

SPECIAL THIRD DIVISION

[CA-G.R. SP. No. 124891, May 19, 2014]

**RAY MAGBANUA DECEASED HUSBAND OF NIDA VELEZ
MAGBANUA, PETITIONER, VS. NATIONAL LABOR RELATIONS
COMMISSION, MARLOW NAVIGATION PHILS., INC., MARLOW
NAVIGATION CO., LTD., AND ANTONIO GALVEZ, RESPONDENTS.**

D E C I S I O N

BUESER, J.:

Before us is a petition for certiorari under Rule 65 of the Rules of Court seeking to annul and set aside the National Labor Relations Commission's ("NLRC") – (a) Decision^[1] dated January 27, 2012, affirming the April 29, 2011 decision of the Labor Arbiter; and (b) Resolution^[2] dated March 30, 2012 which denied appellant's motion for reconsideration.

The Facts

Ray Magbanua ("Ray"), now deceased, was employed as Chief Cook by Marlow Navigation Phils., Inc. ("respondent agency") on behalf of its foreign principal, Marlow Navigation Co., Ltd. ("respondent Marlow"), for a term of nine (9) months. At the time of his employment, he had already passed his pre-employment medical examination ("PEME") and had been declared "fit to work."

On April 17, 2007, Ray boarded the vessel M/V Grace Church Star. While on board, Ray's daughter died and he requested to be allowed to disembark. Marlow granted Ray's request and the latter disembarked on August 22, 2007.

Four (4) months thereafter or on December 8, 2007, Ray was informed of an assignment and he prepared his papers for embarkation. However, he died, the following day, before he can board the vessel.

Three (3) years and two (2) months after Ray passed away, Nida V. Magbanua ("petitioner"), Ray's wife, filed a complaint for death benefits. Petitioner and respondents agency and Marlow failed to arrive at an amicable settlement.

The Administrative Bodies' Ruling

After due proceedings, Labor Arbiter Melquiades Sol Del Rosario dismissed the complaint for death benefits for lack of merit because -

"Clearly therefore Magbanua [is] no longer a seafarer employee of respondents at the time of his death as his employment contract was no longer operative.

Under the POEA Standard Employment Contract, death benefits are granted to the heirs of a seafarer when he dies from a work-related

illness while working on board the vessel. X

xx”^[3]

Believing that she is entitled to death benefits, petitioner appealed.

On January 27, 2012, the NLRC rendered its Decision affirming the decision of the Labor Arbiter *in toto*, to wit -

“xxx Ray's death occurred not while in the service, nor while traveling to or from the ship but inside his rented room.

xxx

Therefore, there is no basis for the claimed benefits. Ray did not die during the term of his employment contract. Upon actual arrival in the port of hire on August 22, 2007, his employment relationship with the respondent company had legally ceased. Thus, when he died four months later, he was no longer under the employ of the respondents. There is no more employment relationship between him and the respondent company.”

Unperturbed, petitioner filed a motion for reconsideration. It was denied on March 30, 2012.

Hence, the present petition.

Issue

WHETHER PETITIONER IS ENTITLED TO DEATH BENEFITS.

This Court's Ruling

In ascribing grave abuse of error to the NLRC, petitioner argues that Ray was not discharged from employment but went on leave. On the day that Ray died, he was preparing and completing his papers for embarkation hence, he was performing a task which is under the control and supervision of his employer so it cannot be said that there was no employment relationship. The death of a seafarer during the term of his employment makes the employer liable to his heirs. Furthermore, Ray's illness is work-related since he has worked with respondents agency and Marlow for the last seven (7) years.

The petition has no merit.

In compensation proceedings for seafarers, this Court refers to the provisions of the POEA Contract as it provides the rights of a seafarer and the concomitant obligations of an employer. Section 20(A) thereof provides -

SECTION 20. COMPENSATION AND BENEFITS

xxx xxx xxx

B. COMPENSATION AND BENEFITS FOR DEATH

1. In case of work-related death of the seafarer, during the term of his contract the employer shall pay his beneficiaries the Philippine Currency equivalent to the amount of Fifty Thousand US dollars (US\$50,000) and