



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

APOLINARIO Z. ZONIO, JR.,
Petitioner,

G.R. No. 239052

Present:

- versus -

PERALTA, J., Chairperson,
LEONEN,*
REYES, A., JR.,
HERNANDO, and
INTING, JJ.

88 ACES MARITIME SERVICES,
INC., KHALIFA A. ALGOSAIBI
DIVING AND MARINE SERVICES
CO., and JANET A. JOCSON,
Respondents.

Promulgated:

October 16, 2019

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DECISION

INTING, J.:

Before this Court is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court seeking to nullify and set aside the Decision² dated July 31, 2017 and Resolution³ dated April 26, 2018 of the Court of Appeals (CA) in CA-G.R. SP No. 145357. The CA dismissed for lack of merit the petition for *certiorari* filed by Apolinario Z. Zonio, Jr. (Apolinario), praying for the following reliefs: (1) the issuance of a Writ of *Certiorari* to annul the Decision⁴ dated January 28, 2016 and Resolution⁵ dated February 29, 2016 of the National Labor

* On leave.

¹ *Rollo*, pp. 35-95.

² *Id.* at 11-30; as penned by Associate Justice Magdangal M. De Leon with Associate Justices Franchito N. Diamante and Zenaida Galapate-Laguilles, concurring.

³ *Id.* at 32-33.

⁴ *Id.* at 326-340.

⁵ *Id.* at 342-344.

Relations Commission (NLRC); and (2) payment of (a) disability benefits in the amount of US\$60,000.00, (b) sickness allowance of US\$2,024.60, and (c) 10% of the total judgment award by way of attorney's fees.

The antecedents are as follows:

88 Aces Maritime Services, Inc. (88 Aces) is a domestic corporation engaged in the recruitment of Filipino seafarers for and on behalf of its foreign principal Khalifa Algosaibi Diving & Marine Services Co. (Khalifa Algosaibi). Janet A. Jocson (Jocson) is the president/owner/manager of 88 Aces.

On February 4, 2010, Apolinario was hired as an "ordinary seaman" by 88 Aces to board the vessel MV Algosaibi 42. His contract was for a duration of six months with a basic monthly salary of US\$506.15.⁶

After passing the required pre-employment medical examination,⁷ Apolinario left Manila on February 26, 2010 and embarked MV Algosaibi 42 in Ras Tanura, Saudi Arabia.

As an ordinary seaman, Apolinario's job on board the vessel included the following: 1) give assistance to the able seaman; 2) assist in the handling and operation of all deck gear such as topping, cradling and housing of booms; 3) aid the carpenter in the repair work when requested; and 4) to scale and chip paint, handle lines in the mooring of the ship, assist in the actual tying up and letting go of the vessel and stand as a lookout in the vessel.

After completing his six-month contract with 88 Aces in August 2010, Apolinario however was not repatriated as he directly entered into a new contract with 88 Aces' foreign principal, Khalifa Algosaibi. His new contract with Khalifa Algosaibi lasted until April 2012.

⁶ *Id.* at 161.

⁷ *Id.* at 162.

In April 2012, Apolinario was repatriated in Manila. On May 8, 2015, he filed a Complaint before the Labor Arbiter against 88 Aces, Jocson and Khalifa Algosaibi (collectively referred to as respondents) for the payment of disability benefits, attorney's fees, medical fees, sickness allowance and moral, exemplary and compensatory damages.⁸

In his Position Paper,⁹ Apolinario alleged that while on board MV Algosaibi 42 in December 2010, he suddenly experienced dizziness. As his condition did not improve, he was sent to As Salama Hospital in Al-Khobar, Saudi Arabia where he was found to have high glucose and cholesterol.¹⁰ Apolinario posited that he was given medicine by the doctor and was advised to observe proper diet and avoid stress. After taking the doctor's advice, his medical condition improved and he was able to perform his work well.

