

THIRD DIVISION

[G.R. No. 195518, March 20, 2013]

**MAGSAYSAY MARITIME SERVICES AND PRINCESS CRUISE
LINES, LTD., PETITIONERS, VS. EARLWIN MEINRAD ANTERO F.
LAUREL, RESPONDENT.**

D E C I S I O N

MENDOZA, J.:

This is a petition for review on *certiorari* under Rule 45 of the Revised Rules of Court assailing the August 6, 2010 Decision^[1] and the February 4, 2011 Resolution^[2] of the Court of Appeals (CA), in CA-G.R. SP No. 102130 entitled *Magsaysay Maritime Services and Princess Cruise Lines, Ltd. v. National Labor Relations Commission and Earlwin Meinrad Antero F. Laurel*, affirming the September 17, 2007 Decision^[3] of the National Labor Relations Commission (NLRC).

The Facts

Respondent Earlwin Meinrad Antero F. Laurel (*Laurel*) was employed by petitioner Princess Cruise Lines, Ltd., through its local manning agency, petitioner Magsaysay Maritime Corporation, as second pastryman on board the "M/V Star Princess." In June 2004, they executed a Philippine Overseas Employment Agency (POEA)-approved Contract of Employment^[4] embodying the Standard Terms and Conditions Governing the Employment of Filipino Seafarers On Board Ocean-Going Vessels and stating in particular the terms of his employment. Laurel underwent a pre-employment medical examination at the petitioner company's accredited clinic in Makati and was declared fit for sea service. He was deployed in August 2004 to join the assigned vessel.^[5]

In the course of the voyage, Laurel fell ill. He complained of fever with cough, and he was given paracetamol until reaching the shore. On April 3, 2005, he disembarked from the vessel and proceeded to a hospital in Florida, U.S.A. Due to the persistence of his illness, he was repatriated for further evaluation. He arrived in the Philippines on April 7, 2005.^[6]

On April 8, 2005, Laurel was admitted to the Metropolitan Hospital in Manila, placed under the medical care of Dr. Robert Lim, and diagnosed with upper respiratory tract infection and hyperthyroidism. He was discharged on April 11, 2005 and was prescribed take-home medications.^[7]

Dr. Mylene Cruz-Balbon, the hospital's assistant medical coordinator, issued a medical report,^[8] dated April 11, 2005, confirming that Laurel was suffering from hyperthyroidism and that he was started on anti- thyroid medication. It was indicated in the said medical report that hyperthyroidism, an overactivity of the

thyroid gland usually secondary to an immunologic reaction, was not work-related.

On April 25, 2005, during his last follow-up at the petitioner company's medical facility, Laurel was already asymptomatic for upper respiratory tract infection. As he no longer had fever, cough and cold, he was cleared of his pulmonary problem. He was advised to consult an internist on his own account with regard to his hyperthyroidism as this illness was allegedly not work-related.^[9]

When Laurel returned to his hometown of Naga City, he consulted Dr. Ramon Caceres (*Dr. Caceres*), an endocrinologist. On January 21, 2006, Dr. Caceres issued a medical certificate attesting that he was treated for Euthyroid Graves' Disease. By then, he was clinically and biochemically euthyroid. His oral anti-thyroid medications were tapered off for possible discontinuation of treatment.^[10]

On August 3, 2006, Laurel filed a complaint^[11] against the petitioners before the NLRC, claiming medical reimbursement, sickness allowance, permanent disability benefits, damages, and attorney's fees.

Thereafter, Laurel returned to Dr. Caceres for a more extensive diagnosis. On August 12, 2006, he obtained a medical certificate^[12] with these findings – Stage 1B diffuse goiter, recurrent periodic paralysis of lower extremities Wayne's Index to 27 points, and hyperthyroid TFT's (suppressed TSH, elevated T3). Dr. Caceres diagnosed Laurel's illness as Graves' Disease (hyperthyroidism stage 1B diffuse goiter) with periodic paralysis. He was advised not to undergo strenuous activity as it was dangerous for him to ambulate given his unpredictable episodes of paralysis. His illness was described as equivalent to Grave 1 impediment.^[13]

The petitioners opposed Laurel's claims, contending that his illness had been categorically determined as not work-related.

