Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

CAREER PHILIPPINES SHIPMANAGEMENT, INC. and/or SAMPAGUITA MARAVE, and SOCIETE ANONYME MONEGASQUE ADMINISTRATIO MARITIME FT. AERIENNEMONACO, Petitioners, - versus - **SALVADOR T. SERNA,** Respondent.	**G.R. No. 172086** Present: CARPIO, *J.*, *Chairperson,* LEONARDO-DE CASTRO,* BRION, DEL CASTILLO, and PEREZ, *JJ.* Promulgated: DEC 0 3 2012

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DECISION

BRION, *J.*:

Before the Court is a petition for review on *certiorari*[1] assailing the decision[2] and the resolution[3] of the Court of Appeals (*CA*) in CA-G.R. SP. No. 91237. The CA rulings affirmed the resolutions[4] of the National Labor Relations Commission (*NLRC*) in NLRC NCR CA No. 036944-03 on the award of disability benefits to respondent Salvador T. Serna. The NLRC

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* Designated as Additional Member in lieu of Associate Justice Estela M. Perlas-Bernabe per Raffle dated November 26, 2012.

1 Under Rule 45 of the Rules of Court.

2 Dated January 12, 2006; penned by Associate Justice Remedios A. Salazar-Fernando, and concurred in by Associate Justices Hakim S. Abdulwahid and Estela M. Perlas-Bernabe (now a member of this Court); *rollo*, pp. 10- 22.

3 Dated March 13, 2006; *id.* at 24- 25.

4 Dated March 17, 2005, *id.* at 156-167; and dated August 22, 2005, *id.* at 168-170; penned by Commissioner Angelita A. Gacutan, and concurred in by Presiding Commissioner Raul T. Aquino and Commissioner Victoriano R. Calaycay.

resolutions in turn affirmed the labor arbiter's decision in NLRC OFW Case No. (M) 01-06-1064-00.[5]

Antecedent Facts

On October 20, 1998, Serna entered into a nine-month contract of employment with petitioners Career Philippines Shipmanagement, Inc. (*Career Phils.*) and Societe Anonyme Monegasque Administratio Maritime Ft. Aeriennemonaco (*Aeriennemonaco*). He was employed as a bosun for *M/V Hyde Park*, a chemical tanker, with a basic monthly salary of US$642.00. Serna was pronounced fit to work after the required pre-employment medical examination, and boarded the vessel on October 25, 1998.

Serna had worked for Career Phils. and its foreign principals since 1989, and he had always been hired to board chemical tankers. This was his third consecutive contract with Aeriennemonaco whose tankers transport chemicals such as methanol, phenol, ethanol, benzene, and caustic soda.

While on board *M/V Hyde Park*, Serna experienced weakness and shortness of breath. He lost much weight. On several occasions, he requested for medical attention, but his immediate superior, Captain Jyong, denied his requests since the tanker had a busy schedule.

Serna had no choice but to wait for his contract to finish on July 12, 1999. On July 14, 1999, upon his repatriation, he reported to the office of Career Phils. to communicate his physical complaints and to seek medical assistance. He was told that he would be referred to company-designated physicians.

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[5] Dated June 6, 2003; penned by Labor Arbiter Madjayran J. Ajan. *Id*. at 267-282.

On July 27, 1999, while waiting for the referral and with his condition worsening, Serna visited the University of Perpetual Health Medical Center (*UPHMC*). Dr. Cynthia V. Halili-Manabat diagnosed him to be suffering from toxic goiter, and attended to him from July 27 to August 25, 1999.

On August 3, 1999, Serna received instructions from Career Phils. for him to report to the Seaman's Hospital for a pre-employment medical examination on August 5, 1999. The hospital's company-designated physicians diagnosed him with atrial fibrillation and declared him unfit to work.

In the meantime, he continued with his medical treatment at the UPHMC. A second personal physician, Dr. Edilberto C. Torres, concurred with the toxic goiter diagnosis.

