

# Republic of the Philippines Supreme Court Manila

# THIRD DIVISION

**PEOPLE MANPOWER** PHILS., INC., and/or CAPE PNL

G.R. No. 222311

LTD.,

Present:

Petitioners,

LEONEN, J., Chairperson, HERNANDO, INTING,

- versus -

DELOS SANTOS, and LOPEZ, J. Y., JJ.

Promulgated:

**DOMINADOR C. BUQUID** 

Respondent.

February 10, 2021

MistocBatt

# **DECISION**

# HERNANDO, J.:

This Petition for Review on Certiorari<sup>1</sup> assails the August 28, 2015 Decision<sup>2</sup> and January 13, 2016 Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 136119. The appellate court found respondent Dominador C. Buquid (Dominador) not a land-based employee but a seafarer and thus entitled to permanent and total disability benefits.

# **Factual Antecedents:**

In 2012, petitioner V People Manpower Phils., Inc. (V Manpower) hired Dominador, for and in behalf of its principal, Cape Papua New Guinea Ltd. (hereafter, Cape PNG)<sup>4</sup> as a Deck Crew/Rigger<sup>5</sup> for an estimated period of six (6) months, from January 17, 2012 to July 17, 2012, or up to the completion of

Rollo, pp. 30-67.

Id. at 12-23; penned by Associate Justice Ma. Luisa C. Quijano-Padilla and concurred in by Associate Justices Normandie B. Pizarro and Samuel H. Gaerlan (now a Member of this Court).

Id. at 24-26.

<sup>&</sup>lt;sup>4</sup> Id. at 13.

a phase of a project or upon completion of the KUMUL Marine Terminal Rejuvenation Works (KUMUL Project), the site of which is located in Papua, New Guinea.<sup>6</sup>

Before his deployment, Dominador underwent and passed the routine Pre-employment Medical Examination (PEME).<sup>7</sup> He commenced his work at the KUMUL Project site after he was declared as "fit to work" by the company-designated physician.<sup>8</sup>

On March 26, 2012, Dominador felt persistent stomach pains.<sup>9</sup> The next day, March 27, 2012, he was brought to a hospital where he underwent an appendectomy.<sup>10</sup> During the surgery, the surgical team also found a mass in his colon and hence, a colostomy was also performed.<sup>11</sup> Dominador was discharged and repatriated to the Philippines on April 8, 2012.<sup>12</sup>

On April 9, 2012, he was brought to the Asian Hospital for check-up and was immediately admitted per the attending physician's recommendation.<sup>13</sup> He was discharged on April 12, 2012, but was advised to return for a follow-up check-up.<sup>14</sup>

After several check-ups and a series of laboratory procedures,<sup>15</sup> Dominador was diagnosed on May 9, 2012 with Adenocarcinoma Sigmoid (Stage 3) or in layman's terms, Stage 3 Colon Cancer.<sup>16</sup>

Despite undergoing surgery and treatment, Dominador's condition did not improve, prompting him to consult Dr. Jhade Lotus P. Peneyra (Dr. Peneyra), an oncologist, for a second opinion.<sup>17</sup> Dr. Peneyra issued several medical abstracts<sup>18</sup> which stated that Dominador's illness was occupation related/aggravated and that he was permanently unfit for sea duties as a seaman in any capacity.<sup>19</sup> It was noted that Dominador had worked as a seaman for 22 years in a container vessel where he was exposed to charcoal and oil, butane, propane, condensate and crude oil.<sup>20</sup> All of these may have contributed to the development of colonic cancer since the substances from crude oil are highly carcinogenic.<sup>21</sup> Dr. Peneyra also noted that the dietary provisions on board merely consisted of meat and pork.<sup>22</sup>

<sup>&</sup>lt;sup>6</sup> Id. at 365.

<sup>7</sup> Id. at 13.

<sup>8</sup> Id.

<sup>9</sup> Id. at 14.

<sup>&</sup>lt;sup>10</sup> Id.

<sup>&</sup>lt;sup>11</sup> Id.

Id.Id. at 309.

<sup>&</sup>lt;sup>14</sup> Id.

<sup>&</sup>lt;sup>15</sup> Id.

<sup>16</sup> Id. at 391

<sup>&</sup>lt;sup>17</sup> Id. at 14.

<sup>&</sup>lt;sup>18</sup> Id. at 393-397.

<sup>&</sup>lt;sup>19</sup> Id.

