

SECOND DIVISION

[G.R. No. 191034, October 01, 2014]

**AGILE MARITIME RESOURCES INC., ATTY. IMELDA LIM
BARCELONA AND PRONAV SHIP MANAGEMENT, INC.,
PETITIONERS, VS. APOLINARIO N. SIADOR, RESPONDENT.**

DECISION

BRION, J.:

We resolve the present petition for review on *certiorari*^[1] challenging the decision^[2] dated September 25, 2009 and resolution^[3] dated January 21, 2010 of the Court of Appeals (CA) in CA-G.R. SP No. 101211.

The Antecedents

On December 18, 2000, Dennis Siador (*Dennis*), son of respondent Apolinario Siador (*Apolinario*), entered into a seven-month contract of employment, as Ordinary Seaman^[4] on board the vessel *LNG ARIES*, with petitioner Agile Maritime Resources, Inc. (*Agile*) – the local manning agent of petitioner Pronav Ship Management, Inc.

On December 12, 2001, Apolinario filed a complaint for death benefits, damages and attorney's fees against the petitioners, including Agile's President, Imelda Lim Barcelona (*Barcelona*), for the death of Dennis "who fell from the vessel [on June 28, 2001] and who died in the high seas x x x,"^[5] while the vessel was cruising towards Sodegaura, Japan. Dennis' body was never recovered.

Apolinario claimed that Dennis' employment was governed by the Philippine Overseas Employment Administration Standard Employment Contract (*POEA-SEC*) and supplemented by the International Transport Workers Federation-Total Crew Cost (ITF-TCC) Collective Bargaining Agreement (*CBA*).

Under the POEA-SEC,^[6] in case of death of a seafarer, the employer shall pay his beneficiaries the Philippine currency equivalent to Fifty Thousand United States dollars (US\$50,000.00).^[7] The ITF-TCC CBA,^[8] on the other hand, grants Sixty Thousand United States dollars (US\$60,000.00) to the immediate next of kin of the seafarer who lost his life.^[9] As the sole heir of Dennis, Apolinario prayed for the upgraded death benefits under the ITF-TCC CBA.

The petitioners did not deny that the incident happened. Based on the "Master's Statement on S.A.R. Operation for Mr. Dennis Siador"^[10] (*Master's Statement*), they contended that at about 2:00 o'clock in the afternoon of June 28, 2001, Able Seaman Gil Tamayo (*AB Tamayo*) saw Dennis jump overboard. Tamayo immediately informed Third Officer Milan Crnogorac who sounded the *man-overboard alarm* –

seven short blasts, followed by one long blast.

The Master of the vessel immediately ordered a life ring thrown into the water and put into motion the vessel's *man-overboard maneuver* by turning the vessel to a reciprocal course on her starboard side. Fitter Rolando Moreno (*Moreno*) was ordered to keep an eye on Dennis with the use of binoculars. Allegedly, Moreno saw Dennis floating on his back, making no effort to swim towards the life ring. He then saw Dennis sink in the water and disappear from sight despite the effort to rescue him by a team led by the Chief Officer. At 5:15 p.m., with the horizon darkening and the temperature remarkably dropping, the search and rescue effort was called off.

Agile notified Apolinario of Dennis' death through a letter dated July 30, 2001.^[11] With the assistance of a counsel and the ITF, Apolinario demanded death and burial benefits, Dennis' accrued salary and leave pay from the petitioners who turned down the claim, particularly for death benefits under the CBA.^[12] This refusal led to the filing of the complaint.

The Compulsory Arbitration Rulings

In his decision^[13] of January 12, 2004, Labor Arbiter (*LA*) Edgardo M. Madriaga (*Madriaga*) dismissed the complaint for lack of cause of action. LA Madriaga found that Dennis – saddled by heavy personal and psychological problems – took his own life by jumping overboard.

On Apolinario's appeal, the National Labor Relations (*NLRC*) affirmed LA Madriaga's ruling in its resolution dated January 24, 2007.^[14] It found no sufficient justification to disturb the appealed decision. Apolinario moved for reconsideration, but the NLRC denied the motion. The denial prompted Apolinario to elevate the case to the CA through a petition for *certiorari* under Rule 65 of the Rules of Court.