Not fully aware of his rights, Serna sought legal assistance only in March 2001. On April 3, 2001, his counsel sent Career Phils. a written demand for the payment of disability benefits. Denial of the demand prompted him to file a complaint for disability benefits and damages on June 5, 2001.

On June 16, 2001, Serna underwent a medical examination at Supra Care Medical Specialists. Dr. Jocelyn Myra R. Caja stated that he has had a history of goiter with thyrotoxicosis since 1999, and further diagnosed him with thyrotoxic heart disease, chronic atrial fibrillation, and hypertensive cardiovascular disease. She gave him a disability rating of Grade 3 which –

under the parties' collective bargaining agreement (*CBA*)[6] – is classified as permanent medical unfitness that entitles the covered seafarer to a 100% compensation.

The Labor Arbitration Rulings

Serna alleged before the labor arbiter that he acquired his illness during his employment with the petitioners, and that the illness was work-related, considering the toxic chemicals regularly transported by the petitioners' tankers. He sought disability benefits pursuant to the *Philippine Overseas Employment Administration Standard Employment Contract Governing the Employment of Filipino Seafarers on Board Ocean-Going Vessels* (*POEA-SEC*) and the CBA that the petitioners had executed with TCCC-Amosup.[7]

The petitioners denied any liability. They emphasized that Serna's repatriation was due to a finished contract; that he performed all his duties under this contract without complaint of any illness; and that the *M/V Hyde Park* logbook did not contain any record that he had suffered or complained of any injury or illness on board the vessel. They presented the *Discharge Receipt and Release of Claim* he had executed to allegedly release them from all liabilities. They claimed that Serna failed to submit himself to a post-employment medical examination by a company-designated physician within three (3) working days from his return, contrary to the terms of the POEA-SEC. They added that in August 1999, Serna sought re-employment but had to be turned away as they had no vacancies. Eventually, on February 15, 2001, Serna tendered them a resignation letter, which the petitioners

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6 *Rollo*, pp. 206- 220.
7 *Ibid.*

presented, wherein he asked for his personal documents with the petitioners as he would be seeking employment elsewhere.

Labor Arbiter Madjayran J. Ajan gave credence to Serna's version of events. As company-designated physicians did not issue Serna's impediment grade, the labor arbiter adopted the grading given by his personal physician. He ruled in this wise:

> Thus, considering that there was a showing that the illness of complainant was contracted during the term of his employment contract and such illness continues to exist, resulting to complainant's disability with a grade of 3, Complainant is therefore entitled to 100% compensation in the amount of US$60,000.00 under the reconciled provisions of the TCCC-AMOSUP CBA more particularly the Permanent Medical Unfitness provisions with that of the minimum terms of the POEA Standard Employment Contract.
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> As to the issue of damages, this office finds the claim of complainant unmeritorious for failure to prove that there was malice, bad faith or fraud in respondents' acts of denying the claim for disability benefits.
>
> However, complainant is entitled to ten percent (10%) of the total award as and by way of attorney's fees.[8]

On the petitioners' appeal, the NLRC affirmed the labor arbiter's decision *in toto*.[9] The labor tribunal added that Serna's resignation letter cannot negate his right to disability benefits.[10] The petitioners moved for the reconsideration of the ruling, but their motion was denied. They elevated the case to the CA by way of a petition for *certiorari* under Rule 65 of the Rules of Court.

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8 *Id*. at 280-281.
9 *Supra* note 4.
10 *Id*. at 165.

The CA Ruling

The CA affirmed the award of disability benefits but deleted the award of attorney's fees.[11] It presented several reasons for its ruling. *First.* The factual findings of the labor arbiter when affirmed by the NLRC are given great weight and respect when devoid of arbitrariness and supported by substantial evidence.[12] There is substantial evidence that Serna's illness occurred during the term of his employment. *Second.* Serna's *Discharge Receipt and Release of Claim* does not specifically include an express waiver of disability benefits. *Third*. While no company-designated physician examined Serna within the required period, this was excused by the petitioners' failure to designate the said physician to conduct the examination within the said period. *Fourth.* The attorney's fees must be deleted as the factual basis therefore was not discussed in the labor arbiter's and the NLRC's decisions.

