

SECOND DIVISION

[G.R. No. 202859, November 11, 2015]

**NEW FILIPINO MARITIME AGENCIES, INC., TAIYO NIPPON
KISEN CO., LTD., AND ANGELINA T, RIVERA, PETITIONERS, VS.
VINCENT H. D ATAYAN -HEIR OF SIMON VINCENT H. DATAYAN
III,^[1] RESPONDENT.**

D E C I S I O N

DEL CASTILLO, J.:

As a rule, the death of a seafarer during the term of his employment makes his employer liable for death benefits. The employer, may, however, be exempt from liability if it can successfully establish that the seafarer's death was due to a cause attributable to his own willful act.^[2]

This Petition for Review on *Certiorari* assails title February 22, 2012 Decision^[3] of the Court of Appeals (CA) in CA-G.R. SP No. 119775. The CA granted the Petition for *Certiorari* filed therewith and reversed and set aside the October 28, 2010 Decision^[4] and March 15, 2011 Resolution^[5] of the National Labor Relations Commission (NLRC) in NLRC LAC No. 07-000536-10, which, in turn, affirmed the May 31, 2010 Decision^[6] of Labor Arbiter Arden S. Anni (LA) dismissing the complaint in NLRC-NCR OFW Case No. (M)05-07052-09.

Likewise challenged is the July 24, 2012 CA Resolution^[7] denying the motion for reconsideration for lack of merit.

Factual Antecedents

On August 8, 2007, New Filipino Maritime Agencies, Inc. (NFMA), for and on behalf of St. Paul Maritime Corp. (SPMC), employed Simon Vincent Datayan II (Simon) as deck cadet on board the vessel Corona Infinity. His employment was for nine months with basic monthly salary of US\$23 5.00.^[8] Prior to his deployment, Simon underwent pre-employment medical examination (PEME) and was declared fit for sea duties. On August 17, 2007, he boarded the vessel and assumed his duties as deck cadet.^[9]

On December 30, 2007, at 12:40 a.m., the Master authorized the conduct of an emergency fire drill in which the crew participated. At about 1:25 a.m., he declared that Simon jumped overboard. A futile search-and-rescue operation ensued. After a few weeks, Simon was declared missing and was presumed dead.^[10]

Simon's father, Vincent H. Datayan (respondent), alleged that he went to NFMA to claim death benefits but his claim was unheeded.^[11] On May 11, 2009, he filed a

complaint^[12] for death benefits and attorney's fees against NFMA, Taiyo Nippon Kisen Co., Ltd.,^[13] and Angelina T. Rivera (petitioners).

Respondent averred that because Simon died during the term of his employment, the provisions of the collective bargaining agreement (CBA) among All Japan Seamen's Union, Associated Marine Officers' and Seamen's Union of the Philippines (AMOSUP), and the International Mariners Management Association of Japan, must be applied in the grant of death benefits and burial assistance in his favor, being the heir of Simon.^[14]

Respondent also stated that the fire drill was conducted at 12:40 a.m. where there was heavy concentration of fishing boats in the area; and during which the water temperature was expected to cause hypothermia. He asserted that petitioners were presumed to be at fault or had acted negligently, unless they could prove that Simon's death was due to causes not legally compensable.^[15] He declared that there was no evidence that Simon committed suicide and maintained that his death was a result of negligence and reckless instruction of the Master.^[16]

On the other hand, petitioners alleged that on December 29/2007, the crew, except those on duty, were in the mess hall for a birthday celebration. They stated that Simon was invited by the Master to join the party but he refused.^[17] At about 12:40 a.m. of December 30, 2007, the Master ordered the conduct of a fire and emergency drill. After the drill, a crew meeting was held where the Master reprimanded Simon for his poor performance. They stated that Simon left even before the meeting was concluded. Thus, the Master ordered the crew to search for him. At about 1:25 a.m. to 1:30 a.m. of December 30, 2007, Raymond Ocleasa (Ocleasa) saw Simon jump overboard.^[18]

