



Republic of the Philippines  
 Supreme Court  
 Manila

FIRST DIVISION

C.F. SHARP CREW  
 MANAGEMENT, INC.,  
 NORWEGIAN CRUISE LINE  
 LTD. and JIKIE\* P. ILAGAN,  
 Petitioners,

G.R. No. 224616

Present:

PERALTA, C.J., Chairperson,  
 CAGUIOA, Working Chairperson,  
 REYES, J. JR.,  
 LAZARO-JAVIER, and  
 LOPEZ, JJ.

- versus -

FEDERICO A. NARBONITA,  
 JR.,  
 Respondent.

Promulgated:

JUN 17 2020

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DECISION

REYES, J. JR., J.:

Before this Court is a Petition for Review on *Certiorari*<sup>1</sup> assailing the December 2, 2015<sup>2</sup> and May 16, 2016<sup>3</sup> Resolutions of the Court of Appeals (CA) in CA-G.R. SP No. 141341 which dismissed the petition for *certiorari*<sup>4</sup> filed by C.F. Sharp Crew Management, Inc. (CF Sharp), Norwegian Cruise Line Ltd. (NCLL), and Jikie P. Ilagan (Ilagan; collectively, petitioners) after finding no grave abuse of discretion on the part of the National Labor Relations Commission

\* Also referred to as "Jickie" in some parts of the records.

<sup>1</sup> *Rollo*, pp. 23-49.

<sup>2</sup> Penned by Associate Justice Normandie B. Pizarro, with Associate Justices Samuel H. Gaerlan (now a Member of the Court) and Ma. Luisa C. Quijano-Padilla, concurring; *CA rollo*, pp. 456-459.

<sup>3</sup> *Id.* at 475-476.

<sup>4</sup> *Id.* at 3-27.

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(NLRC) in rendering its April 10, 2015 Resolution<sup>5</sup> affirming the August 29, 2014 Decision<sup>6</sup> of the Labor Arbiter (LA) awarding permanent and total disability benefits to respondent Federico A. Narbonita, Jr. (Narbonita).

### *The Facts*

On February 7, 2013, petitioners hired Narbonita to work as stateroom steward on board the vessel *M/S Norwegian Star (Hotel)* for a period of nine months.<sup>7</sup> Narbonita boarded the vessel on February 24, 2013 after passing the Pre-Employment Medical Examination (PEME).<sup>8</sup> Barely a month later on March 16, 2013, at around 9:00 p.m., Narbonita was washing and stowing ice chests when he suddenly slipped and landed on his right knee.<sup>9</sup> He felt excruciating pain in his right knee and upon consultation with the ship doctor, he was told that he was suffering from meniscus tear on his right knee and should undergo Magnetic Resonance Imaging (MRI).<sup>10</sup> On March 19, 2013, Narbonita disembarked at the Port of Belize where he was seen by a doctor and advised to return to the Philippines immediately to undergo arthroscopic surgery.<sup>11</sup> Consequently, Narbonita was repatriated and was confined for three days for his arthroscopic knee surgery.<sup>12</sup> He was cleared by the company-designated physician after a series of post-operative checkups sometime in June 2013.<sup>13</sup>

On August 30, 2013, Narbonita again entered into a nine-month contract of employment<sup>14</sup> with petitioners for the same position and on board the same vessel with an agreed basic monthly salary of US\$545.00. Narbonita boarded *M/S Norwegian Star (Hotel)* on October 1, 2013 after having been declared “fit to work” in his PEME and resumed his steward duties.<sup>15</sup> However, on October 15, 2013, Narbonita was carrying a guest’s luggage when he heard a sudden snap on his right leg that radiated excruciating pain up to his knee.<sup>16</sup> By the end of the month, Narbonita was medically repatriated due to re-tear of meniscus.<sup>17</sup>

<sup>5</sup> NLRC LAC No. (OFW-M) 01-000010-15(4); Penned by Presiding Commissioner Gregorio O. Bilog, III, with Commissioner Alan A. Ventura, concurring, and Commissioner Erlinda T. Agus, on leave; id. at 47-58.

