



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

MAGSAYSAY MARITIME
SERVICES and PRINCESS
CRUISE LINES, LTD.,

Petitioners,

- versus -

G.R. No. 195518

Present:

VELASCO, JR., J., *Chairperson*,
PERALTA,
ABAD,
MENDOZA, and
LEONEN, JJ.

EARLWIN MEINRAD
ANTERO F. LAUREL,

Respondent.

Promulgated:

March 20, 2013

X ----- X

DECISION

MENDOZA, J.:

This is a petition for review on *certiorari* under Rule 45 of the Revised Rules of Court assailing the August 6, 2010 Decision¹ and the February 4, 2011 Resolution² 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 Decision³ 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

¹ Annex "A" of Petition, *rollo*, pp. 60-68. Penned by Associate Justice Mario L. Guarina III with Associate Justice Apolinario D. Bruselas, Jr. and Associate Justice Rodil V. Zalameda, concurring.

² Annex "C" of Petition, *id.* at 94.

³ Records, pp. 56-61.

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 Employment⁴ 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

⁴ Id. at 119.

⁵ *Rollo*, p. 60.

⁶ Id. at 61.

⁷ Id.

⁸ Records, pp. 100-101.

⁹ *Rollo*, p. 61.

biochemically euthyroid. His oral anti-thyroid medications were tapered off for possible discontinuation of treatment.¹⁰

On August 3, 2006, Laurel filed a complaint¹¹ 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 certificate¹² 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

¹⁰ Id. at 62.

¹¹ Records, pp. 135-136.

¹² Records, p. 134.

¹³ *Rollo*, p. 62.

¹⁴ Records, pp. 69-76.

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.

¹⁵ 405 Phil. 487, 494 (2001).

¹⁶ Records, pp. 60-61.

¹⁷ *Rollo*, p. 67.

The petitioners filed a motion for reconsideration¹⁸ 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

¹⁸ Annex "B" of Petition, id. at 69-89.

¹⁹ Id. at 32.

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.

²⁰ Id. at 102-114.

²¹ 327 Phil. 472, 483 (1996).

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. 247²³ 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:

Section 20 (B)

COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

²² *Andrada v. Agemar Manning Agency, Inc.*, G.R. No. 194758, October 24, 2012.

²³ Reorganizing the Philippine Overseas Employment Administration and for Other Purposes, dated July 21, 1987.

²⁴ *Fil-Star Maritime Corporation v. Rosete*, G.R. No. 192686, November 23, 2011, 661 SCRA 247, 254, citing Secs. 3(i) and (j) of E.O. No. 247.

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

X X X X

6. In case of permanent total or partial disability of the seafarer caused by either injury or illness the seafarer shall be compensated in accordance with the schedule of benefits enumerated in Section 32 of this Contract. Computation of his benefits arising from an illness or disease shall be governed by the rates and rules of compensation applicable at the time the illness or disease was contracted.

Pursuant to the aforequoted provision, two elements must concur for an injury or illness of a seafarer to be compensable. First, the injury or illness must be work-related; and second, that the work-related injury or illness must have existed during the term of the seafarer's employment contract.²⁵ Both requisites obtain in this case.

For disability to be compensable under Section 20 (B) of the 2000 POEA-SEC, it must be the result of a work-related injury or a work-related illness, which are defined as "injury(ies) resulting in disability or death arising out of and in the course of employment" and as "any sickness resulting to disability or death as a result of an occupational disease listed under Section 32-A of this contract with the conditions set therein satisfied."

Section 32-A. OCCUPATIONAL DISEASES

For an occupational disease and the resulting disability or death to be compensable, all of the following conditions must be satisfied:

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;
4. There was no notorious negligence on the part of the seafarer.

As borne by the records, Laurel was afflicted with hyperthyroidism during the term of his employment contract that caused his discharge for medical examination in Florida, U.S.A. on April 3, 2005 and his subsequent repatriation to the Philippines.

²⁵ *Jebsens Maritime Inc. v. Undag*, G.R. No. 191491, December 14, 2011, 662 SCRA 670, 677.

