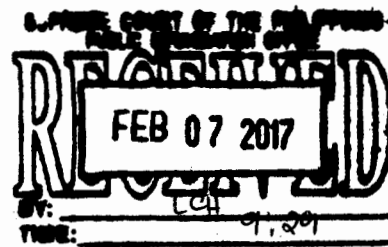




Republic of the Philippines  
**Supreme Court**  
 Manila



FIRST DIVISION

**MAERSK FILIPINAS CREWING  
 INC., and MAERSK CO. IOM LTD.,**  
 Petitioners,

**G.R. No. 184256**

Present:

- versus -

SERENO, *CJ*, Chairperson,  
 LEONARDO-DE CASTRO,  
 DEL CASTILLO,  
 PERLAS-BERNABE, and  
 CAGUIOA, *JJ*.

**JOSELITO R. RAMOS,**  
 Respondent.

Promulgated:

**JAN 18 2017**

X ----- X

**DECISION**

**SERENO, *CJ*:**

The Petition for Review<sup>1</sup> before us assails the Decision<sup>2</sup> and Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 94964, affirming with modification the Resolution<sup>4</sup> of the National Labor Relations Commission (NLRC). The CA affirmed the findings of the NLRC that petitioners Maersk Filipinas Crewing, Inc. (Maersk Inc.) and the Maersk Co. IOM, Ltd. (Maersk Ltd.) were liable to private respondent Joselito Ramos for disability benefits. The appellate court, however, deleted the awards for moral and exemplary damages.<sup>5</sup>

As culled from the records of the CA, the antecedent facts are as follows:

<sup>1</sup> *Rollo*, pp. 11-40.

<sup>2</sup> *Id.* at 48-58. Dated 31 July 2007. Penned by Associate Justice Hakim S. Abdulwahid and concurred in by Associate Justices Rodrigo V. Cosico and Arturo G. Tayag.

<sup>3</sup> *Id.* at 60-63. Dated 8 August 2008.

<sup>4</sup> *Id.* at 155-168. Dated 31 January 2006. Penned by Commissioner Victoriano R. Calaycay with Presiding Commissioner Raul T. Aquino and Commissioner Angelita A. Gacutan concurring.

<sup>5</sup> *Id.* at 58.

The facts of the case from which the present petition arose show that on October 3, 2001, petitioner Maersk Ltd., through its local manning agent, petitioner Maersk Inc., employed private respondent as able-seaman of M/V NKOSSA II for a period of four (4) months. Within the contract period and while on board the vessel, on November 14, 2001, private respondent's left eye was hit by a screw. He was repatriated to Manila on November 21, 2001 and was referred to Dr. Salvador Salceda, the company-designated physician, for [a] check-up.

Private respondent was examined by Dr. Anthony Martin S. Dolor at the Medical Center Manila on November 26, 2001 and was diagnosed with "corneal scar and cystic macula, left, post-traumatic." On November 29, 2001, he underwent a "repair of corneal perforation and removal of foreign body to anterior chamber, left eye." He was discharged on December 2, 2001 with prescribed home medications and had regular check-ups. He was referred to another ophthalmologist who opined that "no more improvement can be attained on the left eye but patient can return back to duty with the left eye disabled by 30%."

On May 22, 2002, he was examined by Dr. Angel C. Aliwalas, Jr. at the Ospital ng Muntinlupa (ONM), Alabang, Muntinlupa City, and was diagnosed with "corneal scar with post-traumatic cataract formation, left eye." On May 28, 2002, he underwent [an] eye examination and glaucoma test at the Philippine General Hospital (PGH), Manila.

Since private respondent's demand for disability benefit[s] was rejected by petitioners, he then filed with the NLRC a complaint for total permanent disability, illness allowance, moral and exemplary damages and attorney's fees. The parties filed with the NLRC their respective position papers, reply, and rejoinder.

Meanwhile, in his medical report dated July 31, 2002, Dr. Dolor stated that although private respondent's left eye cannot be improved by medical treatment, he can return to duty and is still fit to work. His normal right eye can compensate for the discrepancy with the use of correctional glasses. On August 30, 2002, petitioners paid private respondent's illness allowance equivalent to one hundred twenty (120) days salary.

