

SECOND DIVISION

[G.R. No. 198528, October 13, 2014]

**MAGSAYSAY MITSUI OSK MARINE, INC. AND/OR MOL TANKSHIP
MANAGEMENT (ASIA) PTE LTD., PETITIONERS, VS. JUANITO G.
BENGSON,* RESPONDENT.**

D E C I S I O N

DEL CASTILLO, J.:

Time and again, this Court has held that cardiovascular disease, coronary artery disease, and other heart ailments are work-related and, thus, compensable.

Assailed in this Petition for Review on *Certiorari*^[1] is the July 15, 2011 Decision^[2] of the Court of Appeals (CA) in CA-G.R. SP No. 118501 which set aside the August 31, 2010 Decision of the National Labor Relations Commission (NLRC) in NLRC LAC No. (OFW-M) 10-000643-09 and reinstated with modification the June 18, 2009 Decision of the Labor Arbiter in NLRC OFW Case No. (M) 07-10402-08. Also assailed herein is the CA's September 9, 2011 Resolution^[3] denying reconsideration of its assailed Decision.

Factual Antecedents

The facts are succinctly summarized by the appellate court, thus:

Since the year 1986, x x x Juanito G. Bengson^[4] has been working as a seafarer for x x x Magsaysay Mitsui OSK Marine, Inc.^[5] (Magsaysay, Inc.), from his first position as Deck Cadet until his present position as Third Mate Officer. On August 7, 2007, at the age of 45, [Bengson] entered into his 22nd contract of employment with Magsaysay, Inc. for and in behalf of its foreign principal MOL Tankship Management (Asia) Pte., Ltd.,^[6] as a Third Mate Officer on board the vessel "KN TRADER". The contract was for a duration of nine (9) months with a basic monthly salary of US\$814.00 for a minimum of 40 hours of work in a week. Prior to his deployment, [Bengson] underwent and passed the Pre-Employment Medical Examination (PEME) and was found to be "*fit for sea duty*" on August 11, 2007. Thereafter, [Bengson] boarded the ship and performed his assigned tasks.

On October 5, 2007, after doing his usual duties on board the vessel, [Bengson] suddenly experienced difficulty in breathing and numbness on half of his body. Thinking that it was caused by fatigue, he rested for a while. After two hours, he still felt numbness over his half body prompting him to ask for assistance. On October 7, 2007, [Bengson]

was brought to the Neurological Department of the Izola General Hospital in Slovenia where he was confined for three days. While in the hospital, [Bengson] had partial paralysis of the right hand and a minor partial paralysis of the right leg. His Computed Tomography (CT) Scan of the head showed a "*small hematoma in the left part of the crane*". At that time, [Bengson] could only walk with the help of a physiotherapist and was prohibited from lifting heavy things. Due to his incapacity to work, his immediate repatriation was arranged.

Upon [Bengson's] arrival in the Philippines on October 21, 2007, he was immediately brought to the Manila Doctors Hospital for confinement under the supervision of company-designated-physician Dr. Benigno F. Agbayani, Jr. [Bengson's] Cerebrovascular Investigation Form reveals that he had, among other things, stroke, hypertension, carotid bruit, Transient Ischemic Attack (T.I.A.), Hemiplegia, and Amaurosis Fugax. His Plaque Morphology Type I reveals a "*uniformly echolucent with thin echogenic cap (homogenous hypoechoic) or a high risk for plaque rupture and embolism regardless of % of stenosis*". Upon [Bengson's] discharge on November 1, 2007, his Medical Abstract/Discharge Summary showed that he had a stroke.

On November 4, 2007, Dr. Agbayani issued an Initial Out-Patient Consult Report which stated that [Bengson's] illness of "*hematoma in the cranium*" was not work-related. Thus, [Magsaysay, Inc. and MOL Tankship] did not anymore issue any assessment on [Bengson's] disability grade. [Bengson], on the other hand, continuously took medications and was unable to return to his work as a seaman due to the severity of his disability. [Bengson] thus filed his disability compensation claim against x x x Magsaysay, Inc. However, during the grievance proceedings before the Associated Marine Officers and Seamen's Union of the Philippines (AMOSUP), his claim was outrightly denied by x x x Magsaysay, Inc.^[7]

Ruling of the Labor Arbiter

Bengson filed against the petitioners, Magsaysay Mitsui Osk Marine, Inc. (Magsaysay, Inc.) and MOL Tankship Management (Asia) Pte Ltd. (MOL Tankship), a complaint for the recovery of total permanent disability benefits, reimbursement of medical and transportation expenses, damages, and attorney's fees, with interest. The labor case was docketed as NLRC OFW Case No. (M) 07-10402-08.

