

Title:

Madrideojos v. NYK-FIL Ship Management, Inc., G.R. No. 205674, 810 Phil. 704 (2019)

Facts:

1. **Employment and Incident**:

- Mario C. Madrideojos, a Filipino seafarer, was hired by NYK-FIL Ship Management, Inc. (“NYK-FIL”) as a Demi Chef.
- Employment contract signed on March 25, 2010.
- Effective for 10 months, with a monthly salary of USD 1,055.
- April 10, 2010: Commenced work aboard the vessel.
- April 28, 2010: Slipped and fell down hitting his abdomen on a metal pipe. Diagnosed with a sebaceous cyst near the umbilicus.
- Operated on the following day at Spire Southampton Hospital, England.

2. **Termination and Repatriation**:

- July 5, 2010: Madrideojos was terminated within the probationary period. Notice mentioned termination pursuant to Item No. 7 of Employment Agreement.
- July 6, 2010: Madrideojos was repatriated to the Philippines.

3. **Medical Follow-ups and Complaint**:

- July 7, 2010: Allegedly reported to NYK-FIL for medical referral but was denied.
- Examined by Dr. Aylmer F. España and later by Dr. Eduardo Yu. Both concluded permanent unfitness for sea service due to the cyst.
- Filed complaint before the Labor Arbiter for disability benefits.

4. **Procedural Posture**:

- **Labor Arbiter Decision (August 11, 2011)**: Awarded Grade 7 Disability benefits to Madrideojos.
- **National Labor Relations Commission (NLRC) Decision (March 30, 2012)**: Reversed Labor Arbiter’s decision; dismissed the complaint.
- **Court of Appeals Decision (September 26, 2012)**: Affirmed NLRC’s decision.
- **Supreme Court Petition for Review**: Filed by Madrideojos, alleging grave abuse of discretion by NLRC.

Issues:

1. **Entitlement to Disability Benefits**:

- Whether Madrideojos is entitled to disability benefits despite the termination being cited as

contractual and not due to his cyst.

2. **Work-relatedness of the Illness**:

- Whether the sebaceous cyst was work-related and thus compensable under the Philippine Overseas Employment Administration (POEA) contract.

Court's Decision:

1. **Termination Validity**:

- Supreme Court upheld the factual findings, confirming Madridejos' termination was within terms of the employment contract as probationary. Therefore, the termination was valid and not due to medical repatriation.

2. **Non-compensability of Sebaceous Cyst**:

- Sebaceous cyst not classified as work-related under Section 32-A of the POEA contract.
- Disconnection between Madridejos' job duties and the development of the cyst.
- Discharge letter did not recommend further treatment in the Philippines beyond the minor operation received in England.
- Petitioner's silent period post-surgery until repatriation bolsters non-relation to job environment.

3. **Lack of Substantial Evidence**:

- Claim required more than presumptive evidence; lacked substantial evidence of work-relatedness or aggravation due to employment.

Doctrine:

- **Work-related Illness Presumption**:

- Illnesses not listed under Section 32 of the POEA contract are presumed work-related, but claimants must substantiate this presumption with sufficient evidence linking illness to employment.

Class Notes:

1. **Key Elements and Legal Principles**:

- **Probationary Employment**: Valid termination during probation does not entitle employee to disability benefits unless clear connection to job is shown.

- **Notorious Negligence & Proof of Work-relatedness**:

- Illness must be proven to be contracted during and due to the job environment under POEA standards.

2. **Statutory Provisions**:

- **POEA Memorandum Circular No. 9, Section 20(B)**:
- Employer's liabilities related to work-incurred injuries/illnesses.
- Substantial evidence needed beyond presumptive work-relatedness.

Historical Background:

- **Labor Protection Legislation**:
- Reflects robust legal principles protecting Filipino overseas workers, emphasizing the burden on employees to prove work-relatedness of their illnesses.
- Context of increased judicial scrutiny in employment contracts for seafarers owing to the global maritime industry dynamics.