

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
SECOND DIVISION**

**OMANFIL
MANPOWER
CORPORATION,**

**INTERNATIONAL
DEVELOPMENT**

Petitioner,

-versus-

**G.R. No. 130339
December 22, 1998**

**NATIONAL LABOR RELATIONS
COMMISSION (THIRD DIVISION) and
LORA FELIPE,**

Respondents.

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DECISION

PUNO, J.:

This Special Civil Action for Certiorari seeks to annul two (2) Resolutions^[1] of public respondent NLRC (Third Division) awarding US\$27,902.02 to the private respondent for the death of her husband and 10% of said amount as attorney's fees.

The facts and the issues are accurately stated in the February 11, 1997 Resolution of the public respondent which we quote:

“The bare facts culled from the record show that Eduardo O. Felipe was married to the complainant and the union produced a child, Michelle F. Felipe.

“Eduardo O. Felipe was hired by Hyundai Engineering and Construction Co., Ltd., through its local agent Omanfil International Manpower Development Corporation, as Offshore Rigger sometime on February 7, 1993.

“On or about June 7, 1993, the ferry boat where Eduardo Felipe was on board met an accident, claiming the life of one worker but the body of Eduardo Felipe was never found, despite diligent efforts to locate the same.

“Complainant received from the Melaka Labor Office a certification which reads as follows:

‘Sir,

‘SUB: DECEASED — EDUARDO O. FELIPE
on 7.6.93

‘With reference the money should be paid accordingly to Section 8 of Labour Malaysia, 1952 as follows: —

Income in a month RM1,655.52 (US620.04)

Interest RM —

Medical RM —

Food RM — (or RM105/90/70
which ever more)

Total claim RM1,655 x 45 month = RM74,498.40 (or
RM14,400
which ever less)
= US27,902.02

‘If you agreed [sic] to the above calculation please pay the money RM14,400 (US5,393.29) to PBN/PPB to the next of kin of the deceased.

‘Enclosed please find the following form [sic] to fill.

a) 1 copy Form ‘A’ — Buruh 32

b) 3 copy [sic] Agreed Memorandum. Please empty for the signature of the deceased next of kin.

‘Please return all the form [sic] together with the claim and stamp “Hasil” RM2.70 (US1.011) within 30 days from the date of this letter.

‘Thank you.
‘Yours faithfully,’

“Likewise, the Melaka Labor Office issued a receipt showing that Hyundai Engineering deposited RM14,400.00 with the Melaka Labor Office.

“The fact of death of Eduardo O. Felipe was not raised as an issue in this Office inasmuch as the same was admitted in respondents’ pleadings.

“Thus, the issue raised before the Labor Arbiter is the amount of death benefits due the complainant and whether the deposit made by Hyundai with the Melaka Labor Office constitutes valid payment.

“Complainant alleges that the amount should be US\$27,902.02 and that the deposit made by Hyundai Engineering to the Melaka Labor Office did not constitute payment.

“On the other hand, respondents contend that the complainant is only entitled to RM14,400.00 or US\$5,393.29 and that their deposit of the said amount with the Melaka Labor Office extinguished their obligation.”

The Labor Arbiter ordered petitioner to pay private respondent US\$27,902.02 as death benefit and 10% thereof as attorney’s fees.^[2]

The public respondent NLRC (Third Division) affirmed the decision of the Labor Arbiter.^[3] It held:

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“The core of the matter in the case at bar is the interpretation of the certification issued by the Labor Office of Melaka and the provisions of the Workmen’s Compensation Law of Malaysia.

“The Certification of the Melaka Labor Office reads as follows:

‘Sir,

‘SUB: DECEASED — EDUARDO O. FELIPE
on 7.6.93

‘With reference the money should be paid accordingly to Section 8 of Labour Malaysia, 1952 as follows: —

Income in a month RM1,655.52 (US620.04)

Interest RM —

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which ever more)

Total claim RM1,655 x 45 month = RM74,498.40 (or
RM14,400
which ever less)
= US27,902.02

‘If you agreed [sic] to the above calculation please pay the money RM14,400 (US5,393.29) to PBN/PPB to the next of kin of the deceased.