The CA denied the petitioners' motion for reconsideration. Hence, the present petition for review under Rule 45 of the Rules of Court.

The Present Petition

In this petition, we are asked to consider the following question:

> *Does Section 20(B) of the POEA Standard Employment Contract, which is the governing law between the parties, grant disability benefits to a seafarer who was repatriated due to finished contract, and with no medical records onboard showing that he was ill at the time of disembarkation from the vessel nor was there any request from the seafarer within three (3) working days upon his return for post-employment medical examination?*[13] (italics ours)

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11 *Supra* note 2, at 21.
12 *Id*. at 16, citing *Security and Credit Investigation, Inc. v. NLRC*, 403 Phil. 264 (2001).
13 *Rollo*, pp. 31, 572-573.

In the main, the petitioners assail the award of disability benefits to Serna on the ground of his alleged non-compliance with the mandatory reporting requirement of the POEA-SEC.[14] In addition, they insist that no substantial evidence exists (a) that Serna had acquired the illness during the employment contract, and (b) that his illness was work-related.[15]

The Court's Ruling

We affirm the ruling of the CA.

As the subject employment contract is dated October 20, 1998, the POEA-SEC prescribed by POEA Memorandum Circular No. 5541, series of 1996[16] (*1996 POEA-SEC*) and its related jurisprudence shall aid in our disposition.

The parameters of a Rule 45 appeal on the CA's decision in a labor case

The issues the petitioners raise unavoidably assail common factual findings of the labor arbiter, the NLRC, and the CA.

As a rule, only questions of law may be raised in a Rule 45 petition. In one case, we discussed the particular parameters of a Rule 45 appeal from the CA's Rule 65 decision on a labor case, as follows:

> In a Rule 45 review, we consider the correctness of the assailed CA decision, in contrast with the review for jurisdictional error that we undertake under Rule 65. Furthermore, Rule 45 limits us to the review of questions of law raised against the assailed CA decision. In ruling for

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14 *Id*. at 515.
15 *Id*. at 45.
16 See *Maunlad Transport, Inc. v. Manigo, Jr.*, G.R. No. 161416, June 13, 2008, 554 SCRA 446.

> legal correctness, we have to view the CA decision in the same context that the petition for *certiorari* it ruled upon was presented to it; **we have to examine the CA decision from the prism of whether it correctly determined the presence or absence of grave abuse of discretion in the NLRC decision before it, not on the basis of whether the NLRC decision on the merits of the case was correct**. In other words, we have to be keenly aware that the CA undertook a Rule 65 review, not a review on appeal, of the NLRC decision challenged before it.[17] (citations omitted; italics and emphasis supplied)

Accordingly, we do not re-examine conflicting evidence, re-evaluate the credibility of witnesses, or substitute the findings of fact of the NLRC, an administrative body that has expertise in its specialized field.[18] Nor do we substitute our "own judgment for that of the tribunal in determining where the weight of evidence lies or what evidence is credible."[19] The factual findings of the NLRC, when affirmed by the CA, are generally conclusive on this Court.[20]

Nevertheless, there are exceptional cases where we, in the exercise of our discretionary appellate jurisdiction, *may* be urged to look into factual issues raised in a Rule 45 petition. For instance, when the petitioner *persuasively* alleges that there is insufficient or insubstantial evidence on record to support the factual findings of the tribunal or court *a quo*,[21] as Section 5, Rule 133 of the Rules of Court states in express terms that in cases filed before administrative or quasi-judicial bodies, a fact may be deemed established only if supported by substantial evidence.[22]

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17 *Montoya v. Transmed Manila Corporation*, G.R. No. 183329, August 27, 2009, 597 SCRA 334, 342-343.

18 *Cabuyoc v. Inter-Orient Navigation Shipmanagement, Inc.*, G.R. No. 166649, November 24, 2006, 508 SCRA 87, 99.

19 *Sarocam v. Interorient Maritime Ent., Inc*., 526 Phil. 448, 454 (2006).

