Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

ONE SHIPPING CORPORATION, Petitioner,	**G.R. No. 255802**
	Present:
- versus -	LEONEN, *Chairperson* LAZARO-JAVIER, LOPEZ, M., LOPEZ, J., and KHO, JR., *JJ.*
HEIRS OF THE LATE RICARDO R. ABARRIENTOS as represented by ROMANA R. ABARRIENTOS, Respondents.	**Promulgated:** OCT 12 2022

x---x

DECISION

M. LOPEZ, *J.*:

A party must prove his or her own affirmative allegation is an age-old adage[1] that finds crucial application in resolving this Petition for Review on *Certiorari*[2] under Rule 45 of the Rules of Court, challenging the Decision[3] dated October 30, 2020 and Resolution[4] dated February 5, 2021 of the Court of Appeals (CA) in CA-G.R. SP No. 161918, which affirmed the grant of death benefits to the Heirs of Ricardo R. Abarrientos (respondents).

Facts

One Shipping Corporation (petitioner) is a domestic corporation engaged in the business of crewing and recruitment of Filipino seafarers.[5] On

[1] *Aklan Electric Cooperative Incorporated (AKELCO) v. National Labor Relations Commission (Fourth Division)*, 380 Phil. 225 (2000).
[2] *Rollo*, pp. 3–45.
[3] *Id.* at 55–66. Penned by Associate Justice Marie Christine Azcarraga-Jacob with the concurrence of Associate Justices Apolinario D. Bruselas, Jr. and Tita Marilyn B. Payoyo-Villordon.
[4] *Id.* at 68–70. Penned by Associate Justice Marie Christine Azcarraga-Jacob with the concurrence of Associate Justices Apolinario D. Bruselas, Jr. and Tita Marilyn B. Payoyo-Villordon.
[5] *Id.* at 7.

August 24, 2013, petitioner hired Ricardo R. Abarrientos (Ricardo) as Chief Officer aboard M/V "Dyna Crane" for a period of nine (9) months, but was repatriated earlier on **February 20, 2014.**[6] Accordingly, Ricardo received his corresponding final salary and benefits as evidenced by an Affidavit of Receipt, Release, Waiver, and Quitclaim that Ricardo executed on **April 14, 2014.**[7]

Six (6) months after his arrival or on August 19, 2014, Ricardo was hospitalized in his hometown in Cagayan de Oro. He was diagnosed with pancreatic cancer, which eventually metastasized to his liver and lungs. On **September 3, 2014**, he succumbed to death due to liver cirrhosis.[8]

On **March 2, 2018**, respondents initiated a complaint against petitioner, claiming entitlement to death benefits under the IBF JSU/AMOSUP – IMMAJ Collective Bargaining Agreement[9] (CBA).[10]

Respondents claimed that Ricardo's death was work-related considering that he was declared fit to work before embarkation, and was thereafter exposed to the harsh conditions and perils of the sea at work. Respondents cited "severe stress of being away from his family"[11] and the "long hours of duties"[12] as factors that caused Ricardo's illness, which eventually led to his death. To support their claim, respondents narrated an incident in December 2013, wherein Ricardo complained of dizziness and an upset stomach as he manned the vessel in the middle of an inclement weather and the rough seas for two days without rest. He requested the Master for a medical check-up at the nearest port, but was denied and merely advised to take pain relievers. The excruciating pain in his stomach allegedly recurred on February 10, 2014, but he was allowed to disembark only on February 18, 2014. Upon Ricardo's arrival, respondents alleged that petitioner refused to refer him to the company-designated physician for a post-employment medical examination because his principal has not yet approved his medical treatment. Respondents averred that Ricardo was forced to seek treatment from his personal doctor in Cagayan de Oro to relieve him of the intolerable pain that caused his repatriation.[13]

Respondents further alleged that they claimed death benefits from petitioner two months after Ricardo's death, but to no avail. The demand was purportedly repeated through a letter sent to petitioner on February 25, 2015, which remained unanswered. On September 3, 2015, respondents allegedly demanded payment of benefits from petitioner again, but was rejected. Grievance proceedings were then lodged before the Associated Marine Officers and Seamen's Union of the Philippines (AMOSUP) on January 25,

---

[6] *Id.* at 56–57. February 18, 2014 in some parts of the records.
[7] *Id.* at 27.
[8] *Id.* at 57.
[9] *Id.* at 155–196.
[10] *Id.*
[11] *Id.* at 141.
[12] *Id.*
[13] *Id.* at 141–143.

2018.[14] As no settlement was reached, respondents finally filed this complaint before the Panel of Voluntary Arbitrators (Panel).

For its part, petitioner vehemently denied that Ricardo was medically repatriated. They asseverated that Ricardo's repatriation was due to the valid pre-termination of the contract when his principal sold the vessel as noted in Ricardo's service record. Petitioner emphasized that Ricardo finished the contract without record of any medical issue on-board the vessel. In fact, according to petitioner, Ricardo did not submit himself to post-medical examination upon his arrival. Rather, two months after his arrival or on April 14, 2014, Ricardo reported to petitioner to receive his final salary and benefits as evidenced by an Affidavit of Receipt, Release, Waiver, and Quitclaim. In view of these circumstances, petitioner claimed to be taken aback when, **four (4) years after Ricardo's repatriation**, they received a Letter[15] from AMOSUP dated **February 22, 2018**, asking it to address respondents' grievance complaint. Petitioner argued that it has no liability for the claimed death benefits because: (1) Ricardo's death neither occurred during his employment, nor was it work-related; (2) he did not submit himself to the mandatory post-employment examination; and (3) in any case, the claim had already prescribed, it being filed more than three years after Ricardo's death.[16]

