

# FIRST DIVISION

[G. R. No. 107131. March 13,1997]

## **NFD INTERNATIONAL MANNING AGENTS, INC., *petitioner*, vs. NATIONAL LABOR RELATIONS COMMISSION (SECOND DIVISION) and ROMEL BEARNEZA, *respondents*.**

### **DECISION**

**HERMOSISIMA, JR., J.:**

Before us is a petition for *certiorari*, seeking the nullification of the decision<sup>[1]</sup> of the National Labor Relations Commission (NLRC)<sup>[2]</sup> in a case involving a seaman's claim<sup>[3]</sup> for permanent total disability benefits. The NLRC, in its assailed decision, ruled in favor of private respondent Romel Bearneza and granted him permanent total disability benefits. The NLRC, in effect, reversed the Philippine Overseas Employment Agency (POEA) which denied private respondents said claim.<sup>[4]</sup>

Although the POEA and the NLRC reached contrary conclusions, both agree that the following facts are undisputed:

The facts of the case as found by the POEA which we hereby adopt are as follows:

Complainant was hired by respondent as wiper on board M/S Wilnina, with a monthly salary of US\$413.00 for a contract period of ten (10) months commencing on February 15, 1985. On November 8, 1985, he was mauled by four (4) unidentified persons on board the vessel and was diagnosed to have contusion on the face and lumbar region with epilepsy. On November 12, 1985, he was again examined and diagnosed as having suspected epilepsy. Complainant was declared unfit for work and was repatriated. On February 3, 1986 complainant was declared fit for work by his attending physician at St. Lukes Hospital. However, for the period of September 25, 1986 to January 1, 1987, he was confined for 98 days at the Western Visayas Medical Center and was found to be suffering from Schizophreniform Disorder which has become a total permanent disability. Pursuant thereto, he is entitled to insurance benefits amounting to US\$30,000.00 as provided in his contract.

To support his complaint, the following documents were submitted by complainant in evidence:

Complaint:

- Annex A - Employment Contract
- Annex A-1 - Application and Agreement for monthly allotment
- Annex A-2 - Appendix 2
- Annex A-3 - Appendix 3 - Crew Contract
- Annex B - Medical Certificate from the First Aid Medical Office, Nagoya,  
Japan

Annex B-1 - Doctors Report and Account, Japan  
Annex C - Demand letter dated May 18, 1988  
Annex D - Reply of NFD Intl dated May 24, 1988  
Annex D-1 - Letter to Atty. Lita Aglibut, August 20, 1986  
Annex D-2 - Telex from AWAC, Inc. addressed to NFD International  
Annex D-3 - Letter to NFD Intl to St. Lukes Hospital, November 14, 1985  
Annex D-4 - Certification from Dr. Charles Harn of St. Lukes Hospital,  
November 21, 1985 which diagnosed complainants  
case as Anxiety reaction with insomnia and epilepsy,  
petit Mal, Mild  
Annex D-5 - Certification from Dr. Harn, February 3, 1986 declaring  
complainant physically fit to resume work  
Annex E - Demand Letter dated January 9, 1989  
Annex E-1 - Certification from Dr. Rene Seyan of Western Visayas Medical  
Center dated March 17, 1989  
Annex F - Certification from Dr. Seyan of July 24, 1989 declaring  
complainants condition as permanent total disability

Sur-Rejoinder:

Annex A - Affidavit of Romeo Bearneza  
Annex A-1 - Certification from Dr. Mauricio Madrona of Don Jose S. Nonfort  
Memorial Hospital March 27, 1990  
Annex B - Certification from Dr. Seyan dated February 13, 1990

Supplement to Sur-Rejoinder:

Annex A - Affidavit of Romas B. Saluria

From the Answer, Rejoinder and Comment to Sur-Rejoinder filed by respondent, the following were averred:

When complainant was treated in Japan, he was diagnosed to be suffering from epilepsy and this finding was confirmed at St. Lukes Hospital where he was sent by respondent for further treatment.

Respondent argued that because he was declared fit to work on February 3, 1986 complainant was considered for possible deployment but for reasons known only to him, complainant did not appear for interview.

He was found to be afflicted with Schizophreniform Disorder which was allegedly diagnosed on September 25, 1986 at the Western Visayas Medical Center. Considering the length of time that complainant was declared fit to work on February 3, 1986 and his alleged consultation for Schizophreniform Disorder on September 25, 1986, respondent denied any responsibility for disability benefits.

Respondent further argued that the allegations in the complaint are purely hearsay since they are merely based on the statements made by the father of complainant to counsel. The information stated therein were not based on the personal knowledge of complainants father but were only relayed to him.