Additionally, petitioners declared that they exerted efforts to search, locate and rescue Simon.^[19] They alleged that the vessel retraced its course to where he fell. The Master also informed the Japan Coast Guard about the incident. In response, the Yokohama Coastguard Patrol conducted a search-and-rescue operation to no avail.^[20]

Petitioners also averred that during a search made on the vessel, a note from Simon was found.^[21]

Petitioners argued that respondent had no cause of action against them because Simon's death was a result of his (Simon's) deliberate act. They insisted that based on the Philippine Overseas Employment Administration (POEA) Standard Employment Contract (SEC) and CBA, a complainant is not entitled to death benefits when the cause of the seaman's death was the latter's willful act.^[22] Petitioners added that the Master's Report, Statement of Facts, Marine Note of Protest and Investigation Report conclusively proved that Simon committed suicide. They stated that this conclusion was bolstered by the suicide note found on the vessel, signed by Simon himself.^[23]

Ruling of the Labor Arbiter

On May 31, 2010, the LA dismissed the complaint.^[24] The LA held that Simon's suicide was established by the evidence on record. Specifically, the Master's Report, as corroborated by Simon's suicide note, showed that he voluntarily jumped overboard. The LA stated that "the signature of the deceased seafarer in said note and in his POEA Contract would show similarity, if not identity. To say that it was fabricated or concocted will not lessen the credibility of the suicide note, absent any concrete evidence to the contrary."^[25]

Ruling of the National Labor Relations Commission

On appeal, the NLRC affirmed the LA Decision.^[26] Like the LA, the NLRC gave probative weight to the suicide note, the Master's Report, along with other pieces of documentary evidence adduced, to establish that Simon committed suicide. It held that considering that the death of the seafarer was due to his willful act, then his heir is not entitled to his death benefits.

On March 15, 2011, the NLRC denied respondent's motion for reconsideration.^[27]

Ruling of the Court of Appeals

Respondent then filed a Petition for *Certiorari* with the CA maintaining that there was no evidence that Simon committed suicide hence his death is compensable.

On February 22, 2012, the CA rendered the assailed Decision,^[28] finding for respondent, the decretal portion of which reads:

WHEREFORE, the petition for *certiorari* is GRANTED. The assailed October 28, 2010 Decision and March 15, 2011 Resolution of public respondent are REVERSED and SET ASIDE. A new judgment is rendered ordering private respondents New Filipino Maritime Agencies, Inc. and/or Taiyo Nippon Kisen Co., Ltd. and Angelina T. Rivera to pay petitioner Vincent H. Datayan as heir of Simon Vincent H. Datayan II, the following:

1. US\$50,000.00 or its Philippine currency equivalent as death benefits in accordance with the 2000 POEA Amended Standard Terms and Conditions Governing the Employment of Filipino Seafarers on Board Ocean[-]Going Vessels;
2. US\$1,000.00 or is [sic] Philippine currency equivalent as burial assistance;
3. P50,000.00 as moral damages and P25,000.00 as exemplary damages;
4. Attorney's fees equivalent to 10% of the total monetary awards; and
5. Legal interest on the foregoing amounts from the date of filing of the complaint until fully paid.

SO ORDERED.^[29]

The CA explained that it was beyond question that Simon died aboard the vessel and during the effectivity of his contract, thus, respondent is entitled to receive death benefits arising therefrom. It found that petitioners' evidence failed to prove that Simon committed suicide; and ruled that the Master who executed and signed the Master's Report, Marine Note of Protest and Statement of Facts failed to give positive testimony ascertaining Simon's actual suicide. It further pointed out that the crew members who signed the Investigation. Report had no personal knowledge of Simon's suicide. It added that Ocleasa, the alleged witness of the incident, did not sign the report or issue a sworn statement on the matter.

