

## SECOND DIVISION

[ G.R. No. 204262, June 07, 2017 ]

**MARIO C. MADRIDEJOS, PETITIONER, VS. NYK-FIL SHIP  
MANAGEMENT, INC., RESPONDENT.**

### DECISION

**LEONEN, J.:**

Illnesses not listed as an occupational disease under Section 32 of the 2000 Philippine Overseas Employment Administration Amended Standard Terms and Conditions Governing the Employment of Filipino Seafarers on Board Ocean-Going Vessels are disputably presumed to be work-related.<sup>[1]</sup> However, seafarers must prove through substantial evidence the correlation between their illness and the nature of their work for their claim for disability benefits to prosper.

This Petition for Review on Certiorari<sup>[2]</sup> assails the Resolutions dated September 26, 2012<sup>[3]</sup> and November 6, 2012<sup>[4]</sup> of the Court of Appeals in CA-G.R. SP No. 125529. The Court of Appeals ruled that the National Labor Relations Commission did not commit grave abuse of discretion in dismissing Mario Madridejos' (Madridejos) complaint for disability benefits.<sup>[5]</sup>

Petitioner Madridejos was a Filipino seafarer<sup>[6]</sup> hired by respondent NYK-Fil Ship Management, Inc. (NYK-FIL),<sup>[7]</sup> a registered local manning agency operating by virtue of Philippine laws<sup>[8]</sup> for its foreign principal, International Cruise Services, Limited.<sup>[9]</sup>

On March 25, 2010, Madridejos signed an employment contract with NYK-FIL as a Demi Chef for the vessel "Crystal Symphony/Serenity."<sup>[10]</sup> The employment contract was effective for a period of 10 months with a basic monthly salary of US\$1,055.00, an overtime rate of US\$4.00 per hour beyond 70 hours, and vacation leave with pay amounting to 10% of his total income.<sup>[11]</sup>

On April 10, 2010, Madridejos commenced to work aboard the vessel.<sup>[12]</sup> Two (2) weeks after, or on April 28, 2010, he claimed that he suddenly slipped on a metal stairway and fell down, hitting his abdomen and chest on a metal pipe.<sup>[13]</sup> He was brought to the ship doctor and was diagnosed to have a "sebaceous cyst to the right of the umbilicus."<sup>[14]</sup>

The next day, Madridejos was treated at Spire Southampton Hospital in Hampshire, England.<sup>[15]</sup> Under a local anesthesia, his cyst was removed, and the lesion was closed with three (3) stitches.<sup>[16]</sup>

After two (2) months, or on July 5, 2010, NYK-FIL terminated Madridejos' services through its foreign principal.<sup>[17]</sup> The notice of termination<sup>[18]</sup> read:

TO: MR. MARIO MADRIDEJOS, #324 D/CHEF DE PARTIE MAIN GALLEY

FROM: HERBERT DOPPLER, HOTEL DIRECTOR VICTOR CONCEICAO, FOOD AND BEVERAGE MANAGER

CC: CAPTAIN ICMA, OSLO  
VICE CAPTAIN EXECUTIVE CHEF/CREW ACCOUNTANT

DATE: JULY 5, 2010

RE: TERMINATION OF CONTRACT WITH INTERNATIONAL CRUISE SERVICES LIMITED

We regret to inform you that we have made the decision to discontinue your employment agreement. Hence, this letter serves as a formal, written termination of your contract with [International Cruise Services, Limited].

With reference to Item No. 7 in your "Employment Agreement", which states, "...First time EMPLOYEES shall be subject to a probationary period of three (3) months following commencement of service during which this AGREEMENT can be terminated by either party without cause at any time upon fourteen (14) days prior written notice", you are hereby given immediate notice effective today, Monday, July 5, 2010, which falls within the parameters outlined in your contract.

Your salary will be paid accordingly through and including July 18, 2010. Your sign off will take place in Istanbul, Turkey, on Monday, July 5, 2010. A flight ticket has been arranged to your home airport in Manila, Philippines, and the company will shoulder your repatriation expenses.