On October 5, 2002, private respondent was examined by Dr. Roseny Mae Catipon-Singson of Casa Medica, Inc. (formerly MEDISERV Southmall, Inc.), Alabang, Muntinlupa City and was diagnosed to have "traumatic cataract with corneal scarring, updrawn pupil of the anterior segment of maculopathy OS. His best corrected vision is 20/400 with difficulty." Dr. Catipon-Singson opined that private respondent "cannot be employed for any work requiring good vision unless condition improves."

On November 19, 2002, private respondent visited again the ophthalmologist at the Medical Center Manila who recommended "cataract surgery with intra-ocular lens implantation," after evaluation of the retina shall have been done."

In his letter dated January 13, 2003 addressed to Jerome de los Angeles, General Manager of petitioner Maersk Inc., Dr. Dolor answered that the evaluation of the physician from ONM could not have progressed in such a short period of time, which is approximately one month after he issued the medical report dated April 13, 2002, and a review of the medical reports from PGH and the tonometry findings on the left and right

eye showed that they were within normal range, hence, could not be labeled as glaucoma.<sup>6</sup>

On 15 May 2003, the labor arbiter (LA) rendered a Decision<sup>7</sup> dismissing the Complaint:

WHEREFORE, premises considered, the instant complaint is DISMISSED for being prematurely filed. The parties are enjoined to comply with the provisions of the POEA Standard Contract in relation to the AMOSUP-MAERSK Company CBA. In the meantime, respondents Maersk Filipinas Crewing, Inc., and The Maersk Co., Ltd., are directed to provide continued medical assistance to complainant Joselito Ramos until he is declared fit to work, or the degree of his disability has been assessed in accordance with the terms of the contract and the CBA.

SO ORDERED.<sup>8</sup>

The LA held that the Philippine Overseas Employment Administration (POEA)-approved contract and Collective Bargaining Agreement expressly provided for a situation in which the seafarer's appointed doctor disagrees with the company-designated physician. In this case, both parties may agree to the appointment of a third doctor, whose assessment would then be final on both parties.<sup>9</sup> According to the LA, both failed to avail themselves of this remedy.

On 28 July 2003, respondent filed a Manifestation<sup>10</sup> stating that on 21 July 2003, his counsel's messenger tried to file with the NLRC a Notice of Appeal with Memorandum of Appeal.<sup>11</sup> However, upon arriving at around four o' clock in the afternoon, the messenger found that the NLRC office was already closed due to a jeepney strike. He then decided to file and serve copies of the notice with memorandum by registered mail. It was only on the next day, 22 July 2003, that the filing of the rest of the copies and the payment of fees were completed.<sup>12</sup>

In reply to respondent's Manifestation, petitioners filed a Motion for Outright Dismissal on the ground that the appeal had been filed out of time.

In the meantime, on 30 July and 12 September 2003, respondent underwent cataract extraction on both eyes.<sup>13</sup> On 7 January 2004, he was fitted with correctional glasses and evaluated. Dr. Dolor found that the former's "right eye is 20/20, the left eye is 20/70, and when both eyes are being used, his best corrected vision is 20/20." On the basis of that report, respondent was pronounced fit to work.<sup>14</sup>

---

<sup>6</sup> Id. at 49-50.

<sup>7</sup> Id. at 124-131. Penned by Labor Arbiter Veneranda C. Guerrero.

<sup>8</sup> Id. at 130-131.

<sup>9</sup> Id. at 129.

<sup>10</sup> Id. at 148-149.

<sup>11</sup> Id. at 132-147.

<sup>12</sup> Id. at 148.

<sup>13</sup> Id. at 51.

<sup>14</sup> Id.



On 31 January 2006, the NLRC issued a Resolution<sup>15</sup> granting respondent's appeal and setting aside the LA's decision:

WHEREFORE, premises considered, Complainant's appeal is partly GRANTED. The Labor Arbiter's Assailed Decision in the above-entitled case is hereby VACATED and SET ASIDE. A new one is entered ordering Respondents to jointly and severally pay Complainant the following: 1) disability compensation benefit in the amount of US \$6,270.00; 2) moral and exemplary damages in the form of interest at 12% of US \$6,270.00 per annum, reckoned from April 13, 2002, up to the time of payment of said disability compensation benefit; and 3) attorney's fees equivalent to 10% of his total monetary award.