However, after two years, particularly in January 2012, Apolinario alleged that his dizziness recurred, accompanied by the blurring of his vision. On April 2, 2012, he stated that he returned to As Salama Hospital where he was diagnosed to have diabetes mellitus¹¹ and dislipedemia.¹²

After his repatriation to the Philippines on April 11, 2012, Apolinario posited that he immediately reported to the office of 88 Aces to get his unpaid wages and for him to be referred to the company physician. However, since his repatriation was due to the completion of his six-month Philippine Overseas Employment Administration (POEA)-approved employment contract, he was allegedly told by President Janet Jocson that 88 Aces could not shoulder his medical expenses. Apolinario did not insist anymore and just continued taking the medicine given by the doctor in Saudi Arabia.

Subsequently, Apolinario felt well and thought that his illness was already cured. However, it recurred on August 2, 2013. Apolinario

⁸ *Id.* at 149-159.

⁹ *Id.*

¹⁰ *Id.* at 165.

¹¹ Commonly known as "diabetes" is a group of metabolic disorder characterized by high blood sugar levels over a prolonged period. <<https://en.wikipedia.org/wiki/Diabetes>> (visited September 12, 2019).

¹² It is an abnormal amount of lipids (e.g. triglycerides, cholesterol and/or fat phospholipids) in the blood, <<https://en.wikipedia.org/wiki/Dyslipidemia>> (visited September 12, 2019).

consulted Dr. Joseph Glenn Dimatatac, an internal medicine physician, and was informed that his illness was indeed diabetes mellitus.¹³

On March 17, 2015,¹⁴ Apolinario consulted Dr. Rufo Luna, the Municipal Health Officer of the Municipality of San Jose, who declared him to be physically unfit to continue work due to his hyperglycemia.¹⁵ Consequently, Apolinario demanded from respondents the payment of his disability benefits, but to no avail.

Apolinario argued that his illness is presumed as work-related. According to him, his stress was a factor in the development of his diabetes mellitus since he was exposed to frequent overtime, lack of sleep, and emotional/psychological stress for being away from his family. Moreover, Apolinario contended that his disability is permanent and total because he was already incapacitated to resume his sea duties for more than 240 days. Apolinario maintained that his cause of action to file a claim against respondents did not prescribe yet since his action was instituted within three years from his disembarkation from the vessel.

To counter Apolinario's claim, respondents, on the other hand, argued that Apolinario finished his six-month POEA-approved employment contract in August 2010 without any medical issue whatsoever. They contended that since the filing of his Complaint was made five years after the completion of his contract in August 2010, his cause of action had already prescribed for not having been filed within the three-year prescriptive period. Moreover, respondents claimed that contrary to Apolinario's allegation, he actually failed to comply with the three-day post-employment medical examination requirement. As such, he cannot be entitled to his money claims, moral, compensatory and exemplary damages.

The Ruling of the Labor Arbiter

On October 30, 2015, the Labor Arbiter ruled in favor of Apolinario and held that Apolinario's cause of action has not prescribed yet.¹⁶ The Labor Arbiter explained that under Section 18 of the POEA-

¹³ *Id.* at 168.

¹⁴ Dated as March 18, 2015 in some parts of the rollo.

¹⁵ It is a condition in which an excessive amount of glucose circulates in the blood plasma <<https://en.wikipedia.org/wiki/Hyperglycemia>> (visited September 12, 2019).

¹⁶ *Rollo*, pp. 232-246.

approved employment contract, the seafarer's contract with the employer is effective until the date of his arrival at the point of hire. Corollary thereto, the Labor Arbiter clarified that all claims arising from the contract should be made within three years from the date the cause of action arose. The Labor Arbiter concluded that since Apolinario's arrival at the point of hire was April 11, 2012, he had until April 11, 2015 within which to institute his action. Thus, he was able to institute his claim against respondents within the reglementary period when he filed his Request for Single Entry Approach (SENA) at the NLRC in March 2015.