<sup>6</sup> NLRC NCR Case No. (M) 05-06026-14; Penned by Labor Arbiter J. Potenciano F. Napenas, Jr.; id. at 272-279.

<sup>7</sup> Id. at 315.

<sup>8</sup> Id. at 316.

<sup>9</sup> Id.

<sup>10</sup> Id.

<sup>11</sup> Id. at 317.

<sup>12</sup> Id.

<sup>13</sup> Id.

<sup>14</sup> Id. at 146.

<sup>15</sup> Id. at 318.

<sup>16</sup> Id.

<sup>17</sup> Id. at 319.

Upon his return to the country, Narbonita was placed under the care of the company-designated physician and was again made to undergo an MRI.<sup>18</sup> On November 13, 2013, the company-designated physician informed Narbonita that based on the MRI result, there was no re-tear in his right knee.<sup>19</sup> On even date, Narbonita submitted the MRI result to CF Sharp for proper advice and recommendation.<sup>20</sup> The Legal Claims Manager of CF Sharp informed Narbonita that based on the company--designated physician's evaluation, he was fit to work and offered financial assistance in the amount of US\$10,000.00.<sup>21</sup> Narbonita rejected the offer and sought a second opinion in the person of Dr. Ambrosio Valdez (Dr. Valdez).<sup>22</sup> After personally examining and extensively reviewing Narbonita's medical records, Dr. Valdez declared Narbonita as permanently disabled to resume his seafarer duties.<sup>23</sup> Thereafter, Narbonita communicated his willingness to get a third doctor's opinion to CF Sharp.<sup>24</sup> Narbonita, together with a representative from CF Sharp, went to see an orthopedic doctor at the Philippine Orthopedic Center in Banawe, Quezon City, but the said physician declined to issue a medical report.<sup>25</sup> Aggrieved, Narbonita submitted himself to Dr. Renato P. Runas (Dr. Runas), an orthopedic surgeon, for a final disability assessment.<sup>26</sup> Dr. Runas issued a Medical Evaluation Report<sup>27</sup> finding Narbonita as permanently disabled and physically unfit to work as a seaman. On the basis thereof, Narbonita filed a complaint<sup>28</sup> against petitioners claiming permanent and total disability benefits.

In their Reply,<sup>29</sup> petitioners prayed for the dismissal of the complaint arguing mainly that Narbonita's ailment was not work-related and that the illness was a pre-existing condition, hence, did not arise during the term of his employment contract.

### *Ruling of the LA*

The LA awarded permanent and total disability benefits to Narbonita after finding that: (1) in a Medical Report dated June 19, 2013 no less than the petitioners' company-designated physician admitted that Narbonita suffered from medial meniscus tear; and (2) after only about two months, the company-designated physician declared Narbonita as fit to work when he submitted himself for PEME for his subsequent employment contract. The LA faulted the petitioners

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<sup>18</sup> Id. at 320.

<sup>19</sup> Id.

<sup>20</sup> Id.

<sup>21</sup> Id.

<sup>22</sup> Id. at 321.

<sup>23</sup> See Medical Certificate dated March 7, 2014; id. at 163.

<sup>24</sup> Supra note 22.

<sup>25</sup> CA rollo, p. 322.

<sup>26</sup> Id.

<sup>27</sup> Id. at 165-166.

<sup>28</sup> Id. at 62-63.

<sup>29</sup> Id. at 170-185.

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for prematurely pronouncing Narbonita, who was then still recuperating from his knee surgery, as fit to work for another employment as a seafarer. The LA reckoned that petitioners cannot now interpose the defense of pre-existing condition in order to avoid liability to Narbonita. Further, the LA opined that since Narbonita was unable to resume his sea duties for more than 120 days from repatriation, he is therefore entitled to permanent and total disability benefits.

Thus, in the dispositive portion of its Decision dated August 29, 2014, the LA wrote:

WHEREFORE, premises considered, judgment is hereby rendered finding [Narbonita] entitled to permanent total disability benefits in the amount of US\$60,000.00 and ten percent attorney's fees.