Panel's Ruling

With a 2-1 vote in a Decision[17] dated June 21, 2019, the Panel granted respondents' claim as follows:

> **WHEREFORE, premises considered,** judgment is hereby rendered ORDERING [petitioner] to, jointly and severally, pay [respondents] US DOLLAR NINETY FIVE THOUSAND NINE HUNDRED FORTY NINE (US$95,949.00) as his full death benefit compensation, burial expenses of US DOLLAR ONE THOUSAND FIFTY SIX (US$1,056.00), US DOLLAR FIVE THOUSAND FIVE HUNDRED SEVENTY (US$5,570.00) representing Minor Child's Benefit, all based from 2014 CBA and attorney's fees equivalent to ten percent (10%) of the total monetary award or in their Philippine peso equivalent in the prevailing exchange rate on the actual date of payment.
>
> **SO ORDERED.**[18] (Emphases in the original)

Anent prescription, the Panel explained that under Article 291[19] of the Labor Code money claims arising from employer-employee relationship are barred after three (3) years from the accrual of the cause of action. Applying the said provision, majority of the voluntary arbitrators ruled that respondents'

---

[14] *Id.* at 144.

[15] *Id.* at 384.

[16] *Id.* at 214–228.

[17] *Id.* at 290–299. Panel of Voluntary Arbitrators Members Bayani G. Diwa and Leticia E. Sablan concurring, while Member George A. Eduvala dissenting. See Dissenting Opinion, id. at 300–305.

[18] Id. at 298. With the same 2-1 vote in the Resolution dated July 26, 2019, the Decision was modified only as to the monetary award upon respondents' motion for reconsideration, id. at 346–347.

[19] ARTICLE. 291. *Money claims.* – All money claims arising from employer-employee relations accruing during the effectivity of this Code shall be filed within three (3) years from the time the cause of action accrued; otherwise[,] they shall forever be barred.

cause of action accrued, not upon Ricardo's death on September 3, 2014, but upon petitioner's denial of the claim on September 3, 2015. Thus, the filing of the complaint on March 2, 2018 was still within the three-year prescriptive period.[20]

As to Ricardo's failure to undergo a post-employment medical examination within three (3) days from repatriation, the Panel relied upon respondents' allegation that Ricardo immediately reported to petitioner upon arrival, but was refused to be given medical examination. Hence, it was held that the lack of post-employment medical examination cannot be taken against respondents.[21]

Finally, the majority concluded that Ricardo's death was caused by a work-related illness based on respondents' allegations that Ricardo was already ill before disembarkation. The Panel noted that, as Chief Officer, Ricardo was "the most burdened personnel of the vessel,"[22] and he was "exposed to chemicals from machines and equipments [*sic*] emitting chemicals"[23] that decreased his stamina and made him susceptible to the disease that caused his death.

Petitioner moved for reconsideration, but was denied in the Resolution[24] dated August 30, 2019. Arguing that the evidence on record does not support the Panel's conclusions, petitioner appealed to the CA.

CA Ruling

In its assailed Decision[25] dated October 30, 2020, the CA simply affirmed the Panel's ruling in its entirety. Petitioner's motion for reconsideration was also denied in the assailed CA Resolution[26] dated February 5, 2021. Thus, the present recourse.

Petitioner admits that it raises factual issues, which are not proper in a Rule 45 petition, but claims that this case falls under the exceptions to the rule, i.e., the Panel's ruling, as affirmed by the CA, was not supported by substantial evidence, but entirely grounded on speculations, surmises or conjectures, and misapprehension of facts.[27] Specifically, petitioner points out that there is nothing on record which proves that respondents claimed and were denied death benefits on September 3, 2015 to validly reckon the three-year prescriptive period from said date.[28] Petitioner also emphasizes that there was no evidence to support the conclusion that Ricardo was medically-repatriated

---

[20] *Id.* at 292–293.
[21] *Id.* at 293–294.
[22] *Id.* at 297.
[23] *Id.*
[24] *Id.* at 348–349.
[25] *Id.* at 55–66. Penned by Associate Justice Marie Christine Azcarraga-Jacob with the concurrence of Associate Justices Apolinario D. Bruselas, Jr. and Tita Marilyn B. Payoyo-Villordon.
[26] *Id.* at 68–70. Penned by Associate Justice Marie Christine Azcarraga-Jacob with the concurrence of Associate Justices Apolinario D. Bruselas, Jr. and Tita Marilyn B. Payoyo-Villordon.
[27] *Id.* at 11–12.
[28] *Id.* at 18–21.

and was refused post-employment medical examination upon arrival.[29] Finally, petitioner maintains that they cannot be held liable for Ricardo's death benefits since his death did not occur during employment, and there is no basis to conclude that the illness that caused his death was work-related.[30]

For their part, respondents argue that the remedy under Rule 45 is limited to questions of law, and as such, cannot be used to ask the Court to look into factual matters, which were already addressed by the Panel and affirmed by the CA. Respondents argue that Ricardo's exposure to stress, pressure, and chemicals on-board the vessel caused, or at least aggravated, the illness that led to his demise. Thus, for respondents, the award of death benefits was proper.[31]

Issue

The primordial issue for this resolution is whether the CA committed a reversible error in sustaining the grant of death benefits to respondents. Necessarily, the following issues are interrelated:

I. Whether respondents' claim was seasonably filed; and

II. Whether Ricardo's death was compensable under the CBA and the POEA-SEC.

Ruling

At the outset, the Court recognizes that the Petition assails common conclusions of the Panel and the CA on factual matters, unavoidably obliging us to revisit the evidence on record to determine their sufficiency. *Generally*, it is not the function of this Court to analyze and re-calibrate evidence since our review is limited to errors of law that may have been committed by the lower court or tribunal.[32] But this rule admits of exceptions. Case law, as well as the Internal Rules of the Supreme Court,[33] recognize the following instances which impel the Court to determine factual questions, *viz.*:

---

[29] *Id.* at 21–28.

