



**Metal workers Alliance of the Philippines (MWAP)
Center for Trade Union and Human Rights (CTUHR)
Institute for Occupational Health & Safety Development (IOHSAD)
Ecumenical Institute for Labor Education and Research (EILER)**

**Fact-Finding Mission Report
On the Keppel Subic Shipyard Tragedy
October 7, 2011**

I. Objectives:

Conduct an independent investigation that will gather significant information about the incident. Identify the conditions inside the workplace that caused the incident. Evaluate the impact of the incident on the families of the victims and co-workers. Come up with recommendations and present them to appropriate government bodies.

II. Participants:

- Metalworkers Alliance of the Philippines (MWAP)
- Center for Trade Union and Human Rights (CTUHR)
- Institute for Occupational Health and Safety Development (IOHSAD)
- Ecumenical Institute for Labor Education and Research (EILER)
- Anakpawis –CL

III. Date and Areas Covered:

- October 8-9, 2011
- Areas visited:
 - Keppel Subic Shipyard
 - Subic Police Station
 - Our Lady of Lourdes International Medical Center
 - Wake of the Victims

IV. Methodology:

- The fact-finding team gathered information through interviews with:
 - Five (5) co-workers of the victims who witnessed the incident
 - Relatives of the victims
- Subic PNP: Police Chief Inspector Arnel Dial, Chief of Police

- Conducted an ocular inspection to the area closest to the incident site—Front gate of the Keppel Subic Shipyard.
- Gathered documents related to the case.

V. Victims' Profile

Documented Dead:

- **Ronald Lara**, 28, Hull Rigger, unmarried but living with his wife and children (two boys and one girl), ages seven (7) years old, three (3) years old, and the youngest is five (5) months old. Hired by the G & R (Subcontracting Agency). Dismembered right leg. A steel bar pierced through the left side of the body and went out on the right.
- **Mark San Juan**, 21, Hull Rigger, Separated, with one (1) child (3 years old), lives in Cawag, Subic, Zambales, three (3) years in services, under G & R (subcontracting agency), broken elbows, broken right foot, crushed abdomen.
- **Jhaylord Reyes**, 22, Ship fitter, lives in WEA homes, Asinan Proper, Subic, Zambales, unmarried with one (1) child. Six (6) months in service, a project employee (casual) directly hired by KSSI. Both legs are dismembered. Major abrasion on the right part of the head, the skull is exposed.
- **Ronaldo Bagay**, 29, Hull Rigger, lives in WEA Homes, Asinan Proper, Subic, Zambales, unmarried, living with wife and a 3-year old son, one (1) year and 8 months in service, a project employee (casual) directly hired by KSSI, dismembered left leg, severe skull damage.
- **Cris Xander Papna**, 22 years old, Ship welder, lives in #3 Brgy. Manggahan, Subic, Zambales, unmarried but living with wife and one (1) child, wife is 6-months pregnant, one (1) year in service directly hired by KSSI as casual. The face is severely damaged (forehead to the upper lip), left arm was dismembered.
- **Glenn Miranda**, 22, single, lives in San Rafael, Zaragosa, Nueva Ecija,

**There are unconfirmed reports of some workers that more than six (6) workers died in the incident.*

Documented Injured:

- **Wendy May Balaba**, 23, Female; lives in 077 Manga-vaca, Subic, Zambales, can't move left arm and left leg, for further evaluation.
- **Eleazar Elope Jr.**, 27, Single; lives in Mapano, Asinan Proper, Subic, Zambales. Shipfitter, Project Employee (Casual), experiencing pain numbness in the right knee.
- **Berlino Asinas**, 23; lives in 114 Salang St. Maitin Subic, Zambales, Hull Rigger, Project Employee (Casual). Fracture, for further confirmation admitted in the ward.
- **Belmore Dela Vega**; Condition: contusion, laceration in the face, still in the ICU.
- **Albert Recana**, lacerated wound in the skull.
- **Alvin Penaverde**, abrasion in the head.
- **Diosdado Motea**

VI. Summary

At around 10:30 in the morning of October 7, the ramp tower which supports the rear ramp of the cargo ship MV Tombarra collapsed in the drydock section of Keppel Subic Shipyard. The incident started when one of the side cables supporting the 250-ton ramp snapped out. The ramp leaned on the 42-ton ramp tower support but the tower cannot bear the weight of the

ramp. The tower eventually bent and collapsed to the scaffolding where most of the casualties are located. Between the time of the incident until 12 noon, the victims – both dead and injured - were rushed to the Our Lady of Lourdes Hospital, approximately 20 minutes away from the plant. Five workers were declared dead-on-arrival, and another succumbed at the night of the accident.