The following documents were submitted by respondent to bolster its stand:

Annex 1 - Contract of Employment

- Annex 2 - Certificate of Medical Examination
- Annex 3 - Medical Certificate November 8, 1985 Nagoya, Japan which found complainant with contusion on the face and lumbar region and epilepsy but declared him fit to work with routine medications.
- Annex 4 - Doctors Report and Account, November 8, 1985, Yokohama, Japan
- Annex 5 - Doctors Report and Account, November 12, 1985, Yokohama, Japan, which declared complainant unfit and recommended for repatriation because epilepsy was suspected.
- Annex 6 - Letter of NFD to St. Lukes Hospital, November 14, 1985
- Annex 7 - Certification of Dr. Charles Harn of SLH dated November 21, 1985 which was found complainant to be suffering from Anxiety reaction with Insomnia and epilepsy Petit Mal, Mild.
- Annex 8 - Certification from Dr. Harns, February 3, 1986 which diagnosed complainant as suffering from anxiety reactions with insomnia but declared him fit to resume work
- Annex 9 - Letter from Dr. Harn to respondent, May 26, 1988.<sup>[5]</sup>

The POEA, addressing the sole issue of whether or not private respondent is entitled to permanent disability benefits, ruled in this wise:

The only issue submitted for our consideration is whether complainant is entitled to permanent total disability benefits in the amount of US\$30,000.00.

We rule in the negative. When complainant was discharged in Japan, he was suspected to be suffering from epilepsy. This is evidenced by the Medical Certificates issued by the attending physicians in Japan on November 8, 1985 and November 12, 1985. x x x x x. This finding was confirmed by Dr. Charles Harn of St. Lukes Hospital who treated complainant. x x x x x. On February 4, 1986, complainant was found to be fit to resume work.

On September 25, 1986, complainant was diagnosed to be afflicted with Schizophreniform Disorder. This conclusion was reached after 7 months, more or less, from the date complainant was declared fit to work. This disability is entirely different and distinct from his previous findings, i.e., epilepsy. Epilepsy certainly does not cause Schizophreniform Disorder.

It is a chronic brain disorder characterized by repeated conclusions or seizures. The seizures are a result of underlying brain damage, as opposed to those caused by adverse drug reactions. x x x.

Studies show that although epilepsy is not inherited, predisposition to the disorder is a hereditary trait responsible for some of the idiopathic cases (those in which no organic cause is found. x x x. Funk and Wagnalls New Encyclopedia, Volume 9, 1986 Edition, p. 320.

Schizophreniform Disorder, on the other hand, is a kind of mental disorder characterized by a split mind. It has no one single cause but it has been agreed by men knowledgeable in the field (sic) that it is a product of the interplay of biology, psychology and culture, just as innormal (sic) personality. This disorder however runs in the family. Family members of a schizophrenic person are more likely to develop this disorder.

From the foregoing, it is evident that the illness was acquired by complainant after the expiration of his contract and after he was declared fit to resume work by his attending physician.<sup>[6]</sup>

The POEA having ruled to dismiss his complaint for permanent total disability benefits, petitioner

appealed to the NLRC. The NLRC, relying on the same findings of fact established by the POEA, however, reached a different conclusion. The NLRC, unlike the POEA, viewed the medical declaration of private respondents fitness for work in February, 1986 as an inconclusive and limited finding. First, that finding was not a result of a mental examination. Secondly, petitioner does not deny that private respondent is indeed afflicted with schizophrenia now and has been so afflicted since it was first diagnosed in September, 1986. Thirdly, no evidence was presented by petitioner to show that epilepsy does not develop to schizophrenia. To the contrary, the NLRC cited medical opinions to the effect that psychiatric problems are common in patients with epilepsy. The NLRC explained its decision to grant disability benefits to private respondent, in this manner:

It is undisputed that complainant was insured for U.S. \$30,000.00 in case of 100% disability during his contractual employment. Records also show that at the time of the filing of the complaint, complainant was suffering from Schizophreniform Disorder. Complainant is now unfit to work due to his illness and considered suffering from total permanent disability. The Supreme Court in the case of Abaya Jr. v. ECC, 176 SCRA 507 ruled that permanent total disability means disablement of an employee to earn wages in the same kind of work, or work of a similar nature that he was trained for or accustomed to perform, or any other kind of work which a person of his mentality and attainment could do. Likewise in the case of Orlino v. ECC, G.R. No. L85015, 29 March, 1990, the Supreme Court ruled that a person is considered permanently and totally disabled to work when he was incapacitated or disabled to perform any substantial amount of labor in the line of work he was formerly engaged or any other kind of work to which he could be assigned.

Evidences presented by complainant has proven that complainant was not able to resume work since November 8, 1985 when he was mauled by unidentified persons in the vessel of the respondent where he was working in Yokohama, Japan. It is undisputed, however, that when complainant was discharged in Japan, he was confirmed to be suffering from epilepsy as a result of his mauling. This fact was confirmed by Dr. Charles Harn of St. Lukes Hospital who treated complainant upon his arrival in the Philippines. Although complainant was found to be fit to resume work on February 3, 1986 and complainant was diagnosed to be afflicted with schizophreniform disorder on September 25, 1986, POEA has no factual basis when it ruled that epilepsy does not cause Schizophreniform Disorder.