<sup>&</sup>lt;sup>20</sup> Id.

<sup>&</sup>lt;sup>21</sup> Id.

<sup>&</sup>lt;sup>22</sup> Id.

Considering these medical findings, Dominador initiated a claim for disability benefits with petitioners, pursuant to the Philippine Overseas Employment Administration (POEA) Standard Employment Contract (POEA-SEC). However, his claim was denied.<sup>23</sup>

Thus, Dominador filed a complaint with the National Labor Relations Commission (NLRC) for permanent and total disability benefits.<sup>24</sup>

In support of his claim, Dominador alleged that as a deck crew/rigger aboard the "M/V KMT Platform," he performed the following tasks: (1) cleaning the platform; (2) installing the fender when a supply boat or tug boat approaches the vessel; (3) giving signal to the crane operator when objects are being lifted; (4) keeping watch of the platform for any leakages in the pipeline; (5) painting and chipping off rust on deck and superstructure of the ship, (6) assisting in the making of scaffolds, and (7) maintenance and repairs of rigging gears of the ship.<sup>25</sup>

Dominador claimed that during his employment, he was constantly exposed to fumes, fuel oils, gas, dust and other harmful chemicals. He also performed strenuous tasks such as lifting, carrying, pulling, pushing or moving objects on board. His work stretched up to a minimum of twelve (12) hours a day or night. Being on board, he was likewise exposed to the harsh elements of the sea, severe weather conditions and the extreme hot temperatures of the engine room and control room as well. Such work environment caused physical and mental stress. Besides, their diet onboard was high on carbohydrates and fat. Given these circumstances and the medical abstracts of Dr. Peneyra, Dominador asserted that he is a seafarer entitled to permanent and total disability benefits under the POEA-SEC.

On the other hand, V Manpower maintained that it is registered with the POEA as a land-based agency authorized to recruit, process, and deploy land-based workers and not seafarers.<sup>30</sup> It claimed that upon the instructions of its principal, it processed Dominador's engagement as a land-based worker for an estimated period of six (6) months from January 17, 2012 to July 2012 or up to the completion of the project, whichever comes first.<sup>31</sup> Thus, it came as a surprise that Dominador was claiming disability benefits as a seafarer and not as a land-based worker.<sup>32</sup>

<sup>&</sup>lt;sup>23</sup> Id. at 14-15.

<sup>&</sup>lt;sup>24</sup> Id. at 131-132.

<sup>&</sup>lt;sup>25</sup> Id. at 170-171.

<sup>&</sup>lt;sup>26</sup> Id. at 171.

<sup>&</sup>lt;sup>27</sup> Id. at 13-14.

<sup>&</sup>lt;sup>28</sup> Id. at 14.

<sup>&</sup>lt;sup>29</sup> Id.

<sup>&</sup>lt;sup>30</sup> Id. at 135.

<sup>&</sup>lt;sup>31</sup> Id.

<sup>&</sup>lt;sup>32</sup> Id.

V Manpower also argued that there was no evidence that Dominador's work exposed him to harmful substances.<sup>33</sup> Thus, petitioners were allegedly shocked with Dominador's claim that his colon cancer was work-related or a compensable disease under the rules.<sup>34</sup>

Moreover, V Manpower alleged that its principal, Cape PNG, engaged Dominador as a project employee for the KUMUL Project with its client, Clough AMEC SEA.<sup>35</sup> Dominador was assigned to work as a deck crew/rigger in the Kumul Platform located 40 kilometers off the southern coast of Papua New Guinea, and thus, contrary to his claims, he was never assigned to work in any ship in any capacity.<sup>36</sup>

# **Ruling of the Labor Arbiter (Arbiter):**

The Arbiter held that Dominador was employed as a seafarer whose illness is compensable under the POEA-SEC.<sup>37</sup> Dominador was declared entitled to permanent and total disability benefits based on the POEA-SEC, to wit:

Complainant is a seaman by profession and has been working as such for the past 22 years before respondents hired him for their Kumul Marine Terminal Rejuvenation Works. Complainant is a Deck Crew/Rigger on board MV/KMT PLATFORM, an offshore vessel. The nature of his employment on board as well as the actual conditions of his work qualifies him as a seafarer. Cape PNG confirmed that he works as a Deck Crew/Rigger in the Kumul Platform, which is located 40 km. off the southern Coast of Papua New Guinea.