SO ORDERED.<sup>16</sup>

The NLRC found that it was not "[respondent's] fault that he was not able to perfect his appeal on July 21, 2003, the latter part of said day having been declared non-working by NLRC NCR, itself. It is only just and fair, therefore, that Complainant should be given until the next working day to perfect his appeal."<sup>17</sup>

As regards the need to appoint a third doctor, the NLRC found it unnecessary considering that "there is really no disagreement between respondents' company-designated physician and Complainant's physicians as to the percentage [30%] of visual impairment of his left eye."<sup>18</sup> Thus, respondent was awarded disability compensation benefit in the amount of USD6,270 for Grade 12 impediment, moral and exemplary damages, and attorney's fees.<sup>19</sup>

On 17 February 2006, petitioners filed a Motion for Reconsideration,<sup>20</sup> which the NLRC denied in its Resolution dated 31 March 2006.<sup>21</sup>

Upon intermediate appellate review, the CA rendered a Decision<sup>22</sup> on 31 July 2007, the dispositive portion of which reads:

WHEREFORE, the assailed resolutions dated January 31, 2006 and March 31, 2006 of public respondent NLRC, 2<sup>nd</sup> Division, in NLRC NCR CA No. 037183-03 (NLRC NCR Case No. OFW-M-02-06-1591-00) are AFFIRMED with the MODIFICATION that the awards for moral and exemplary damages are DELETED.

SO ORDERED.<sup>23</sup>

---

<sup>15</sup> Id. at 155-168.

<sup>16</sup> Id. at 167-168.

<sup>17</sup> Id. at 163.

<sup>18</sup> Id. at 164.

<sup>19</sup> Id. at 166-168.

<sup>20</sup> Id. at 169-181.

<sup>21</sup> Id. at 185.

<sup>22</sup> Id. at 48-58.

<sup>23</sup> Id. at 58.

The CA affirmed all the findings of the NLRC on both procedural and substantive issues, but deleted the award of moral and exemplary damages, because there was no “sufficient factual legal basis for the awards x x x.”<sup>24</sup> Here, the appellate court held that respondent “presented no proof of his moral suffering, mental anguish, fright or serious anxiety and/or any fraud, malice or bad faith on the part of the petitioner.”<sup>25</sup> Consequently, there being no moral damages, the award of exemplary damages did not lie.<sup>26</sup> However, because respondent was compelled to litigate to protect his interests, the CA sustained the award for attorney’s fees.<sup>27</sup>

On 24 August 2007, petitioners filed a Motion for Partial Reconsideration,<sup>28</sup> arguing for the first time that respondent’s appeal filed with the NLRC was not perfected within the reglementary period.<sup>29</sup> They alleged that they received a copy of the Manifestation of respondent denying that he had authorized the Sapalo Velez Bundang & Bulilan Law Offices (SVBB) to continue representing him after the issuance of the LA’s Decision on 15 May 2003.<sup>30</sup> Hence, they argued respondent was not bound by the notice of appeal or by the decisions rendered by the NLRC.<sup>31</sup>

On 8 August 2008, the CA issued a Resolution<sup>32</sup> denying the aforementioned motion.<sup>33</sup>

The CA held that respondent did not present any proof in support of his Manifestation that the SVBB had no authority to represent him before the NLRC or in the continuation of the case in court. The appellate court then ruled that the “presumption that SVBB is authorized to represent him before the NLRC and in the case at bar stands.”<sup>34</sup>

Hence, this appeal.<sup>35</sup>

## ISSUES

From the foregoing, the issues may be reduced to the following:

1. Whether counsel of respondent was authorized to represent the latter after the LA had rendered its Decision on 15 May 2003;
2. Whether respondent perfected his appeal to the NLRC; and

---

<sup>24</sup> Id. at 57.

<sup>25</sup> Id.

<sup>26</sup> Id.

<sup>27</sup> Id.

<sup>28</sup> Id. at 246-260.

<sup>29</sup> Id. at 248.