20 See *Cootauco v. MMS Phil. Maritime Services, Inc.*, G.R. No. 184722, March 15, 2010, 615 SCRA 529, 541.

21 *Id*. at 541-542.

22 See *Cabuyoc v. Inter-Orient Navigation Shipmanagement, Inc.*, *supra* note 18, at 100.

The petition specifically questions two factual findings made below: *First*, that Serna's illness was acquired during the term of his employment contract; and *second*, that he duly presented himself to Career Phils. for a post-employment medical examination.[23]

Work-relatedness of illness is irrelevant to the 1996 POEA-SEC

We dismiss at the outset the petitioners' contention on the causal connection between Serna's illness and the work for which he was contracted. In support, they cite "The World Book Illustrated Home Medical Encyclopedia," particularly its 1984 Revised Print, in stating that the causes of toxic goiter or thyrotoxicosis are unknown.[24]

The causal connection the petitioners cite is a factual question that we cannot touch in Rule 45.[25] The factual question is also irrelevant to the 1996 POEA-SEC. In *Remigio v. National Labor Relations Commission*,[26] we expressly declared that illnesses need not be shown to be work-related to be compensable under the 1996 POEA-SEC, which covers *all* injuries or illnesses occurring in the lifetime of the employment contract. We contrast this with the 2000 POEA-SEC[27] which lists the compensable occupational diseases. Even granting that work-relatedness may be considered in this case, we fail to see, too, how the idiopathic character of toxic goiter and/or thyrotoxicosis excuses the petitioners, since it does not negate the probability, indeed the *possibility*, that Serna's toxic goiter was caused by the undisputed work conditions in the petitioners' chemical tankers.

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23 *Rollo*, p. 31.
24 *Id*. at 47-48.
25 *Montoya v. Transmed Manila Corporation*, *supra* note 17, at 344.
26 521 Phil. 330 (2006).

Substantial evidence exists that Serna acquired his illness during his employment

Under the 1996 POEA-SEC, it is enough that the seafarer proves that his or her injury or illness was acquired during the term of employment to support a claim for disability benefits.[28] The petitioners claim that there is no substantial evidence on this point.

We do not find this claim to be persuasive.

In support of this point, Serna attached the following to his complaint: (a) the October 1998 contract; (b) the medical certificate issued by Dr. Manabat; (c) the medical certificate issued by Dr. Torres; (d) the August 5, 1999 Seaman's Hospital Pre-Employment Medical Examination; and (e) the medical certificate issued by Dr. Caja. We find it significant that Serna was declared fit to work in the pre-employment medical examination for the October 1998 contract. He was not in this same state, however, when he disembarked. As the CA explained:

> The presumption that private respondent Serna was healthy and fit at the time he started working for the petitioners gains special prominence, considering that he would not have been employed by the petitioners and would not have passed the required Pre-employment Medical Examination, had he not been "medically and technically qualified." It certainly strains credulity to take petitioners' stance that private respondent Serna's illness was acquired by him after he signed-off their vessels or immediately after his contract of employment with them. Private respondent Serna's illness is not a simple cough or colds that could have been acquired in a matter of days.
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> This Court finds the evidence in favor of private respondent Serna substantial and convincing. That he was not well and was really ill after

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[27] The 2000 POEA-SEC took effect on June 25, 2000. See *Maunlad Transport, Inc. v. Manigo, Jr.*, *supra* note 16, at 457.

[28] See *NYK-Fil Ship Management, Inc. v. Talavera*, G.R. No. 175894, November 14, 2008, 571 SCRA 183, 197; and *Micronesia Resources v. Cantomayor*, G.R. No. 156573, June 19, 2007, 525 SCRA 42, 49.