Hyperthyroidism is the medical term to describe the signs and symptoms associated with an overproduction of thyroid hormones. It is a condition in which the thyroid gland makes too much thyroid hormones affecting the tissues of the body.²⁶ Although there are several causes of hyperthyroidism, most of the symptoms patients experience are the same regardless of the cause. Because the body's metabolism is increased, patients often feel hotter than those around them and can slowly lose weight even though they may be eating more. The weight issue is confusing sometimes since some patients actually gain weight because of an increase in their appetite. Patients with hyperthyroidism usually experience fatigue at the end of the day, but have trouble sleeping. Trembling of the hands and a hard or irregular heartbeat (called palpitations) may develop. These individuals may become irritable and easily upset. When hyperthyroidism is severe, patients can suffer shortness of breath, chest pain and muscle weakness.²⁷

The most common underlying cause of hyperthyroidism is Graves' Disease. It is classified as an autoimmune disease, caused by the patient's own immune system turning against the patient's own thyroid gland. The hyperthyroidism of Graves' Disease, therefore, is caused by antibodies that the patient's immune system makes. The antibodies attach to specific activating sites on the thyroid gland and those, in turn, cause the thyroid to make more hormones.²⁸

Stress is a factor that appears to trigger the onset of Graves' Disease. Researchers have documented a definite connection between major life stressors and the onset of Graves' disease.²⁹ Lifestyle factors are perhaps the biggest factor that lead to a hyperthyroid condition. Two of the biggest lifestyle factors are **chronic stress** and poor eating habits. There are other risk factors for the disorder. Based on family and twin studies, genetic factors are important. Postulated environmental and lifestyle risk factors include cigarette smoking, **stress and adverse life events**, and high dietary iodine intake.³⁰ With regard to stress, while there is nothing that can be done to entirely eliminate it in people's lives, most can do a much better job in handling it. **Too much stress can create problems with the adrenal glands**, as while they are designed to handle acute stress situations, they cannot adequately handle chronic, prolonged stress. Problems with the

²⁶ <http://www.endocrineweb.com/conditions/hyperthyroidism/hyperthyroidism-overactivity-thyroid-gland-0>; last visited March 15, 2013.

²⁷ <http://www.endocrineweb.com/conditions/hyperthyroidism/hyperthyroidism-overactivity-thyroid-gland-0>

²⁸ <http://www.endocrineweb.com/conditions/hyperthyroidism/hyperthyroidism-overactivity-thyroid-gland-1>

²⁹ <http://thyroid.about.com/od/hyperthyroidismgraves/a/risks-symptoms.htm>Risks and Symptoms of Graves' Disease and Hyperthyroidism. By Mary Shomon, About.com Guide. Updated June 17, 2008.

³⁰ <http://archinte.jamanetwork.com/article.aspx?articleid=486661>.

adrenal glands will eventually affect other areas of the body, including the **thyroid gland**.³¹ [Emphases supplied]

Laurel, in his Memorandum,³² aptly explained how stress can lead to a thyroid condition, to quote:

‘It’s important to understand that our bodies weren’t designed to handle chronic stress. The adrenal glands were designed to handle acute stress situations without much of a problem. But in today’s world most people are overwhelmed with stressful situations, as they have stressful jobs, stressful relationships, financial issues, and many issues that lead to chronic stress. Since the adrenal glands weren’t designed to handle chronic stress situations, what happens is that for a person who deals with a lot of stress AND does a poor job of managing it, over a period of months and years their adrenal glands will weaken, which can eventually lead to adrenal fatigue. But even before these glands reach this point, this can create other problems, including dysfunction of the thyroid gland.

The way that stressed out adrenals can cause thyroid malfunction is the following: when the adrenal glands are stressed out, it puts the body in a state of catabolism, which means that the body is breaking down. Because of this, the body will slow down the thyroid gland as a protective mechanism. The reason behind this is because the thyroid gland controls the metabolism of the body, and so the body slows it down in order to slow down the catabolic process. This is why many times the thyroid gland won’t respond to treatment until you address the adrenal glands.