The CA Proceedings

Apolinario charged that the NLRC gravely abused its discretion when it affirmed LA Madriaga's finding that Dennis took his own life and thus is not entitled to death benefits. He decried the NLRC's "narrow-minded view of the incident;" it failed to consider that "days prior to his death, Dennis was already afflicted with mental disability and could not be blamed for jumping overboard."^[15] Apolinario also assailed the NLRC's failure to apply the jurisprudential principle that self-destruction is not presumed.

The CA Decision

The CA partially granted the petition. It reversed the labor tribunal's dismissal of the complaint and awarded Apolinario Sixty Thousand United States dollars (US\$60,000.00) as death benefits, but denied his claim for damages. It sustained Apolinario's position that prior to his death, Dennis had been suffering from mental instability, and therefore could not be considered to have intentionally taken his life. It cited the personal accounts of the Filipino crewmembers on Dennis' unusual behavior days before the incident, which narrated that Dennis appeared to be very disturbed, anxious, depressed and restless. These personal accounts are contained in the "Statement on Mr. Dennis Siador"^[16] (*Crewmembers' Statement*) that Master

Capt. Dragan Tataj, the Master of the vessel, prepared on the very day the incident happened; the Filipino crewmembers affirmed the statement through their signatures.^[17]

The CA opined that without the report of Dennis' previous unusual behavior, it would have been safe to presume that he willfully took his life, but the report on record cannot be disregarded.^[18]

The Petition

The petitioners ask the Court to set aside the CA ruling on the ground that the CA gravely erred in reversing the decision and the resolution of the LA and the NLRC, respectively, as they committed no grave abuse of discretion in deciding the case. They insist that there is "ample and convincing evidence" showing that Dennis took his own life and that his death was not caused by his mental problems.

The evidence, they point out, is found in the *Crewmembers' Statement*, where the crewmembers in contact with Dennis narrated that on the day of the incident "he was just depressed, that he was not ill and that he just wanted to be alone."^[19] According to the petitioners, Dennis' statement negates the CA's finding that Dennis was mentally ill.

The Case for Apolinario

In his Comment,^[20] Apolinario prays for the dismissal of the petition. The CA's finding that Dennis was suffering from unsound mind days before the incident is fully supported by the records of the case, particularly by the petitioners' own evidence. Apolinario submits, too, that the CA ruling coincides with legal principle in labor compensation cases that self-destruction is not presumed.^[21]

The Court's Ruling

We grant the petition.

Preliminary considerations

a. Certiorari under Rule 65 and appeal under Rule 45

In a Rule 45 review of a CA ruling rendered pursuant to Rule 65, the Court determines the legal correctness of the CA decision based on its determination of the presence or absence of grave abuse of discretion in the NLRC decision that the CA reviewed, not on the basis of whether the NLRC decision on the merits of the case was correct. In other words, 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.

We draw attention at this point to the basic postulate that in the judicial review of labor tribunals' rulings, their factual findings and the conclusions from these findings are generally accorded respect by the courts because of the tribunals' expertise in their field. There is also the reality that the ruling brought under Rule 65 to the CA is already a final and executory ruling and can only be disturbed if it is void because

the NLRC acted without jurisdiction.

This postulate should be related to the intrinsic limitations of a *certiorari* proceeding: it is a limited remedy aimed solely at the correction of acts rendered without jurisdiction, in excess of jurisdiction, or with grave abuse of discretion; it does not, and cannot, address mere errors of judgment.

Of course, the rule that a *certiorari* proceeding normally precludes an inquiry into the correctness of the labor tribunal's evaluation of the evidence on which its decision is based, is not absolute; circumstances may exist that would allow the court's review of the tribunals' factual findings and the supporting evidence. One instance is when there is a showing that the NLRC's factual findings and conclusions were arrived at arbitrarily or in disregard of the evidence on record. Another instance is when the tribunal, such as the NLRC in this case, made factual findings that are not supported by substantial evidence. By established jurisprudence, these kinds of rulings are tainted by grave abuse of discretion.

