

FIRST DIVISION

[G.R. No. 217036, August 20, 2018]

SKIPPERS UNITED PACIFIC, INC., AND/OR IKARIAN MOON SHIPPING, CO., LTD., PETITIONERS, VS. ESTELITO S. LAGNE, RESPONDENT.

D E C I S I O N

PERALTA J.:*

This is a Petition for Review on *Certiorari* under Rule 45^[1] of the Rules of Court seeking the reversal of the Decision^[2] dated April 30, 2014 and the Resolution^[3] dated February 23, 2015 of the Court of Appeals in CA-G.R. SP No. 123897 entitled "*Skippers United Pacific, Inc. and/or Ikarian Moon Shipping Co., Ltd. v. Estelito S. Lagne.*"^[4]

The facts are as follows:

Estelito S. Lagne (*Lagne*) was hired by Skippers United Pacific, Inc. (*petitioner*) to serve as Oiler on board the vessel "Nicolaos M" which is owned and operated by its foreign principal, co-petitioner Ikarian Moon Shipping Co., Ltd. On September 14, 2009, Lagne signed his employment contract which included the standard terms and conditions governing the employment of Filipino seafarers as prescribed by the Philippine Overseas Employment Administration (*POEA*). The contract has a duration of nine months with basic salary of US\$465.00.

Part of his pre-employment requirements, Lagne was subjected to a Pre-Employment Medical Examination (*PEME*) where he was declared "fit for sea duty." Thus, on September 25, 2009, Lagne boarded his assigned vessel to commence his work.

Sometime in January 2010, Lagne started to feel pain on his anus whenever he carries heavy weights or performs laborious tasks. He also experienced chest pains and difficulty in breathing during his work which he tried to endure. However, his ailment persisted as he even experienced intolerable pain even during defecation. Later, Lagne felt that there was a protruding mass on his anus which he noticed to be increasing in size. Alarmed, he reported the matter to his supervisor.

On May 12, 2010, Lagne was brought to the clinic at 51 Rue D'ansou 66600 Saint Nazaire, Montoir, France, where he was attended by a certain Dr. Bourgois. He was diagnosed to have a "rectal mass" and was recommended for medical repatriation after having been declared "unfit for duty." Based on said findings, on May 17, 2010, Lagne was repatriated to the Philippines.

Upon his arrival, Lagne was referred for medical check-up at the General Med Health Services. After a series of laboratory tests, he was advised to undergo surgical

evaluation and biopsy of the rectal mass. Subsequently, Lagne was endorsed at the Metropolitan Medical Center, under the care of Dr. Esther G. Go (*Dr. Go*), the company-designated physician, who conducted colonoscopy and biopsy on Lagne. The results confirmed the presence of "anorectal mass." Lagne was also subjected to CEA determination and CT scan of his whole abdomen and chest. While his medical assessment was ongoing, Lagne filed a complaint before the arbitration branch of the NLRC claiming permanent total disability benefits, sick wages, damages and attorney's fees against petitioners. The case was docketed as NLRC NCR OFW Case no. (M) 09-12437-10.

On September 16, 2010, Dr. Go issued a follow-up medical evaluation report on Lagne's condition containing the following findings:

x x x x

Repeat, complete blood count showed decreased hemoglobin (98 g/L), hematocrit (0.30), elevated eosinophils and adequate platelet count.

His CEA result showed markedly elevated result.

Histopath result of the rectal biopsy showed moderately differentiated adenocarcinoma.

His CT Scan of the whole abdomen with contrast revealed rectosigmoid mass. Consider adenocarcinoma with probable beginning pericolic tumor spread or congestion. Multiple hepatic nodule. Metastatic (?)

CT Scan of the chest with contrast showed multiple tiny pulmonary nodules, right upper lobe probably due to inflammatory or metastatic process. Degenerative changes, thoracic spine.

x x x x^[5]

Later, Dr. Go diagnosed Lagne as suffering from "*Moderately Differentiated Rectosigmoid Adenocarcinoma*." Lagne was advised to undergo Abdominal Perineal Resection of the Rectosigmoid Tumor which includes the placement of permanent colostomy as management for his condition. Dr. Go, likewise, recommended transfusion of two (2) units of packed red blood cells in preparation for his surgery. Lagne, however, refused and manifested his desire to seek second opinion from his private doctor.^[6]

Lagne then sought the expertise of Dr. May S. Donato-Tan (*Dr. Donato-Tan*, a specialist in internal medicine and cardiology at the Philippine Heart Center, for the assessment and evaluation of his health condition. On November 30, 2010, Dr. Donato-Tan found Lagne to have sustained a permanent disability due to "*Moderately Differentiated Rectosigmoid Adenocarcinoma and Atherosclerotic Cardiovascular Disease*" and declared him "UNFIT FOR DUTY in whatever capacity as seaman."^[7]

In his claim for disability compensation, Lagne asserted that his illness, *rectosigmoid adenocarcinoma*, was directly caused by his employment with petitioners. He alleged that the food regularly served in their assigned vessel involved mostly carbohydrates and meat, usually with saturated fat. He also averred that his duties as an oiler exposed him to manual and laborious tasks such as carrying heavy equipment and other materials which contributed to the worsening of his condition.

Lagne further claimed entitlement to sickness allowance as provided under Section 20 (B), paragraph 3 of the POEA Standard Contract for Seafarers, to wit:

Upon sign-off from the vessel for medical treatment, the seafarer is entitled to sickness allowance equivalent to his basic wage until he is declared fit to work or the degree of permanent disability has been assessed by the company-designated physician but in no case shall this period exceed one hundred twenty (120) days.