If the adrenal glands are not addressed, this can affect other bodily systems. For example, someone with weak adrenal glands who has a thyroid disorder can develop a compromised immune system. This eventually can lead to an autoimmune thyroid disorder, such as Graves’ Disease or Hashimoto’s Thyroiditis.’³³ [Emphasis and underscoring in the original]

In sum, chronic stress can cause a lot of different problems, and if not managed, it can ultimately lead to a thyroid condition. Of course, this does not mean that all thyroid conditions are caused by stress, but there is no question that stress is a culprit in many thyroid disorders.³⁴

Given the foregoing, although Graves’ Disease is attributed to genetic influence, the Court finds a reasonable work connection between Laurel’s condition at work as pastryman (cook) and the development of his

³¹ <http://drerico23.hubpages.com/hub/Hyperthyroidism-Causes-Cures>.

³² *Rollo*, pp. 150-165.

³³ *Id.* at 157-158.

³⁴ <http://www.naturalendocrinesolutions.com/articles/chronic-stress-thyroid-condition>. Last visited March 15, 2013

hyperthyroidism. His constant exposure to hazards such as chemicals and the varying temperature, like the heat in the kitchen of the vessel and the coldness outside, coupled by stressful tasks in his employment caused, or at least aggravated, his illness. It is already recognized that any kind of work or labor produces stress and strain normally resulting in wear and tear of the human body.³⁵ Thus, the Court sustains the finding of the CA that:

Stressful conditions in the environment, in a word, can result in hyperthyroidism, and the employment conditions of a seafarer on board an ocean-going vessel are likely stress factors in the development of hyperthyroidism irrespective of its origin. As recounted by the respondent in his position paper, the work on board the MV Star Princess was a strenuous one. It involved day-to-day activities that brought him under pressure and strain and exposed him to chemical and other irritants, and his being away from home and family only aggravated these stresses.³⁶

Indeed, Laurel has shown a reasonable causation between his working condition and his hyperthyroidism contracted during his employment warranting the recovery of compensation. Settled is the rule that for illness to be compensable, it is not necessary that the nature of the employment be the sole and only reason for the illness suffered by the seafarer. It is sufficient that there is a reasonable linkage between the disease suffered by the employee and his 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.³⁷

The case of *Career Philippines Shipmanagement, Inc. v. Serna*³⁸ may be relevant. In the said case, the Court sustained the award of disability benefits and held:

The causal connection the petitioners cite is a factual question that we cannot touch in Rule 45. The factual question is also irrelevant to the 1996 POEA-SEC. In *Remigio v. National Labor Relations Commission*, we expressly declared that illnesses need not be shown to be work-related to be compensable under the 1996 POEA-SEC, which covers *all* injuries or illnesses occurring in the lifetime of the employment contract. We contrast this with the 2000 POEA-SEC which lists the compensable occupational diseases. Even granting that work-relatedness may be considered in this case, we fail to see, too, how the idiopathic character of toxic goiter and/or thyrotoxicosis excuses the petitioners, since it does not negate the probability, indeed the possibility, that Serna's toxic goiter was

³⁵ *Government Service Insurance System v. Villareal*, G.R. No. 170743, April 12, 2007, 520 SCRA 741, 746, citing *Ranises v. Employees Compensation Commission*, 504 Phil. 340, 345 (2005).

³⁶ *Rollo*, p. 65.

³⁷ *David v. OSG Ship Management Manila, Inc.*, G.R. No. 197205, September 26, 2012, citing *Nisda v. Sea Serve Maritime Agency*, G.R. No. 179177, July 23, 2009, 593 SCRA 668, 699; *NYK-Fil Ship Management v. Talavera*, G.R. No. 175894, November 14, 2008, 571 SCRA 183, 198.

³⁸ G.R. No. 172086, December 3, 2012.

caused by the undisputed work conditions in the petitioners' chemical tankers. (Underscoring supplied)

Moreover, it should be noted that Laurel was not only diagnosed with Graves' Disease. Per medical certificate of Dr. Caceres, Laurel's physician, he was also found to be suffering from: (1) Stage 1B diffuse goiter; (2) recurrent periodic paralysis of lower extremities; (3) Wayne's Index to 27 points; and (4) hyperthyroid TFT's (suppressed TSH, elevated T3). His illness/disability was assessed as equivalent to Grade 1 Impediment. Thus, he was advised "not to undergo strenuous activity, as it may be very dangerous for him to ambulate with the unpredictable episodes of periodic paralysis." Evidently, these illnesses disabled him to continue his job on board the vessel. Therefore, there is no doubt that under the 2000 POEA-SEC, he is entitled to disability compensation.