[30] *Id.* at 28–44.

[31] See Comment/Opposition; *id.* at 600–610.

[32] *AMA Computer College-East Rizal v. Ignacio*, 608 Phil. 436 (2009).

[33] Rule 3, Section 4. *Cases When the Court May Determine Factual Issues.* — The Court shall respect the factual findings of lower courts, unless any of the following situations is present:
(a) the conclusion is a finding grounded entirely on speculation, surmise and conjecture;
(b) the inference made is manifestly mistaken;
(c) there is grave abuse of discretion;
(d) the judgment is based on a misapprehension of facts;
(e) the findings of fact are conflicting;
(f) the collegial appellate courts went beyond the issues of the case, and their findings are contrary to the admissions of both appellant and appellee;
(g) the findings of fact of the collegial appellate courts are contrary to those of the trial court;
(h) said findings of fact are conclusions without citation of specific evidence on which they are based;
(i) the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents;
(j) the findings of fact of the collegial appellate courts are premised on the supposed evidence, but are contradicted by the evidence on record; and

> **(1) When the conclusion is a finding grounded entirely on speculation, surmises or 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 [CA], 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) The findings of the [CA] are contrary to those of the trial court; **(8) When the findings of fact 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 respondents; and (10) The finding of fact of the [CA] is premised on the supposed absence of evidence and is contradicted by the evidence on record.[34] (Emphases supplied and citations omitted)

Further, jurisprudence instructs that the Court is bound by the lower court/tribunal's factual findings *only when they are sufficiently supported by evidence on record.* The Court may be constrained to stamp its affirmation upon the lower court/tribunal's decisions *only if* the process of their deduction from the evidence proffered by the parties is devoid of unfairness or arbitrariness.[35]

After a careful review of this case, we find the conclusions of the Panel and the CA, albeit uniform, to be grounded on mere surmises and not supported by the evidence on record. Hence, a review of the underlying factual issues, together with the legal question, is appropriate.

Entitlement to a seafarer's death benefits is a matter governed by law, by the contract/s that the seafarer and the employer signed upon hiring, and the 2010 Philippine Overseas Employment Agency Standard Employment Contract[36] (POEA-SEC), which is deemed integrated into the employment contract as it embodies the minimum requirements acceptable to the government for the employment of Filipino seafarers aboard a foreign ocean-going vessel. Hence, we shall refer to the pertinent provisions of the Labor Code,[37] the CBA,[38] and the 2010 POEA-SEC[39] in our review.

Respondents' claim is already barred by prescription

(k) all other similar and exceptional cases warranting a review of the lower courts' findings of fact. (Internal Rules of the Supreme Court, 2010)

[34] *Pepsi-Cola Products Phils., Inc. v. Pacana*, G.R. No. 248108, July 14, 2021 citing *Neri v. Yu*, 839 Phil. 1108 (2018) and *Medina v. Mayor Asistio, Jr.*, 269 Phil. 225 (1990). *See also Luces v. Coca-Cola Bottlers Phils., Inc.*, G.R. No. 213816, December 2, 2020; and *AMA Computer College-East Rizal v. Ignacio*, 608 Phil. 436 (2009).

[35] *Pepsi-Cola Products Phils., Inc. v. Pacana, id.*

[36] POEA Memorandum Circular No. 010-10 (2010).

[37] Presidential Decree No. 442, as amended.

[38] *Rollo*, pp. 155–196.

[39] POEA Memorandum Circular No. 010-10 (2010).

Article 291 of the Labor Code, the law governing the prescription of money claims of seafarers,[40] provides:

> ARTICLE. 291. *Money claims.* – All money claims arising from employer-employee relations accruing during the effectivity of this Code **shall be filed within three (3) years from the time the cause of action accrued; otherwise[,] they shall forever be barred.** (Emphasis supplied)
>
> x x x x

Consistently, the POEA-SEC states:

> SECTION. 30. *Prescription of Action.* — All claims arising from this contract **shall be made within three (3) years from the date the cause of action arises, otherwise the same shall be barred.** (Emphasis supplied)

The question now arises as to when the cause of action for death benefits claims accrues. A cause of action has three elements, to wit: 1) the plaintiff's legal right arising through whatever means or created by whatever law; 2) the defendant's duty corresponding to such right; and 3) the act or omission of the defendant that is violative of the plaintiff's right or constituting a breach of the obligation of the defendant to the plaintiff — the last element being the operative circumstance that gives rise to a cause of action.[41]

The Panel, as affirmed by the CA, ruled that respondents' cause of action accrued upon petitioner's denial of respondents' claim on September 3, 2015, not upon Ricardo's death on September 3, 2014, because "it [was] at [that point when] petitioner may be said to have committed a breach of its obligation towards Ricardo and his heirs."[42] Hence, it was held that the filing of the complaint on March 2, 2018 was well-within the three-year prescriptive period.

The Panel and the CA were mistaken.