Moreover, the Labor Arbiter found that Apolinario, while on board, was exposed to physical and psychological stress due to rush jobs, lack of sleep and homesickness. Inasmuch as stress can prompt an increase in the level of one's blood sugar, the Labor Arbiter found nexus between Apolinario's nature of work and his ailment diabetes mellitus.

Lastly, the Labor Arbiter gave more weight to Apolinario's allegation that he actually requested to undergo the required post-employment medical examination, but 88 Aces denied it on the ground that his repatriation was not for medical reasons, but due to the completion of his contract.

Aggrieved, respondents elevated the case before the NLRC.

The Ruling of the NLRC

On January 28, 2016, the NLRC rendered a Decision¹⁷ granting respondents' Appeal. In ruling for the Respondents and dismissing Apolinario's complaint, the NLRC ratiocinated that the findings of Apolinario's physicians cannot be accorded weight since their medical certificates were only issued on March 17, 2015 and June 15, 2015—about three years or more from Apolinario's repatriation on April 11, 2012.

Lastly, the NLRC held that since Apolinario failed to establish that his illness was work-related and that he requested for a post-employment medical examination, his claim for disability benefits must be denied.

¹⁷ *Id.* at 326-340.

The Ruling of the CA

On July 31, 2017, the CA affirmed the NLRC's Decision and dismissed Apolinario's Petition.

The CA held that Apolinario's repatriation was due to the completion of his contract and that Apolinario had no complaint whatsoever when he disembarked from the vessel. Moreover, the CA pointed out that Apolinario was no longer a subject of any POEA Standard Employment Contract (SEC) when he was found unfit to work. Not being covered by the contract, the CA denied Apolinario's claim based thereon.

Lastly, the CA opined that Apolinario did not proffer any reason for his failure to undergo the required post-employment medical examination. Having failed to undergo the required medical test, the CA concluded that Apolinario cannot be entitled to disability benefits.

Hence, the instant Petition.

The Ruling of this Court

At the outset, it is to be emphasized that this Court is not a trier of facts; thus, its jurisdiction is limited only to reviewing errors of law. The rule, however, admits of certain exceptions, one of which is where the findings of fact of the quasi-judicial bodies and the appellate court are contradictory, such as the instant case. Thus, this Court is constrained to review and resolve the factual issue in order to settle the controversy.¹⁸

The present controversy involves the claim for permanent and total disability benefits of a seafarer. Apolinario argues that contrary to the findings of the NLRC and the CA, his illness is presumed as work-related and compensable. Likewise, Apolinario argues that his cause of action had not prescribed yet as he instituted his action against the respondents within the three-year reglementary period.

¹⁸ *APQ Shipmanagement Co., Ltd. v. Caseñas*, 735 Phil. 300, 310 (2014).

The petition is meritorious.

*Work-relatedness and compensability
of the disease*

The 2000 POEA-SEC provides that any sickness resulting in disability because of an occupational disease listed under Section 32(A) of this Contract is deemed to be work-related, provided the conditions set therein are satisfied. Section 20(B)(4) of the 2000 POEA-SEC, on the other hand, declares that if the illness, such as diabetes mellitus, is not listed as an occupational disease under Section 32(A), the ailment is disputably presumed as work-related.

The effect of the legal presumption in favor of the seafarer is to create a burden on the part of the employer to present evidence to overcome the *prima facie* case of work-relatedness. Absent any evidence from the employer to defeat the legal presumption, the *prima facie* case of work-relatedness prevails.¹⁹

To reinforce the *prima facie* case in his favor, Apolinario stated that during the existence of his contract, he experienced recurring dizziness and was diagnosed at As Salama Hospital in Al-Khobar Saudi Arabia to have contracted diabetes mellitus. In fact, while on board the vessel, he was twice sent to As Salama Hospital in Al-Khobar Saudi Arabia for medical treatment. To support his claim, Apolinario presented the medical record issued by the hospital and the different medical certificates of his physicians after his repatriation in Manila stating that he is already physically unfit to return to work due to his diabetes mellitus.