 $\mathbf{X} \mathbf{X} \mathbf{X} \mathbf{X}$ 

WHEREFORE, in view of the foregoing, respondents V Manpower Phils., Inc. and Cape Papua New Guinea Ltd. are hereby ordered, jointly and solidarily, to pay complainant Dominador C. Buquid, permanent and total disability benefits in the amount of US DOLLARS: SIXTY THOUSAND (US\$60,000.00) and attorney's fees in the amount of US DOLLARS: SIX THOUSAND (US\$6,000.00) in their equivalent in Philippine Currency at the time of payment.

All other claims are denied.

The complaint against individual respondent Amador P. Servillon is dismissed for lack of merit.

SO ORDERED. 38

Aggrieved, petitioners filed an appeal<sup>39</sup> with the NLRC proper.

<sup>33</sup> Id. at 135-136.

<sup>&</sup>lt;sup>34</sup> Id.

<sup>35</sup> Id. at 14

<sup>&</sup>lt;sup>36</sup> Id.; See also CA rollo, p. 180.

<sup>&</sup>lt;sup>37</sup> Rollo, pp. 238-256.

<sup>38</sup> Id. at 252 and 256.

<sup>&</sup>lt;sup>39</sup> Id. at 257-292.

# Ruling of the NLRC:

In a Decision<sup>40</sup> dated March 31, 2014, the NLRC reversed the judgment of the LA and ruled that Dominador was a land-based employee and not a seafarer as he was employed as deck crew/rigger on an offshore oil rig, which is not a ship. The fact that Dominador was a seafarer by profession does not necessarily mean that he was contracted as a seafarer during his last engagement with V Manpower.

The dispositive portion of the NLRC Decision reads as follows:

WHEREFORE, premises considered, the Decision dated August 29, 2013 is hereby VACATED AND SET ASIDE and another one is hereby entered ORDERING respondents V People Manpower Phils., Inc. and Cape Papua New Guinea Limited, to solidarily pay complainant Dominador C. Buquid the amount of US\$598.08 as his final pay.

All other money claims are denied.

SO ORDERED.41

Dominador moved for reconsideration but it was denied by the NLRC for lack of merit in a Resolution<sup>42</sup> dated April 29, 2014.

# Ruling of the Court of Appeals:

Dissatisfied, Dominador filed a Petition for *Certiorari*<sup>43</sup> under Rule 65 of the Rules of Court with the CA. On August 28, 2015, the CA promulgated the assailed Decision<sup>44</sup> granting the petition and reinstating the August 29, 2013 Decision of the LA, to wit:

WHEREFORE, the petition is GRANTED. The March 31, 2014 Decision of the National Labor Relations Commission, Sixth Division in NLRC LAC No. (OFW-M) 10-001022-13 is VACATED and SET ASIDE and the August 29, 2013 Decision of Labor Arbiter Fe S. Cellan is REINSTATED.

SO ORDERED.45

Petitioners sought reconsideration with the CA but it was denied in a Resolution<sup>46</sup> dated January 13, 2016.

Hence, the instant Petition filed by V Manpower and Cape PNG, which essentially raises the following –

<sup>40</sup> Id. at 308-312; penned by Presiding Commissioner Joseph Gerard E. Mabilog and concurred in by Commissioners Isabel G. Panganiban-Ortiguerra and Nieves E. Vivar-De Castro.

<sup>&</sup>lt;sup>41</sup> Id. at 312.

<sup>&</sup>lt;sup>42</sup> Id. at 333-335.

<sup>43</sup> Id. at 336-397

<sup>&</sup>lt;sup>44</sup> Id. at 12-23.

<sup>45</sup> Id. at 22.

<sup>46</sup> Id. at 24-26.

# **Assignment of Errors**

- 1. Whether or not the CA committed clear errors of law and in its appreciation of the facts and evidence when it reversed the NLRC decision despite the following:
- a. Dominador was never employed as a seafarer by petitioners and thus, the award of US\$60,000.00, which was based on the POEA-SEC, was unjustified.
- b. It is clear that Dominador's colon cancer is not work-related and hence, the claim is not compensable assuming that Dominador may be considered a seafarer; and
- 2. Whether or not the CA committed serious error of law in reinstating the award of Attorney's fees despite absence of any finding or discussion showing bad faith or malice on the part of petitioners.<sup>47</sup>

# Our Ruling

We grant.