> his disembarkation from petitioners' vessel is confirmed by the fact that he immediately went to see a doctor, approximately fifteen (15) days after his arrival in the Philippines, i.e.[,] July 27, 1999, and was diagnosed of having toxic goiter. Again, when private respondent Serna was examined by a company-designated physician during the pre-employment medical examination on August 5, 1999 at the Seaman's Hospital, he was found to be suffering from Atrial Fibrillation and was declared unfit to work. These facts could only suggest, considering that the tests were conducted closely near to private respondent Serna's disembarkation from the vessel of his latest employment, that the causative circumstances leading to his illness transpired prior to his disembarkation and during the course of his employment with the petitioners.[29] (citations omitted)

We find no arbitrariness in the appellate court's appreciation of the evidence on record and see no reason to disturb its conclusion on its evidentiary weight, specifically, its substantiality. We reiterate that substantial evidence is more than a mere scintilla. It is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion, *even if other minds, equally reasonable*, might conceivably opine otherwise.[30]

In support of their position, the petitioners insist that Serna was healthy during their contract as he allegedly did not complain of any injury or illness on board *M/V Hyde Park*. They claim that its logbook, supposedly a repository of all its incidents, is bereft of record on this point, and that Captain Jyong, Serna's superior, did not hear any complaint from him. Despite this position, the petitioners, significantly, never presented the logbook to support their claim. Neither did they present proof to support their claim regarding the ship captain. "A party alleging a critical fact must support [the] allegation with substantial evidence."[31] Without such evidence, the petitioners' statements with respect to the vessel logbook and to what Captain Jyong did or did not hear remain hearsay. At any rate, we effectively

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29 *Supra* note 2, at 17-18.

30 *Abosta Shipmanagement Corporation v. National Labor Relations Commission (First Division)*, G.R. No. 163252, July 27, 2011, 654 SCRA 505, 513-514.

31 *Cootauco v. MMS Phil. Maritime Services, Inc.*, *supra* note 20, at 544.

stated in *Abosta Shipmanagement Corporation vs. National Labor Relations Commission (First Division)*[32] that the Court does not deem a logbook to be a comprehensive and exclusive record of all the incidents in a vessel.

We are satisfied, from the discussions of the labor arbiter, the NLRC, and the CA, that substantial evidence on record exists to support their factual findings on this point. It is inconsequential that Serna's repatriation was due to a finished contract as an employee's claim cannot be defeated by the mere fact of his separation from the service.[33]

No forfeiture of right to claim disability benefits in this case

With Serna's right to claim disability benefits established, we proceed to the second assailed fact – the determination of whether he has forfeited the right to file a claim. The 1996 POEA-SEC, specifically Section 20(B)(3),[34] requires that a disability claim be supported by a proper post-employment medical report;[35] otherwise, the seafarer forfeits the right to claim the benefits.

The labor arbiter, the NLRC, and the CA are one in finding that on July 14, 1999, **or two days after his repatriation**, Serna reported to the office of Career Phils. specifically to report his medical complaints, only to

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32 *Supra* note 30, at 518.

33 *Ijares v. Court of Appeals*, 372 Phil. 9 (1999).

34 Section 20(B), paragraph 3 of the POEA-SEC reads:

> 3. Upon sign-off from the vessel for medical treatment, the seafarer is entitled to sickness allowance equivalent to his basic wage until he is declared fit to work or the degree of permanent disability has been assessed by the company-designated physician, but in no case shall this period exceed one hundred twenty (120) days.
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> For this purpose, the seafarer shall submit himself to a post-employment medical examination by a company-designated physician within three working days upon his return except when he is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. Failure of the seafarer to comply with the mandatory reporting requirement shall result in his forfeiture of the right to claim the above benefits.

35 *Micronesia Resources v. Cantomayor*, *supra* note 28, at 52.

be told to wait for his referral to company-designated physicians. The referral came not on the following day, but nearly three (3) weeks after, on August 3, 1999.

We see no reason to disturb the lower tribunals' finding. While Serna's *verified* claim with respect to his July 14, 1999 visit to the petitioner's office may be seen by some as a bare allegation, we note that the petitioners' corresponding denial is itself also a bare allegation that, worse, is unsupported by other evidence on record. In contrast, the events that transpired after the July 14, 1999 visit, as extensively discussed by the CA above, effectively served to corroborate Serna's claim on the visit's purpose, *i.e.*, to seek medical assistance. Under these circumstances, we find no grave abuse of discretion on the part of the NLRC when it affirmed the labor arbiter ruling and gave credence to Serna on this point. Under the evidentiary rules, a positive assertion is generally entitled to more weight than a plain denial.