The petitioners cannot successfully invoke the case of *Magsaysay Maritime Corp. v. NLRC*³⁹ to insulate themselves from liability for disability benefits. The said case is not applicable. In that case, a causal connection between the nature of claimant's employment as assistant housekeeping manager on board the vessel and his lymphoma, or the fact that the risk of contracting the illness was increased by his working conditions was not established. The petitioner, through the medical report of its company-designated physician, was able to sufficiently explain the basis in concluding that the claimant's illness was not work-related. It was shown that the claimant had not been exposed to any carcinogenic fumes or to any viral infection in his workplace. In addition, he was declared fit to resume sea duties. No contrary medical finding was presented by him. Thus, it was held that he was not entitled to disability benefits.

In the case at bench, a causal link between Laurel's ailment and his working condition was sufficiently established. Other than the specific determination by the attending company doctor that "hyperthyroidism, in which there is overactivity of the thyroid gland, usually secondary to an immunologic reaction, is not work-related,"⁴⁰ no further explanation was given to support the conclusion that the illness was indeed not work-related. There was no declaration from the company doctor as regards his fitness to return to work, while he was advised by his own physician to refrain from undergoing strenuous activities.

Anent the issue as to who has the burden to prove entitlement to disability benefits, the petitioners argue that the burden is placed upon Laurel to prove his claim that his illness was work-related and compensable. Their posture does not persuade the Court.

³⁹ G.R. No. 186180, March 22, 2010, 616 SCRA 362.

⁴⁰ Records, p. 101.

True, hyperthyroidism is not listed as an occupational disease under Section 32-A of the 2000 POEA-SEC. Nonetheless, Section 20 (B), paragraph (4) of the said POEA-SEC states that "those illnesses not listed in Section 32 of this Contract are disputably presumed as work-related." The said provision explicitly establishes a presumption of compensability although disputable by substantial evidence. The presumption operates in favor of Laurel as the burden rests upon the employer to overcome the statutory presumption. Hence, unless contrary evidence is presented by the seafarer's employer/s, this disputable presumption stands.⁴¹ In the case at bench, other than the alleged declaration of the attending physician that Laurel's illness was not work-related, the petitioners failed to discharge their burden. In fact, they even conceded that hyperthyroidism may be caused by environmental factor.

As correctly concluded by the CA:

In the present case, it is reasonable to conclude with the NLRC that the respondent's employment has contributed to some degree to the development of the disease. It is probable that the respondent's thyroid condition was the result of an aggravation due to exposure to chemicals and stress that accompanied his work on an ocean-going vessel. In this light, the POEA Standard Contract has created a disputable presumption in favor of compensability saying that those illnesses not listed in Section 32 are disputably presumed as work-related. This means that even if the illness is not listed under the POEA standard contract as an occupational diseases or illness, it will still be presumed as work-related, and it becomes incumbent on the employer to overcome the presumption. The petitioner has not hurdled the bar, as the medical evidence that it submits even concedes that hyperthyroidism may be caused by both environmental and congenital factors. A mere aggravation of the illness by working conditions will suffice to warrant entitlement to the benefits. The presumption of compensability stands.⁴²

Although the employer is not the insurer of the health of his employees, he takes them as he finds them and assumes the risk of liability.⁴³ The quantum of evidence required in labor cases to determine the liability of an employer for the illness suffered by an employee under the POEA-SEC is not proof beyond reasonable doubt but mere substantial evidence or "such relevant evidence as a reasonable mind might accept as adequate to support a conclusion."⁴⁴ In this case, the Court finds that the decisions of both the

⁴¹ *David v. OSG Ship Management Manila, Inc.*, supra note 36, citing *Fil-Star Maritime Corporation v. Rosete*, G.R. No. 192686, November 23, 2011, 661 SCRA 247, 255.