Since some of the factual findings by the LA, NLRC, and the CA are contradictory, the same may be subject of review by this Court.

This case falls under the exception to the general rule that this Court may only review questions of law, particularly due to the contradictory findings of the CA and the labor tribunals. In *Siasat v. Court of Appeals*, 48 we reiterated the principle that the findings of fact of the CA are conclusive and binding on the parties and are not reviewable by this Court, unless the case falls under any of the recognized exceptions to the rule, to wit:

The issue raised is factual. In an appeal via certiorari, we may not review the factual findings of the Court of Appeals. When supported by substantial evidence, the findings of fact of the Court of Appeals are conclusive and binding on the parties and are not reviewable by this Court, unless the case falls under any of the recognized exceptions to the rule.

There are instances when the findings of fact of the trial court or Court of Appeals may be reviewed by the Supreme Court, such as (1) when the conclusion is a finding grounded entirely on speculation, surmises and conjectures; (2) when the inference made is manifestly mistaken, absurd or impossible; (3) where there is a 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 the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) when the findings are contrary to those of the trial court; (8) when the findings of fact are conclusions without citation of

<sup>&</sup>lt;sup>47</sup> Id. at 39-40.

<sup>&</sup>lt;sup>48</sup> 425 Phil. 139 (2002).

specific evidence on which they are based; (9) when the facts set forth in the petition as well as in the petitioners' main and reply briefs are not disputed by the respondents; and (10) when the findings of fact of the Court of Appeals are premised on the supposed absence of evidence and contradicted by the evidence on record.<sup>49</sup> (Underscoring supplied; citations omitted)

It is undisputed that the factual findings of the LA, NLRC, and the CA not only differ from one another, but some are actually contradictory, such as the findings on Dominador's status as a seafarer or a land-based worker, and the findings regarding his medical condition in relation to whether or not the same is compensable under the law.

Given these contradictions on pivotal questions of fact that are crucial in determining the applicable laws to this case, it is necessary that we subject the records of the case for review.

Considering the definition provided by law and prevailing jurisprudence, Dominador cannot be considered as a seafarer and is thus, not covered by the provisions of law applicable to seafarers only.

Article 13(g) of the Labor Code defines a "seaman" as follows:

ART. 13. *Definitions*. - (a) "Worker" means any member of the labor force, whether employed or unemployed.

X X X X

(g) "Seaman" means any person employed in a vessel engaged in maritime navigation.

 $x \times x \times x$ 

It is implied from the above definition that the capability of a vessel to engage in *maritime navigation* is crucial in determining whether one can be considered as a "seaman" (the term used prior to the more gender-neutral "seafarer") under the ambit of our Labor Code.

Part I, Rule II (38) of the 2003 POEA Rules and Regulations Governing the Recruitment and Employment of Seafarers (2003 POEA Seafarer Rules) defines "seafarer" by expressly including fishermen, cruise ship personnel and those serving on foreign maritime mobile offshore and drilling units, to wit:

#### **RULE II**

# **DEFINITION OF TERMS**

<sup>&</sup>lt;sup>49</sup> Id. at 144-145.

38. Seafarer – refers to any person who is employed or engaged in any capacity on board a seagoing ship navigating the foreign seas other than a government ship used for military or non-commercial purposes. The definition shall include fishermen, cruise ship personnel and those serving on foreign maritime mobile offshore and drilling units. x x x (Underscoring and emphasis supplied)

While at first glance, the above definition appears to have expanded the definition under the law, the same is actually not inconsistent with the Labor Code definition. Accordingly, the definition under the 2003 POEA Seafarer Rules, when read together with Article 13(g) of the Labor Code, should still mean that the fishermen and cruise ship personnel must be employed in a vessel engaged in *maritime navigation*. Otherwise, fishermen employed in river boats or personnel in cruises meant to traverse inland waters may be considered as "seafarers," which is obviously divergent from the intent of the law.

More important to note is the inclusion of those employees serving on foreign maritime *mobile* offshore and drilling units. While offshore and drilling units are different from traditional ships, these offshore and drilling units are still within of the term "vessel" used in the Labor Code. However, pursuant to the law, these vessels must still be engaged in *maritime navigation*, which is what the qualifying term "*mobile*" should be interpreted to mean. Clearly, the intent was to exclude those employees working in non-mobile vessels or fixed structures from this definition.

