

# FIRST DIVISION

[ G.R. No. 210329, March 18, 2021 ]

## PHILIPPINE TRANSMARINE CARRIERS INC., AND/OR MARIN SHIPMANAGEMENT LIMITED, PETITIONERS, VS. CLARITO A. MANZANO, RESPONDENT.

### D E C I S I O N

**GAERLAN, J.:**

This is a Petition for Review on *Certiorari*<sup>[1]</sup> of the Court of Appeals' (CA) Decision<sup>[2]</sup> dated June 28, 2013 in CA-G.R. SP No. 125600, and its subsequent Resolution<sup>[3]</sup> dated December 10, 2013 denying Philippine Transmarine Carriers Inc., and/or Marin Shipmanagement Limited's (petitioners) motion for reconsideration. The CA dismissed the petition for review of the Decision of the National Conciliation and Mediation Board (NCMB) dated June 20, 2012 in AC-855-NCMB-NCR-86-03-12-2011 which directed herein petitioners to pay Clarito A. Manzano (respondent) the total amount of US\$137,500.00, or its peso equivalent converted at the time of payment, as disability benefit plus 10% thereof as attorney's fees.<sup>[4]</sup>

### Facts

Respondent entered into a contract of employment<sup>[5]</sup> with herein petitioners on February 3, 2010. He was hired as an Oiler for a period of eight months on board petitioner Marin Shipmanagement Limited's vessel, the Maersk Danang. Respondent's employment was likewise covered by the Overriding Total Crew Cost Fleet Agreement<sup>[6]</sup> (TCC CBA) entered into by the International Transport Workers' Federation and petitioner Transmarine Carriers, Inc.<sup>[7]</sup>

As a requirement, the respondent completed the pre-employment medical examination (PEME) and was declared fit for sea duty without restriction.<sup>[8]</sup> Thus, on March 27, 2010, he boarded the Maersk Danang and commenced his work.<sup>[9]</sup> His duties or responsibilities<sup>[10]</sup> involved strenuous manual labor which necessarily included pushing, pulling, lifting and/or carrying heavy items.<sup>[11]</sup>

Respondent alleged that sometime in the third week of July 2010, while he was working aboard the Maersk Danang, he slipped and fell from an elevated height and initially landed on his right knee.<sup>[12]</sup> Consequently, he suffered from severe pain on his right knee, the right side of his body, and his lumbar region.<sup>[13]</sup> Due to persistent pain, respondent requested to see a doctor. Thus, on August 2, 2010, he was brought to a hospital in Elizabeth, New Jersey, USA.<sup>[14]</sup> Thereat, he was medically attended by Dr. Baljit S. Sappal.<sup>[15]</sup> As recommended, he underwent an x-ray examination and was found to have no fracture and no dislocation but is

suffering from "soft tissue injury, arthralgia, effusion?"<sup>[16]</sup>

Thereafter, on August 9, 2010, respondent went to the East Houston Regional Medical Center and was attended by Dr. George Griffin. His MRI's impression stated:

1. No evidence of internal derangement.
  2. Small joint effusion.
  3. Slight lateral displacement of the patella. The lateral patellar facet cartilage is thinned with increased signal suggesting chondromalacia.
- Clinical correlation for lateral tracking abnormality is suggested.<sup>[17]</sup>

The medical findings stated that "[y]our exam shows you have an injury to the knee joint. A knee sprain is a tearing of the ligaments that hold the joint together. There are no broken bones. Sprains take 3 to 6 weeks to heal. For persistent pain beyond one week, motion [and] strengthening exercises may be required through your doctor orthopedist."<sup>[18]</sup> He was likewise advised to stay off the injured leg as much as possible.<sup>[19]</sup>

Despite the advice, respondent had to return to work.<sup>[20]</sup>

Respondent likewise claimed that in September 2010, while he was entering the engine room, he was hit by a metal door at his right shoulder when a co-worker opened another door that resulted to the strong pressure on the door that hit him. This caused him pain on the said shoulder and also in his back.<sup>[21]</sup> Regardless, he continued performing his duties.

On November 27, 2010, due to the persistent pain on his right shoulder and back, he went to the Badr Al Samaa Group of Hospital and Polyclinics in Ruwi, Sultanate of Oman<sup>[22]</sup> where he was examined and was found to be suffering from costochondritis and myalgia in his right shoulder.<sup>[23]</sup>

Respondent's eight-month contract ended; thus, he was repatriated. He arrived in Manila on December 3, 2010. On the third day from his arrival, he went to the petitioners' office but was not examined by the company-designated physician but was advised to obtain a Cocolife card.<sup>[24]</sup>

It was not until December 15, 2010 that respondent was examined at St. Luke's Medical Center under the care of Dr. Randolph M. Molo (Dr. Molo), the company-designated physician, who recommended that respondent undergo an x-ray and Magnetic Resonance Imaging (MRI).<sup>[25]</sup>

The MRI on his right upper extremity showed:

**IMPRESSION:**

Supraspinatus and infraspinatus tendinosis  
Increased signal intensity in the labrum indicative of tear

Moderate acromioclavicular joint hypertrophy  
Minimal fluid, subacromial-subdeltoid bursa<sup>[26]</sup>

While the MRI on lumbosacral spine showed:

**IMPRESSION:**

Degenerative disk disease at L3-L4 and L5-S1  
Mild posterior disk bulge with encroachment into the right neural canal at L3-L4<sup>[27]</sup>

Thereafter, the respondent attended physical therapy sessions for several months at the said hospital. Despite the therapy, he continued to suffer from pain. Hence, Dr. Molo recommended knee and shoulder arthroscopies.<sup>[28]</sup>