The Labor Arbiter's Decision

The Labor Arbiter (LA), in a Decision,^[14] dated February 1, 2007, dismissed the complaint. The LA held that Laurel was not entitled to his claims, with his hyperthyroidism having been found as not work-related by petitioner's company physician. The LA reasoned out that under the POEA- Standard Employment Contract (SEC), the employer was liable for the payment of disability benefits only for work-related illnesses sustained during the term of the contract and after determination of corresponding impediment grade by the company-designated physician. According to the LA, hyperthyroidism was not listed in Section 32 of POEA-SEC as a compensable occupational disease, and Laurel was not able to discharge his burden of proving that his illness was work-related or work-aggravated.

The NLRC Ruling

On appeal, the NLRC *reversed* the LA decision and awarded disability compensation in favor of Laurel. It found that the illness was work-related for failure of the petitioners to overcome the presumption provided under the POEA-SEC that an illness occurring during the employment, even if not listed, was work-related. The NLRC added that under the said contract, the petitioners had the legal obligation to

compensate Laurel for his incapability to continue his job due to his illness. Citing *Philippine Transmarine Carriers, Inc. v. NLRC*,^[15] it held that it was not the illness which was being compensated, but rather the incapacity to work resulting in the impairment of his earning capacity. Finally, the NLRC pointed out that for a claimant to be entitled to disability benefits, it was not required that the employment be the sole cause of the illness. It was enough that the employment had contributed, even in a small degree, to the development of the disease. The NLRC disposed of the case as follows:

WHEREFORE, the foregoing premises considered, the instant appeal is hereby **GRANTED**.

Accordingly, the decision appealed from is **REVERSED** and **SET ASIDE**, and a new one is issued ordering respondent Magsaysay Maritime Services and/or Agripito Milano, Jr. to pay the disability benefits of Earlwin Meinrad Antero F. Laurel in the amount of US\$60,000.00 or in Philippine Currency at the conversion rate prevailing at the time of payment.

SO ORDERED.^[16] [Emphasis in the original]

The CA Decision

After their motion for reconsideration was denied, the petitioners elevated the case to the CA through a petition for certiorari. The CA, however, *dismissed* the petition and sustained the award of disability benefits in favor of Laurel. It held that the NLRC did not commit a grave abuse of discretion in ordering the payment of disability benefits to Laurel.^[17]

The CA explained that although the petitioners' medical literature spoke of hyperthyroidism as hereditary, it also alluded to the triggers of the disease and cited that stress could also be a trigger. The CA concluded that stressful conditions could result in, or could be a factor in, the emergence of hyperthyroidism. It found that the working conditions on board the MV Star Princess had contributed and aggravated the illness of Laurel. This, according to the CA, was sufficient to entitle him to disability benefits.

The petitioners filed a motion for reconsideration^[18] of the said decision, but it was denied by the CA in its February 4, 2011 Resolution.

Hence, the petitioners interpose this petition before this Court anchored on the following

GROUND

I.

The Honorable Court of Appeals erred in affirming the Decision of the NLRC, awarding total and permanent disability compensation

to Respondent. Respondent is not entitled to any disability compensation as his illness is not work-related. The POEA Standard Employment Contract clearly states that only those work-related illnesses or injuries which were suffered during the term of the employment contract are compensable.

II.

The Honorable Court of Appeals erred in holding that Petitioners failed to overcome the presumption of compensability. The Supreme Court has consistently held that it is the complainant (herein Respondent) who has the burden to prove entitlement to disability benefits.

III.

