2013.

[12] Emphasis supplied.

[13] Magsaysay Maritime Services vs. Laurel, G.R. No. 195518, March 20, 2013.

[14] See, Seapower Shipping Enterprises Inc. vs. Salazar, G.R. No. 188595, August 28, 2013.

[15] Emphasis supplied.

[16] Manota vs. Avantgarde Shipping Corporation, et.al., G.R. No. 179607, July 24, 2013.

[17] Crew and Ship Management International Inc. vs. Soria, G.R. No. 175491, December 10, 2012.

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