<sup>30</sup> Id.

<sup>31</sup> Id. at 62.

<sup>32</sup> Id. at 60-63.

<sup>33</sup> Id. at 63.

<sup>34</sup> Id.

<sup>35</sup> On 3 December 2008, the Court required respondent to file his comment within 10 days from receipt of notice. However, due to his failure to file a comment, his right to file it was considered to have been waived according to the Court’s Resolution dated 18 March 2009.

3. Whether respondent is partially disabled and therefore entitled to disability compensation.

### THE COURT'S RULING

We shall deal with the issues *seriatim*.

***The SVBB law firm is presumed to have authority to represent respondent.***

Anent the first procedural issue, petitioners allege that although the authority of an attorney to appear for and on behalf of a party may be assumed, it can still be challenged by the adverse party concerned.<sup>36</sup> In this case, petitioners argue that the presumption of the SVBB's authority to continue representing respondent was "destroyed upon his filing of the Manifestation" precisely denying that authority.<sup>37</sup> It then follows that the appeal filed by the law firm was unauthorized. As such, the appeal did not prevent the LA Decision dated 15 May 2003 from attaining finality.<sup>38</sup>

We disagree.

Section 21, Rule 138 of the Rules of Court<sup>39</sup> provides a presumption on a lawyer's appearance on behalf of a client:

SEC. 21. *Authority of attorney to appear.* – An attorney is **presumed to be properly authorized to represent any cause in which he appears, and no written power of attorney is required to authorize him to appear in court for his client**, but the presiding judge may, on motion of either party and on reasonable grounds therefor being shown, require any attorney who assumes the right to appear in a case to produce or prove the authority under which he appears, and to disclose, whenever pertinent to any issue, the name of the person who employed him, and may thereupon make such order as justice requires. An attorney willfully appearing in court for a person without being employed, unless by leave of the court, may be punished for contempt as an officer of the court who has misbehaved in his official transactions. (Emphasis ours)

Aside from the presumption of authority to represent a client in all stages of litigation, an attorney's appearance is also presumed to be with the previous knowledge and consent of the litigant until the contrary is shown.<sup>40</sup>

This presumption is strong, as the "mere denial by a party that he has authorized an attorney to appear for him, in the absence of a compelling

---

<sup>36</sup> Id. at 25-29.

<sup>37</sup> Id. at 28.

<sup>38</sup> Id. at 29.

<sup>39</sup> Rules of Court, Rule 138, Sec. 21.

<sup>40</sup> Agpalo, Legal and Judicial Ethics (8th ed. 2009), p. 328, citing *Mercado v. Ubay*, 265 Phil. 763 (1990); *Azotes v. Blanco*, 78 Phil. 739 (1947).

reason, is insufficient to overcome the presumption, especially when denial comes after the rendition of an adverse judgment.”<sup>41</sup>

In his Manifestation, private respondent averred that he ceased communications with the SVBB after 15 May 2003; that he did not cause the re-filing of his case; and that he did not sign any document for the continuation of his case. However, he gave no cogent reason for this disavowal. As pointed out by the CA, he presented no evidence other than the denial in his Manifestation.

Moreover, respondent only sent his Manifestation disclaiming the SVBB’s authority on 1 February 2007. It was submitted almost four years after the LA had dismissed his complaint for having been prematurely filed. By that time, through the SVBB’s efforts, the NLRC had already rendered a Decision favorable to respondent.

It puzzles us why respondent would renounce the authority of his supposed counsel at this late stage. The attempt of petitioners to use this circumstance to their advantage – in order to avoid payment of liability – should not be given any weight by this Court.

***Respondent perfected his appeal before the NLRC.***

As to the second procedural issue, petitioners argue that respondent did not perfect his appeal before the NLRC, considering his failure to file copies of the Notice of Appeal with Memorandum of Appeal and to pay the necessary fees to the NLRC on time.

We again disagree.