The Honorable Court of Appeals erred in not upholding the findings and assessment of the company-designated physician. The POEA Standard Employment Contract states that it is the company-designated physician who is tasked to assess a seafarer's condition and determine his disability, if any. Thus, the company-designated physician's declaration concerning Respondent's state of health binds him.^[19]

Petitioners' Argument

The petitioners argue that the CA erred in affirming the award of disability benefits to Laurel because his illness was not work-related as convincingly proven through the expert opinion of the company-designated physician. They insist that their doctor's assessment should have been accorded weight and credence considering his detailed knowledge of, and his familiarity with, Laurel's condition and the extensive medical attention given to him. They aver that hyperthyroidism is not among those listed in the POEA-SEC as an occupational disease, hence, not compensable. They emphasize that Laurel's illness was essentially genetic and was not caused by his employment. Citing jurisprudence, the petitioners assert that the burden is placed upon the seafarer to substantiate his claim that the illness is work-related and to prove that there is a connection between his employment and his illness. Laurel presented no substantial proof that his hyperthyroidism was caused or aggravated by the working conditions on board MV Star Princess.

Respondent's Position

Laurel, in his Compliance and Manifestation with Comment to Petitioners' Petition for Review on Certiorari,^[20] counters that his illness is compensable because it was acquired during the effectivity of his employment contract while performing his work aboard the petitioners' vessel. The fact that Grave's Disease may be hereditary does not bar him from entitlement to disability benefits. Compensability does not require that employment be the sole cause of the illness. It is enough that there exists a reasonable work connection. The strenuous condition of his employment on board the MV Star Princess triggered the development of his hyperthyroidism due to his exposure to varying temperature and chemical irritants. Contrary to the petitioners'

contention, Laurel asserts that the burden of proof rests on the petitioners by virtue of the presumption of compensability under Section 32 of the POEA contract.

Laurel likewise contends that the jurisdiction of the Court in cases brought before it from the CA by way of petition for review on certiorari under Rule 45 of the Revised Rules of Court is limited to reviewing errors of law, and that findings of fact of the latter are conclusive. Specifically, Laurel cited the case of *Palomado v. National Labor Relations Commission*,^[21] in stating the fundamental rule that the factual findings of quasi-judicial agencies like the NLRC if supported by substantial evidence are generally accorded not only great respect but even finality, and are binding upon the Court, unless the petitioner is able to show that the NLRC arbitrarily disregarded evidence before it or misapprehended evidence to such an extent as to compel a contrary conclusion if such evidence were to be properly appreciated. In this case, according to him, the CA correctly affirmed the finding of the NLRC that Laurel was entitled to disability compensation and other charges.

The Court's Ruling

A perusal of the petitioners' arguments discloses that the issues raised are essentially factual in nature. Generally, factual issues are not proper subjects of the Court's power of judicial review.

It is elementary that this Court is not a trier of facts and this rule applies with greater force in labor cases. Questions of fact are for the labor tribunals to resolve. Only errors of law are generally reviewed in petitions for review on *certiorari* criticizing the decisions of the CA. Indeed, findings of fact of quasi-judicial bodies like the NLRC, as affirmed by the CA, are generally conclusive on this Court. In exceptional cases, however, the Court may be urged to probe and resolve factual issues when there is insufficient or insubstantial evidence to support the findings of the tribunal or the court below, or when too much is concluded, inferred or deduced from the bare or incomplete facts submitted by the parties or, where the LA and the NLRC came up with conflicting positions.^[22] The present case clearly falls within these exceptions as the finding of the LA, on one hand, conflicts with those of the NLRC and the CA, on the other.

The Court, nevertheless, finds for respondent Laurel, and resolves that his hyperthyroidism is compensable.

The POEA-SEC, as provided under Department Order No. 4, series of 2000 of the Department of Labor and Employment, which contains the Standard Terms and Conditions Governing The Employment of Filipino Seafarers On-Board Ocean-Going Vessels, governs the employment contract between Laurel and the petitioners. POEA came out with it pursuant to its mandate under Executive Order (E.O.) No. 247^[23] to "secure the best terms and conditions of employment of Filipino contract workers and ensure compliance therewith" and to "promote and protect the well-being of Filipino workers overseas."^[24] Section 20-B of the POEA-SEC enumerates the duties of an employer to his employee who suffers work-related disease or injury during the term of his employment contract, to quote: