Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

JEROME I. MARIVELES, *Petitioner,*	**G.R. No. 238612**
	Present:
- versus -	LEONEN, *J.*, Chairperson, HERNANDO, INTING, DELOS SANTOS, and ROSARIO, *JJ.*
WILHELMSEN-SMITHBELL* MANNING, INC. and WILHELMSEN SHIP MANAGEMENT, LTD.,** *Respondents.*	Promulgated: January 13, 2021

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D E C I S I O N

DELOS SANTOS, *J.*:

The Case

In determining whether a disease is compensable, it is enough that there exists a reasonable work connection.[1] It is sufficient that the hypothesis on which the workmen's claim is based is probable since probability, not certainty is the touchstone.[2]

This is to resolve the Petition for Review on *Certiorari*[3] under Rule 45 of the Rules of Court of petitioner Jerome I. Mariveles (Mariveles) that

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* Also referred to as "Wilhelmnsen-Smithbell" and "Wilhelmsen-Smith Bell" in some parts of the *rollo*.

** Also referred to as "Wilhelmnsen Ship Management" and "Wilhelmsen Shipmanagement" in some parts of the *rollo*.

1 *Magat v. Interorient Maritime Enterprises, Inc.*, 829 Phil. 570, 583 (2018).

2 *Career Philippines Ship Management, Inc. v. Godinez*, 819 Phil. 86, 106 (2017).

3 *Rollo*, pp. 3-33.

seeks to reverse and set aside the Decision[4] dated November 27, 2017 and the Resolution[5] dated April 11, 2018, both of the Court of Appeals (CA) in CA-G.R. SP No. 138754 and prays for the reinstatement of the Decision[6] dated September 23, 2014 by the Office of the Voluntary Arbitrators (Arbitration Panel) of the National Conciliation and Mediation Board (NCMB) granting Mariveles disability benefits in the amount of US$ 93,154.00 and 10% thereof as and for attorney's fees.

The Facts

Mariveles was engaged by Wilhelmsen-Smithbell Manning, Inc., and the Wilhelmsen Ship Management, Ltd. (respondents) on April 8, 2013 as Able-Bodied Seaman on board the ship MV "Perseverance" with a basic monthly salary of US$ 689.00 for nine months, as indicated in the Philippine Overseas Employment Administration (POEA) Contract of Employment. Prior to his deployment on March 19, 2013, Mariveles underwent pre-employment medical examination, and the physician's referral slip dated March 19, 2013 indicated that Mariveles had Cardiac Arrythmia (TET Impression). Respondents then referred Mariveles for 2D Echo with Doppler Study. However, despite such findings, on March 25, 2013, respondents declared Mariveles fit to work, but the physician prescribed maintenance medicines for Mariveles' condition.[7]

In November 2013, while on board the vessel, Mariveles experienced chest pain, dizziness, difficulty in sleeping and breathing. Mariveles immediately informed his officers of his condition. On November 18, 2013, the ship captain referred Mariveles to a physician at the Canadian Specialist Hospital in Dubai for medical examination and treatment, and the physician diagnosed Mariveles to be suffering from "Coronary Artery Disease; Hyperlipidemia; Leukocytosis and Thrombocythemia; Hyperuricemia; and Hyperparathyroid Gland."[8] Thereafter, Mariveles was confined in the hospital from November 19, 2013 to November 28, 2013, as indicated in the Medical Report. After discharge from the hospital, Mariveles was immediately repatriated to the Philippines.[9] Upon arrival in the Philippines, Mariveles reported to respondents, and he was immediately referred to Marine Medical Services, where Dr. Esther G. Go (Dr. Go) examined and diagnosed Mariveles as suffering from "Coronary Artery Disease; S/P Percutaneous Coronary Intervention of the Right Coronary Artery – Right Posterolateral Branch; Essential Thrombocytosis; Dyslipidemia; and

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4 Penned by Associate Justice Nina G. Antonio-Valenzuela, with Associate Justices Stephen C. Cruz and Samuel H. Gaerlan (now a Member of the Court), concurring; id. at 34-44.
5 Id. at 45-46.
6 Rendered by MVAs Romeo A. Young, Purisimo Buyco, and Gregorio C. Biares, Jr.; id. at 132-139-A.
7 Id. at 132.
8 Id.
9 Id.

Hyperuricemia."[10] On February 17, 2014, Dr. Go issued the Medical Certificate[11] and assessed Mariveles' disability as Grade 7 — moderate residual or disorder. Subsequently, Mariveles consulted Dr. Leonardo Raymundo (Dr. Raymundo), an independent physician, and as indicated in the Medical Certificate dated April 29, 2014 executed by Dr. Raymundo, Mariveles was "unfit to withstand the [rigors] of sea duty."[12]

Mariveles instituted grievance proceedings at the Associated Marine Officers and Seamen's Union of the Philippines. Thereafter, he requested the referral of the case to the NCMB for mediation conferences. Since the parties failed to settle, the case was elevated to Arbitration Panel, and the Arbitration Panel eventually ordered the submission of the parties' respective pleadings.[13]

In his Position Paper,[14] Mariveles enumerated some of his material and substantial duties being an Able-Bodied Seaman which includes "performing navigational [watchkeeping] and gangway [watchkeeping], performing duties of a [lookout] and helmsman; keeping the bridge and the gangway clean, and obey the orders of the deck [officer-in-charge] when carrying out maintenance or using navigation equipment, accessories in rescue boats, lifesaving appliances, pilot ladder, steering gear and other bridge accessories; perform duties assigned and guide ordinary seamen."[15] Moreover, in his Rejoinder,[16] Mariveles also asseverated that he had no choice of what to eat on board except those provided on the vessel which consisted mainly of high-fat, high-cholesterol, and low fiber food and that the work of a seafarer is generally strenuous and demanding. Such working conditions and the food provided to them on board surely caused his illness.[17]

The Arbitration Panel's Ruling

In a Decision[18] dated September 23, 2014, the Arbitration Panel found Mariveles totally and permanently disabled because of the coronary artery disease he suffered while on board the vessel MV "Perseverance," and granted him disability benefits and attorney's fees. The dispositive portion of the Decision reads:

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[10] Id. at 120.
[11] Id.
[12] Id. at 133.
[13] Id. at 134.
[14] Id. at 47-58.
[15] Id. at 80.
[16] Id. at 78-80.
[17] Id. at 79.
[18] Supra note 6.

> WHEREFORE, premises considered, judgment is hereby rendered ordering respondents Wilhelmsen-Smith Bell Manning, Inc. and Wilhelmsen Ship Management Ltd., to pay jointly and solidarily, complainant Jerome I. Mariveles, the amount of NINETY[-]THREE THOUSAND ONE HUNDRED FIFTY[-]FOUR US DOLLARS (US$ 93,154.00) representing total permanent disability benefits, and ten percent (10%) thereof as and for attorney's fees.
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> All other claims are dismissed for lack of merit.
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> SO ORDERED.[19]

On November 13, 2014, respondents filed a Motion for Reconsideration[20] on the aforementioned Decision.

On December 9, 2014, the Arbitration Panel denied respondents' Motion for Reconsideration for lack of merit.

Not satisfied with the Arbitration Panel's Decision, respondents filed a Petition for Review with the CA.

The CA Ruling

In a Decision[21] dated November 27, 2017, the CA set aside the Decision issued by the Arbitration Panel and instead, dismissed the complaint filed by Mariveles.

The CA ruled that the Arbitration Panel erred in ruling that Mariveles' illness (Coronary Artery Disease) was work-related.

Under the POEA Standard Employment Contract (POEA-SEC), for a disability to be compensable, two requisites must be present: (1) the injury or illness must be work-related; and (2) the work-related injury or illness must have existed during the term of the seafarer's employment contract.[22] The absence of any of the elements would not justify a disability award. The CA ruled that even though Mariveles was diagnosed with Coronary Artery Disease, he failed to adduce substantial evidence to show that his illness was work-related.[23]

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19 *Rollo*, pp. 139-139-A.
20 Id. at 140-165.
21 Supra note 4.
22 *Nisda v. Sea Serve Maritime Agency*, 611 Phil. 291, 316 (2009).
23 *Rollo*, pp. 41-42.

Although Section 32-A of POEA-SEC lists heart disease as an occupational disease which is compensable, the mere inclusion of heart disease in the list did not *ipso facto* mean that all heart diseases are work-related. As clearly defined by the POEA-SEC, a work-related illness refers to "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." To be truly considered as an occupational disease, other than its inclusion under Section 32-A, the claimant must likewise prove that the conditions laid down by said provision are met. Otherwise, the claimed illness cannot be regarded as work-related.[24]

In this case, Mariveles was not able to prove the existence of the conditions in Section 32-A(11) of POEA-SEC. He did not present clear evidence which could show a reasonable connection that his heart disease was caused by his job as Able-Bodied Seaman. There was no evidence to prove that Mariveles' conditions contributed to the development of the heart disease. In the absence of evidence, the CA ruled that they cannot presume that Mariveles' job as Able-Bodied Seaman had a direct causal connection in the development of his heart disease.[25]

Furthermore, the CA ruled that the Arbitration Panel erred in ruling that Mariveles was entitled to total and permanent disability benefits under the Collective Bargaining Agreement (CBA). Under Article 20.1.3 of the CBA, disability compensation may be awarded when the disability arose as a result of work-related illness, or from an accident. Since Mariveles failed to substantiate the causal connection between his alleged illness and his job as Able-Bodied Seaman, and since there was no accident in this case, Mariveles was not entitled to disability compensation under the CBA.[26]

Refusing to concede, on April 27, 2018, Mariveles filed a Petition for Review on *Certiorari*[27] under Rule 45 of the Rules of Court raising the following issues:

1. The [CA] committed a serious error of law when it held that petitioner is not entitled to disability compensation as the illness is allegedly not work-related;

2. The [CA] committed grave error of law when it allowed the petition; and

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[24] Id. at 42.
[25] Id.
[26] Id. at 43.
[27] Supra note 3.

3. Whether or not [Mariveles] is deemed to be totally and permanently disabled.[28]

On June 20, 2018, the Court issued a Resolution[29] requiring the respondents to file their Comment within 10 days from notice.

In their Comment,[30] respondents argued that the Petition should be dismissed for failing to raise questions of law. They alleged that in his Petition, Mariveles has not raised questions of law, but only questions of facts, thus, the Petition must be dismissed outright.[31]

Respondents also rebutted Mariveles' argument that the CA committed a serious error of law when it held that Mariveles is not entitled to disability compensation as the illness is allegedly not work-related. Respondents emphasized that the company-designated physician categorically opined that Mariveles' illnesses are not work-related. Moreover, Mariveles failed to show the connection between the development of his diagnosed illness and the nature of his job as Able-Bodied Seaman.[32]

On November 21, 2018, the Court issued a Resolution requiring Mariveles to file a Reply within 10 days from receipt of notice.[33] On March 6, 2019, Mariveles, through his counsel, received a copy of such Resolution.

In his Reply,[34] Mariveles submitted that he raised a question of law as there is doubt as to what law is applicable based on the facts presented by the parties especially that the Arbitration Panel and the CA decided on the matter differently. Mariveles also argued that work aggravation of an illness is considered compensable under the POEA-SEC. Mariveles cited *More Maritime Agencies v. National Labor Relations Commission*,[35] wherein the Court stated that compensability of an ailment does not depend on whether the injury or disease was pre-existing at the time of the employment, but rather if the disease or injury is work-related and aggravated his condition. Finally, Mariveles alleged that the CA committed grave error of law when it allowed respondents to belatedly file their petition before the CA. The petition, being filed out of time, is a mere scrap of paper and deserved no consideration at all. Hence, the CA's act of allowing the Petition amounted to grave abuse of discretion without or in excess of jurisdiction.

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[28] *Rollo*, p. 10.
[29] Id. at 168-169.
[30] Id. at 174-198.
[31] Id. at 179-180.
[32] Id. at 181-183.
[33] Id. at 200.
[34] Id. at 202-208.
[35] 366 Phil. 646 (1999).

The Court's Ruling

The fundamental issue that the Court must resolve is whether Mariveles is entitled to total and permanent disability benefits.

Preliminarily, it must be emphasized that this Court is not a trier of facts and as general rule, only questions of law raised *via* a Petition for Review under Rule 45 of the Rules of Court are reviewable by this Court.[36] Factual findings of administrative or quasi-judicial bodies, including labor tribunals, are accorded much respect by this Court as they are specialized to rule on matters falling within their jurisdiction especially when these are supported by substantial evidence.[37] The rule, however, is not ironclad and a departure therefrom may be warranted where the findings of fact of the CA are contrary to the findings and conclusions of the trial court or quasi-judicial agency, as in this case.[38] Thus, the Court is constrained to review and resolve the factual issue in order to settle the controversy.

The present case before us involves the claim for permanent and total disability benefits of a seafarer, Mariveles. Mariveles argues that contrary to the findings of the CA, his illness is work-related and therefore, he is entitled to total and permanent disability benefits.

He is.

The entitlement of an overseas seafarer to disability benefits is governed by law, the employment contract, and the medical findings.[39] By law, the seafarer's disability benefits claim is governed by Articles 197 to 199 (formerly Articles 191 to 193), under Chapter VI (Disability Benefits), Book IV of the Labor Code, in relation to Rule X of the Rules and Regulations Implementing Book IV of the Labor Code.[40] By contract, it is governed by the employment contract which the seafarer and his employer/local manning agency executed prior to employment, and the applicable POEA-SEC that is deemed incorporated in the employment contract. Lastly, the medical findings of the company-designated physician, the seafarer's personal physician, and those of the mutually-agreed third physician, pursuant to the POEA-SEC, govern.[41] In this case, Mariveles executed his employment contract with respondents during the effectivity of the 2010 POEA-SEC; hence, its provisions are applicable and should govern their relations.

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[36] *Philippine Transmarine Carriers, Inc. v. Cristino*, 775 Phil. 108, 121 (2015), citing *Heirs of Pacencia Racaza v. Spouses Abay-abay*, 687 Phil. 584, 590 (2012).
[37] *De Leon v. Maunlad Trans, Inc.*, 805 Phil. 531, 538 (2017).
[38] *The Peninsula Manila v. Jara*, G.R. No. 225586, July 29, 2019.
[39] *Aldaba v. Career Philippines Ship-Management, Inc.*, 811 Phil. 486, 496 (2017).
[40] *OSG Shipmanagement Manila, Inc. v. De Jesus*, G.R. No. 207344, November 18, 2020.
[41] Supra note 39.

Before we discuss the merits of this case, there is a need to elucidate certain concepts relevant to a seafarer's compensation. The Court emphasizes that there exists a fine line between the work-relatedness of an illness and the matter of compensability. The former concept merely relates to the assumption that the seafarer's illness, *albeit* not listed as an occupational disease, may have been contracted during and in connection with one's work, whereas compensability pertains to the entitlement to receive compensation and benefits upon as showing that his work conditions caused or at least increased the risk of contracting the disease.[42]

In *Romana v. Magsaysay Maritime Corporation*,[43] the Court clarified the confusion between work-relatedness and compensability. To wit:

> To address this apparent confusion, the Court thus clarifies that there lies a technical demarcation between work-relatedness and compensability relative to how these concepts operate in the realm of disability compensation. As discussed, work-relatedness of an illness is presumed; hence, the seafarer does not bear the initial burden of proving the same. Rather, it is the employer who bears the burden of disputing this presumption. If the employer successfully proves that the illness suffered by the seafarer was contracted outside of his work (meaning, the illness is pre-existing), or that although the illness is pre-existing, none of the conditions of his work affected the risk of contracting or aggravating such illness, then there is no need to go into the matter of whether or not said illness is compensable. As the name itself implies, work-relatedness means that the seafarer's illness has a *possible* connection to one's work, and thus, allows the seafarer to claim disability benefits therefor, albeit the same is not listed as an occupational disease.
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> The established work-relatedness of an illness does not, however, mean that the resulting disability is automatically compensable. As also discussed, the seafarer, while not needing to prove the work-relatedness of his illness, bears the burden of proving compliance with the conditions of compensability under Section [32-A] of the 2000 POEA-SEC. Failure to do so will result in the dismissal of his claim.

For disability to be compensable under Section 20(A) of the Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers on-Board Ocean-Going Ships issued on October 26, 2010 (2010 POEA-SEC), two elements must concur: (1) the injury or illness must be work-related; and (2) the work-related injury or illness must have existed during the term of the seafarer's employment contract.[44] A work-related illness is defined as "any sickness as a result of an occupational disease listed under Section 32-A of this Contract with the conditions set therein satisfied."[45] Section 32-A of the 2010 POEA-SEC reads:

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[42] *Romana v. Magsaysay Maritime Corporation*, 816 Phil. 194, 204 (2017).
[43] Id. at 209-210.
[44] *Malicdem v. Asia Bulk Transport Phils., Inc.*, G.R. No. 224753, June 19, 2019.
[45] 2010 POEA-SEC, Definition of Terms, Item No. 16.

SEC. 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; and

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

Section 32-A(11) of the 2010 POEA-SEC lists cardiovascular disease as a compensable work-related condition. For cardiovascular disease to be considered as an occupational disease, sub-item number 11, Section 32-A of the 2010 POEA-SEC requires any of the following conditions to be met:

a. If the heart disease was known to have been present during employment, there must be proof that an acute exacerbation was clearly precipitated by an unusual strain by reasons of the nature of his work;

b. The strain of work that brings about an acute attack must be sufficient severity and must be followed within 24 hours by the clinical signs of a cardiac insult to constitute causal relationship;

c. If a person who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of cardiac injury during the performance of his work and such symptoms and signs persisted, it is reasonable to claim a causal relationship;

d. If a person is a known hypertensive or diabetic, he should show compliance with prescribed maintenance medications and doctor-recommended lifestyle changes. The employer shall provide a workplace conducive for such compliance in accordance with Section 1(A) paragraph 5; [and]

e. In a patient not known to have hypertension or diabetes, as indicated on his last Pre-Employment Medical Examination (PEME).

Thus, to be truly considered as an occupational disease, other than its inclusion under Section 32-A, the claimant must likewise prove that the conditions laid down by said provision are met. Otherwise, the claimed illness cannot be regarded as work-related.

Moreover, Section 20(A)(3) of the POEA-SEC commands that the employee seeking disability benefits submit himself to post-employment medical examination by a company-designated physician within three working days from his repatriation.

Therefore, to summarize, when a seafarer seeks to claim the compensation and benefits that Section 20(A) of the POEA-SEC grants to him, the law requires the seafarer to prove that:

1) He suffered an illness;

2) He suffered this illness during the term of his employment contract;

3) He complied with the procedures prescribed under Section 20(A)(3) of the POEA-SEC;

4) His illness is one of the enumerated occupational disease or that his illness or injury is otherwise work-related; and

5) He complied with the four conditions enumerated under Section 32(A) for an occupational disease or a disputably-presumed work-related disease to be compensable.[46]

Applying the foregoing guidelines, the Court disagrees with the ruling of the CA and grants Mariveles' Petition.

Mariveles' illness is work-related; probability, not certainty is the touchstone.

In this case, Mariveles was found to be suffering from Coronary Artery Disease which is considered as an occupational disease pertaining to Cardiovascular Diseases. In several cases, cardiovascular disease, coronary artery disease, as well as other heart ailments were held to be compensable.[47] In *Magsaysay Mitsui OSK Marine, Inc. v. Bengson*,[48] the Court summarized its previous rulings as follows:

> In many cases decided in the past, this Court has held that cardiovascular disease, coronary artery disease, and other heart ailments are compensable. Thus, in *Fil-Pride Shipping Company, Inc. v. Balasta*, severe 3-vessel coronary artery disease which the seaman contracted while serving as Able Seaman was considered an occupational disease. In *Villanueva, Sr. v. Baliwag Navigation, Inc.*, it was held that the 2000 POEA-SEC considers heart disease as an occupational disease. In *Jebsens*

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[46] *Malicdem v. Asia Bulk Transport Phils., Inc.*, supra note 44.
[47] *Leoncio v. MST Marine Services (Phils.), Inc.*, 822 Phil. 494, 509 (2017).
[48] 745 Phil. 313, 325-326 (2014).

> *Maritime, Inc. v. Undag*, the Court held that hypertensive cardiovascular disease may be a compensable illness, upon proof. In *Oriental Shipmanagement Co., Inc. v. Bastol* and *Heirs of the late Aniban v. National Labor Relations Commission*, it was held that myocardial infarction as a disease or cause of death is compensable, such being occupational. *Iloreta v. Philippine Transmarine Carriers, Inc.* held that hypertensive cardiovascular disease/coronary artery disease and chronic stable angina are compensable. *Micronesia Resources v. Cantomayor* stated that a finding of coronary artery disease entitles the claimant – a seaman Third Officer–to disability compensation. In *Remigio v. National Labor Relations Commission*, the Court held that the claimant — a musician on board an ocean-going vessel — was entitled to recover for suffering from coronary artery disease. In *Sepulveda v. Employees' Compensation Commission*, it was declared that the employee's illness, myocardial infarction, was directly brought about by his employment as schoolteacher or was a result of the nature of such employment. (Citations omitted)

As previously discussed, the POEA-SEC provides as a condition for a known Coronary Artery Disease to be compensable that there is proof that an acute exacerbation was precipitated by the unusual strain of the seafarer's work. Hence, despite the presumption, the Court has held that, on due process grounds, the claimant-seafarer must still prove by substantial evidence that his work conditions caused, or at least increased, the risk of contracting the disease, as awards of compensation cannot rest entirely on bare assertions and presumptions.[49] In this light, the claimant must prove, not that his illness is work-related, but that the same is ultimately compensable by satisfying the conditions for compensability under Section 32-A of the 2010 POEA-SEC.

Applying the foregoing, the Court finds that, contrary to the ruling of the CA, Mariveles is entitled to disability benefits for his Coronary Artery Disease.

The Court does not agree with the CA when it ruled that Mariveles failed to adduce substantial evidence to show that his illness was work-related. A careful review of the records of this case shows that Mariveles was able to meet the required degree of proof that his illness is compensable as it is work-related. In his Position Paper[50] and Rejoinder,[51] Mariveles enumerated some of his material and substantial duties as an Able-Bodied Seaman and explained his poor diet which consisted mainly of high-fat, high-cholesterol, and low fiber food. Aside from his working condition and poor diet, seafarers like Mariveles are exposed to the harsh conditions of the sea, long hours of work, stress, and loneliness brought about by being away from their families. His working condition, poor diet, and stressful nature of

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[49] *Malicdem v. Asia Bulk Transport Phils., Inc.*, supra note 44.
[50] Supra note 14.
[51] Supra note 16.

his employment, would all lead to the conclusion that the work of petitioner as Able-Bodied Seaman caused or contributed even to a small degree to the development or aggravation of his heart disease. In determining whether a disease is compensable, it is enough that there exists a reasonable work connection.[52] It is sufficient that the hypothesis on which the workmen's claim is based is probable since probability, not certainty is the touchstone.[53]

In sum, Mariveles is entitled to be awarded the total and permanent disability benefits that he seeks.

While the Court need not discuss the other issues raised in the Petition, the Court finds that this is an opportune time to reiterate the rule on the correct period for appealing the decision or award of the Arbitration Panel.

The petition for review shall be filed within 15 days pursuant to Section 4, Rule 43 of the Rules of Court.

In resolving whether or not the CA committed grave abuse of discretion, the Court has to first determine the period to timely file an appeal from the decision or award by the Arbitration Panel.

Mariveles posits that respondents' Petition for Review before the CA was filed out of time because the rule is that an Arbitration Panel's Decision shall be appealed before the CA within 10 days from receipt of the award of decision in accordance with Article 262-A (renumbered as Article 276)[54] of the Labor Code. Since respondents filed its Petition for Review on January 21, 2015 or the 15th day from the time of receipt of the Resolution of the Arbitration Panel, then the CA should have dismissed the Petition as it was not filed within the period provided for by Article 262-A of the Labor Code.

We do not agree.

In *Guagua National Colleges v. Court of Appeals*,[55] this Court has finally clarified the variable rulings of the Court regarding the period to be followed in appealing the decisions or awards of the Arbitration Panel. It thoroughly discussed which between the two periods found in Article 262-A (now Article 276) of the Labor Code and Section 4, Rule 43 of the Rules of

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[52] *Magat v. Interorient Maritime Enterprises, Inc.*, supra note 1.

[53] *Career Philippines Ship Management, Inc. v. Godinez*, supra note 2.

[54] See DOLE Department Advisory No. 01, Series of 2015 <https://www.slideshare.net/GaryHeng1/dole-department-advisory-no-1-series-2015-labor-code-of-the-philippines-renumbered/> (visited December 3, 2020).

[55] G.R. No. 188492, August 28, 2018.

Court governs the appeal from the decision or award by the Arbitration Panel. The Court ruled:

> In the 2010 ruling in *Teng v. Pagahac*, the Court clarified that the 10-day period set in Article 276 of the Labor Code gave the aggrieved parties the opportunity to file their motion for reconsideration, which was more in keeping with the principle of exhaustion of administrative remedies, holding thusly:
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> In the exercise of its power to promulgate implementing rules and regulations, an implementing agency, such as the Department of Labor, is restricted from going beyond the terms of the law it seeks to implement; it should neither modify nor improve the law. The agency formulating the rules and guidelines cannot exceed the statutory authority granted to it by the legislature.
>
> By allowing a 10-day period, the obvious intent of Congress in amending Article 263 to Article 262-A is to provide an opportunity for the party adversely affected by the VA's decision to seek recourse [*via*] a motion for reconsideration or a petition for review under Rule 43 of the Rules of Court filed with the CA. Indeed, a motion for reconsideration is the more appropriate remedy in line with the doctrine of exhaustion of administrative remedies. For this reason, an appeal from administrative agencies to the CA [*via*] Rule 43 of the Rules of Court requires exhaustion of available remedies as a condition precedent to a petition under that Rule.
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> The requirement that administrative remedies be exhausted is based on the doctrine that in providing for a remedy before an administrative agency, every opportunity must be given to the agency to resolve the matter and to exhaust all opportunities for a resolution under the given remedy before bringing an action in, or resorting to, the courts of justice. Where Congress has not clearly required exhaustion, sound judicial discretion governs, guided by congressional intent.
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> By disallowing reconsideration of the VA's decision, Section 7, Rule XIX of DO 40-03 and Section 7 of the 2005 Procedural Guidelines went directly against the legislative intent behind Article 262-A of the Labor Code. These rules deny the VA the chance to correct himself and compel the courts of justice to prematurely intervene with the action of an administrative agency entrusted with the adjudication of controversies coming under its special knowledge, training and specific field of expertise. In this era of clogged court dockets, the need for specialized administrative agencies with the special knowledge, experience and capability to hear and determine promptly disputes on technical matters or intricate questions of facts, subject to judicial review, is indispensable. In *Industrial Enterprises, Inc. v. Court of Appeals*, we ruled that relief must first be obtained in an administrative proceeding before a remedy will be supplied by the courts even though the matter is within the proper jurisdiction of a court.
>
> **Hence, the 10-day period stated in Article 276 should be understood as the period within which the party adversely affected by the ruling of the Voluntary Arbitrators or Panel of Arbitrators may**

> **file a motion for reconsideration. Only after the resolution of the motion for reconsideration may the aggrieved party appeal to the CA by filing the petition for review under Rule 43 of the Rules of Court within 15 days from notice pursuant to Section 4 of Rule 43.**[56]
> (Citations omitted; emphasis supplied)

Following the ruling of the Court in *Guagua National Colleges*, we ruled that the CA did not commit grave abuse of discretion amounting to lack or in excess of its jurisdiction when it allowed and acted on the respondents' position because it was filed within 15 days pursuant to Section 4, Rule 43 of the Rules of Court. The 10-day period under Article 276 of the Labor Code refers to the filing of a motion for reconsideration *vis-à-vis* the Arbitration Panel's Decision or award.

In view of the foregoing disquisitions, the Court, therefore, affirms the compensability of Mariveles' permanent disability. The amount of US$ 93,154.00 is justified under Section 32 of the POEA-SEC as Mariveles suffered from permanent and total disability. The grant of attorney's fees is likewise affirmed for being justified in accordance with Article 2208(2)[57] of the New Civil Code since Mariveles was compelled to litigate to satisfy his claim for disability benefits.

WHEREFORE, the Petition for Review on *Certiorari* under Rule 45 of the Rules of Court of petitioner Jerome I. Mariveles is **GRANTED**. Consequently, the Decision dated November 27, 2017 and the Resolution dated April 11, 2018 of the Court of Appeals in CA-G.R. SP No. 138754 are **REVERSED** and **SET ASIDE** and the Decision dated September 23, 2014 of the Office of the Voluntary Arbitrators of the National Conciliation and Mediation Board granting Mariveles disability benefits in the amount of US$ 93,154.00 and 10% thereof as and for attorney's fees, is **REINSTATED**.

SO ORDERED.

EDGARDO L. DELOS SANTOS
Associate Justice

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[56] *Guagua National Colleges v. Court of Appeals*, supra note 55.

[57] Art. 2208. In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

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(2) When the defendant's act or omission has compelled the plaintiff to litigate with third persons or to incur expenses to protect his interest.

WE CONCUR:

MARVIC MARIO VICTOR F. LEONEN
Associate Justice
Chairperson

RAMON PAUL L. HERNANDO
Associate Justice

HENRI JEAN PAUL B. INTING
Associate Justice

RICARDO R. ROSARIO
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 MARIO VICTOR F. LEONEN
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.

DIOSDADO M. PERALTA
Chief Justice