Apropos is Article 1150 of the New Civil Code which provides that "[t]he time for prescription for all kinds of actions, when there is no special provision which ordains otherwise, shall be counted from the day they may be brought."[43] Claims for seafarers' death benefits arise from the agreement (CBA, in relation to the POEA-SEC) between the seafarer and the employer, which provides that the employer has the obligation to pay death benefits upon the seafarer's death during employment. Specifically in this case, Article 29.1 of the CBA states that "**[i]f a seafarer dies** through any cause **whilst in the employment** of the Company including death from natural causes and death occurring whilst travelling to and from the vessel, or as a result of marine or other similar peril, but excluding death due to wil[l]ful acts, the Company

---

[40] *Medline Management, Inc. v. Roslinda*, 645 Phil. 34 (2010); and *Southern Shipping v. Navarra, Jr.*, 635 Phil. 350 (2010); and *De Guzman v. Court of Appeals*, 358 Phil. 397 (1998).

[41] *China Banking Corporation v. Court of Appeals*, 499 Phil. 770 (2005).

[42] *Rollo*, p. 62.

[43] NEW CIVIL CODE, ART. 1150.

shall pay the sums specified [in the agreement] to a nominated beneficiary and to each dependent child[.]"[44] Similarly, Section 20-B(1), in relation to Section 20-D of the POEA-SEC states that, "**[i]n case of work-related death of the seafarer during the term of his contract**, the employer **shall pay** his beneficiaries [certain amounts],"[45] "unless the employer can prove that [the] x x x death is directly attributable to the seafarer."[46] Simply put, the agreed stipulations clearly state that the obligation to pay death benefits is already demandable upon the seafarer's demise. The employer's omission to pay death benefits upon the seafarer's death is already a breach of the agreement, giving rise to a cause of action. Pursuant to Article 1150 of the New Civil Code, thus, the prescriptive period for claiming death benefits under the CBA and the POEA-SEC starts to run from the seafarer's death. This is aptly so because the employer is deemed to have knowledge of the seafarer's death since it occurred during employment, dispensing thus with the need of notice or extrajudicial demand. Verily, in claims for death benefits of seafarers, the Court has invariably ruled that the cause of action accrues **upon the death of the seafarer**.[47]

There are cases, however, wherein the seafarer's demise occurred post-contract but may still be considered death "while in the employment," giving rise to the employer's obligation to pay death benefits as will be explained below. Necessarily, in such cases, the employer is not expected to have knowledge of the death that occurred after the effectivity of the employment contract and its concomitant obligation. Nevertheless, since there is no special stipulation in the agreement that provides otherwise, the rule remains the same, *i.e.*, the cause of action accrues upon the death of the seafarer. The seafarer's death remains to be the operative fact that gives rise to the claimants' right to the death benefits. As a matter of course, the legal precept that "the law aids the vigilant, not those who slumber on their rights"[48] finds application in such cases. Since claims for death benefits are immediately demandable upon the seafarer's death, prescription of the claims also starts to run upon such death;[49] hence, claimants should be vigilant in enforcing their rights before the proper forum or their claims may forever be barred by prescription.

Needless to say, like any other causes of action, the prescriptive period for money claims is subject to interruption, and in the absence of an equivalent Labor Code provision for this matter, Article 1155 of the New Civil Code applies,[50] *viz.*;

---

[44] IBF JSU/AMOSUP – IMMAJ Collective Bargaining Agreement (Effective from January 1st 2012 to December 31st 2014), *rollo*, p. 172.

[45] POEA Memorandum Circular No. 010-10 (2010), SEC. 20-B(1).

[46] POEA Memorandum Circular No. 010-10 (2010), SEC. 20-D.

[47] *Pantollano v. Korphil Shipmanagement and Manning Corp.*, 662 Phil. 189 (2011); and *Medline Management, Inc. v. Roslinda*, 645 Phil. 34 (2010).

[48] *Salandanan v. Court of Appeals*, 353 Phil. 114 (1998).

[49] THE NEW CIVIL CODE, ART. 1150. The time for prescription for all kinds of actions, when there is no special provision which ordains otherwise, shall be counted from the day they may be brought.

[50] *Intercontinental Broadcasting Corporation v. Panganiban*, 543 Phil. 371 (2007); and *De Guzman v. Court of Appeals*, 358 Phil. 397 (1998).

> ARTICLE 1155. The prescription of actions is interrupted when they are filed before the court, when there is a written extrajudicial demand by the creditors, and when there is any written acknowledgment of the debt by the debtor.

Verily, the prescription of an action is interrupted by a) a claim filed at the proper judicial or quasi-judicial forum;[51] b) a written extrajudicial demand by the creditor; and c) a written acknowledgment of the debt by the debtor.[52] None of these conditions is present in this case, hence, the prescriptive period continued to run unabated from Ricardo's death.

On record, there was no timely claim filed with the proper forum. The POEA-SEC provides that "[i]n cases of claims and disputes arising from this employment, the parties covered by a [CBA] shall submit the claim or dispute to the **original and exclusive jurisdiction of the voluntary arbitrator or panel of voluntary arbitrators.**"[53] It is undisputed that respondents filed their claim before the Panel only on March 2, 2018, which is clearly beyond three years from Ricardo's death on September 3, 2014.[54]

Neither was there proof of a written extrajudicial demand by respondents nor a written acknowledgment of debt by petitioner. Respondents aver that they made several extrajudicial demands until September 3, 2015, but not one evidence was presented to support this affirmative allegation. This was actually observed in the proceedings before the Panel,[55] but curiously, both the Panel and the CA omitted a discussion as to why such lack of substantiation was disregarded. This reversible error must be rectified. It is a basic rule in evidence that the party who made an affirmative allegation carries the burden to prove it. Since mere allegation is not equivalent to evidence, respondents' allegation that they made timely claims from petitioner are self-serving and devoid of any evidentiary weight.[56]

Moreover, the Court cannot subscribe to respondents' self-serving proposition to reckon the three (3)-year prescriptive period from the alleged *latest* denial of their claim on September 3, 2015 when previous demands were also alleged to have been made and denied. We find no reasonable explanation as to why respondents opted to wait for the three (3)-year prescriptive period to expire when they could have seasonably filed the complaint after the first alleged futile demands from petitioner. To agree with respondents as the Panel and the CA did would unduly privilege claimants to determine the reckoning point of the prescriptive period to the prejudice of the employer. To be sure, it will be unreasonable to give claimants the

---

[51] *De Guzman v. Court of Appeals*, supra.