Lagne, thus, prayed that petitioners be ordered to pay him permanent total disability benefits in the amount of US\$60,000.00, sickness allowance in the sum of US\$2,536.36, moral as well as exemplary damages of P500,000.00 each, and attorney's fees.

Meanwhile, petitioners argued that Lagne is not entitled to any disability compensation since *rectosigmoid adenocarcinoma* is not listed as one of the occupational diseases under Section 32-A of the POEA Standard Employment Contract for Seafarers (*POEA-SEC*). They insisted that the same is not connected with his duties as an oiler and, therefore, is not compensable under the provisions of the *POEA-SEC*. They further claimed that even the medical conclusion of the company-designated physician confirmed that Lagne's illness is not work-related.

On February 28, 2011, the Labor Arbiter dismissed Lagne's claim for total permanent disability benefits for his failure to substantiate his claim that his illness is work-related.^[8] It ruled that the findings of Dr. Go should be upheld over the assessment of Dr. Donato-Tan because the former conducted an extensive and regular monitoring of Lagne's condition as opposed to the latter who made her conclusion after a single consultation only. The Labor Arbiter, likewise, denied the prayer for sickness allowance, damages and attorney's fees. The dispositive portion of the Decision reads:

WHEREFORE, PREMISES CONSIDERED, judgment is hereby rendered DISMISSING the instant complaint for lack of merit.

SO ORDERED.^[9]

Aggrieved, Lagne appealed to the NLRC. In a Decision^[10] dated September 15, 2011, the NLRC reversed the decision of the Labor Arbiter and granted Lagne's prayer for monetary awards. It held that the food provisions on the ship consisting

mostly of frozen meat and canned goods, as well as Lagne's arduous job as an oiler, undoubtedly aggravated the latter's rectal illness entitling him to recover permanent total disability benefits under the POEA-SEC. The dispositive portion of the Decision reads:

WHEREFORE, the Decision on Appeal is SET ASIDE and REVERSED and a NEW ONE entered declaring all the respondents-appellee liable to pay complainant, in peso equivalent at the time of payment, the following amounts:

- a) USD \$1,860 as sickness allowance;
- b) USD \$60,000.00 as disability benefits; and
- c) 10% of the money awards as and for attorney's fees.

SO ORDERED.^[11]

Dissatisfied, petitioners sought reconsideration but the NLRC in a Resolution^[12] dated January 27, 2012, denied the same.

On April 30, 2014, in its disputed Decision,^[13] the Court of Appeals affirmed the Resolutions dated September 15, 2011 and January 27, 2012 of the NLRC.

Petitioners moved for reconsideration but was denied in a Resolution^[14] dated February 23, 2015. Thus, the instant petition for review on *certiorari* raising the following issues:

I

WHETHER OR NOT THE COURT OF APPEALS COMMITTED ERROR OF LAW WHEN IT AFFIRMED THE GRANT OF CONTRACTUAL BENEFITS TO LAGNE DESPITE THE LATTER'S FAILURE TO PRESENT ANY SUBSTANTIAL EVIDENCE TO SHOW THAT HIS COLORECTAL CANCER IS WORK-RELATED.

II

WHETHER OR NOT THE COURT OF APPEALS COMMITTED ERROR OF LAW IN AFFIRMING THE AWARD OF ATTORNEY'S FEES DESPITE THE ABSENCE OF ANY EVIDENCE SHOWING BAD FAITH ON THE PART OF PETITIONERS.

Petitioners' claim that Lagne's allegation that his illness is work-related is self-serving, as he failed to substantiate his claim. They insisted that Lagne's illness, *rectosigmoid adenocarcinoma*, is not listed as compensable under Section 32-A of the POEA-SEC. They further contend that the Court of Appeals committed error in adopting the conclusion of the NLRC that Lagne was served with unhealthy food provisions which aggravated his colorectal cancer as the same was unsupported by any evidence.

On the other hand, Lagne reiterated the ruling of the CA that his illness is work-related, and insisted that the food provisions on the ship consisting mostly of frozen meat and canned goods and his strenuous work as an oiler aggravated his rectal illness. He argued that due to his inability to return to his work because of his illness, he is entitled to permanent total disability.^[15]

We deny the instant petition.

As a general rule, only questions of law raised *via* a petition for review under Rule 45 of the Rules of Court are reviewable by this Court. Factual findings of administrative or *quasi-judicial* bodies, including labor tribunals, are accorded much respect by this Court as they are specialized to rule on matters falling within their jurisdiction especially when these are supported by substantial evidence.^[16] However, a relaxation of this rule is made permissible by this Court whenever any of the following circumstances is present:^[17]

1. [W]hen the findings are grounded entirely on speculations, surmises or conjectures;
2. when the inference made is manifestly mistaken, absurd or impossible;
3. when there is grave abuse of discretion;
4. when the judgment is based on a misapprehension of facts;
5. when the findings of fact are conflicting;
6. when in making its findings, the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee;
7. when the findings are contrary to that of the trial court;
8. when the findings are conclusions without citation of specific evidence on which they are based;
9. when the facts set forth in the petition, as well as in the petitioner's main and reply briefs, are not disputed by the respondent;
10. when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; or
11. when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion.^[18]

Whether or not Lagne's illness is compensable is essentially a factual issue. However, in view of the conflicting views of the Labor Arbiter, and the NLRC and CA, this Court is compelled to look into its factual domain.

For disability to be compensable under Section 20(B)(4) of the POEA-SEC, two elements must concur: (1) the injury or illness must be work-related; and (2) the work-related injury or illness must have existed during the term of the seafarer's employment contract.^[19]

The POEA-SEC defines a work-related injury as "injury(ies) resulting in disability or death arising out of and in the course of employment," and a work-related illness as