The six confirmed casualties are the following:

1. Ronald Lara (dead on arrival)
2. Mark San Juan (dead on arrival)
3. Jhay Lord Reyes (dead on arrival)
4. Glenn Miranda (dead on arrival)
5. Cris Xander Papna (dead on arrival)
6. Ronaldo Bagay (died night of Oct 7)

Seven workers were also injured and were also brought to Lourdes Hospital. On October 8, one of the injured workers was discharged because he only sustained minor injuries.

The seven injured workers are the following:

1. Alvin Penaverde
2. Albert Recana
3. Belmore dela Vega
4. Werdy May Balaba
5. Berlindo Asinas
6. Diosdado Mateo
7. Eleazar Elope

Based on testimonies of workers interviewed by the FFM teams, the lone tower supporting the ramp was already unstable prior to the incident. Despite this observation, no adjustments were made in the tower and the ramp. A safety meeting was held in the morning of October 7 but safety officers didn't find any problem. Another worker also shared that four towers are commonly used when a ramp is repaired in the shipyard. They were actually wondering why only one was used in the repair of MV Tombarra's rear ramp. The five workers who died instantly on the site were the hull riggers who stepped over the ramp and welders doing repairs under the ramp and tower support.

Ronaldo Bagay, the only casualty which was not working under the ramp, was walking on the ramp at the time of the accident. He landed on the collapsed tower which severely injured his left foot and head, and among the first to be rushed in the hospital. Bagay's wife narrated that his husband was still conscious when he was rushed to the hospital. The attending physician in the Emergency Room informed her that the left foot of her husband needed to be amputated because it was severely crushed. She asked for a few minutes to call her family to consult about her decision. When she came back, the nurses informed her that the amputation has started after her husband allegedly agreed and thumb marked the consent paper. Assured by the doctor that no other fatal injuries were seen except the foot, she went back to their house.

She returned at night to check her husband. At her surprise, she noticed long stitches on her husband's head. At around 9pm, she was told to get four (4) bags of blood because her husband lost a huge amount of blood. On her way back to the hospital, she received a call from her husband's aunt asking her about the conduct of CT Scan procedure as requested by the doctors. At around 10pm, her husband struggled on his bed and doctors attempted to revive him. Then, his pulse was gone for 10 minutes and died.

Bagay's wife complained that the doctors mishandled her husband. No procedures were immediately done on his head and the doctors only focused on his foot. The autopsy conducted on Bagay reported that a major fatal crack was seen on his skull as explained by his wife. She also insisted that the CT Scan should have been done first to ascertain the injury on her husband's head, but the hospital only requested this procedure, minutes before the patient died.

The FFM Team tried to get information and reactions from the hospital, but the hospital administration explained that there is an agreement between them and Keppel that no information shall be given to other parties without the consent of the shipyard company. The Subic PNP (police) also shared that Keppel refused to give all the details of the incident. The shipyard company allowed them to enter the worksite only on the day of the incident but already barred them from entering the site thereafter to conduct a thorough investigation. No other follow-up on-site investigation was done because the company has since denied entry to the police.

The company, through their Human Resources (HR) Department, has also given financial assistance to the families ranging from Php 10,000 - Php 25,000. All families except Papna family accepted the assistance. Papna's family refused to accept the assistance after the company insisted that they should sign a certain paper. The family, instead, told the management that they drop the money in the donation box without signing any paper, but the HR refused to do so. The Papna family was allegedly offered Php 75,000 as assistance after they denied the first offer.

Three of the casualties were Project Employees (Casual Workers) of Keppel and received Php 302 as basic pay and Php 28 as Cost of Living Allowance (COLA). This is at par with the current minimum wage for Central Luzon. On the other hand, the other three were employees of Keppel's contractors only. They received wage ranging from Php 200-Php 250, below the required minimum wage.