[52] *Intercontinental Broadcasting Corporation v. Panganiban*, 543 Phil. 371 (2007).

[53] POEA Memorandum Circular No. 010-10 (2010), SEC. 29. *Dispute Settlement Procedures.* — In cases of claims and disputes arising from this employment, the parties covered by a collective bargaining agreement shall submit the claim or dispute to the original and exclusive jurisdiction of the voluntary arbitrator or panel of voluntary arbitrators. See also *De Guzman v. Court of Appeals*, 358 Phil. 397 (1998).

[54] Id. at 144.

[55] *Rollo*, p. 305.

[56] *Atienza v. Saluta*, G.R. No. 233413, June 17, 2019; and *Menez v. Status Maritime* Corporation, 839 Phil. 360 (2018).

expediency to lodge a claim before the employer at their convenient time, and then compute the prescriptive period only after such claim is denied. By that time, pertinent documents, witnesses, or any other evidence may no longer be available for the employer to controvert the claim. As we have previously explained:

> Prescription is rightly regarded as a statute of repose whose object is to suppress fraudulent and stale claims from springing up at great distances of time and surprising the parties or their representatives when the facts have become obscure from the lapse of time or the defective memory or death or removal of witnesses[;] x x x to prevent fraudulent claims arising from unwarranted length of time x x x [because] [o]ur laws do not favor property rights hanging in the air, uncertain, over a long span of time.[57] (Citations omitted)

In view of the foregoing, it is undeniable that respondents' claim is already barred by prescription, warranting its dismissal on this ground alone.

Ricardo's death is not compensable under the CBA and the POEA-SEC

Even if we forgo respondents' fatal lapse in filing a timely claim, their case is still dismissible due to their failure to substantially prove compensability of Ricardo's death. The following provisions of the CBA govern, *viz.*:

> **Article 29: Loss of Life – Death in Service**
>
> 29.1 If a Seafarer dies through any cause **whilst in the employment of the Company** including death from natural causes and death occurring whilst travelling to and from the vessel, or as a result of marine or other similar peril, but excluding death due to wilful (sic) acts, the Company shall pay the sums specified in the attached APPENDIX 3 to a nominated beneficiary and to each dependent child up to a maximum of four (4) under 21 years of age. The above compensation shall include those Seafarers who have been missing as a result of peril of the sea (i.e. collision, sinking, conflagration and similar contingencies) and presumed dead three (3) months after the adversity. The Company shall also transport at its own expense the body to Seafarer's home where practical and at the families' request and pay the cost of burial expenses. If the Seafarer shall leave no nominated beneficiary, the aforementioned sum shall be paid to the person or body empowered by law or otherwise to administer the estate of the Seafarer.
>
> x x x x
>
> **29.3 For the purpose of this clause a seafarer shall be regarded as "in the employment of the company: for so long as the provisions of Articles 25 and 26 apply and provided the death is directly attributable to sickness or injury that caused the seafarer's employment to be terminated in accordance with Article 22.1 (b).**

---

[57] See *Multi-Realty Development Corporation v. The Makati Tuscany Condominium*, 524 Phil. 318 (2006); and *Ochagabia v. Court of Appeals*, 364 Phil. 233 (1999).

x x x x (Emphases supplied)

Relatedly, Articles 22, 25, and 26 of the CBA state:

Article 22: Termination of Employment

22.1 The employment shall be terminated:

x x x x

(b) when **signing off owing to sickness or injury, after medical examination** in accordance with Article 25, but subject to the provision of Article 29.

x x x x

Article 25: Medical

x x x x

25.3 A seafarer **repatriated, unfit as a result of sickness** or injury, shall be entitled to medical attention (including hospitalization) at the Company's expense:

(a) in the case of sickness, **for up to a minimum of sixty (60) days and a maximum of one hundred and thirty (130) days after repatriation, subject to the submission of satisfactory medical reports**.

x x x x

Article 26: Sick Pay

x x x x

26.2 [After **repatriation due to sickness or injury**,] the seafarer shall be entitled to sick pay at the rate equivalent to their basic wage **while they remain sick up to a minimum of sixty (60) days and a maximum of one hundred and thirty (130) days**. The provision of sick pay following repatriation shall be **subject to submission of a valid medical certificate, without undue delay**.

x x x x

26.4 **Proof of continued entitlement to sick pay shall be by submission of satisfactory medical reports**, endorsed, where necessary, by a Company-appointed doctor. If a doctor appointed by or on behalf of the seafarer disagrees with the assessment, a third doctor may be nominated jointly between the Company and the Union and the decision of this doctor shall be final and binding on both parties. (Emphases supplied)

In order to avail of death benefits under the CBA, thus, the death of the seafarer should occur **while in the employment** of the company. Remarkably, the CBA is liberal enough to consider seafarers to still be "in the employment"

of the company up to **130 days from repatriation, *if* they were repatriated for being unfit due to sickness after medical examination and upon submission of satisfactory medical reports.**[58]