⁴² *Rollo*, pp. 66-67.

⁴³ *Fil-Star Maritime Corporation v. Rosete*, G.R. No. 192686, November 23, 2011, 661 SCRA 247, 255, citing *Seagull Shipmanagement and Transport, Inc. v. NLRC*, 388 Phil. 906, 914 (2000), citing *More Maritime Agencies, Inc. v. NLRC*, 366 Phil. 646, 654-655 (1999).

⁴⁴ *David v. OSG Ship Management Manila, Inc.*, supra note 36, citing *Government Service Insurance System v. Besitan*, G.R. No. 178901, November 23, 2011, 661 SCRA 186, 195.

NLRC and the CA that Laurel's illness was compensable were supported by substantial evidence.

The compensability of Laurel's hyperthyroidism having been established, the opinion of the petitioners' company-designated doctor that the illness was not work-related no longer holds any particular significance. As correctly pointed out by the CA,

In this light, the opinion of the company-designated physician that the illness is not work-related may have to be rejected. It is already idle to discuss whether his views or those of the seafarer's physician should carry more weight, where it appears by the evidence that the illness is, in fact, compensable.⁴⁵

Nonetheless, the petitioners' assertion that Laurel's condition and disability can only be assessed by the company-designated physician is a blatant misconception of the provisions of the law. Section 20 (B), paragraph (3) of the POEA-SEC provides that:

Section 20 (B)

COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

x x x x

3. Upon sign-off from the vessel for medical treatment, the seafarer is entitled to sickness allowance equivalent to his basic wage until he is declared fit to work or the degree of permanent disability has been assessed by the company-designated physician but in no case shall this period exceed one hundred twenty (120) days.

For this purpose, the seafarer shall submit himself to a post-employment medical examination by a company-designated physician within three working days upon his return except when he is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. Failure of the seafarer to comply with the mandatory reporting requirement shall result in his forfeiture of the right to claim the above benefits.

If a doctor appointed by the seafarer disagrees with the assessment, a third doctor may be agreed jointly between the employer and the seafarer. The third doctor's decision shall be final and binding on both parties. (Emphases and underscoring supplied)

⁴⁵ *Rollo*, p. 67.

Based on the aforequoted provision, it is crystal clear that the determination by the company-designated physician pertains only to the entitlement of the seafarer to sickness allowance and nothing more. Moreover, the said provision recognizes the right of a seafarer to seek a second medical opinion and the prerogative to consult a physician of his choice. In fact, it allows a third opinion in case the seafarer's doctor disagrees with the assessment of the company-designated physician. Therefore, the provision should not be construed that it is only the company-designated physician who could assess the condition and declare the disability of seamen. The provision does not serve as a limitation but rather a guarantee of protection to overseas workers.

After all, the POEA-SEC is designed primarily for the protection and benefit of Filipino seamen in the pursuit of their employment on board ocean-going vessels. Its provisions must, therefore, be construed and applied fairly, reasonably and liberally in their favor. Only then can its beneficent provisions be fully carried into effect.⁴⁶

In fine, the Court holds that the CA correctly found that the NLRC committed no grave abuse of discretion in ordering payment of disability benefits to Laurel.

WHEREFORE, the petition is DENIED.

SO ORDERED.

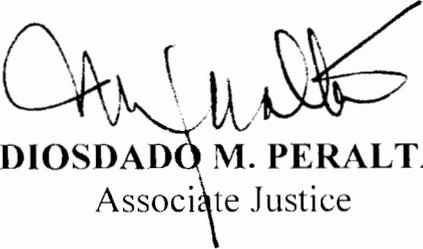

JOSE CATRAL MENDOZA
Associate Justice

⁴⁶ *Philippine Transmarine Carriers, Inc. v. NLRC*, 405 Phil. 487, 495 (2001), citing *Wallem Maritime Services, Inc. vs. NLRC*, 376 Phil. 738, 749 (1999).

WE CONCUR:



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice



ROBERTO A. ABAD
Associate Justice



MARVIC MARIO VICTOR F. LEONEN
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.



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

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.



MARIA LOURDES P. A. SERENO

Chief Justice