In his Position Paper and related pleadings,^[8] Bengson argued that under his Collective Bargaining Agreement (CBA) with the petitioners (IBF JSU/ AMOSUP-IMMA CBA), he is entitled to US\$137,500.00 work-related compensation as Third Mate; that his illness is work-related and was contracted as a result of the pressure, stress, and demands of his work as well as the long period of service with petitioners; that his illness is continuing, and has resulted in total and permanent disability, complete inability to perform his work, and loss of qualifications and aptitude required for employment as seaman in any capacity; that petitioners unjustifiably refused to compensate him, thus causing upon him further anxiety, sleepless nights, and mental anguish and forcing him to litigate. Thus, he prayed

that judgment be rendered in his favor for the payment of permanent and total disability compensation in the amount of US\$137,500.00; moral and exemplary damages in the amount of P150,000.00; attorney's fees equivalent to 10% of his claims; reimbursement of his medical and transportation expenses; and legal interest.

On the other hand, petitioners' main defense in their Position Paper and other written submissions^[9] is that Bengson's illness is not an occupational disease; that it is not work-related and therefore not compensable; that there is no medical evidence to support his claims; that his "small hematoma on the left cranium" has already been declared by the company-designated physician to be not work-related, and is not included in the Philippine Overseas and Employment Authority Standard Employment Contract (POEA-SEC) list of occupational diseases; that they have shouldered Bengson's medical expenses and paid him his sickness and transportation allowances; that the standard in measuring the degree of disability of a seafarer is not the 120-day period provided under Article 192(c) (1) of the Labor Code^[10] and Rule X, Section 2 of the Amended Rules on Employees' Compensation Commission,^[11] but the disability grading issued by the company-designated physician – that is, a seafarer may be entitled to total and permanent disability benefits if he has been issued a Grade 1 disability; that consequently, Bengson is not entitled to damages, attorney's fees and other claims. Petitioners thus prayed for the dismissal of the labor complaint.

On June 18, 2009, the Labor Arbiter issued his Decision^[12] in NLRC OFW Case No. (M) 07-10402-08, which decreed as follows:

WHEREFORE, judgment is hereby rendered ordering respondents jointly and severally liable to pay complainant JUANITO BENGZON [sic] the Philippine peso equivalent at the actual payment of One Hundred Thirty Seven Thousand Five Hundred U.S. Dollars (US\$137,500.00) representing 100% of the compensation benefit under the CBA and ten (10%) percent of the total money claims as attorney's fees.

Other monetary claims are dismissed for lack of merit.

SO [ORDERED].^[13]

The Labor Arbiter declared that Bengson's hematoma in the left part of his cranium is related to his work as Third Mate, and the strenuous nature of his work and the conditions he was subjected to while working on board petitioners' vessel caused his illness; that respondent suffered from heart disease and/or cerebral infarction which required medication and regular medical check-up up to the present; that despite his condition, the company-designated physician (Agbayani) has to date failed to issue a disability assessment; that consequently, Bengson suffered from permanent and total disability.

The Labor Arbiter added that Agbayani's November 4, 2007 Initial Out-Patient Consult Report declaring that Bengson's illness is not work-related cannot be given credence, as it has been shown that prior to boarding MOL Tankship's vessel,

respondent was declared “fit to work” by petitioners’ own physicians, and if he contracted heart disease while on board the ship, it can only be caused by his work and the conditions he was subjected to during his employment. Finally, the Labor Arbiter held that pursuant to the IBF JSU/AMOSUP-IMMA CBA under which Bengson is covered, disability compensation should be awarded to him in the amount of US\$137,500.00, which is equivalent to 100% degree of disability under said CBA.

Ruling of the National Labor Relations Commission

Petitioners appealed to the NLRC, where the case was docketed as NLRC LAC No. (OFW-M) 10-000643-09.