The failure of respondent to file his appeal before the NLRC must be contextualized. We quote with favor its findings, as affirmed by the CA:

As regards the first issue, there is no question that July 21, 2003 was supposed to be the last day for the filing by Complainant of his appeal from the Labor Arbiter’s Decision. Incidentally, a working “day” at the NLRC NCR consists of eight (8) hours of work from 8:00 a.m. to 5:00 p.m. Complainant, therefore, had until 5:00 p.m. of July 21, 2003 to perfect his appeal. Notably, his counsel’s messenger reached the NLRC NCR at 4:00 p.m. of that day for the sole purpose of perfecting Complainant’s appeal. Unfortunately, however, the NLRC NCR closed its Office at 3:30 p.m., earlier than the normal closing time of 5:00 p.m., because of a jeepney strike. Clearly, it was not Complainant’s fault that he was not able to perfect his appeal on July 21, 2003, the latter part of said day having been declared non-working by NLRC NCR, itself. It is only just and fair, therefore, that Complainant should be given until the next working day to perfect his appeal.<sup>42</sup>

---

<sup>41</sup> Agpalo, *Legal and Judicial Ethics* (8th ed. 2009), pp. 328-329.

<sup>42</sup> *Rollo*, p. 163.



In any case, we have always held that the “[c]ourts have the prerogative to relax procedural rules of even the most mandatory character, mindful of the duty to reconcile both the need to speedily put an end to litigation and the parties’ right to due process.”<sup>43</sup>

***Respondent suffers from permanent partial disability and is entitled to disability compensation.***

On the substantive issue, petitioners submit that the award of disability compensation is not warranted, because the injury suffered by respondent cannot be considered permanent. It is curable or can be corrected,<sup>44</sup> since his continued fitness to work was certified by the company-designated physician in two medical reports.<sup>45</sup>

On the other hand, respondent asserts that no less than the company-designated physician had established the extent of the former’s visual impairment at 30%. Respondent posits that because of the injury to his left eye and loss of vision, he has suffered the impairment of his earning capacity and can no longer practice his profession as a seaman.<sup>46</sup>

We rule for respondent.

Preliminarily, it must be emphasized that this Court is not a trier of facts. It is not our function to weigh and try the evidence all over again. Findings of fact of quasi-judicial bodies, especially when affirmed by the CA, are generally accorded finality and respect.<sup>47</sup> As long as these findings are supported by substantial evidence, they must be upheld.<sup>48</sup>

Disability does not refer to the injury or the pain that it has occasioned, but to the loss or impairment of earning capacity. There is disability when there is a diminution of earning power because of actual absence from work. This absence must be due to the injury or illness arising from, and in the course of, employment. Thus, the basis of compensation is reduction of earning power.<sup>49</sup>

Section 2 of Rule VII of the Amended Rules on Employees’ Compensation provides:

---

<sup>43</sup> *Negros Slashers, Inc., v. Teng*, 682 Phil. 593 (2012), citing *Ong Lim Sing, Jr. v. FEB Leasing and Finance Corporation*, G.R. No. 168115, 8 June 2007, 524 SCRA 333, 343 / 551 Phil. 768.

<sup>44</sup> *Id.* at 54.

<sup>45</sup> *Id.* at 114-121.

<sup>46</sup> *Id.* at 54.

<sup>47</sup> *Career Philippines v. Serna*, G.R. No. 172086, 3 December 2012, 686 SCRA 676 / 700 Phil. 1 (2012), citing *Cootauco v. MMS Phil. Maritime Services, Inc.*, G.R. No. 184722, 15 March 2010, 615 SCRA 529, 541 / 629 Phil. 506 (2010).

<sup>48</sup> *Stolt-Nielsen Transportation Group, Inc. v. Medequillo, Jr.*, G.R. No. 177498, 18 January 2012 / 679 Phil. 297 (2012).

<sup>49</sup> Azucena, *The Labor Code with Comments and Cases*, Vol. 1 (7<sup>th</sup> ed. 2010) Vol. 1, p. 554.



(c) A disability is partial and permanent if as a result of the injury or sickness the employee suffers a permanent partial loss of the use of any part of his body.