‘Enclosed please find the following form [sic] to fill.

a) 1 copy Form ‘A’ — Buruh 32

b) 3 copy [sic] Agreed Memorandum. Please empty for the signature of the deceased next of kin.

‘Please return all the form [sic] together with the claim and stamp “Hasil” RM2.70 (US1.011) within 30 days from the date of this letter.

‘Thank you.
‘Yours faithfully,’

“On the other hand, Section 8 of the Workmen’s Compensation Act of Malaysia, reads as follows:

‘Where death has resulted from the injury, a lump sum equal to forty five months earnings or fourteen thousand four hundred ringgit, whichever is the less;’

“A perusal of the foregoing certification and provision of the Workmen’s Compensation Act of Malaysia, as correctly pointed out by the complainant, are [sic] susceptible of two different interpretations.

“The Certification is indeed ambiguous inasmuch as it goes to the extent of computing the death benefits based on forty five months of the deceased monthly earnings and at the same time adds the phrase ‘RM14,400.00, whichever less’. The ambiguity becomes more apparent by virtue of the figure US\$27,902.02 which appears below the phrase ‘which ever less’. If the intention of the Labor Office of Melaka was to award RM14,400.00 it should have not otherwise put the amount of US\$27,902.02.

“In ruling in favor of complainant, we but render obedience to the well-entrenched principle that in case of doubt, a labor case must be decided in favor of the workingman. (Aquino et al. vs. NLRC, et al., G.R. No. 8763, February 11, 1992). This is in consonance with the liberal and compassionate spirit which gave birth to labor laws as social justice measures and as manifestation of the State’s avowed policy to give maximum aid and protection to labor (see Sarmiento vs. Employees Compensation Commission, 103 SCRA 329).

“On the second and third issues, we also rule in favor of complainant. Although, there was deposited of [sic] RM14,400.00 with the Melaka Labor Office, the same is not valid.

“We do not agree with respondents’ contention that they had no option but to pay directly to the Melaka Labor Office. It is clear from the same certification that respondents were given the option to pay the compensation benefits to ‘PBN/PPB to the next of kin of the deceased.’ Therefore, respondents should have paid directly to herein complainant, she being the next of kin of the deceased. Furthermore, under Philippine laws, payment to the next of kin of the deceased is valid. Finally, as again correctly pointed out by complainant, the amount deposited with the Melaka Labor Office is less than the amount to which complainant is entitled, so much so that the deposit of the same is not the complete payment needed to extinguish respondents’ obligation.”

Petitioner charges the public respondent with grave abuse of discretion and submits the following issues for resolution:

First. Whether or not the public respondent seriously erred and gravely abused its discretion amounting to lack or in excess of jurisdiction in affirming the decision of the Honorable Labor Arbiter finding that the benefits due the private respondent was US\$27,902.02.

Second. Whether or not the public respondent seriously erred and gravely abused its discretion amounting to lack or in excess of jurisdiction in holding that the Certification/Computation marked as Annex “F” above and Section 8 of the Workmen’s Compensation Act of Malaysia were susceptible to two different interpretations and thereafter applied the rule that in case of doubt, settle the doubt in favor of labor.

Third. Whether or not the public respondent seriously erred and gravely abused its discretion in disregarding the express language of Annexes “I”, “I-1”, “I-2”, “I-3”, and “I-4”.

Fourth. Whether or not the public respondent seriously erred and gravely abused its discretion when it affirmed the decision of the Labor Arbiter finding that the deposit of RM14,400 was not a valid payment.

We find the petition meritorious.

First. We hold that there is no ambiguity in the aforequoted Computation/Certification from the Malacca Labor Office. The computation is in complete accord with Section 8 of the Workmen's Compensation Act of Malaysia which states:

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“8. Subject to this Act, the amount of compensation shall be as follows, namely —

a. Where death has resulted from the injury, a lump sum equal to forty-five months' earnings or fourteen thousand four hundred ringgit, whichever is less.”

Clearly what is due to the private respondent as death benefit is 14,400 Malaysian Ringgit since that amount is less than US \$27,902.02.