On August 31, 2010, the NLRC rendered its Decision^[14] granting the appeal, setting aside the Labor Arbiter’s June 18, 2009 Decision, and thus dismissing the complaint in NLRC OFW Case No. (M) 07-10402-08. Respondent moved to reconsider, but the NLRC stood its ground.^[15]

Essentially, the NLRC held that the IBF JSU/AMOSUP-IMMA CBA is relevant only in cases of permanent disability arising from accident – which is not the case for Bengson, who contracted illness; thus, the provisions of the POEA-SEC apply instead. It added that under the POEA-SEC, hematoma is not included in the list of compensable illnesses; this being the case, Bengson should have proved that such illness was work-related and compensable, and it is not enough for him to claim or show that it was contracted during his employment with petitioners. Having failed to do so, Agbayani’s findings that his illness is not work-related should prevail. It held further that since respondent’s illness is not work-related, his inability to work for more than 120 days is therefore irrelevant and does not entitle him to permanent total disability benefits.

Ruling of the Court of Appeals

In a Petition for *Certiorari*^[16] filed with the CA and docketed therein as CA-G.R. SP No. 118501, Bengson sought to set aside the above NLRC Decision and reinstate that of the Labor Arbiter’s, arguing mainly that his illness is work-connected which therefore entitles him to disability compensation under the IBF JSU/AMOSUP-IMMA CBA.

On July 15, 2011, the CA issued the herein assailed Decision containing the following decretal portion:

WHEREFORE, premises considered, the instant petition for certiorari is hereby GRANTED. The Decision dated August 31, 2010 of public respondent National Labor Relations Commission (NLRC), First Division, is ANNULLED and SET ASIDE. Accordingly, the Decision dated June 18, 2009 of the Labor Arbiter is REINSTATED with the modification in that private respondents Magsaysay Mitsui OSK Marine, Inc. and/or MOL Tankship Management (ASIA) PTE, Ltd. are jointly and severally liable to pay petitioner Juanito G. Bengson the amount of Sixty Thousand U.S. Dollars (US\$60,000.00) representing 120% of the compensation benefit under the 2000 POEA Standard Terms and Conditions Governing the

Employment of Filipino Seafarers on Board Ocean-Going Vessels.

SO ORDERED.^[17]

The CA held that Bengson's exposure to different hazards on board petitioners' vessel, the performance of his functions as Third Mate, and the extraordinary physical and mental strain required by his position caused him to suffer his present illness, which requires continuous medication to date. It held that as Third Mate, Bengson

is a licensed member of the deck department of his ship and is under the supervision of the Chief Mate. He traditionally stands [an] "8-12" watch: from 8am until 12 noon and 8pm until midnight. At sea, the mate on watch has three fundamental duties: to navigate the ship, to safely avoid traffic, and to respond to any emergencies that may arise. He also has special responsibilities to keep the ship seaworthy during fire and loss of stability, and providing aid and maintaining safety during man overboard, abandoning ship, and medical emergencies. Indeed, in performing his functions as a Third Mate, [Bengson's] position requires a thorough knowledge of the environment in which he is operating, otherwise, the safety of the ship would be endangered.

In addition, [Bengson] was performing a minimum of 40 hours a week and was made to work under the heat of the sun. [Bengson] has also been subjected to this same kind of work as a Third Mate for twelve (12) years since he was continuously rehired and deployed after the expiration of his employment contract. He has no known disease or illness based on his Pre-Employment Medical Examination, thus, bolstering petitioner's claim that his illness was caused by his strenuous activities on board the vessel.^[18]

The CA added that in the course of performing his duties, Bengson suffered a stroke or cerebro-vascular accident (CVA), which means that a blood vessel within or about his brain burst which caused cerebral or intracranial hemorrhage; that such illness is an occupational disease under Section 32-A (12) of the POEA-SEC; that according to Agbayani's Cerebrovascular Investigation Form, Bengson suffered from stroke, hypertension, carotid bruit, Transient Ischemic Attack (T.I.A.), Hemiplegia, and Amaurosis Fugax; that the disease being work-related, Agbayani should have made a declaration either of fitness or disability, which he failed to do up to this day; that the failure to make a declaration entitles Bengson to permanent total disability benefits in the amount of US\$60,000.00 in accordance with Sections 20^[19] and 32^[20] of the POEA-SEC, and not US\$137,500.00 under the IBF JSU/AMOSUP-IMMA CBA which applies only in case of accident; and finally, that an award of attorney's fees is proper as the case is one for recovery of wages and indemnity under employer's liability laws.

Petitioners filed a Motion for Reconsideration, but the CA denied the same in its September 9, 2011 Resolution. Hence, the present Petition.