

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

Ponente: BUESER, J.

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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 an additional amount of Seven Thousand US dollars (US\$7,000) to each child under the age of twenty-one (21) but not exceeding four (4) children, at the exchange rate prevailing during the time of payment.

x x x x

4. The other liabilities of the employer when the seafarer dies as a result of work-related injury or illness during the term of employment are as follows:

x x x x

C. The employer shall pay the beneficiaries of the seafarer the Philippines currency equivalent to the amount of One Thousand US dollars (US\$1,000) for burial expenses at the exchange rate prevailing during the time of payment.”

In the case at bar, it is undisputed that Ray died on December 9, 2007, or four (4) months after his repatriation.

Petitioner contends that, at the time of Ray's death, an employer-employee relationship existed between him and respondent Marlow.

We disagree.

Section 18 of the POEA Standards terms and Conditions of Seafarers states that termination of employment takes place when -

“A. The employment of the seafarer shall cease when the seafarer completes his period of contracted service aboard the vessel, signs-off from the vessel and arrives at the point of hire.

B. The employment of the seafarer is also terminated when the seafarer arrives at the point of hire for any of the following reasons:

1. When the seafarers signs-off and is disembarked for medical reasons pursuant to Section 20 (b) of this contract.
2. When the seafarer signs-off due to shipwreck, ship's sale, lay-up of vessel, discontinuance of voyage as there is a chance of vessel principal in accordance with Sections 22, 23, and 26 of this contract.
3. When the seafarer in writing voluntarily resigns and signs off prior to the expiration of contract pursuant to Section 19 (b) of this contract.
4. When the seafarer is discharged for just cause xxx.”

There is no question that Ray disembarked from M/V Grace Church Star on August 22, 2007. Hence, Ray's disembarkation from the vessel caused the termination of his employment contract. Clearly therefore, Ray is no longer an employee of respondent Marlow at the time of his death. Thus, on the basis of Section 20(A), his beneficiaries are precluded from receiving death benefits.

Petitioner's contention that Ray died from a work-related illness fails.

For death to be compensable, under Section 32-A of the POEA Contract, the following must be present -

“Section 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 describe 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;
4. There was no notorious negligence on the part of the seafarer.”

Under the Definition of Terms found in the Standard Contract, a work-related illness is defined as "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". An illness not otherwise listed in Section 32-A is disputably presumed work-related. This presumption works in favor of petitioner, because it then becomes incumbent upon respondents to dispute or overturn this presumption. However, “intracranial hemorrhage secondary to ruptured aneurism” is not one of the occupational diseases listed in the Standard Contract hence, appellant must prove through substantial evidence, that Ray's death was work-related.

This petitioner failed to do. Other than her bare allegations, she was not able to present any evidence to

substantiate her claims. The fact that the seafarer's death is not work-related is strengthened by the Medical Abstract[4] of Dr. Barrairo, to wit -

“An aneurism is a balloon-like bulge in an artery causing its wall to weaken. This condition is multifactorial meaning, this can be hereditary in nature, can be caused by hypertension, diabetes mellitus, viral infection, and smoking. This is also age related. As a person gets older, he is more prone to have such a disease.

Mr. Magbanua's work as a seaman did not contribute to the cause of his death since he was already four (4) months at land when he died. The aneurism ruptured when he was no longer working on board and therefore, his illness is not work-related. Furthermore, as per review of his medical records, he was non-hypertensive and non-diabetic.”

All told, both the LA and the NLRC correctly exercised their discretion in denying respondent's claims for death benefits. The grave abuse of discretion ascribed to them had not been demonstrated.

While we commiserate with petitioner, we cannot grant her claim for death compensation benefits in the absence of substantial evidence to prove her entitlement thereto, since to do so will cause an injustice to the employer. Otherwise stated, while it is true that labor contracts are impressed with public interest and the provisions of the POEA-SEC must be construed logically and liberally in favor of Filipino seaman in the pursuit of their employment on board ocean-going vessels, still the rule is that justice is in every case for the deserving, to be dispensed with in the light of established facts, the applicable law, and existing jurisprudence.[5]

WHEREFORE, the assailed Decisions are AFFIRMED in toto and the petition is DISMISSED.

SO ORDERED.

Zalameda[*] (Acting Chairperson) and Sempio Diy,[**] JJ., concur.

[*] Vice Justice De Guia-Salvador per Office Order No. 184-14-ABR dated May 5, 2014.

[**] Acting Junior Member per Office Order No. 187-14-ABR dated May 6, 2014.

[1] Rollo, pp.35-41.

[2] Id. at 44-47.

[3] Decision dated April 29, 2011, Rollo, p.30.

[4] Rollo, p.184.

[5] Susan Sy vs. Philippine Transmarine Carriers, Inc., G.R. No. 191740, February 11, 2013 citing Panganiban v. Tara Trading Shipmanagement, Inc. G.R. 187032, October 18, 2010.

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