



Republic of the Philippines
Supreme Court
Manila

SPECIAL FIRST DIVISION

N O T I C E

Sirs/Mesdames:

Please take notice that the Court, Special First Division, issued a Resolution dated March 16, 2022 which reads as follows:

“G.R. No. 210329 (*Philippine Transmarine Carriers, Inc., and/or Marin Shipmanagement Limited, v. Clarito A. Manzano*). – Before the Court is a Motion for Partial Reconsideration¹ filed by respondent Clarito A. Manzano (Manzano) seeking reconsideration of the Decision² promulgated by the Court on March 18, 2021 granting the Petition for Review on *Certiorari*³ filed by petitioners Philippine Transmarine Carriers, Inc., and/or Marin Shipmanagement Limited.

The Facts of the Case

On February 3, 2010, respondents Philippine Transmarine Carriers Inc. and Marin Shipmanagement Limited (collectively, petitioners), as agent and foreign principal, respectively, employed Manzano as an Oiler on board Maersk Danang.⁴

The following are the terms and conditions of Manzano’s employment:

Duration of Contract:	8 +/- month
Position:	OILER
Basic Monthly Salary:	US\$ 693.00/month

- over – nine (9) pages ...

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¹ *Rollo*, pp. 210 - 218

² Id. at 195-208; penned by Associate Justice Samuel H. Gaerlan, with Chief Justice Diosdado M. Peralta (now a retired Member of this Court), and Associate Justices Alfredo Benjamin S. Caguioa, Rosmari D. Carandang (now a retired Member of this Court), and Rodil V. Zalameda, concurring.

³ Id. at 32-49.

⁴ Id. at 15.

Hours of Work:	40 Hours/week
Overtime:	US\$ 351.00/month x x x
Vacation Leave with Pay:	US\$ 185.00/month x x x
Sub-Allowance:	US\$ 152.00/month
Point of Hire:	Manila, Philippines ⁵

In addition, his employment is covered by the Total Workers' Federation Collective Bargaining Agreement (TCC CBA), the pertinent portion of which states:

DISABILITY

§ 19

1. A Seafarer who suffers injury as a result of an accident from any cause whatsoever whilst in the employment of the Managers/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, x x x, a compensation as stated below.

Compensation:

- a) Masters and Officers and ratings above AB –
US\$ 250[,]000
- b) **All Ratings, AB and below** –
US\$ 125[,]000

Loss of profession caused by disability (accident) shall be secured by 100% of the compensation.

x x x x

3. Permanent Medical Unfitness – A Seafarer whose disability, in accordance with § 19 (1.) is assessed at 50% or more under the attached Annex 3 shall, for the purpose of this paragraph be regarded as permanently unfit for further sea service in any capacity and be entitled to 100% compensation, i.e. USD 250[,]000 for Officers and Ratings above AB and **USD 125[,]000 for ratings and below. Furthermore, any seafarer assessed at less than 50% disability under the attached Annex 3 but certified as permanently unfit for further sea service in**

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⁵ Id. at 76 and 113.

any capacity by a doctor appointed mutually by the Owners/managers and the ITF, shall also be entitled to 100% compensation.

x x x x⁶

Before Manzano was deployed, he underwent a pre-employment medical examination (PEME), where he was declared fit for sea duty without restriction. Manzano boarded the Maersk Danang on March 27, 2010. His duty and responsibilities as an Oiler involved strenuous manual labor, which necessarily included pushing, pulling, lifting and/or carrying heavy items.⁷

Sometime during the third week of July 2010, while working aboard the Maersk Danang, Manzano slipped and fell from an elevated height and initially landed on his right knee. Due to persistent pain, he was brought to a hospital in Elizabeth, New Jersey, United States of America on August 2, 2010. Manzano was found to be suffering from "soft tissue injury, arthralgia, effusion."⁸ After a Magnetic Resonance Imaging (MRI) scan on August 9, 2010, Dr. George Griffin issued his medical findings as follows:

Your 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.⁹

He was also advised to avoid placing full weight on the injured leg.¹⁰ Manzano returned to work thereafter.¹¹

In September 2010, while entering the engine room, Manzano was hit by a metal door at his right shoulder when a co-worker opened another door. He experienced pain on the shoulder and back.¹² On November 27, 2010, Manzano went to the Badr Al Samaa Group of Hospital and Polyclinics in Ruwi, Sultanate of Oman, where he was found to be suffering from costochondritis and myalgia in his right shoulder.¹³

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⁶ Id. at 147-148.

⁷ Id. at 15-16.

⁸ Id. at 16.

⁹ Id. at 81.

¹⁰ Id.

¹¹ Id. at 16.

¹² Id. at 16-17.

¹³ Id. at 86 and 197.