Aside from below-minimum wage payment, employees of contractors are also required to pay the safety gears (PPE) they needed to wear in the workplace. The cost of these gears will be deducted in 2 months from the already low wage of the subcontractors' employees. This includes helmet (Php 200), safety belt (Php 350), goggles and steel toes (workers buy their own).

Keppel Subic Shipyard is a Singaporean-owned company that serves ocean-going vessels. It provides repair, maintenance and other services to sea vessels. It is affiliated to Keppel Philippines Marine Incorporated, which owns another shipyard in Batangas.

VII. Background

The Keppel Shipyard Subic is headed by Mok Kim Whang (President and Gen. Manager of Subic Shipyard). It is affiliated to the Keppel Philippines Marines Inc. headed by Nelson Yeo Chien Sheng (Chairman of KPMI). The KSS is situated in the north of Subic Bay. Keppel Subic is servicing sea vessels traversing the oceans of Asia. It is 67 nautical miles by sea and 145 km by land from Manila.

As of 2007, the KPMI's recorded net income is Php 508,573,258.00.

Most of the workers are outsourced by the Keppel Shipyard Subic in different agencies. Outsourced workers receive only Php 250.00 way below the Php330.00 mandated minimum wage while those directly hired receive Php330.00. Most of the workers are residing in Zambales. There are 20, 000 estimated workers inside the shipyard where majority are contractuels.

VIII. Findings

- Keppel Subic Shipyard (KSS) has made a major lapse in ensuring occupational safety inside the workplace. A single ship (stern) ramp tower support weighing 42 tons was very unstable and insufficient to support the ship (stern) ramp weighing 250 tons. An ideal tower support erected for the (stern) ramp should be four (4). A safety officer reportedly checked the worksite before the incident but found nothing wrong so they continue operation. Workers also reported that they provide their own personal protective equipment (PPE) except for the safety belt.
- Other violations of labor standards include: underpayment of minimum wage on contract workers (Php250/day instead of Php330). Deduction of PPE cost which is supposedly provided by the company. Long-term contractualization of employees.
- Keppel Subic Shipyard (KSS) is doing a cover-up on the incident. A Memorandum of Agreement between the company and the hospital prevents the surviving victims or any of their relatives from giving testimonies about the incident was revealed by a hospital guard. Subic PNP Chief Arnel Dial confided that even the police cannot conduct any further investigation about the incident because the company is not cooperating. Police officers are barred by the company from entering the site of incident. The company alleged that it is under PEZA jurisdiction.
- Many of the relatives and co-workers of the victims are suffering from deep trauma after the incident. Indication of post traumatic syndromes seen on almost all of the interviewed relatives and witnesses include: restlessness (sleepless nights), shaky hands and teary eyes. A worker reportedly suffers from a nightmare after the incident (ran just after waking-up and looking for his child but he is unmarried).

- Financial support extended by the Keppel Subic Shipyard (KSSI) is dubious. The company offers a total of P25,000 to the families of deceased victims but they require the families to sign an undisclosed document. Five (5) of the six (6) heir of the deceased workers already received and signed the document. Furthermore, they do not discuss with the victims any of the legally-prescribed claims that the family should receive.
- A comprehensive and credible investigation must be made immediately. While a total of twelve (12) victims had been officially recorded, some workers claim that there could be more victims than what is currently accounted.

IX. Recommendations:

- The government to conduct a speedy and impartial investigation of the incident.
 - Look after the various labor standards and occupational health and safety violations.
 - Hold Keppel Subic Shipyard liable for the violations.
- Provide full indemnity to all victims and their families.
- Protect all the workers inside the Keppel Subic Shipyard
 - Ensure the implementation of all labor standards especially health and safety.
- Repeal DOLE Department Order 57-04.
- Review the PEZA and DOLE jurisdiction on the special economic zones. Make them conform with existing laws.
- Allow independent bodies to investigate inside the companies in the special ecozones and industrial enclaves especially in cases of labor mishaps and labor standard violations.
- Promote regular employment, end contractualization of labor.

X. Data Sources:

- Testimonies of five (5) co-workers
- Testimonies of victims' relatives
- Statement of Our Lady of Lourdes International Medical Center OIC (Officer-in-charge) guard Elvin Mina
- Statement of Subic PNP Chief PCI Arnel Dial
- Police Investigation Report
- Keppel Subic Shipyard Inc. Incident Report & Press Release