Notwithstanding all treatment undergone, respondent still felt pain in his right knee, right shoulder, and lower back. Dr. Molo did not conclude with an assessment as regards respondent's fitness to work.<sup>[29]</sup> Thus, on August 10, 2010, he consulted with Dr. Renato P. Runas (Dr. Runas). According to Dr. Runas, there was still swelling in respondent's right knee with inability to squat,<sup>[30]</sup> there was atrophy of his quadriceps and calf muscles;<sup>[31]</sup> the movement of his right shoulder remained limited because of pain;<sup>[32]</sup> his shoulder abduction only reached 90 degrees;<sup>[33]</sup> the paraspinal muscles were tensed and spastic;<sup>[34]</sup> and his trunk movement was limited.<sup>[35]</sup> Dr. Runas concluded that respondent is now permanently unfit to resume sea duties with permanent partial disability.<sup>[36]</sup>

Based on the findings and evaluation of Dr. Runas, respondent sought to recover disability benefits from petitioners.<sup>[37]</sup> However, petitioners did not heed his claims.

### **The NCMB Ruling**

On April 11, 2011, respondent submitted a Notice to Arbitrate before the NCMB.<sup>[38]</sup> However, the parties failed to amicably settle. Thus, on October 15, 2011, they agreed to submit the dispute for voluntary arbitration.<sup>[39]</sup>

The NCMB resolved the case and ruled in favor of respondent. It ordered the petitioners to pay respondent disability benefits and attorney's fees in the total amount of US\$137,500.00 based on the TCC CBA.<sup>[40]</sup>

### **The CA Ruling**

The petitioners elevated the case before the CA through a petition for review and interposed that the NCMB Panel erred in applying the TCC CBA and the 240-day presumptive disability rule in resolving the case in favor of respondent.<sup>[41]</sup>

The CA in affirming the ruling of the NCMB ruled that the respondent's disability was the result of none other than an accident.<sup>[42]</sup> Therefore, it concluded that Section 19 of the TCC CBA applies in the case and that NCMB Panel committed no error in its ruling.<sup>[43]</sup> Moreover, the CA also took into consideration the fact that no certification as to respondent's fitness to work was ever issued by the company-designated physician, thus, it likewise used the 240-day presumptive disability rule against the petitioners.<sup>[44]</sup> The dispositive portion of the questioned CA Decision states:

WHEREFORE, premises considered, the instant petition is hereby DISMISSED for lack of merit. ACCORDINGLY, the challenged Decision dated 20 June 2012 of the Panel is AFFIRMED.

SO ORDERED.<sup>[45]</sup>

A Motion for Reconsideration was filed by the petitioners but the same was denied through the appellate court's Resolution dated December 10, 2013.<sup>[46]</sup>

### **Issue**

**WHETHER OR NOT A SEAFARER WHO FINISHED AND COMPLETED HIS EMPLOYMENT CONTRACT WITHOUT ANY MEDICAL COMPLAINT ON BOARD OR UPON ARRIVAL IN THE PHILIPPINES IS ENTITLED TO DISABILITY COMPENSATION[.]**<sup>[47]</sup>

Respondent is of the opinion that his claim for compensation for the injuries he suffered should be resolved under the TCC CBA. On the other hand, the petitioners denied respondent's claim under the TCC CBA and averred that the same is inapplicable as it only governs claims based on accidents. Petitioners argued that there being no proof of any accident on board, respondent is not entitled to his claims.<sup>[48]</sup>

### **The Ruling of this Court**

Entitlement of seafarers to disability benefits is a matter governed, not only by medical findings, but by law and by contract.<sup>[49]</sup> The pertinent statutory provisions are Articles 191 to 193 under Chapter VT (Disability Benefits) of the Labor Code, in relation with Rule X of the Rules and Regulations Implementing Book IV of the Labor Code.<sup>[50]</sup> By contract, the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC), as provided under Department Order No. 4, series of 2000 of the Department of Labor and Employment, and the parties' CBA, in this case the TCC CBA, bind the seaman and his employer to each other.<sup>[51]</sup>

The TCC CBA provides that:

**DISABILITY**  
**§19**

1. A Seafarer who suffers an injury as a result of an accident from any cause whatsoever whilst in the employment of the Manager/Owners, including accidents occurring whilst travelling to or from the ship or as a result of marine or other similar peril, and whose ability to work is reduced as a result thereof, shall receive from the Managers/Owners in addition to her/his sick pay (§14 and §15 above), a compensation stated below:

Compensation: a) Masters and Officers and ratings above AB

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US\$250,000

b) All Ratings, AB and below

US\$ 125,000

x x x x<sup>[52]</sup>

Clearly, the injury must be a result of an accident for it to be compensable under the TCC CBA. In *NFD Int'l Manning Agents, Inc./Barber Mgmt. Ltd. v. Illescas*,<sup>[53]</sup> the term "accident" was exhaustively defined, to wit:

Black's Law Dictionary defines "accident" as "[a]n unintended and unforeseen injurious occurrence; something that does not occur in the usual course of events or that could not be reasonably anticipated, x x x [a]n unforeseen and injurious occurrence not attributable to mistake, negligence, neglect or misconduct."

The Philippine Law Dictionary defines the word "accident" as "[t]hat which happens by chance or fortuitously, without intention and design, and which is unexpected, unusual and unforeseen."

"Accident," in its commonly accepted meaning, or in its ordinary sense, has been defined as:

[A] fortuitous circumstance, event, or happening, an event happening without any human agency, or if happening wholly or partly through human agency, an event which under the circumstances is unusual and unexpected by the person to whom it happens x x x.

**The word may be employed as denoting** a calamity,