All other claims are dismissed for lack of merit.

SO ORDERED.<sup>30</sup>

### *Ruling of the NLRC*

Upon appeal, the NLRC, like the LA, found no merit in the contention of the petitioners that Narbonita's illness was not work-related considering that: (1) Narbonita's illness arose or was sustained while working on board the vessel; (2) Narbonita was repatriated and underwent arthroscopic knee surgery supervised by the company-designated physician; and (3) on his subsequent embarkation, Narbonita suffered the same injury that led to his second medical repatriation. It thus affirmed the ruling of the LA, as follows:

WHEREFORE, the appeal filed by [petitioners] is DISMISSED. The herein assailed Decision dated August 29, 2014 of [the LA] is hereby AFFIRMED.

SO ORDERED.<sup>31</sup>

Petitioners' Motion for Reconsideration was denied in a Resolution<sup>32</sup> dated June 2, 2015.

Consequently, the respondents filed a Petition for *Certiorari* before the CA. During its pendency, Narbonita sought the execution of the NLRC Resolutions dated April 10, 2015 and June 2, 2015. On August 13, 2015, petitioners, with the intent of preventing further execution proceedings, paid Narbonita the peso equivalent of US\$66,000.00 which is ₱2,978,646.00 as full

<sup>30</sup> Id. at 279.

<sup>31</sup> Id. at 58.

<sup>32</sup> Id. at 60-61.

and complete satisfaction of the NLRC's judgment award. Such payment was subject to the condition that in case of reversal or modification of the NLRC Decision and Resolution by the CA, Narbonita shall return to petitioners whatever amount may be due and owing.<sup>33</sup>

### *Ruling of the CA*

The CA, in the herein assailed Resolution dated December 2, 2015, dismissed the petition holding that the challenged resolutions of the NLRC was in accordance with law and prevailing jurisprudence and that no grave abuse of discretion amounting to lack or excess of jurisdiction can be imputed against the said labor tribunal, *viz.*:

WHEREFORE, the instant petition is DISMISSED for lack of merit. With costs.

SO ORDERED.<sup>34</sup>

Petitioners filed a motion for reconsideration, but the same was denied by the CA in its May 16, 2016 Resolution.

Hence, this petition.

### *The Court's Ruling*

The petition utterly fails to convince the Court that the CA, in the case at bench, erred in the appreciation of evidence or committed an error in law reversible by a petition for review on *certiorari*.

The instant petition effectively beseech the Court to revisit and recalibrate the evidence on record already passed upon by the labor tribunals as part of their statutory function,<sup>35</sup> and ultimately, to rule on the factual issue of whether or not there is sufficient basis to hold petitioners liable to pay disability benefits owing to Narbonita under the Philippine Overseas Employment Administration's (POEA's) "Amended Standard Terms and Conditions Governing the Employment of Filipino Seafarers On-Board Ocean-Going Vessels"<sup>36</sup> deemed written in the latter's contract of employment. However, the Court has repeated many times over that it is not a trier of facts and that its jurisdiction in petitions filed under Rule 45 of the Rules of

<sup>33</sup> See Conditional Satisfaction of Judgment, *id.* at 391-393; Affidavit of Claimant, *id.* at 394-397; Receipt of Payment, *id.* at 398.

<sup>34</sup> *Id.* at 459.

<sup>35</sup> *P.J. Lhuillier, Inc. v. National Labor Relations Commission*, 497 Phil. 298, 309 (2005).

<sup>36</sup> POEA Department Order No. 4 (2000).

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Court is limited to reviewing only errors of law, unless it can be shown that the factual findings complained of are completely devoid of support in the records or that the assailed judgment is based on a gross misapprehension of facts.<sup>37</sup> The principle that this Court is a non-trier of facts applies with greater force in labor cases inasmuch as the factual findings of quasi-judicial bodies like the LA and the NLRC, especially when affirmed by the CA, are generally accorded not only with respect, but even finality by this Court.<sup>38</sup>

At any rate, the Court, after a careful review of the case, sees no cogent reason to disturb the common findings and conclusion of all the three tribunals below that the subject illness of Narbonita was work-related, hence, compensable.