<sup>[19]</sup>

Madridejos was repatriated to the Philippines on July 6, 2010.<sup>[20]</sup>

Madridejos insisted that he did not finish his employment contract with NYK-FIL due to his unwanted health condition.<sup>[21]</sup> "Not being at fault. . . for the pre-termination of his employment contract, [he] made demands upon [NYK-FIL] ... to pay his disability benefits."<sup>[22]</sup>

Madridejos also averred that after his medical procedure in Spire Southampton Hospital, he was advised to be sent back to the Philippines "for further evaluation and treatment."<sup>[23]</sup> In support, he attached the letter of Dr. James P. Byrne (Dr. Byrne), the doctor who excised his cyst in Spire Southampton Hospital. The letter read:

Dr. A. Fedorowicz  
Ships Surgeon  
M/S Crystal Serenity

Dear Dr. Fedorowicz,

Re: Mr. Mario MADRIDEJOS - d.o.b. 04/09/61

C/o Denholm Ship Agency Ltd Liner House, Test Road, Eastern Docks  
Southampton Hampshire SO4 3GE

Thank you very much for referring along this gentleman who works on your ship who has a sebaceous cyst to the right of the umbilicus. I explained the diagnosis to this gentleman in clinic today. He has had symptoms of aching and discomfort and we therefore proceeded to excise this lesion under local anaesthetic at the Spire Hospital Southampton today. The diagnosis of sebaceous cyst was confirmed and he has three interrupted nylon sutures to close the wound.

I would be very grateful if you could arrange for the sutures to be removed in approximately ten days' time and I have discharged him back to your care.

Yours sincerely

*(Dictated by Mr. Byrne but sent unsigned to avoid delay)*<sup>[24]</sup>

On July 6, 2010,<sup>[25]</sup> he arrived in Manila, Philippines. The following day, he allegedly reported to NYK-FIL "for a medical referral to the company doctor." However, he did not get any referral letter since he was told that his illness was not work-related.<sup>[26]</sup>

Due to persistent symptoms, he was purportedly constrained to undergo medical examinations by Physician-Surgeon Dr. Aylmer F. España (Dr. España) from Metropolitan Medical Center. He was also prescribed with medicines for his sebaceous cyst<sup>[27]</sup> On August 26, 2010, Dr. España issued a medical certificate which stated:

This is to certify that Mr. Mario Madridejos, male, married, a resident of Paete, Laguna, was seen and examined in this clinic from July 7, 2010 up to present, with the following findings and/or diagnosis:

- Sebaceous Cyst (Right Umbilicus)

Physical findings ha[ve] been noted with POEA Disability Grade 7-Moderate Residuals of Disorders of the Intra-abdominal organs, but due to the severity and deterioration of injury/illness[, ] he is entitled under P.O.E.A. Disability Grade 1 for Severe Residuals of Impairment of intra-abdominal organs which requires aid and attendance that will unable [sic] worker to seek any gainful employment.

Due to his medical condition[, ] he is permanently unfit for further sea service in any capacity. Such injury/illnesses are work[-]related since exposed to toxic and hazardous material. Continuous medications and follow-up is advised . . . <sup>[28]</sup>

Due to his alleged "very slow healing process," the four (4) months of medical coverage included in his employment contract with NYK-FIL expired.<sup>[29]</sup> However, he still continued his medication as advised by Dr. España.<sup>[30]</sup>

Madridejos claimed that he also engaged the services of Dr. Eduardo Yu (Dr. Yu), an internist and specialist at Mary Chiles General Hospital.<sup>[31]</sup> Thus, another medical certificate was issued in his favor which provided:

This is to certify that I have examined Mr. Mario Madridejos, male[,]  
married, in this clinic on September 16, 2010 and up to the present with  
following finding[s] and diagnosis of Sebaceous Cyst (Right Umbilicus) [.]

Physical findings ha[ve] been noted with POEA Disability Grade 7-  
Moderate Residuals of Disorders of the Intra-abdominal Organ but due to  
the [s]everity and deterioration of injury/illness, he is entitled under  
P.O.E.A Disability Grade 1 for Severe Residuals of Impairment of Intra-  
Abdominal organ which requires aid and attendance that will unable [sic]  
worker to seek any gainful employment.