The POEA-SEC is more exacting as it requires, not only that the seafarer's death occur **during employment**, but it must also **result from a work-related injury or sickness** for it to be compensable, *viz.*:

> SECTION. 20. *Compensation and Benefits.* —
>
> x x x x
>
> B. *Compensation and Benefits for Death*
>
> 1. In case of **work-related death of the seafarer, during the term of his [or her] contract**, the employer shall pay his [or her] beneficiaries the Philippine currency equivalent to the amount of Fifty Thousand US dollars (US$50,000[.00]) and an additional amount of Seven Thousand US dollars (US$7, 000[.00]) to each child under the age of twenty-one (21) but not exceeding four (4) children, at the exchange rate prevailing during the time of payment.
>
> x x x x
>
> 4. The other liabilities of the employer **when the seafarer dies as a result of work-related injury or illness during the term of employment** are as follows:
>
> x x x x
>
> c. The employer shall pay the beneficiaries of the seafarer the Philippine currency equivalent to the amount of One Thousand US dollars (US$1,000[.00]) for burial expenses at the exchange rate of prevailing during the time of the payment. (Emphases supplied)

Notably, jurisprudence has also been liberal in considering a post-contract death compensable under the POEA-SEC ***if* such death was proven to be caused by a work-related injury or illness for which the seafarer was medically-repatriated.**[59]

In this case, Ricardo was no longer under petitioner's employ at the time of his death. His contract of employment ceased when he arrived in the Philippines on February 20, 2014, and he died 195 days thereafter or on September 3, 2014. There is also no showing that Ricardo was medically-repatriated for him to be considered still "in the employment" after repatriation. No evidence was presented to corroborate respondents' allegation that Ricardo suffered from any illness while on-board, and that the illness was the reason for the termination of the employment contract.

---

[58] See *Legal Heirs of the Late Edwin B. Deauna v. Fil-Star Maritime Corporation*, 688 Phil. 582 (2012).

[59] *Heirs of the Late Manolo N. Licuanan v. Singa Ship Management, Inc.*, G.R. No. 238261, June 26, 2019.

Respondents merely alleged that Ricardo suffered dizziness and an upset stomach sometime in December 2013, without any proof of record or corroboration. We reiterate, mere allegation is not proof.[60]

Respondents' claim that petitioner refused to give Ricardo medical treatment upon his arrival, forcing Ricardo to consult with his personal doctor, is another unsubstantiated allegation that deserves scant consideration.[61] Notably lacking from the records is a medical proof that Ricardo was seen by his personal doctor and diagnosed with an illness immediately upon repatriation or, at least, within 130 days from repatriation or until June 28, 2014. On the contrary, respondents' own evidence — Case History and Discharge Summary issued by the Cagayan de Oro Medical Center — clearly show that **it was only on August 19, 2014 or on the 177th day from repatriation when Ricardo started seeking medical attention.**[62]

We also cannot simply disregard the unrefuted fact that two (2) months after repatriation or on April 14, 2014, Ricardo executed an Affidavit of Receipt, Release, Waiver, and Quitclaim, stating that he had already received the "full and final wages and benefits"[63] of his terminated contract, and that he had no more claims from petitioner and his principal. This militates against respondents' allegations that Ricardo was medically-repatriated and had medical treatment claims against petitioner or his principal.

Thus, there is absolutely no basis to liberally consider Ricardo's post-contract demise as death "while in the employment." Under the CBA, such liberality requires satisfactory medical proofs of illness on-board and repatriation on account of such illness, as well as medical proof of continuous sickness within 130 days from repatriation, which are utterly absent in this case.

Neither can we conclude, without competent medical proof, that Ricardo's death was the result of a work-related illness. The POEA-SEC defines a work-related illness as "any sickness as a result of an occupational disease listed under Section 32-A of this Contract with the conditions set therein satisfied."[64] As for illnesses which are not included in the list, such as the pancreatic cancer and the resulting liver cirrhosis that caused Ricardo's death, Section 20(A)(4) creates a disputable presumption that they are work-related. The Court has, however, repeatedly reminded claimants that such disputable presumption of work-relatedness does not equate to compensability.[65] In fact, even an established work-related illness, or one which is listed as occupational, does not entail a conclusion that the resulting death is automatically compensable. In such case, the seafarer, while not needing to prove the work-relatedness of his illness, bears the burden of

---

[60] *Menez v. Status Maritime Corporation*, supra note 56.

[61] See *Maryville Manila, Inc. v. Espinosa*, G.R. No. 229372, August 27, 2020.

[62] *Rollo*, pp. 447–455.

[63] *Id.* at 383.

[64] POEA Memorandum Circular No. 010-10 (2010), Definition of Terms (16).

[65] *Seacrest Maritime Management, Inc. v. Roderos*, 830 Phil. 750 (2018).

proving compliance with the conditions of compensability under Section 32-A of the POEA-SEC,[66] to wit:

1. The seafarer's work must involve the risks described herein;
2. The disease was contracted as a result of the seafarer's exposure to the described risks;
3. The disease was contracted within a period of exposure and under such other factors necessary to contract it; and
4. There was no notorious negligence on the part of the seafarer.