Manzano's contract expired. He arrived in the Philippines on December 3, 2010.¹⁴

Three days from his arrival, or on December 6, 2010, Manzano went to the office of the respondents. Company-designated physician Dr. Randolph M. Molo (Dr. Molo) advised him to obtain a Cocolife card. No medical examination was conducted then.¹⁵

On December 15, 2010, Manzano was examined at St. Luke's Medical Center by Dr. Molo. He underwent another X-ray and MRI scan. Pursuant to the results, Manzano attended physical therapy sessions for several months. Dr. Molo further recommended knee and shoulder arthroscopies because Manzano continued to experience pain in his right knee, right shoulder, and lower back.¹⁶

Later, on August 10, 2011, Manzano sought the opinion of personal physician Dr. Renato P. Runas (Dr. Runas). The latter concluded that Manzano suffered from multiple lesions resulting from the injury sustained while working onboard. Since his overall capacity to work was reduced by as much as sixty percent (60%) when compared to his pre-injury status, Dr. Runas declared Manzano permanently unfit to resume sea duties with permanent partial disability.¹⁷

Manzano sought to recover disability benefits from petitioners.¹⁸

Ruling of the National Conciliation and Mediation Board

The National Conciliation and Mediation Board (NCMB), in its Decision dated June 20, 2012, ruled in favor of Manzano:

WHEREFORE, premises considered, judgment is hereby ORDERING herein respondents, Philippine Transmarine Carriers, Inc., and/or Marin Shipmanagement Limited, to pay complainant Clarito A. Manzano, the amount of ONE HUNDRED TWENTY FIVE THOUSAND U.S. DOLLARS (US\$125,000.00), representing his disability benefits; [and] ten percent (10%) thereof as attorney's fees, or the total amount of ONE HUNDRED THIRTY SEVEN THOUSAND FIVE HUNDRED U.S. DOLLARS (US\$137,500.00), or its peso equivalent converted at the time of payment.

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¹⁴ Id. at 17.

¹⁵ Id.

¹⁶ Id. at 17 and 167.

¹⁷ Id. at 89-91.

¹⁸ Id. at 19.

All other claims are **DISMISSED** for lack of merit.

SO DECIDED.¹⁹ (Emphases in the original)

The NCMB found that Manzano's injuries were caused by an accident that transpired onboard. Pursuant to the TCC CBA that covers his employment, Manzano is entitled to disability benefits and attorney's fees in the total amount of US\$ 137,500.00.²⁰

Ruling of the Court of Appeals

The Court of Appeals (CA) affirmed the NCMB Decision.²¹ The Appellate Court agreed with the NCMB that the TCC CBA provision on disability benefits caused by accidents onboard applies in the case of Manzano. In addition, the CA noted that the company-designated physician failed to issue a final assessment as to Manzano's fitness to work within the 240-day period.²² The CA likewise denied the Motion for Reconsideration filed by petitioners.²³

Petition for Review on *Certiorari*

Undeterred, petitioners filed a Petition for Review on *Certiorari*²⁴ before the Court. On March 18, 2021, the Court granted the petition as follows:

WHEREFORE, the petition is **PARTIALLY GRANTED**. The Decision dated June 28, 2013 and the Resolution dated December 10, 2013 in CA-G.R. SP No. 125600 of the Court of Appeals are hereby **MODIFIED**. Petitioners Philippine Transmarine Carriers Inc., and/or Marin Shipmanagement Limited are hereby ordered jointly and severally to pay respondent Clarito A. Manzano the following:

1. his total permanent disability benefits in the amount of US\$60,000.00 or its equivalent amount in Philippine currency at the time of payment; and
2. ten percent (10%) of the total monetary award as attorney's fees.

SO ORDERED.²⁵ (Emphases in the original)

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¹⁹ Id. at 118

²⁰ Id.

²¹ Id. at 14-27

²² Id. at 22-24.

²³ Id. at 29-30.

²⁴ Id. at 32-51.

²⁵ Id. at 208.

The Court explained that there is no substantial evidence to prove that Manzano's injuries were caused by accidents on board the vessel. Consequently, the TCC CBA provision on accidents does not apply.²⁶

Manzano, however, is entitled to total and permanent disability benefits under the 2010 Philippine Overseas Employment Administration Standard Employment Contract (POEA-SEC). While his illness or injuries manifested after the term of contract, Manzano sufficiently proved that the injuries were reasonably linked to his duties as an Oiler on board. The Court also pointed out that Manzano promptly went to the office of the petitioners for the post-employment medical examination.²⁷ It was the company-designated physician who failed to perform his duty when he required Manzano to obtain a Cocolife card before medical examination. Furthermore, there was no assessment as regards Manzano's capacity or incapacity to return to work, hence, he is entitled to total and permanent disability benefits by operation of law.²⁸