Second. To clinch its contention that private respondent is only entitled to the payment of RM14,400, petitioner also submitted the following Certification issued by Sh. Yahya Bin Sh. Mohamed, Director General of Labour Peninsular, Malaysia:^[4]

“IBU PEJABAT JABATAN BURUH, SEMENANJUNG MALAYSIA (KEMENTERIAN SUMBER MANUSIA), PARAS 5, BLOK B (UTARA), Telefon: 03-2557200 PUSAT BANDAR DAMANSARA, 03-2559111 50532 KUALA LUMPUR Telefax: 03-2536040

Ruj Tuan:
Ruj Kami: (8)BSM.9/12/46/96
Tarikh: /(Mac 1997

To Whom It May Concern.

Fatal Accident to Eduardo O. Felipe

On 7.6.1993 in Malacca

“We regret to inform you that the abovenamed workman passed away on 7.6.1993 as a result of an accident arising out of and in the course of his employment. However, we still need the death certificate or any certification concerned.

“Subject to Section 8(a) Workmen’s Compensation Act 1952 (Act 273) Law of Malaysia. the amount of compensation where death has resulted from the injury or employment accident is subjected to the maximum up to RM14,400.00 (not more than RM14,400.00).

“But it can be less than RM14,400.00 if the monthly salary of the concerned workman is less than RM320.00 per month.

“In the case of Eduardo O. Felipe, his monthly salary is RM1,655.00. So, the amount should be deposited with the Director of Labour Malacca, Malaysia by the employer is RM14,400 (not less neither more than RM14,400.00) as required by Section 8(a) and 10(1) Workmen’s Compensation Act 1952 (Act 273) Law of Malaysia.

“Upon receiving the amount of RM14,400.00, the Commissioner of Labour of Malaysia shall make an inquiry under Section 27 Workmen’s Compensation Act 1952 (Act 273) Law of Malaysia to determine the number of dependents of a deceased workman and the extent to which they were dependent upon him.

“The employer had already deposited the said amount on 22.4.1994.

“Attached are relevant section [sic] of The Workmen’s Compensation Act 1952 (Act 273) Law of Malaysia and assessment for fatal case.

“Thank you.

Yours faithfully,

Sgd.

(SH. YAHYA BIN SH. MOHAMED)

for Director General of Labour

Peninsular, Malaysia.

s.k. Pengarah Buruh Negeri, Melaka.

(Emphasis supplied)”

This Certification was duly authenticated by Mr. Bayani V. Mangibin, our Consul General in Kuala Lumpur, Malaysia.^[5] It is uncontested by respondents. The Certification clearly establishes that the amount due to private respondent under the laws of Malaysia is RM14,400.00.

Third. Section 10 of the Workmen’s Compensation Law of Malaysia prescribes the mode of payment of compensation of death benefits, viz:^[6]

“10. (1) No payment of compensation in respect of a workman whose injury has resulted in death, and no payment of a lump sum as compensation to a woman or to a minor, shall be made otherwise than by deposit with the Commissioner, and any such payment made directly to any dependent of a deceased workman or to any woman or minor shall be deemed not to be a payment of compensation for the purposes of this Act.

X X X

“(3) The receipt of the Commissioner shall be a sufficient discharge for any compensation deposited with him.”

Petitioner complied with this provision when Hyundai deposited the amount of RM14,400 with the Office of the Director of Labour of Melaka. Private respondent was thereafter duly informed of this deposit. Petitioner cannot now be faulted by the public respondent for complying with the said law of Malaysia. Resultantly, we hold that it has discharged its monetary obligation to the private respondent.

IN VIEW WHEREOF, the petition is granted and the impugned resolutions of the public respondent are annulled and set aside. No costs.

SO ORDERED.

Bellosillo, Mendoza and Martinez, JJ., concur.

[1] Dated February 11, 1997 and July 28, 1997 respectively in NLRC CA No. 011417-96 (POEA Case No. 94-08-2363).

[2] Decision dated June 24, 1996.

[3] See footnote number one.

[4] Annex I-1, Petition.

[5] Annex I, Petition.

[6] Annex G, Petition.