



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

**VETYARD TERMINALS &
SHIPPING SERVICES, INC./
MIGUEL S. PEREZ, SEAFIX, INC.,**
Petitioners,

G.R. No. 199344

Present:

- versus -

VELASCO, JR., J., *Chairperson*,
PERALTA,
ABAD,
MENDOZA, and
LEONEN, JJ.

BERNARDINO D. SUAREZ,
Respondent.

Promulgated:

March 5, 2014

X

X

DECISION

ABAD, J.:

Petitioners Vetyard Terminals and Shipping Services, Inc., Miguel S. Perez, and Seafix, Inc. (collectively referred to here as the Company) hired respondent Bernardino D. Suarez to work as Welder/Fitter for 12 months on board MV “1st Lt. Baldomero Lopez”¹ at US\$392 per month.² Suarez began to work on January 9, 2007 but was repatriated home four months later in May 2007.

When examined at the Medical City, respondent Suarez was found to be suffering from *posterior cataract* and *pseudophakia*.³ On the next day, Dr. Victor Caparas examined him anew and gave a more specific diagnosis: “*right eye- posterior subcapsular cataract*” and “*left eye- pseudophakia, posterior capsule opacification*.”⁴ Dr. Caparas issued a certification that Suarez’s ailment, which commonly occurs after cataract operation, is not associated with his claim that paint injured an eye while he was working on

¹ See Employment Contract, *rollo*, p. 76.

² *Id.*

³ See Medical Certificate dated May 18, 2007, *rollo*, pp. 78-79.

⁴ See Medical Certificate dated May 19, 2007, *id.* at 80.

board the vessel.⁵ On June 20, 2007, he signed after a debriefing a release and quitclaim in favor of the Company.⁶

On August 23, 2007 Suarez filed against the Company a complaint for total and permanent disability benefits, sickness allowance, and reimbursement of medical expenses, alleging that he was painting the vessel's ceiling in February 2007 when paint accidentally hit his eye for which he suffered pain. He claimed that he afterwards experienced blurred vision, yet the Company refused to give him medical and financial assistance.

The Company countered that Suarez was not entitled to disability benefits since his illness was not work-related and he deliberately concealed a prior cataract operation. Still the Company paid for his emergency and consultation fees.

On January 8, 2008 the Labor Arbiter dismissed Suarez's claim, holding that cataract was the primary cause of his ailment, not paint droppings. Suarez failed to prove that his illness was work-related.

On November 28, 2008 the National Labor Relations Commission (NLRC) affirmed the Labor Arbiter's ruling. It also ruled that Suarez's alleged incapacity for work for more than 120 days did not render his illness work-related and that he was not entitled to reimbursement for medical expenses since it was the Company that paid for them. Suarez elevated his case to the Court of Appeals (CA).

On April 26, 2010 the CA rendered a Decision setting aside the ruling of the NLRC and ordering the Company to pay Suarez US\$60,000.00 as permanent and total disability compensation and US\$1,568.00 corresponding to four months salary. On October 12, 2011 it denied petitioners' motion for reconsideration and awarded Suarez attorney's fees.

The sole issue in this case is whether or not the CA erred in failing to hold that the NLRC gravely abused its discretion when it found that Suarez's eye ailment is compensable.

The CA found that Suarez's work as welder/fitter exposed him to dangers and hazards. He was doing repair works on the vessel when paint drops hit his left eye, injuring it independent of his cataract. Consequently, the ailment was work-related, hence, compensable. The CA added that, since Suarez's disability lasted for more than 120 days, he was entitled to

⁵ See Medical Certificate dated May 21, 2007, records, p. 61.

⁶ *Rollo*, p. 87.

permanent and total disability benefits.

The contractual liability of an employer to pay disability benefits to a seafarer who suffers illness or injury during the term of his contract is governed by Section 20(B)(6) of the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC). It reads:

SECTION 20. COMPENSATION AND BENEFITS

X X X X

B. COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

X X X X

6. In case of permanent total or partial disability of the seafarer caused by either injury or illness the seafarer shall be compensated in accordance with the schedule of benefits enumerated in Section 32 of this Contract. Computation of his benefits arising from an illness or disease shall be governed by the rates and rules of compensation applicable at the time the illness or disease was contracted.

Based on the above, an injury or illness is compensable when, first, it is work-related and, second, the injury or illness existed during the term of the seafarer's employment contract. Section 32(A) of the 2000 POEA Amended Standard Terms and Condition further provides that for an occupational disease and the resulting disability to be compensable, the following need to be satisfied: (1) the seafarer's work must involve the risks described; (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; and (4) there was no notorious negligence on the part of the seafarer.

Suarez had been diagnosed to suffer from *posterior subscapsular cataract* on his right eye and *pseudophakia, and posterior capsule opacification* on his left eye.⁷ For these to be regarded as occupational diseases, Suarez had to prove that the risk of contracting the disease was increased by the conditions under which he worked. The evidence must be real and substantial, and not merely apparent.⁸ It must constitute a reasonable basis for arriving at a conclusion that the conditions of his employment caused the disease or that such conditions aggravated the risk of contracting the illness.

⁷ Supra note 4.

⁸ *Jebsens Maritime, Inc. v. Undag*, G.R. No. 191491, December 14, 2011, 662 SCRA 670, 679, citing *Panganiban v. Tara Trading Shipmanagement, Inc.*, G.R. No. 187032, October 18, 2010, 633 SCRA 353, 365.