While the illness is not listed as one of the occupational diseases under Section 32(A) of the POEA-SEC, the ailment is presumed work-related under Section 20(B)(4) of the contract. Respondents are duty bound to overcome this presumption. However, other than their bare allegation, respondents did not present a scintilla of proof to establish the lack of casual connection between Apolinario's disease and his employment as a seafarer. Had respondents granted Apolinario's request to undergo a post-employment medical check-up, they could have presented a medical finding to contradict the presumption of work-

¹⁹ *Romana v. Magsaysay Maritime Corp.*, G.R. No. 192442, August 9, 2017.

relatedness of Apolinario's illness. The post-employment medical check-up could have been the proper basis to determine the seafarer's illness, whether it was work-related, or its specific grading of disability.²⁰ Having failed to present any evidence to defeat the presumption of work-relatedness of Apolinario's diabetes mellitus, the *prima facie* case that it is work-related prevails.

Nonetheless, the presumption provided under Section 20(B)(4) is only limited to the "work-relatedness" of an illness. It does not cover and extend to compensability.²¹ In this sense, there exists a fine line between the work-relatedness of an illness and the matter of compensability.²² The former concept merely relates to the assumption that the seafarer's illness, albeit not listed as an occupational disease, may have been contracted during and in connection with one's work, whereas compensability pertains to the entitlement to receive compensation and benefits upon a showing that a seafarer's work conditions caused or at least increased the risk of contracting the disease.²³

It is medically accepted that stress has major effects on a person's metabolic activity. The effects of stress on glucose metabolism are mediated by a variety of counter-regulatory hormones that are released in response to stress and that result in elevated blood glucose levels and decreased insulin action. In diabetes, because of a relative or absolute lack of insulin, the increase in blood glucose on account of stress cannot be adequately metabolized. Thus, stress is a potential contributor to chronic hyperglycemia in diabetes.²⁴

At this juncture, the case of *Millora v. ECC*²⁵ is instructive. The petitioner therein was the widow of Prisco Millora. The latter was a public school teacher and was diabetic during the last 11 years of his life. Upon his discharge from the hospital for treatment of his illness, he forthwith filed a claim for benefits due to diabetes mellitus, but it was denied. At the age of 40, Prisco died. Petitioner requested the Government Service Insurance System (GSIS) to reconsider its denial of the deceased's claim, but to no avail. This compelled petitioner to

²⁰ *Lorna B. Dionio v. ND Shipping Agency and Allied Services, Inc., Caribbean Tow and Barge (Panama) LTD.*, G.R. No. 231096, August 15, 2018.

²¹ *Romana v. Magsaysay Maritime Corp.*, *supra* note 19.

²² *Id.*

²³ *Atienza v. Orophil Shipping International Co., Inc.*, G.R. No. 191049, August 7, 2017.

²⁴ <<https://www.ncbi.nlm.nih.gov/pubmed/1425110>> (last viewed September 12, 2019).

²⁵ 227 Phil. 139 (1986).

elevate the case to the Employees' Compensation Commission (ECC) for review, but the commission affirmed the dismissal of the case on the ground that the cause of the deceased's ailment was not work-connected. The ECC relied on the evaluation made by the GSIS that diabetes mellitus is hereditary in nature and could not have been caused by his employment conditions. To assail the ECC's findings and prove that the nature of her late husband's work as a teacher increased the risk of contracting diabetes mellitus, petitioner quoted the medical opinion of Dr. Augusto Litonjua, president of the Philippine Diabetic Association, published in the November 1, 1985 issue of *Bulletin Today*, to wit:

"Dr. Augusto Litonjua, president of the Philippine Diabetic Association, also said that other causes of diabetes are overweight, accidents, operations, pregnancy and certain drugs.