The definition in the 2003 POEA Seafarer Rules was reiterated in the 2010 Omnibus Rules and Regulations Implementing the Migrant Workers and Overseas Filipinos Act of 1995, as amended by Republic Act No. 10022 (2010 Omnibus Rules), but the phrase "in the high seas" was added to qualify the "mobile offshore and drilling units" aforementioned, to *wit*:

#### **RULE II**

#### **DEFINITION OF TERMS**

Section 1. Definitions.

 $\mathbf{x} \mathbf{x} \mathbf{x} \mathbf{x}$ 

(ss) Seafarer – refers to any person who is employed or engaged in overseas employment in any capacity on board a ship other than a government ship used for military or non-commercial purposes. The definition shall include fishermen, cruise ship personnel and those serving on mobile offshore and drilling units in the high seas. x x x (Underscoring supplied)

The above definition further clarifies that the mobile offshore and drilling units must be located in the "high seas," consistent with the requirement that these mobile offshore and drilling units must be vessels engaged in maritime navigation.

In the 2016 Revised POEA Rules and Regulations Governing the Recruitment and Employment of Seafarers (2016 POEA Seafarer Rules), the definition of "seafarer" was noticeably different from the ones provided in the 2003 POEA Seafarer Rules and 2010 Omnibus Rules, to wit:

#### **RULE II**

#### **DEFINITION OF TERMS**

For purposes of these Rules, the following terms are defined as follows:

XXXX

42. Seafarer — refers to any person who is employed or engaged or works in any capacity on board a ship. (Underscoring supplied)

Also, the same 2016 POEA Seafarer Rules provided for a definition of what a "ship" is; a definition evidently absent from the previous 2003 POEA Seafarer Rules and 2010 Omnibus Rules. Rule II (44) of the 2016 POEA Seafarer Rules reads:

44. Ship — means a ship other than one which navigates exclusively in inland waters or waters within, or closely adjacent to, sheltered waters or areas where port regulations apply; (Underscoring supplied)

The new definition under the 2016 POEA Seafarer Rules closely resembles the original definition found in Article 13(g) of the Labor Code. Fishermen, cruise ship personnel, or mobile offshore and drilling units were no longer mentioned. What is crucial is that the employee is employed or engaged or works in any capacity on board a ship engaged in maritime navigation in accordance with the Labor Code. However, in order to be considered a "ship" for the purpose of defining a "seafarer," the said "ship" must not navigate exclusively in inland waters or waters within, or closely adjacent to, sheltered waters or areas where port regulations apply. Again, this is still consistent with the intent of the law.

It must be emphasized that notwithstanding the evolution of how the POEA defines a "seafarer," the same should still be read with Article 13(g) of the Labor Code, which contains the legal definition that may not be expanded or limited by mere administrative rules or regulations. Indeed, all the definitions mentioned would all point to the fact that in order to be considered a seaman or seafarer, one would have to be, at the very least, employed in a vessel engaged in maritime navigation. Thus, it is clear that those employed in non-mobile vessels or fixed structures, even if the said vessels/structures are located offshore or in the middle of the sea, cannot be considered as seafarers under the law.

In Agga v. National Labor Relations Commission (Agga),<sup>50</sup> which closely resembles the circumstances of the instant case on this particular issue, we ruled that employees that have nothing to do with manning vessels or with sea navigation are land-based workers.<sup>51</sup> The petitioners in Agga were overseas employees aboard an oil rig and were essentially contending that they were entitled to the benefits granted by law to both land-based workers and seafarers.<sup>52</sup> Ruling in the negative, we explained that petitioners therein had nothing to do with manning vessels or with sea navigation, to wit:

In regard to the sixth issue, the evidence shows that petitioners are land-based workers and hence, not entitled to benefits appertaining to sea-based workers. Petitioners have nothing to do with manning vessels or with sea navigation. Their use of a seaman's book does not detract from the fact that they are truly land-based employees. Petitioners' plea that we suspend SOS' license for making them use two (2) passports is off-line. Again, they never prayed for this relief before the POEA and the NLRC. This Court is the improper venue for the belated plea.<sup>53</sup> (Underscoring supplied)

As applied in the case, it is evident that Dominador, despite allegedly being a seafarer for 22 years, was not engaged as a seafarer but as a land-based worker in his latest employment contract with petitioners.<sup>54</sup> Even if we consider the definition under the 2010 POEA Seafarer Rules, which was the prevailing set of rules during Dominador's employment period with petitioners, he never presented any evidence that he was aboard any vessel engaged in maritime navigation, or a **mobile** offshore rig or drilling unit in the high seas.