Every employment contract between a Filipino seafarer and his employer is governed, not only by their mutual agreements, but also by law specifically, the provisions of the 2000 POEA-Standard Employment Contract (POEA-SEC) for Filipino Seafarers.<sup>39</sup> As such, POEA-SEC spells out the conditions for compensability and Section 20(B) thereof requires an employer to compensate his employee who suffers from work-related illness or injury during the term of his employment contract, *viz.*:

Section 20-B. COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

x x x x

6. In case of permanent total or partial disability of the seafarer caused by either injury or illness, the seafarer shall be compensated in accordance with the schedule of benefits enumerated in Section 32 of this Contract. Computation of his benefits arising from an illness or disease shall be governed by the rates and rules of compensation applicable at the time the illness or disease was contracted.

Otherwise stated, for disability to be compensable, it (1) must be the result of a work-related injury or a work-related illness, and (2) must have existed during the term of the seafarer's employment contract.

Petitioners insist on the supposed pre-existence of Narbonita's illness. According to them, the subject illness did not occur during the course of Narbonita's employment since it already existed prior to the commencement of his

<sup>37</sup> *Association of Integrated Security Force of Bislig v. Court of Appeals*, 505 Phil. 10, 24 (2005).

<sup>38</sup> *Crewlink, Inc. v. Teringering*, 697 Phil. 302, 309 (2012).

<sup>39</sup> *Phil-Man Marine Agency, Inc. v. Dedace, Jr.*, G.R. No. 199162, July 4, 2018.

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second deployment. However, they failed to refute the presumption of its work-relatedness or aggravation by reason of his work.

There is no dispute that the company-designated physician issued his Final Medical Report on November 19, 2013<sup>40</sup> with a final diagnosis of “Degenerative Osteoarthritis, knee, right.”

Osteoarthritis is listed as an occupational disease, thus, presumed to be work-related. Under Section 32-A(21) of the 2010 POEA-SEC, for Osteoarthritis to be considered as an occupational disease, it must have been contracted in any occupation involving:

- a. Joint strain from carrying heavy load, or unduly heavy physical labor, as among laborers and mechanics;
- b. Minor or major injuries to the joint;
- c. Excessive use or constant strenuous usage of a particular joint, as among sportsmen, particularly those who have engaged in the more active sports activities;
- d. Extreme temperature changes (humidity, heat and cold exposures) and;
- e. Faulty work posture or use of vibratory tools.

Here, it cannot be gainsaid that Narbonita’s work was contributory in causing or, at least, increasing the risk of contracting his illness. His work history<sup>41</sup> shows that he joined NCLL in 1986. To recap, Narbonita was repatriated for the 2<sup>nd</sup> and final time on October 29, 2013, which would mean that he has been working as a seafarer for over 27 years already. Granting that Narbonita had osteoarthritic conditions prior to his February 24, 2013 embarkation, the Court agrees with the finding of the NLRC that the same does not obliterate the fact that the pain was suffered while in the course of his employment; and that Narbonita was able to show the nature of his work as Stateroom Steward, where he had to carry suitcases, lift heavy ice chests, lift beds when cleaning rooms, collect trash, *etc.*

Equally telling is the medical evaluation made by private physician, Dr. Runas:

In the case of Seaman Narbonita, he was prematurely cleared and returned to his strenuous job even though he is still having pain and recurrent swelling of the operated right knee. This is the reason why only a few days upon

<sup>40</sup> CA *rollo*, pp. 90-91.