"Speaking before the weekly 'Agham Ugnayan', Litonjua said diseases caused either by a virus or bacteria were found to have damaged the pancreas and caused diabetes in persons 'with a predisposition.'

"Litonjua explained that a person under stressful physical or emotional situations secrete hormones that are 'contra-insulin' or hormones which outweigh the effects of insulin. Insulin, a hormone that is produced by the pancreas lowered blood sugar.

"He noted that there are more diabetes cases in urban than in a rural setting. This discrepancy is believed to be attributed to the more 'Westernized' environment in urban areas which have more problems and tensions x x x."²⁶

The wife of the deceased argued that since the parents of her late husband were not diabetic and that the deceased was not predisposed to the ailment by reason of obesity or old age, it would be more fair to conclude that his contracting diabetes mellitus was increased by the nature of his work. This Court found merit in her contention and held that:

Prisco Millora began work as a public school teacher when he was twenty-one [21] years old. Although not predisposed to diabetes mellitus by

²⁶ *Id.* at 145.

reason of old age, obesity or heredity, he became diabetic after eight [8] years in said employment. As a classroom teacher, his work was not confined to the regular eight-to-five schedule, but stretched into the long hours of the night preparing lesson plans and instructional materials. Aside from this, he was actively involved in the school's developmental projects. To our mind, such work situation could reasonably be described as physically and emotionally stressful, a situation cited by Dr. Litonjua as producing hormones which are 'contra-insulin' in their effects and which satisfies the evaluation made by respondent Commission of the endocrinal etiology of diabetes mellitus.²⁷

In this case, to prove that his work conditions caused or at least increased the risk of contracting the disease, Apolinario showed that part of his duties as an Ordinary Seaman in MV Algozaibi 42 involved strenuous workload such as assist in the handling and operation of all deck gear such as topping, cradling and housing of booms; aid the carpenter in the repair work when requested; scale and chip paint, handle lines in the mooring of the ship, assist in the actual tying up and letting go of the vessel and stand as a lookout in the vessel. Apolinario further stated that while inside the vessel for several months, he was exposed to physical and psychological stress due to rush jobs, lack of sleep, heat stress, emergency works and homesickness for being away from his family. From the above enumeration of Apolinario's duties on board the vessel, he was certainly exposed to various strain and stress—physical, mental and emotional.

In the case of *Sevilla v. Workmen's Compensation Commission*,²⁸ the First Division of this Court ruled in favor of the compensability of diabetes mellitus quoting the case of *Abana, et al. v. Quisumbing*.²⁹ This Court held:

While there is that possibility that factors other than the employment of the claimant may also have contributed to the aggravation of his illness, this is not a drawback to its compensability. For, under the law, it is not required that the employment be the sole factor in the growth, development or acceleration of

²⁷ *Id.* at 146.

²⁸ 174 Phil. 448 (1978).

²⁹ 131 Phil. 387 (1968).

claimant's illness to entitle him to the benefits provided for. It is enough that his employment had contributed, even in a small degree, to the development of the disease.³⁰

As earlier stated, respondents herein failed to adduce any contrary medical findings from the company-designated physician to show that Apolinario's illness was not caused or aggravated by his working conditions on board the vessel. There was also no showing that Apolinario is predisposed to the illness by reason of genetics, obesity or old age. Such being the case, this Court consider that the stress and strains he was exposed to on board contributed, even to a small degree, to the development of his disease. Inasmuch as compensability is the entitlement to receive disability compensation upon a showing that a seafarer's work conditions caused or at least increased the risk of contracting the disease, We find Apolinario's disease as compensable at bar.

Reportorial requirement to undergo post-employment medical examination within three days from disembarkation

Respondents insist that Apolinario did not comply with the post-employment medical examination within three working days from his repatriation. For his non-compliance, respondents argue that he is not entitled to the disability benefits he claim. To support their contention, Jocson submitted an Affidavit stating that Apolinario never requested for a post-employment medical examination after termination of his contract.