Contrary to the allegations of Dominador, "M/V KML Platform" does not exist and has no basis in the body of evidence presented before us. There is no mention of such a marine vessel in the employment contract between him and petitioners, nor was there any proof presented to show that a marine vessel was registered under the said name. The employment contract simply mentioned that he will be hired as a project employee for the KUMUL Project and that the work site is located in Papua, New Guinea. To reiterate, aside from Dominador's bare allegations, there was no mention of any marine vessel or ship that was to be boarded by him.

In this regard, we take notice of petitioners' allegations that the KUMUL Marine Terminal Platform is a fixed offshore structure, anchored to the bottom of the seabed. Dominador never disputed this. In fact, Dominador himself has alleged in his pleadings that the KUMUL Marine Terminal Platform: "maybe stationary and does not move from to place to place;" 56 and

<sup>&</sup>lt;sup>50</sup> 359 Phil. 114 (1998).

<sup>&</sup>lt;sup>51</sup> Id. at 125.

<sup>&</sup>lt;sup>52</sup> Id.

<sup>&</sup>lt;sup>53</sup> Id.

<sup>54</sup> Rollo, pp. 364-374

<sup>&</sup>lt;sup>55</sup> Id.

<sup>&</sup>lt;sup>56</sup> Id. at 316.

"is actually a port in the Gulf of Papua New Guinea."<sup>57</sup> These allegations bolster the fact that: 1) Dominador was not aboard any vessel engaged in maritime navigation or mobile offshore or drilling unit, but a port, which is a fixed structure by nature; and 2) the said port is located in the Gulf of Papua New Guinea, which only means that it is not located in the high seas.

While we agree with his arguments that the nature of an employee's work is not dependent on the title or designation as stipulated by the parties, or on the mere allegations of the parties, the applicable law defines a "seafarer" based not only on the employee's kind of work, but also on the kind of marine vessel or offshore unit the employee was aboard during his employment. Stated otherwise, an overseas employee, in order to be considered as a "seafarer," must not only perform tasks concerning manning marine vessels or marine navigation, but they must also perform such functions onboard a vessel engaged in maritime navigation or a mobile offshore rig or drilling unit in the high seas.

Therefore, Dominador was clearly not a seafarer under any of the definitions provided under law or jurisprudence, during the subject employment period with petitioners, and hence, is not entitled to any of the benefits reserved for seafarers under the law, such as the permanent and total disability benefits found in the POEA-SEC.

Since Dominador is not a seafarer, he is not entitled to the permanent and total disability benefits found in the POEA-SEC. Even assuming for the sake of argument that Dominador may be considered as a seafarer, he still failed to prove a reasonable probability that his medical condition was caused or at least aggravated by his two-month stint as deck crew/rigger for the KUMUL Project.

As extensively discussed earlier, Dominador is a land-based worker and therefore not under the ambit of the laws and regulations covering seafarers. However, even assuming for the sake of argument that Dominador is a seafarer, the evidence on record is not enough to conclude that his medical condition (Stage 3 Colon Cancer) was caused or at least aggravated during the two months he has worked for petitioners.

Firstly, the medical abstracts of Dr. Peneyra cannot be taken at face value, especially since the same were issued without personal knowledge of

<sup>&</sup>lt;sup>57</sup> Id. at 348, 486, and 595.

the working conditions experienced by Dominador during his employment with petitioners, nor was there any showing that the said medical abstracts were based on medical tests and procedures conducted by Dr. Peneyra on Dominador. In *Coastal Safeway Marine Services Inc. v. Esguerra*,<sup>58</sup> we have held that while mere probability and not ultimate certainty is the litmus test in compensation proceedings, awards of compensation cannot be based on speculations or presumptions, to wit:

Granted that strict rules of evidence are not applicable in claims for compensation, and mere probability and not the ultimate degree of certainty is regarded as the touchstone or test of proof in compensation proceedings, it cannot be gainsaid that awards of compensation cannot rest in speculations or presumptions. In the absence of showing of adequate tests and reasonable findings to support the same, the divergent Impediment Grades assessed by Dr. Vicaldo and Dr. Saguin cannot be expediently taken at face value. In Magsaysay Maritime Corporation vs. Velasquez, this Court significantly brushed aside the evidentiary value of a recommendation made by Dr. Vicaldo which was likewise "based on a single medical report which outlined the alleged findings and medical history" of the claimant-seafarer. In Montoya vs. Transmed Manila Corporation, a similar fate was dealt the same doctor's plain statement of the supposed work-relation/work-aggravation of a seafarer's ailment which was "not supported by any reason or proof submitted together with the assessment or in the course of the arbitration."59 (Underscoring supplied; citations omitted)