In the present case, the labor tribunals agree that Dennis committed suicide by jumping from the ship because of his heavy "personal and psychological problems," [22] as shown by the unusual behavior he exhibited days before the incident. The CA disagreed with the labor tribunals and ruled that even with Dennis' unusual behavior, the "willfulness to take his own life could not be presumed when he jumped overboard" and in fact "cast serious doubt" on the petitioners' claim of willfulness. It added that AB Tamayo's statements that he saw Dennis jump overboard and thereafter make no effort to reach the life ring "are not conclusive proof" of suicide.

As matters stand, the Court needs only to determine whether the CA correctly found that the NLRC gravely abused its discretion in holding that substantial evidence exists to support its conclusion that Dennis willfully took his own life.

***b. Burden of proof in death benefits cases;
burden of evidence***

In determining whether there was substantial evidence to support the NLRC's finding that Dennis committed suicide, we find it necessary to discuss the burden of proof and the corresponding shift in the burden of evidence in death benefits cases under the POEA-SEC. The relevant provision of the POEA-SEC pertinently reads:

- D. No compensation shall be payable in respect of any injury, incapacity, disability or death of the seafarer resulting from his willful or criminal act or intentional breach of his duties, provided however, that the employer can prove that such injury, incapacity, disability or death is directly attributable to the seafarer.[23]

Burden of proof is the duty of a party to present evidence on the facts in issue necessary to establish his claim or defense by the amount of evidence required by law.[24] As a claimant for death benefits, Apolinario has the burden of proving that the seafarer's death (1) is work-related; and (2) happened during the term of the employment contract.[25] Unarguably, Apolinario has discharged this burden of

proof.

In the usual course, such proof would have rendered the petitioners automatically liable, except that the same provision of the POEA-SEC allows an exemption from liability for death benefits if the employer can successfully prove that the seafarer's death was caused by an injury directly attributable to his deliberate or willful act. That the death of the seafarer was due to his willful act is a matter of defense that the employer has to prove. In legal parlance, the employer carries the burden of proof to establish its claim that it should not be held liable.

Whether it is the employer or the seafarer, the quantum of proof necessary to discharge their respective burdens is substantial evidence, *i.e.*, such relevant evidence as a reasonable mind might accept as adequate to support a conclusion, even if other minds equally reasonable might conceivably opine otherwise.^[26]

Since Apolinario has initially discharged his burden of proof, the petitioners, in order to avoid liability, must similarly establish their defense. If the petitioners are able to establish their defense by substantial evidence, the burden now rests on Apolinario to overcome the employer's defense. In other words, ***the burden of evidence now shifts to the seafarer's heirs.***

While the rules of evidence are not controlling in the proceedings of the labor tribunals,^[27] a structured approach as described above is necessary if the courts were to observe the limitations to their own power of review. Otherwise, as we hinted at in our preliminary consideration, resort to the courts will amount to the review of the intrinsic merits of the NLRC's ruling, in effect a review on appeal that statutory law does not (and, hence, the courts cannot) provide.

We shall proceed to determine whether the CA correctly determined if the NLRC committed grave abuse of discretion based on the above considerations.

Substantive considerations

a. There was substantial evidence to prove that Dennis' death was directly attributable to his own action

In the present case, the LA, NLRC and the CA^[28] uniformly found that **Dennis jumped from the ship**. Additionally, the petitioners cited the following personal circumstances that may have driven Dennis to do what he did: his dysfunctional family; the death of his mother after a lingering illness; the bitter parting with his father whom he had not seen for three (3)^[29] after he and his two (2) brothers were thrown out from their home in Talisay, Cebu; and his disappointment with his sister whose medical education he supported, only to learn that she got married and did not even invite him to the wedding.^[30]

Based on these facts and the legal presumption of sanity, we conclude that the NLRC did not gravely abuse its discretion when it affirmed the LA's dismissal of the complaint; we hold that the seafarer's death was due to his willful act, as the employer posited and proved.