Section 20(B)(3) of the 2000 Amended POEA Standard Terms and Conditions Governing the Employment of Filipino Seafarers On-Board Ocean-Going Vessels lays down the procedure to be followed by a seafarer in claiming disability benefits, to wit:

B. COMPENSATION AND BENEFITS FOR INJURY
OR ILLNESS

The liabilities of the employer when the seafarer

³⁰ *Id.* at 390.

suffers work-related injury or illness during the term of his contract are as follows:

X X X X

3. Upon sign-off from the vessel for medical treatment, the seafarer is entitled to sickness allowance equivalent to his basic wage until he is declared fit to work or the degree of permanent disability has been assessed by the company-designated physician but in no case shall this period exceed one hundred twenty (120) days.

For this purpose, **the seafarer shall submit himself to a post-employment medical examination by a company-designated physician within three working days upon his return** except when he is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. **Failure of the seafarer to comply with the mandatory reporting requirement shall result in his forfeiture of the right to claim the above benefits.** If a doctor appointed by the seafarer disagrees with the assessment, a third doctor may be agreed jointly between the Employer and the seafarer. The third doctor's decision shall be final and binding on both parties. [Emphases supplied]

As could be gleaned from the foregoing, a seafarer-claimant is mandated a period of three working days within which he should submit himself to a post-employment medical examination so that the company-designated physician can promptly arrive at a medical diagnosis. Due to the express mandate on the reportorial requirement, the failure of the seafarer to comply shall result in the forfeiture of his right to claim the above benefits.³¹

Nevertheless, while the requirement to report within three working days from repatriation appears to be indispensable in character, there are some established exceptions to this rule: (1) when the seafarer is incapacitated to report to the employer upon his repatriation; and (2) when the employer inadvertently or deliberately refused to submit the seafarer to a post-employment medical examination by a company-designated physician.³²

³¹ *De Andres v. Diamond H Marine Services & Shipping Agency, Inc.*, 813 Phil. 746 (2017).

³² *Falcon Maritime and Allied Services, Inc., et al. v. Angelito B. Pangasian*, G.R. No. 223295, March 13, 2019.

In *Apines v. Elburg Shipmanagement Philippines, Inc. et al.*,³³ the repatriated seafarer reported to the employer. He was, however, not referred to the company-designated physician. The Court emphasized that the employer, and not the seafarer, has the burden to prove that the seafarer was referred to a company-designated doctor.

Here, Apolinario avers that two days after his repatriation to Manila on April 11, 2012, he reported to the office of 88 Aces to get his unpaid wages and for him to be referred to the company designated physician. However, since his repatriation was due to the completion of his six-month POEA-approved employment contract, he was told by 88 Aces through Jocson that they could not shoulder his medical expenses. Having been denied to undergo the post medical examination, Apolinario just continued taking the medicine given to him by the doctor in Saudi Arabia.

Between the two conflicting allegations from Apolinario and respondents, this Court is inclined to resolve the doubt in favor of Apolinario. Besides, the factual backdrop of the case supports Apolinario's allegation that he requested to be referred to a company designated physician. As aptly noted by the Labor Arbiter, Apolinario repeatedly experienced dizziness and headaches, and needed medical attention while on board MV Algozaibi 42. In fact, because of his recurring sickness, he was examined twice at As Salama Hospital in Al-Khobar Saudi Arabia and even underwent thorough treatment thereat 10 days prior to his repatriation to Manila. Given Apolinario's sensitive medical condition days prior to his repatriation, We find dubious respondents' allegation that Apolinario did not request to be referred to post-employment medical examination when he arrived in Manila. Apolinario's medical condition during and after his employment on board lends credence to his claim that he asked to be medically examined by a company-designated physician but he was prevented so by respondents.

It must be underscored that under Section 20-B of the POEA-SEC, it is the company-designated physician who is entrusted with the task of assessing a seafarer's disability.³⁴ Jurisprudence is replete with pronouncements that it is the company-designated physician's findings

³³ 799 Phil. 220 (2016).