<sup>41</sup> See Medical Reports; *id.* at 88-92.

returning to work. He can no longer bear the pain and walks with a limp. The physical therapy resulted in a very minimal effect in relation to joint pain and range of motion. The pain is persistent and unrelenting affecting his activities of daily living. The impediment is permanent and greatly affects his job. No amount of physical therapy can restore his premorbid capacity and performance level. He cannot tolerate prolonged standing or walking due to pain and even more difficult when going up the stairs. Pain on weight bearing makes it difficult to carry heavy items onboard. **As a Steward, he performs his duties sitting low, squatting and kneeling most of the time. With the painful knee, he is now unable to perform his job well.** Hence, a lifestyle modification and occupational change is advised [sic] to prevent early severe progression of the deformity. This impediment has ended his career as a seafarer. (Emphasis supplied)

The Court, in *Centennial Transmarine, Inc. v. Quiambao*,<sup>42</sup> had the opportunity to rule on a similar case where a seafarer was diagnosed with Osteoarthritis. We held therein that since a seafarer's work generally involves carrying heavy loads and the performance of other strenuous activities, it can reasonably be concluded that his work caused or at least aggravated his illness.

Moreover, according to the 2010 POEA-SEC,<sup>43</sup> an illness shall be *considered as pre-existing* if prior to the processing of the POEA contract, *any* of the following conditions is present: (a) the **advice of a medical doctor on treatment** was given for such continuing illness or condition; or (b) the seafarer had been **diagnosed and has knowledge** of such illness or condition, but failed to disclose the same during the PEME, and such cannot be diagnosed during the PEME.<sup>44</sup> Nothing on the records indicate that any of the aforesaid conditions are present here.

What's more, the LA correctly held that petitioners are to blame for prematurely declaring Narbonita as fit to work for another sea employment while still recovering from his previous knee surgery which eventually ripened to his current osteoarthritis. The Court agrees with the LA that petitioners cannot now be allowed to look the other way and assert pre-existing condition to avoid liability.

In sum, petitioners miserably failed to show any ground to warrant a disturbance of the findings and conclusions of not one, not two, but three different courts or tribunals.

Anent the claim for attorney's fees, the same was correctly granted following Article 2208 of the New Civil Code which allows its recovery in actions

<sup>42</sup> 763 Phil. 411 (2015).

<sup>43</sup> 2010 POEA-SEC, Definition of Terms, Item No. 11 (a) and (b).

<sup>44</sup> *Philisynergy Maritime, Inc. v. Gallano, Jr.*, G.R. No. 228504, June 6, 2018, 865 SCRA 456, 470-471.



for recovery of wages of laborers and actions for indemnity under the employer's liability laws, and prevailing jurisprudence.<sup>45</sup>

**WHEREFORE**, the Petition for Review on *Certiorari* is **DENIED**. The assailed December 2, 2015 and May 16, 2016 Resolutions of the Court of Appeals in CA-G.R. SP No. 141341 which affirmed the Resolution dated April 10, 2015 of the National Labor Relations Commission are hereby **AFFIRMED *in toto***. Legal interest is no longer imposed on the total award of US\$66,000.00 in view of the satisfaction of the amount already made on August 13, 2015.<sup>46</sup>

**SO ORDERED.**




**JOSE C. REYES, JR.**  
*Associate Justice*

**WE CONCUR:**



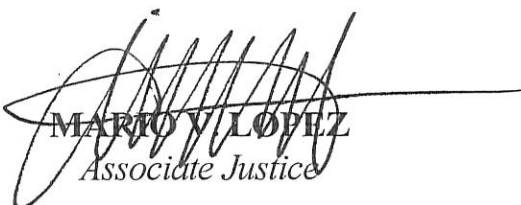
**DIOSDADO M. PERALTA**  
*Chief Justice*  
*Chairperson*



**ALFREDO BENJAMIN S. CAGUIOA**  
*Associate Justice*  
*Working Chairperson*



**AMY C. LAZARO-JAVIER**  
*Associate Justice*



**MARIO V. LOPEZ**  
*Associate Justice*

<sup>45</sup> *Abante v. KJGS Fleet Management Manila*, 622 Phil. 761, 771 (2009); *Philippine Transmarine Carriers, Inc. v. Tallafer*, G.R. No. 219923, June 5, 2017; *Nazareno v. Maersk Filipinas Crewing, Inc.*, 704 Phil. 625, 639 (2013).

<sup>46</sup> *Apines v. Elburg Shipmanagement Philippines, Inc.*, 799 Phil. 220, 251 (2016).

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**DIOSDADO M. PERALTA**  
*Chief Justice*