Permanent partial disability occurs when an employee loses the use of any particular anatomical part of his body which disables him to continue with his former work.<sup>50</sup>

In this case, while petitioners' own company-designated physician, Dr. Dolor, certified that respondent was still fit to work, the former admitted in the same breath that respondent's left eye could no longer be improved by medical treatment. As early as 13 April 2002, Dr. Dolor had in fact diagnosed respondent's left eye as permanently disabled, to wit:

Present ophthalmologic examination showed corneal scar and a cystic macula at the left eye. Vision on the right eye is 20/20 and JI while the left showed only 20/60 and J6. Our ophthalmologist opined that no more improvement can be attained on the left eye but patient can return back to duty with left eye disabled by 30%.<sup>51</sup>

Petitioners' argument that the injury was curable because respondent underwent cataract extraction in on both eyes in 2003, and Dr. Dolor issued a medical evaluation finding that respondent's best corrected vision for both eyes was 20/20 (with correctional glasses),<sup>52</sup> are thus inconsequential. The curability of the injury "does not preclude an award for disability because, in labor laws, disability need not render the seafarer absolutely helpless or feeble to be compensable; it is enough that it incapacitates him to perform his customary work."<sup>53</sup>

Indeed, the operation, which supposedly led to the correction of respondent's vision, took place in 2003. Respondent sustained his injury way back in 2001. **During the span of roughly two years, he was not able to reassume work as a seaman, resulting in the loss and impairment of his earning capacity. It is also interesting to note that despite petitioners' contentions that respondent had been diagnosed as fit to return to work, no reemployment offer was ever extended to him.**

As to the extent and amount of compensation, petitioners stress that Section 32<sup>54</sup> of the POEA Standard Terms and Conditions Governing the

---

<sup>50</sup> *GSIS v. Court of Appeals*, 363 Phil. 585 (1999), citing *Vicente vs. Employees Compensation Commission*, G.R. No. 85024, 23 January 1991, 193 SCRA 190

<sup>51</sup> Rollo, p. 55.

<sup>52</sup> *Id.* at 35.

<sup>53</sup> *Esguerra v. United Philippines Lines, Inc.*, 713 Phil. 487 (2013), citing *Seagull Maritime Corp. v. Dee*, 548 Phil. 660, 671 (2007).

<sup>54</sup> Previously Sec. 30, as cited in the NLRC Decision dated 31 January 2006.

SECTION 32. SCHEDULE OF DISABILITY OR IMPEDIMENT FOR INJURIES SUFFERED AND DISEASES INCLUDING OCCUPATIONAL DISEASES OR ILLNESS CONTRACTED

x x x x

EYES



Employment of Filipino Seafarers on Board Ocean Going Vessels (Standard Employment Contract) only provides disability compensation benefits for at least 50% loss of vision in one eye. Since the schedule does not include the injury suffered by respondent, they assert that the award of disability benefits is unwarranted.

The Court finds no merit in this argument.

The POEA Standard Employment Contract was designed primarily for the protection and benefit of Filipino seamen in the pursuit of their employment on board ocean-going vessels. In resolving disputes regarding disability benefits, its provisions must be “construed and applied fairly, reasonably, and liberally in the seamen’s favor, because only then can the provisions be given full effect.”<sup>55</sup>

Besides, the schedule of disabilities under Section 32 is in no way exclusive. Section 20.B.4 of the same POEA Standard Employment Contract clearly provides that “[t]hose illnesses not listed in Section 32 of this Contract are disputably presumed as work related.” This provision only means that the disability schedule also contemplates injuries not explicitly listed under it.

---

1. Blindness or total and permanent loss of vision of both eyes .....	Gr.1
2.Total blindness of one (1) eye and fifty percent (50%) loss of vision of the other eye .....	Gr.5
3. Loss of one eye or total blindness of one eye .....	Gr.7
4. Fifty percent (50%) loss of vision of one eye .....	Gr.10
5. Lagophthalmos, one eye .....	Gr.12
6. Ectropion, one eye .....	Gr.12
7. Ephemphora, one eye .....	Gr.12
8. Ptosis, one eye .....	Gr.12

x x x x


#### SCHEDULE OF DISABILITY ALLOWANCES

Impediment Grade		Impediment	
1	\$50,000.00	x	120.00%
2	"	x	88.81%
3	"	x	78.36%
4	"	x	68.66%
5	"	x	58.96%
6	"	x	50.00%
7	"	x	41.80%
8	"	x	33.59%
9	"	x	26.12%
10	"	x	20.15%
11	"	x	14.93%
12	"	x	<b>10.45%</b>
13	"	x	6.72%
14	"	x	3.74%

(Emphasis ours)

To be paid in Philippine currency equivalent at the exchange rate prevailing during the time of payment.