³⁴ *Navales, Jr. v. ARL Maritime Services, Inc.*, G.R. No. 243530 (Notice), March 4, 2019.

which should form the basis of any disability claim of the seafarer.³⁵ The company doctor has either 120 or 240 days, depending on the circumstances, within which to complete the medical assessment of the seafarer to determine whether the seafarer is fit to work and to establish the degree of his disability; otherwise, the disability claim shall be granted.³⁶

In the similar case of *De Andres v. Diamond H Marine Services & Shipping Agency, Inc., et al.*,³⁷ the repatriated seafarer therein also reported to the employer but was not referred to the company-designated physician. This Court stated that without the assessment of the said doctor, there was nothing for the seafarer's own physician to contest. Consequently, this Court upheld the medical assessment made by the seafarer's doctor of choice and granted the seafarer's permanent and total disability claim.

In this case, respondents had the opportunity to refer Apolinario to a company-designated physician, but they chose to escape their responsibility. Between the non-existent medical assessment of the company-designated physician and the medical assessment of Apolinario's doctor of choice—stating that his disability is permanent and total—the latter evidently stands. Absent a certification from the company-designated physician, the law steps in to conclusively characterize his disability as total and permanent.³⁸

Termination of contract and prescriptive period to file claims for disability benefits

Sections 2 and 18 of the Standard term and Conditions Governing the Employment of Filipino Seafarers on Board Ocean Going Vessels, provide for the duration and termination of contract between the employer and a seafarer, to wit:

Sec. 2. Commencement/Duration of Contract. –

A) The Employment contract between the employer and the seafarer shall commence upon actual departure of the

³⁵ *Magsaysay Maritime Corp. v. Velasquez*, 591 Phil. 839 (2008).

³⁶ *Lorna B. Dionio v. ND Shipping Agency and Allied Services, Inc., Caribbean Tow and Barge (Panama) LTD.*, *supra* note 20.

³⁷ *Supra* note 31.

³⁸ *Ampo-on v. Reimier Pacific International Shipping, Inc.*, G.R. No. 240614, June 10, 2019.

seafarer from the airport or seaport in the point of hire and with a POEA approved contract. **It shall be effective until the seafarer's date of arrival at the point of hire upon termination of his employment pursuant to Section 18 of this Contract.**

x x x x

Sec. 18. Termination of Employment. –

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

x x x x (Emphasis supplied.)

A simple reading of the foregoing shows that a contract between an employer and a seafarer ceases upon its completion, when the seafarer signs off from the vessel and arrives at the point of hire.


In this case, while Apolinario's six-month contract may have ended as early as August 2010, he nonetheless was able to sign off from MV Algoaibi 42 and arrive at the point of hire only on April 11, 2012.

Section 30 of the 2000 POEA-SEC provides for the prescriptive period for filing claims arising from the contract:

Sec. 30. PRESCRIPTION OF ACTION. –

All claims arising from this Contract shall be made within three (3) years from the date the cause of action arises, otherwise the same shall be barred.

It is well-settled that a seafarer's cause of action arises upon his disembarkation from the vessel. As Apolinario's disembarkation from Algoaibi 42 was on April 11, 2012, he had three years from the date, or until April 11, 2015, to make a claim for disability benefits. Records show that Apolinario had requested for a SENA before the NLRC as early as March 25, 2015. To elucidate, SENA is an administrative approach to provide an accessible, speedy, and inexpensive settlement of complaints arising from employer-employee relationship to prevent cases from ripening into full blown disputes. All labor and employment



disputes undergo this 30-day mandatory conciliation-mediation process.³⁹

Notwithstanding, that Apolinario filed his Complaint before the Labor Arbiter only on May 8, 2015 is of no moment. SENA being a prerequisite to the filing of a Complaint before the Labor Arbiter, the date when Apolinario should be deemed to have instituted his claim was when he instituted his Request for SENA on March 25, 2015. Considering that the expiration of Apolinario's cause of action was on April 11, 2015, his claim was filed well within the 3-year prescriptive period.

