

Title: Intercrew Shipping Agency, Inc., Star Emirates Marine Services, and Gregorio Ortega vs. Ofrecino B. Calantoc

Facts:

In March 2008, Intercrew Shipping Agency, Inc., on behalf of its principal Star Emirates Marine Services, hired Ofrecino B. Calantoc as a fourth engineer for a 12-month contract with a monthly salary of US\$700. Despite having high blood pressure, Calantoc was declared “fit for sea duty” after a pre-employment medical examination.

On March 20, 2008, Calantoc was deployed on MV Oryx. Four months into his deployment, he began to exhibit symptoms of slurred speech and right-side weakness, eventually diagnosed as a mild stroke. His condition worsened over time, leading to a request for repatriation.

Calantoc returned to the Philippines on July 14, 2008, and sought medical assistance from Intercrew and Star Emirates but was repeatedly denied. Forced to pay for his medical expenses, Calantoc underwent an MRI which revealed a large convexity meningioma. Following surgery in January 2009, Calantoc claimed permanent disability and filed for compensation.

Intercrew and Star Emirates contended that Calantoc’s condition was pre-existing, with no work-related incident contributing, and mentioned that Calantoc had signed a release after accepting his final wages on July 23, 2008.

The Labor Arbiter awarded Calantoc US\$60,000 for full disability benefits, sickness wages of US\$2,800, medical reimbursements, and attorney’s fees. However, the National Labor Relations Commission (NLRC) reversed this decision, siding with the petitioners based on the non-work-related nature of Calantoc’s illness.

Calantoc’s petition for certiorari led to the Court of Appeals (CA) annulling the NLRC decision and reinstating the Labor Arbiter’s ruling with modifications. The CA found that Calantoc’s illness was compensable even if it pre-existed since his condition deteriorated due to work, and he should receive the mandated benefits.

Issues:

1. Whether Calantoc’s illness was work-related and compensable under the POEA-Standard Employment Contract (POEA-SEC).
2. Whether Calantoc was entitled to permanent total disability benefits.

3. Whether he was entitled to medical reimbursements, sickness wages, and attorney's fees.

Court's Decision:

The Supreme Court upheld the CA's decision, affirming that Calantoc's illness was work-related and compensable.

1. **Work-Related Illness:** The Court validated that despite Calantoc's existing high blood pressure, he was cleared as fit for duty. His conditions worsened significantly during employment, thus meeting the criteria of being work-related under the POEA-SEC. The extreme working conditions onboard likely aggravated his pre-existing condition.
2. **Permanent Total Disability Benefits:** The Court ruled that since Calantoc's condition prevented him from returning to his duties, he qualified for permanent total disability benefits. The nature of his employment contributed to his deteriorating health, fulfilling the requirement under Section 20(B)(6) of the POEA-SEC.
3. **Medical Reimbursements and Sickness Wages:** The petitioners' failure to provide proper medical support upon Calantoc's repatriation worsened his condition. Hence, the reimbursement for his medical expenses and sickness wages was justified.
4. **Attorney's Fees:** Acknowledging the protracted legal battle and Calantoc's need for legal representation, the Court approved the award of reasonable attorney's fees.

Doctrine:

- **Employer's Liability for Work-Aggravated Conditions:** Even if a seafarer has pre-existing conditions, employers can be held liable for conditions aggravated by the nature of the employment. The employer's duty to provide medical support upon repatriation is critical.
- **POEA-SEC Interpretation:** Provisions should be interpreted liberally in favor of seafarers, ensuring full protection under labor law principles.

Class Notes:

- **Work-Related Illness (POEA-SEC):** Conditions emerging or worsening due to employment may be compensable.
- **Permanent Total Disability:** Inability to return to customary work due to a medical condition contracted during employment.
- **Employer's Responsibilities:** Includes medical assistance, reimbursing medical expenses, and paying sickness wages.

A.M. No. RTJ-05-1919 (Formerly A.M. OCA IPI No. 02-1634-RTJ).

- ****6% Legal Interest:**** Monetary awards accrue 6% per annum from finality until full satisfaction. June 27, 2005 (Case Brief / Digest)

Historical Background:

The decision builds on the enriched understanding of labor protection for seafarers, reflecting the Philippines' commitment to ensuring workers' rights under international and domestic labor standards. The case underscores the continuous evolution of interpreting the POEA-SEC to equitably balance employer liabilities and seafarers' rights, particularly in the context of absent or deteriorated health conditions aggravated through work conditions.