Manzano's Motion for Partial Reconsideration

In his Motion For Partial Reconsideration,²⁹ Manzano asks the Court to take a second look at the facts surrounding his injuries obtained onboard. Manzano maintains that they were caused by accidents that transpired while he performed his duties as an Oiler. Manzano contends that he cannot be reasonably expected to gather proof surrounding the accident because they are unexpected. At most, Manzano reported the incident to the Ship Captain and it was incumbent upon the latter to prepare a report.³⁰

Ruling of the Court

The Court finds no reason to depart from its Decision dated March 18, 2021, where the issues raised in this Motion for Reconsideration have been squarely and extensively discussed.

Nonetheless, the Court deems it prudent to clarify the dispositive portion of the said Decision.

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²⁶ Id. at 201-202.

²⁷ Id. at 206.

²⁸ Id. at 206-207.

²⁹ Id. at 210-218.

³⁰ Id. at 212.

The Court agrees with the CA that Manzano's injuries are compensable under the POEA-SEC. However, the NCMB ruled otherwise and granted Manzano disability benefits in the total amount of US\$137,500.00 pursuant to the TCC CBA.³¹

The Notice to Arbitrate was filed before the NCMB on April 11, 2011,³² hence, covered by the NCMB Revised Procedural Guidelines in the Conduct of Voluntary Arbitration Proceedings³³ (NCMB Revised Procedural Guidelines). Section 6, Rule VII of the NCMB Revised Procedural Guidelines provides that the decision of the voluntary arbitrator shall be final and executory after ten (10) calendar days from receipt of the copy of the decision by the parties.¹³ In *Guagua National Colleges v. Court of Appeals*,³⁴ the Court explained that "decisions and awards of Voluntary Arbitrators, albeit immediately final and executory, remained subject to judicial review in appropriate cases through petitions for *certiorari*."³⁵

Furthermore, Section 6, Rule VIII of the NCMB Revised Procedural Guidelines states:

Section 6. EFFECT OF FILING OF PETITION FOR CERTIORARI ON EXECUTION. The filing of a Petition for *Certiorari* with the Court of Appeals or the Supreme Court shall not stay the execution of the assailed decision unless a temporary restraining order or injunction is issued by the Court of Appeals or the Supreme Court pending resolution of such petition.

Records do not show that a temporary restraining order or injunction has been issued pending appeal of this case of Manzano. In case the decision of the NCMB was already executed and the monetary award has been satisfied, Manzano should return the difference between the monetary award granted to him by the NCMB and that of the Court pursuant to the Decision dated March 18, 2021 and of this Resolution.

Manzano remains entitled to attorney's fees equivalent to ten percent (10%) of the total monetary awards following Article 2208 of the New Civil Code, which allows its recovery in actions for recovery of wages of laborers and actions for indemnity under employer's

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³¹ Id. at 118.

³² Id. at 19.

³³ Approved on March 7, 2005.

³⁴ G.R. No. 188492, August 28, 2018, 878 SCRA 362.

³⁵ Id. at 375.

liability laws. Lastly, consistent with the pronouncement of the Court in *Nacar v. Gallery Frames*,³⁶ interest at the rate of six percent (6%) *per annum* is hereby imposed on the total monetary award.

WHEREFORE, the Motion for Partial Reconsideration is **DENIED**. The Decision dated March 18, 2021 of the Court is **AFFIRMED WITH MODIFICATION**. Petitioners Philippine Transmarine Carriers Inc. and Marin Shipmanagement Limited are **ORDERED to JOINTLY AND SOLIDARILY PAY** respondent Clarito A. Manzano the following:

- a. US\$ 60,000.00 or its peso equivalent representing his disability benefits under the 2010 Philippine Overseas Employment Agency – Standard Employment Contract;
- b. Attorney's fees equivalent to ten percent (10%) of the total monetary award.

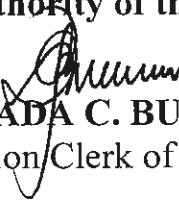
The total monetary award shall be subject to interest rate of six percent (6%) *per annum* from the finality of this Resolution until full payment.

Respondent Clarito A. Manzano is **DIRECTED** to return the difference, if any, between the total amount received pursuant to the Decision of the National Conciliation and Mediation Board dated June 20, 2012 in AC-855-NCMB-NCR-86-03-12-2011 and that of the total monetary benefits granted in this Resolution.

The Voluntary Arbitrators are hereby **ORDERED** to make a computation of the total monetary benefits due to respondent in accordance with this Resolution.

SO ORDERED.”

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court
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³⁶ 716 Phil. 267 (2013).

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