We agree with the complainant that the finding of epilepsy does not obviate its development into schizophreniform disorder, which is a permanent total disability. We take into consideration the letter of Dr. Rene Gigato Seyan, the psychiatrist who treated the complainant, who presented a medical opinion on epilepsy and schizophreniform disorder and we quote some pertinent portions.

According to the book Synopsis of Psychiatry 5th edition by Harold J. Kaplan, M.D. and Benjamin J. Saddock, M.D. pages 209-212 in its topic about epilepsy clearly states that psychiatric problems are common in patients with epilepsy and so constitute an important mental health problem. x x x

You also asked whether epilepsy maybe produced by a variety of pathologic states and intoxications such as head trauma, brain tumor, cerebrovascular accidents, intracranial infections, uremia, hypoglycemia, hypocalcemia and overhydration. If the patient suffers head trauma secondary to mauling, then it could be the possible cause of his epilepsy. x x x

Evidences on record will show therefore that complainant was mauled during his course of employment which resulted into epilepsy and later developed into Schizophreniform Disorder, which is considered total permanent disability. Under his contract of employment, complainant

is entitled to receive the insurance benefits of U.S. \$30,000.00. In disability compensation, it is not the injury which is compensated, but rather it is the incapacity to work resulting in the impairment of one's earning capacity. (*Orlino v. Employees Commission et. al.* G.R. 85015, 29 March 90 *En Banc* Minute Resolutions, Martinez page 294)<sup>[7]</sup>

Aggrieved by the foregoing ruling of the NLRC, petitioner has come to us seeking its nullification on the ground that the NLRC, in rendering the herein assailed decision, acted in grave abuse of discretion amounting to lack or excess of jurisdiction.

The petition is utterly bereft of merit.

Petitioner mainly contends that private respondent's ailment was acquired after the expiration of his contract, that is, after he was declared fit to resume work by his attending physician. Respondent's refutation of this argument is to the effect that the employment contract did not expire; rather, the contract could no longer be performed by private respondent because he was mauled within the vessel, as a result of which he suffered contusion on the face and lumbar region and became afflicted with epilepsy. Private respondent's epilepsy worsened into schizophrenia, thereby permanently preventing private respondent from performing his job and earning a livelihood for himself and his family. Petitioner makes a mountain out of the contention that private respondent was declared fit to work after his repatriation. No mental examination of respondent, however, was shown to have been conducted in the course of his physical examination in February, 1986. Thus, there is no medical finding as to private respondent's mental fitness to resume work. Furthermore, petitioner has not presented before the Labor Arbiter and the NLRC sufficient medical evidence to the effect that schizophrenia has definitively identified causes and that epilepsy is and cannot be one of them. In other words, petitioner miserably failed to negate the causal confluence of the mauling of private respondent during his employment with petitioner, the contusions he suffered, the epilepsy caused by the mauling and the schizophrenia which subsequently developed, as the principal factor in the permanent total disability of private respondent.

Strict rules of evidence, it must be remembered, are not applicable in claims for compensation and disability benefits.<sup>[8]</sup> Private respondent having substantially established the causative circumstances leading to his permanent total disability to have transpired during his employment, we find the NLRC to have acted in the exercise of its sound discretion in awarding permanent total disability benefits to private respondent. Probability and not the ultimate degree of certainty is the test of proof in compensation proceedings.<sup>[9]</sup>

**WHEREFORE**, the instant petition is DISMISSED.

Costs against petitioner.

**SO ORDERED.**

*Padilla, (Chairman), Bellosillo, Vitug, and Kapunan, JJ., concur.*

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<sup>[1]</sup> Promulgated February 27, 1992; *Rollo*, pp. 40-54.

<sup>[2]</sup> Second Division composed of Commissioners Rustico L. Diokno, Edna Bonto-Perez and Domingo H. Zapanta.

<sup>[3]</sup> POEA Case No. (M) 90-01-041 entitled, Romel B. Beameza v. NFD International Manning Agents, Inc.

<sup>[4]</sup> Decision dated January 16, 1991; *Rollo*, pp. 91-96.

<sup>[5]</sup> Decision of the NLRC, pp. 2-6; *Rollo*, pp. 41-45.

[6] Decision of the POEA, pp. 5-6; *Rollo*, pp. 95-96.

[7] Decision of the NLRC, pp. 10-13; *Rollo*, pp. 49-52.

[8] *Better Buildings, Inc. v. Pucan*, 135 SCRA 62.

[9] *National Housing Corporation v. Workmens Compensation Commission*, 79 SCRA 281; *Better Building, Inc.*, *supra*.