In addition, the CA stated that Simon underwent PEME and was not declared emotionally unfit. As such, it gave no probative weight to the alleged suicide note of Simon.

Finally, the CA reasoned that in computing the death benefits in favor of respondent, the applicable provisions are those under the POEA SEC not the CBA which covers disability benefits only; moreover, there was no evidence that Simon was an AMOSUP member.

On July 24, 2012, the CA denied petitioners' motion for reconsideration.^[30] Hence, petitioners filed the instant Petition arguing that:

- I. x x x the Court of Appeals committed serious, reversible error of law in awarding death benefits in favor of respondent Mr. Vincent H. Datayan II despite the ruling of this Honorable Court in the case of Reyes vs. Maxim's Tea House, that findings of fact of quasi-judicial bodies like the NLRC, particularly when they coincide with those of the Labor Arbiter and if supported by substantial evidence, are accorded respect and even finality by appellate courts.^[31]
- II. x x x the Court of Appeals committed serious, reversible error of law in holding that the death of the deceased seafarer was compensable as the defense of suicide was not established with substantial evidence despite the suicide note made by the deceased seafarer whose authenticity was affirmed by the Labor Arbiter and the First Division of the NLRC.^[32]
- III. x x x the Court of Appeals committed serious, reversible error of law in awarding damages, attorney's fees and legal interest in favor of respondent. The award of damages and attorney's fees has no basis as the denial of respondent's claim for death benefits was done in good faith. Further, the award of legal interests has no basis in fact and in law.^[33]

Petitioners submit that the documentary evidence established that Simon killed himself, which makes respondent not entitled to death benefits. They contend the LA and the NLRC found said documents to be authentic and are sufficient proof that

the cause of Simon's death was his willful act of committing suicide.

Petitioners posit that the CA erred in holding that the best evidence to prove Simon's alleged suicide was his body, which was never found. They added that it would be unjust to hold that the fact of death was established but its cause was not shown from the evidence on record. They further aver that to follow this line of reasoning the fact of death must be established by clear and convincing evidence. As such, according to petitioners, respondent's cause of action would have accrued only after four years from the time Simon was presumed dead on December 30, 2007.

Likewise, petitioners state that the Marine Note of Protest, Master's Report, Statement of Facts and Investigation Report were not hearsay evidence because they were official documents issued by the Master. Also, they point out that these documents were notarized and were authenticated by an affidavit signed by the Master.

Petitioners also explain that the absence of signature of Ocleasa was addressed in the Investigation Report. The report indicated that Ocleasa had already disembarked when the investigation was conducted; he, nonetheless, reported to the local agents and narrated what he witnessed on the vessel.

Petitioners emphasize the finding of the LA that the signatures in the alleged suicide note and in the POEA contract were the same, if not identical.

Lastly, petitioners allege that damages were improperly awarded in favor of respondent considering that necessary procedures were undertaken to locate Simon. They also state that investigation was conducted to gather information from the crew regarding the circumstances surrounding his death.

For his part, respondent reiterates that there was no evidence that Simon committed suicide and that his death was a result of the Master's negligence. He insists that the alleged suicide note could not have been written by Simon considering the proximity of events, that is, at 12:40 a.m., the fire drill was conducted and at 1:25 a.m., Simon was said to have jumped overboard. He asserts that he is entitled to compensation for the death of his son because he had established that he died during the term of his employment contract with petitioners.

Issue

Is the CA correct in finding that the NLRC committed grave abuse of discretion in denying respondent's claim for death benefits?

Our Ruling

In labor cases, the review of the Court under Rule 45 of the Rules of Court involves the determination of the legal correctness of the CA Decision. This means that the Court must ascertain whether the CA properly determined the presence or absence of grave abuse of discretion in the NLRC Decision. Simply put, "in testing for legal correctness, the Court views the CA Decision in the same context that the petition for *certiorari* it ruled upon was presented to it."^[34] It entails a limited review of the