Due to his medical condition[,], he is permanently unfit for further sea  
service in any capacity. Such injury/illness are work[-]related since  
exposed to toxic and hazardous materials. Advised continuous  
medications and follow-up check-up[.].<sup>[32]</sup>

Madridejos argued that NYK-FIL ignored his repeated demands.<sup>[33]</sup> He was then prompted to file a complaint "for disability benefits, payment of medical expenses, damages, and attorney's fees"<sup>[34]</sup> against NYK-FIL before the labor arbiter.<sup>[35]</sup>

NYK-FIL denied that Madridejos was repatriated due to his sebaceous cyst. It asserted that this was not the reason since the cyst had been excised completely during his operation at Spire Southampton Hospital. Moreover, Madridejos even resumed his job "for the next two [2] months without any complaint or report of recurrence."<sup>[36]</sup>

NYK-FIL also insisted that Madridejos was not entitled to any disability claim since there was allegedly no disability to address. Madridejos only underwent an excision under a local anesthesia, which did not, in any way, "render him incapable to return to his previous work as a seafarer."<sup>[37]</sup>

NYK-FIL surmised that Madridejos merely filed a complaint as "an afterthought or an act of retribution . . . due to the early termination of his employment contract."<sup>[38]</sup> NYK-FIL purportedly terminated Madridejos' services properly pursuant to "Item 7"<sup>[39]</sup> of their employment agreement.<sup>[40]</sup>

NYK-FIL concluded that Madridejos' illness was not work-related since there was no reasonable correlation between his cyst and his functions as a Demi Chef.<sup>[41]</sup> A cyst is merely caused by "blocked sebaceous glands, swollen hair follicles, and excessive testosterone production."<sup>[42]</sup>

In his August 11, 2011 Decision,<sup>[43]</sup> Labor Arbiter Gaudencio P. Demaisip, Jr. (Labor

Arbiter Demaisip) found that Madridejos' illness "was incurred during the term of his employment contract," making it "compensable."<sup>[44]</sup> He affirmed and quoted Madridejos' explanation, which stated:

As aptly pointed out by the Supreme Court explaining the doctrine of "**Welfare Legislation**", thus:

Compensability of illness. Under the relevant contract: Compensability of the illness or death of [a] seaman need not depend on whether the illness was total or partial permanent disability. It is sufficient that the illness occurred during the effectivity of the employment contract.

Even assuming that the ailment was contracted prior to employment, this would not deprive the seaman of compensation benefits. For what matters is that his work had contribute[d], even in a small degree, to the development of the disease and in bringing about his Intra-abdominal organs which requires aid and attendance that will unable [sic] workers to seek gainful employment.

Due to his medical condition[, ] he is permanently unfit for further sea service in any capacity. Such injury/illnesses are work[-]related since exposed to toxic and hazardous materials. Continuous medications and follow[-]up is advised.

This certification is being issued for whatever purpose it may serve him best.<sup>[45]</sup> (Emphasis in the original)

Labor Arbiter Demaisip emphasized, however, that since there was no evidence to prove the severity of Madridejos' illness, he should only be given a Disability Grade of 7.<sup>[46]</sup> The dispositive portion of the decision read:

IN VIEW OF THE FOREGOING, respondent Agency is directed to pay the complainant an amount equivalent to Grade 7 or US\$ 20,900.

SO ORDERED.<sup>[47]</sup>

Both parties assailed the decision of Labor Arbiter Demaisip before the National Labor Relations Commission.<sup>[48]</sup> Madridejos asserted that Labor Arbiter Demaisip "erred in assessing him with only a Grade 7 disability" and claimed that "it should have been Grade 1 or permanent/total disability."<sup>[49]</sup> On the other hand, NYK-FIL averred that Labor Arbiter Demaisip failed to consider the termination of contract as the real cause behind Madridejos' repatriation.<sup>[50]</sup>

The National Labor Relations Commission, ruled in favor of NYK-FIL in its March 30, 2012 Decision.<sup>[51]</sup>

The National Labor Relations Commission found Madridejos' story as "unnatural."<sup>[52]</sup> His allegation that he was advised to be repatriated for further treatment in the Philippines was not sufficiently proven.<sup>[53]</sup> Based on Madridejos' discharge letter from Hampshire, England, his operation merely required three (3) stitches. Hence, he could not have been advised to pursue further treatment in the Philippines since his operation was only a minor one.<sup>[54]</sup>