In *Maryville Manila, Inc. v. Espinosa*,[67] citing *Ventis Maritime Corporation v. Salenga*,[68] in relation to *Magsaysay Maritime Services v. Laurel*,[69] we expounded:

> As to x x x [illnesses not listed as an occupational disease,] x x x the seafarer [or his or her beneficiaries in case of death] may still claim [compensability] provided that [the disability or death] was occasioned by a disease contracted on account of or aggravated by working conditions. For this illness, "[i]t is sufficient that there is a reasonable linkage between the disease suffered by the employee and his [or her] work to lead a rational mind to conclude that his work may have contributed to the establishment or, *at the very least, aggravation of any pre-existing condition he might have had.*" Operationalizing this, to prove this reasonable linkage, **it is imperative that the seafarer must prove the requirements under Section 32-A: the risks involved in his [or her] work; his [or her] illness was contracted as a result of his exposure to the risks; the disease was contracted within a period of exposure and under such other factors necessary to contract it; and he [or she] was not notoriously negligent.**
>
> x x x x
>
> More importantly, the rule applies that whoever claims entitlement to benefits provided by law should establish his right thereto by substantial evidence, which is more than a mere scintilla; it is real and substantial, and not merely apparent. Further, while in compensation proceedings in particular, the test of proof is merely probability and not ultimate degree of certainty, the conclusions of the courts must still be based on real evidence and not just inferences and speculations.[70] (citations omitted, italics in the original, and emphasis supplied)

Here, respondents merely made unsubstantiated sweeping assertions of stress due to being away from the family and long hours of work to support their claim that there is a reasonable causal connection between Ricardo's job and the illness that caused his death. In *Razonable, Jr. v. Torm Shipping Phils., Inc.*,[71] we clarified that while the Court acknowledges such general perils encountered by seafarers at sea, such acknowledgment is not proof that the illness or injury suffered by the seafarer and the resulting death or disability

---

66 *Id.*
67 G.R. No. 229372, August 27, 2020.
68 G.R. No. 238578, June 8, 2020.
69 707 Phil. 210 (2013).
70 *Maryville Manila, Inc. v. Espinosa*, G.R. No. 229372, August 27, 2020 citing *Ventis Maritime Corporation v. Salenga*, G.R. No. 238578, June 8, 2020.
71 G.R. No. 241620, July 7, 2020.

are compensable.[72] We stress, claimants of death benefits has the burden to prove by substantial evidence that the seafarer's death occurred during employment and/or resulted from a work-related injury or illness to establish their entitlement to the benefits.[73] This, the respondents failed to discharge. There was nothing on record, not even in the diagnoses of Ricardo's personal doctor, that will show the reasonable link between the duties discharged by Ricardo as Chief Officer and the risk factors of pancreatic cancer/liver cirrhosis. Certainly, the isolated incident in December 2013 when Ricardo allegedly manned the vessel for two days without rest is far from being considered substantial proof of a causal link between his job and his illness.

The Panel, as affirmed by the CA, ruled in favor of compensability based on mere surmises and generalizations, not supported by medical report or any proof, *viz.*:

> As Chief Officer of the vessel, he is the most burdened personnel of the vessel, who takes responsibility for maintenance of the navigation of the vessel throughout the entire day and night operations especially at times of inclement weather. He also performs a lot of supervisorial tasks. As such, he is exposed to chemicals from the machines and equipment which he cannot avoid nor deter considering that his place of work is the vessel itself. **The stresses and pressures suffered by [Ricardo] led to lowering of his stamina, causing him susceptibility to illness which caused his ultimate death.** [Respondents claim] that the illness of Ricardo was diagnosed as Pancreatic Cancer and one of the risks of said illness is work place, exposure to **certain chemicals. That the vessel, workplace of [Ricardo] is a bulk carrier which load supplies of different toxic chemicals and inhaled by the seafarer causing x x x his illness.**[74] (Emphases supplied)

Our ruling in *Jebsen Maritime, Inc. v. Ravena*,[75] albeit the case involved disability benefits, is instructive. We denied the claim because:

> [The claimant] did not enumerate his specific duties as a 4th engineer or the specific tasks which he performed on a daily basis on board [the vessel]. Also, **he did not show how his duties or the tasks that he performed caused, contributed to the development of, or aggravated his ampullary cancer. He likewise did not specify the substances or chemicals which he claimed he was exposed to.**
>
> **Further, he failed to prove that he had indeed been exposed to the chemicals/substances he claimed he was exposed to during his employment contract; how these substances/chemicals could have caused his ampullary cancer; or measures that the company did or did not take to control the hazards occasioned by the use of such substances/chemicals, to prevent or to lessen his exposure to them.**
>
> To be exact, he simply claimed that "his assignment had always been on (sic) the engine room" and that "exposure to various substances over the years caused his disease." **These bare allegations, however, are not the equivalent of the substantial evidence that the law requires of [the**

---

[72] *See also Seacrest Maritime Management, Inc. v. Roderos*, supra note 65.

[73] See *id.*; *Maersk-Filipinas Crewing, Inc. v. Malicse*, 820 Phil. 941 (2017).

[74] *Rollo*, pp. 294–295.

[75] 743 Phil. 371 (2014).

claimant] to adduce for the grant of his disability benefits claim.[76] (Citations omitted and emphases supplied)

Similarly, in this case, there was not even an allegation, much less proof, of Ricardo's exposure to specific chemicals that may have caused his pancreatic cancer, which in turn caused his liver cirrhosis. Ricardo's medical records did not identify any chemical which could have caused Ricardo's illness. The duties of a Chief Officer that respondents enumerated in their Position Paper[77] do not even imply that Ricardo worked with specific chemicals or substances that can cause pancreatic cancer/liver cirrhosis. In that regard, we take this opportunity to remind claimants that **it is not for the Court or the Panel and the CA to conduct factual and medical research on the factors that could have caused or aggravated the seafarer's death. We can only rely upon the evidence presented by the parties**, which is lacking in this case.