Secondly, Dominador has admitted himself that he was a seafarer for 22 years in a container vessel, and during those 22 years, he was exposed to various carcinogens as mentioned in Dr. Peneyra's medical reports.<sup>60</sup> Even assuming for the sake of argument that he was subjected to similar elements and stressful situations during his employment with petitioners, we cannot reasonably conclude that his medical condition developed or was aggravated to such an extent during his relatively short stint as petitioners' employee.

Indeed, the time period of about two (2) months pales in comparison with the 22 years he previously spent as a seafarer in a container vessel. To stress this point, 22 years is equivalent 264 months, and hence, assuming that Dominador has worked as a seafarer for all those years, he has only spent roughly 0.0075% (2/266) of his 266-month career (counting his 2-month stint) working for petitioners.

Lastly, while it can also be admitted that diet is a factor in the development of colon cancer, it is unreasonable to conclude that two (2) months of alleged bad diet would lead to the aggravation of Dominador's medical condition, without any evidence of his diet and lifestyle prior to his employment with petitioners. In this connection, we must also consider that even if he appeared to be healthy when he passed the PEME and was certified

<sup>&</sup>lt;sup>58</sup> 671 Phil. 56 (2011).

<sup>&</sup>lt;sup>59</sup> Id. at 69-70.

<sup>60</sup> Rollo, pp. 393-397.

as "fit to work," we take notice of the fact that cancer, in general, is difficult to detect, especially in its earlier stages. In fact, records would show that he was initially diagnosed as only having appendicitis when he complained of stomach pain on March 26, 2012; the colon cancer was only diagnosed later on after a series of follow-up check-ups and laboratory procedures. Obviously, a mere routine physical examination is insufficient in discovering Dominador's medical condition.

In fine, the evidence on record is insufficient to prove that Dominador's medical condition is compensable under the POEA-SEC, which, in any event, is inapplicable to him as he was not a seafarer under his employment contract with petitioners.

Although we commiserate with Dominador, whose grave medical condition could have indeed developed throughout the course of his 22-year career as a seafarer, we are constrained to deny his claim against petitioners for permanent and total benefits under the POEA-SEC, as he has failed to prove his entitlement to such under the law. After all, we judge based on the facts and the law.

# The issue on attorney's fees is moot and academic.

The issue on attorney's fees raised by petitioners is moot and academic as we are reinstating the NLRC Decision dated March 31, 2014, which awarded no attorney's fees. In any case, we find no bad faith or malice on the side of petitioners, who actually covered the costs of Dominador's repatriation expenses and medical bills, which included the costs for his operation, hospitalization, medical examinations, and laboratory procedures.<sup>61</sup>

WHEREFORE, the Petition for Review on *Certiorari* is **GRANTED**. The August 28, 2015 Decision and the January 13, 2016 Resolution of the Court of Appeals in CA-G.R. SP No. 136119 are **REVERSED** and **SET ASIDE**. The March 31, 2014 Decision of the National Labor Relations Commission is **REINSTATED**. Respondent Dominador C. Buquid is hereby declared a land-based employee and not a seafarer. Hence, he is not entitled to any of the benefits reserved for seafarers under the law, such as permanent and total disability benefits under the Philippine Overseas Employment Administration Standard Employment Contract. Petitioners are however declared jointly and severally liable to pay respondent the amount of US\$598.08 representing his final pay.

<sup>&</sup>lt;sup>61</sup> Id. at 516.

SO ORDERED.

RAMON PAUL L. HERNANDO

Associate Justice

WE CONCUR:

MARVIC M. V. F. LEONEN

Associate Justice Chairperson

HENRI JEAN PAUL B. INTING

Associate Justice

EDGARDO L. DELOS SANTOS

Associate Justice

THOSEP Y TOPEZ

Associate Justice

# **ATTESTATION**

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARVIC M. V. F. LEONEN

Associate Justice Chairperson

# **CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

DIOSĎADO M. PERALTA

Chief Justice