Here, Suarez did not present substantial proof that his eye ailment was work-related. Other than his bare claim that paint droppings accidentally splashed on an eye causing blurred vision, he adduced no note or recording of the supposed accident. Nor did he present any record of some medical check-up, consultation, or treatment that he had undergone. Besides, while paint droppings can cause eye irritation, such fact alone does not *ipso facto* establish compensable disability. Awards of compensation cannot rest on speculations or presumptions; Suarez must prove that the paint droppings caused his blindness.⁹

The Court is inclined to accept the findings of Dr. Caparas, the company-designated physician, that it was cataract extraction, not paint droppings that caused Suarez's ailment. The definitions of the imputed medical conditions plainly do not indicate work-relatedness.

Thus, *posterior subcapsular cataract* is the most common abnormality affecting the lens epithelium.¹⁰ Such illness may be age-related or occur as a complication of other conditions such as intraocular inflammation, steroid administration, vitreoretinal surgery, and trauma and may also be related to irradiation and systemic conditions such as diabetes mellitus.¹¹ *Pseudophakia* indicates presence of artificial intraocular lens (IOL) replacing normal human lens¹² and *posterior capsule opacification* is the most frequent complication of cataract surgery.¹³ By their nature, these ailments are more the result of eye disease than of one's kind of work.

Besides, even if the Court were to assume that Suarez's eye ailment was work-related, he still cannot claim disability benefits since he concealed his true medical condition. The records show that when Suarez underwent pre-employment medical examination (PEME), he represented that he was merely wearing corrective lens.¹⁴ He concealed the fact that he had a cataract operation in 2005. He told the truth only when he was being examined at the Medical City on May 18, 2007. This willful concealment of a vital information in his PEME disqualifies him from claiming disability benefits pursuant to Section 20(E) of the POEA-SEC which provides that "a seafarer who knowingly conceals and does not disclose past medical condition, disability and history in the pre-employment medical examination constitutes fraudulent misrepresentation and shall disqualify him from any compensation and benefits."

⁹ *Kirit, Sr. v. Government Service Insurance System*, G.R. No. 48580, July 6, 1990, 187 SCRA 224, 227.

¹⁰ <http://www.images.missionforvisionusa.org/anatomy/2007/07/posterior-subcapsular-cataract.html> (visited on December 2, 2013).

¹¹ <http://dro.hs.columbia.edu/psc.htm> (visited on December 2, 2013).

¹² <http://dro.hs.columbia.edu/pseudophakia.htm> (visited on December 2, 2013).

¹³ <http://archopht.jamanetwork.com/article.aspx?articleid=422987> (visited on December 2, 2013).

¹⁴ Records, p. 48.

The CA has no basis in holding that Suarez's PEME is sufficiently exhaustive as to excuse his non-disclosure of a previous cataract operation.¹⁵ The fact that he was physically and psychologically ascertained to be fit for sea duties does not rule out misrepresentation. A PEME is generally not exploratory in nature, nor is it a totally in-depth and thorough examination of an applicant's medical condition.¹⁶ It does not reveal the real state of health of an applicant. Since it is not exploratory, its failure to reveal or uncover Suarez's eye disability cannot shield him from the consequences of his willful concealment.


WHEREFORE, the Court **GRANTS** the petition, **REVERSES** and **SETS ASIDE** the April 26, 2010 Decision and October 12, 2011 Resolution of the Court of Appeals in CA-G.R. SP 108665 and **REINSTATES** the November 28, 2008 Decision and February 27, 2009 Resolution of the National Labor Relations Commission in favor of petitioners Vetyard Terminals & Shipping Services, Inc., Miguel S. Perez, and Seafix, Inc.

SO ORDERED.

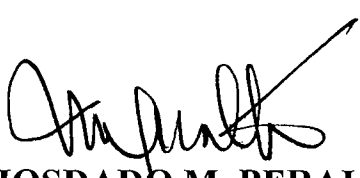


ROBERTO A. ABAD
Associate Justice

WE CONCUR:




PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice



JOSE CATRAL MENDOZA
Associate Justice



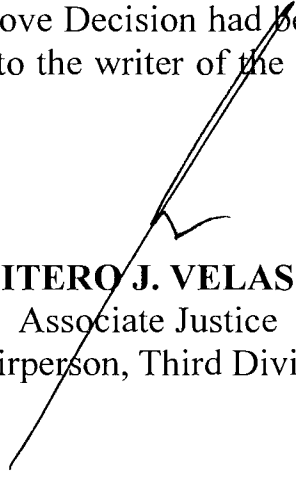
MARVIC MARIO VICTOR F. LEONEN
Associate Justice

¹⁵ See *Philman Marine Agency, Inc. v. Cabanban*, G.R. No. 186509, July 29, 2013.

¹⁶ *Escarcha v. Leonis Navigation Co., Inc.*, G.R. No. 182740, July 5, 2010, 623 SCRA 423, 442.

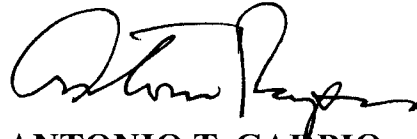
ATTESTATION

I attest 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.


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

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.


ANTONIO T. CARPIO
Acting Chief Justice