<sup>55</sup> *Maersk Filipinas v. Mesina*, 710 Phil. 531 (2013), citing *Seagull Maritime Corp. v. Dee*, 548 Phil. 660, 671-672 (2007).



We therefore sustain the computational findings of the NLRC as affirmed by the CA, to wit:

Relative to the amount of disability compensation, Section 20.1.4.4 of the applicable CBA between AMOSUP and Maersk Company (IOM) provides that the rate of compensation for 100% disability for Ratings is US\$60,000.00, with any differences, including less than 10% disability, to be pro-rata. Section 20.1.5 of said CBA further provides that “xxx any seafarer assessed at less than 50% disability under the Contract but certified as permanently unfit for further sea service in any capacity by the company doctor, shall also be entitled to 100% compensation” (Pages 48-49, Records). **It is clear from the latter provision that for a seafarer to be entitled under said CBA to 100% compensation for less than 50% disability, it must be the company doctor who should certify that the seafarer is permanently unfit for further sea service in any capacity.**

**In the case at bar, Complainant had corneal scar, a cystic macula and 30% loss of vision on his left eye. Thus, applying Section 30<sup>56</sup> of the standard contract, We hold that Complainant’s impediment grade is Grade 12. Under Section 30-A<sup>57</sup> of the standard contract, a seafarer who suffered an impediment grade of Grade 12 is entitled to 10.45% of the maximum rate. Significantly, the company physician did not certify Complainant as permanently unfit for further sea service in any capacity. The company physician certified that “xxx patient can return back to duty with the left eye disabled by 30%” (Page 39, Records). Complainant, therefore, is not entitled to 100% disability compensation benefit, but merely 10.45% of US\$60,000.00, which is computed as follows: US\$60,000.00 x 10.45% = US\$6,270.00. Respondents, therefore, are liable to Complainant for US\$6,270.00 as compensation benefit for his permanent partial disability, to be paid in Philippine Currency equivalent at the exchange rate prevailing during the time of payment.<sup>58</sup> (Emphases ours)**

With respect to the award of attorney’s fees, this Court affirms the findings of the CA *in toto*. Respondent is entitled to attorney’s fees pursuant to Article 2208(2) of the Civil Code,<sup>59</sup> which justifies the award of attorney’s fees in actions for indemnity under workmen’s compensation and employer liability laws.

**WHEREFORE**, the Petition for Review on Certiorari is hereby **DENIED**. The assailed Decision<sup>60</sup> and Resolution<sup>61</sup> of the Court of Appeals in CA-G.R. SP No. 94964 are hereby **AFFIRMED**.

<sup>56</sup> Now Section 32, as per the 2010 amendment to the POEA Standard Employment Contract.

<sup>57</sup> *Id.*

<sup>58</sup> *Rollo*, p. 165-166

<sup>59</sup> Civil Code, Art. 2208. In the absence of stipulation, attorney’s fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

x x x x

(8) In actions for indemnity under workmen’s compensation and employer’s liability laws;

x x x x

<sup>60</sup> *Rollo*, pp. 48-58.

<sup>61</sup> *Id.* at 60-63.

**SO ORDERED.**



**MARIA LOURDES P. A. SERENO**  
Chief Justice, Chairperson

WE CONCUR:

*Teresita Leonardo de Castro*  
**TERESITA J. LEONARDO-DE CASTRO**  
Associate Justice


*Mariano C. Del Castillo*  
**MARIANO C. DEL CASTILLO**  
Associate Justice

*Estela M. Perlas-Bernabe*  
**ESTELA M. PERLAS-BERNABE**  
Associate Justice

*Alfredo Benjamin S. Caguioa*  
**ALFREDO BENJAMIN S. CAGUIOA**  
Associate Justice

**CERTIFICATION**

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.



**MARIA LOURDES P. A. SERENO**  
Chief Justice