In all, respondents' claim of compensability was merely based on surmises and not supported by substantial evidence. The Panel, as affirmed by the CA, failed to consider such lack of evidence to prove that Ricardo's death was compensable as a result of an illness suffered during the effectivity of his contract, and caused or aggravated by risk factors existing at his workplace. The Panel and the CA failed to establish their factual basis in awarding death benefits to respondents.[78] We iterate the indispensable duty of the claimant to present no less than substantial evidence, *i.e.*, more than a scintilla, in fulfilling the requisites of compensability of a seafarer's death.[79] Indeed, while the Court adheres to the policy of liberality in favor of the seafarer, we cannot allow claims for compensation based merely on surmises and generalizations. The law, in protecting the rights of the employees, authorizes neither oppression nor self-destruction of the employer — there may be cases where the circumstances warrant favoring labor over the interests of management but never should the scale be so tilted as to result in an injustice to the employer. Thus, when the evidence on record does not support compensability, we can only commiserate as our hands are tied to deny the claim, lest we cause injustice to the employer — a denouement undesirable in the tenets of social injustice.

Nevertheless, we find it equitable to grant respondents financial assistance in the amount of ₱100,000.00 as a measure of social and compassionate justice[80] considering that Ricardo had finished several

---

[76] *Supra* at 392.

[77] *Rollo*, p. 140.

[78] See *Sea Power Shipping Enterprises, Inc. v. Salazar*, 716 Phil. 693 (2013).

[79] *Id.*

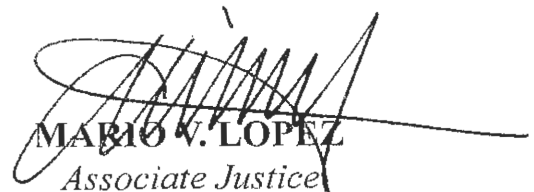
[80] In *Maryville Manila, Inc. v. Espinosa*, G.R. No. 229372, August 27, 2020, the Court granted ₱100,000.00 financial assistance to the claimant in view of his devotion to further his employers' endeavors; for similar reasons, in *Loadstar International Shipping, Inc. v. Yamson*, 830 Phil. 731 (2018), we awarded ₱75,000.00 financial assistance; in *Villaruel v. Yeo Han Guan*, 665 Phil. 212 (2011), we granted financial assistance of ₱50,000.00 in view of the claimant's length of service and absence of any infraction; in *Panganiban v. TARA Trading Shipmanagement, Inc., et al.*, 647 Phil. 675 (2010), we affirmed the award of ₱50,000.00 financial assistance; and in *Eastern Shipping Lines, Inc. v. Antonio*, 618 Phil. 601 (2009), we gave financial assistance of ₱100,000.00 in view of claimant's length of service and very good performance.

contracts with petitioner without any issue from 1999 until his latest employment in 2013.[81] As we have held in *Eastern Shipping Lines, Inc. v. Antonio*:[82]

> But we must stress that this Court did allow, in several instances, the grant of financial assistance. In the words of Justice Sabino de Leon, Jr., now deceased, financial assistance may be allowed as a measure of social justice and exceptional circumstances, and as an equitable concession. The instant case equally calls for balancing the interests of the employer with those of the worker, if only to approximate what Justice Laurel calls justice in its secular sense.
>
> In this instance, our attention has been called to the following circumstances: that private respondent joined the company when he was a young man of 25 years and stayed on until he was 48 years old; that he had given to the company the best years of his youth, working on board ship for almost 24 years; that in those years there was not a single report of him transgressing any of the company rules and regulations; that he applied for optional retirement under the company's non-contributory plan when his daughter died and for his own health reasons; and that it would appear that he had served the company well, since even the company said that the reason it refused his application for optional retirement was that it still needed his services; that he denies receiving the telegram asking him to report back to work; but that considering his age and health, he preferred to stay home rather than risk further working in a ship at sea.
>
> In our view, with these special circumstances, we can call upon the same "social and compassionate justice" cited in several cases allowing financial assistance. These circumstances indubitably merit equitable concessions, via the principle of "compassionate justice" for the working class. . . .[83]

ACCORDINGLY, the Petition for Review on *Certiorari* is **GRANTED**. The Decision dated October 30, 2020 and Resolution dated February 5, 2021 of the Court of Appeals in CA-G.R. SP No. 161918 are **REVERSED**. The claim for Ricardo Abarrientos' death benefits is **DISMISSED** for lack of merit. But the amount of One Hundred Thousand Pesos (₱100,000.00) is **AWARDED** to respondents Heirs of Ricardo Abarrientos as financial assistance.

SO ORDERED.



MARIO V. LOPEZ
Associate Justice

---

[81] *Rollo*, p. 96.
[82] 618 Phil. 601 (2009) citing *Eastern Shipping Lines, Inc. v. Sedan*, 521 Phil. 61 (2006).
[83] *Supra* at 614–515.

WE CONCUR:

MARVIC M.V. F. LEONEN
Associate Justice
Chairperson

AMY C. LAZARO-JAVIER
Associate Justice

JHOSEP Y. LOPEZ
Associate Justice

ANTONIO T. KHO, JR.
Associate Justice

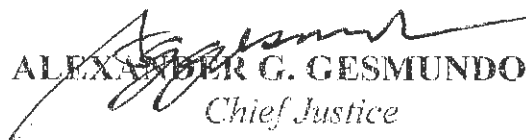
ATTESTATION

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.



ALEXANDER G. GESMUNDO
Chief Justice