Claim for Sickness Allowance and Attorney's Fees

Under Section 20(A)(3) of the 2010 POEA-SEC, the amount of sickness allowance that the seafarer shall receive from his employer shall be in an amount equivalent to his basic wage computed at the time he signed off until he is declared fit to work, or the degree of disability has been assessed by the company-designated physician, but shall in no case exceed 120 days.⁴⁰

Considering that no assessment was made at bar by the company designated physician, Apolinario *is entitled to a sickness allowance equivalent to 120 days. His basic pay being US\$506.00 per month or US\$16.866 per day, he should be awarded US\$2,024.00 as sickness allowance, or its equivalent amount in Philippine currency.*

Anent Apolinario's claim for attorney's fees, Article 2208 of the New Civil Code provides that attorney's fees can be recovered in actions for the recovery of wages of laborers and actions for indemnity under employer's liability laws. Attorney's fees is also recoverable when the respondent's act or omission has compelled the complainant to incur expenses to protect his interest. Such conditions being present in the case at bar, we find that an award of attorney's fees is warranted in favor of Apolinario.⁴¹

³⁹ <<https://blr.dole.gov.ph/2014/12/11/single-entry-approach-sena/>> (visited September 12, 2019).

⁴⁰ *Romana v. Magsaysay Maritime Corp.*, *supra* note 19.

⁴¹ *Remigio v. NLRC*, 521 Phil. 330 (2006).

WHEREFORE, the Decision dated July 31, 2017 and Resolution dated April 26, 2018 of the Court of Appeals in CA-G.R. SP No. 145357 are **REVERSED** and **SET ASIDE**. Private respondents are held jointly and severally liable to pay petitioner Apolinario Z. Zonio, Jr.: a) permanent total disability benefits of US\$60,000.00 at its peso equivalent at the time of actual payment; b) sickness allowance of US\$2,024.00 at its peso equivalent at the time of actual payment; and c) attorney's fees of 10% of the total monetary award at its peso equivalent at the time of actual payment. Costs against private respondents.

SO ORDERED.

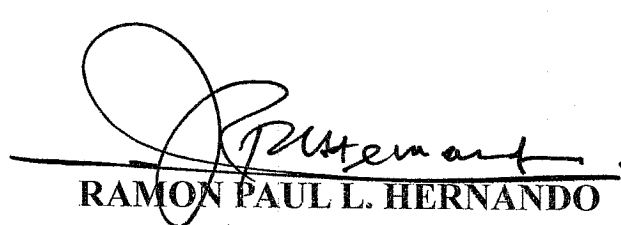

HENRI JEAN PAUL B. INTING
Associate Justice

WE CONCUR:


DIOSDADO M. PERALTA
Associate Justice

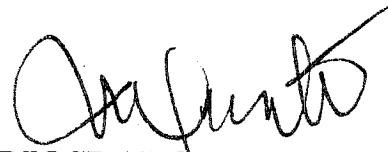
(On leave)
MARVIC M.V.F. LEONEN
Associate Justice


ANDRES B. REYES, JR.
Associate Justice


RAMON PAUL L. HERNANDO
Associate Justice

ATTESTATION

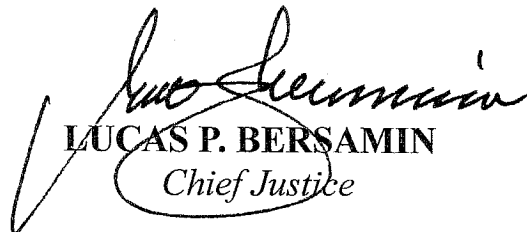
Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**DIOSDADO M. PERALTA**

*Associate Justice
Chairperson*

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**LUCAS P. BERSAMIN**

Chief Justice