We note on this point that the obligation imposed by the mandatory reporting requirement under Section 20(B)(3) of the 1996 POEA-SEC is not solely on the seafarer. It requires the employer to likewise act on the report, and in this sense partakes of the nature of a reciprocal obligation. Reciprocal obligations are those which arise from the same cause, and where each party is effectively a debtor and a creditor of the other, such that the obligation of one is dependent upon the obligation of the other.[36] While the mandatory reporting requirement obliges the seafarer *to be present* for the post-employment medical examination, which must be conducted within three (3) working days upon the seafarer's return, it also poses the employer the

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[36] See *Cortes v. Court of Appeals*, 527 Phil. 153, 160 (2006), *citing* Tolentino, Arturo, *Commentaries and Jurisprudence on the Civil Code of the Phils.*, Vol. IV, 1985 edition, p. 175.

implied obligation to conduct a meaningful and timely examination of the seafarer.

The petitioners failed to perform their obligation of providing timely medical examination, thus rendering meaningless Serna's compliance with the mandatory reporting requirement. With his July 14, 1999 visit, Serna clearly lived up to his end of the agreement; it was the petitioners who defaulted on theirs. They cannot now be heard to claim that Serna should forfeit the right to claim disability benefits under the POEA-SEC and their CBA.

The Court has in the past, *under unique circumstances*, sustained the award of disability benefits even if the seafarer's disability had been assessed by a personal physician. In *Philippine Transmarine Carriers, Inc. v. NLRC*,[37] we affirmed the grant by the CA and by the NLRC of disability benefits to a claimant, based on the recommendation of a physician not designated by the employer. The "claimant consulted a physician of his choice when the company-designated physician refused to examine him."[38] In *Cabuyoc v. Inter-Orient Navigation Shipmanagement, Inc.*,[39] we reinstated the NLRC's decision, affirmatory of that of the labor arbiter, which awarded sickness wages to the petitioner therein even if his disability had been assessed by the Philippine General Hospital, not by a company-designated hospital. Similar to the case at bar, the seafarer in *Cabuyoc* initially sought medical assistance from the respondent employer but it refused to extend him help.[40]

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37 405 Phil. 487 (2001).

38 *Maunlad Transport, Inc. v. Manigo, Jr.*, *supra* note 16, at 458.

39 *Supra* note 18.

40 *Id*. at 90.

The above cases are in line with the Court's declared liberal stance on the mandatory reporting requirement under the 1996 POEA-SEC and its earlier versions. In *Maunlad Transport, Inc. v. Manigo, Jr.*,[41] we declared:

> However, even prior to its amendment, Section 20-B(3) of the 1996 POEA had long been liberally construed by the Court to mean that while it is a condition *sine qua non* to the filing of claim for disability benefit that, within three working days from his repatriation, the claimant submits himself to medical examination by a company-designated physician, the assessment of said physician is not final, binding or conclusive on the claimant, the labor tribunal or the courts.
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> In *Crystal Shipping, Inc. v. Natividad*, where the 1996 POEA-SEC was controlling, the Court upheld the medical report issued by the claimant's doctor of choice and disregarded that of the company-designated physician in view of the glaring apparent inconsistency in the latter's medical report between the classification of claimant's disability as Grade 9 and the fact stated that said claimant had been unable to work for three years, which condition makes his disability permanent and total.
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> Likewise, in *Seagull Maritime Corp. v. Dee*, involving a 1999 overseas contract, the Court sustained the NLRC and CA that the medical reports issued by the physicians of choice of the claimant were more in accord with the evidence, and rejected the one issued by the company-designated physician for inconsistency between the recommendation that the disability of the claimant is at Grade 11 only and the finding explicitly stated therein that "there is no guarantee that [claimant] will be able to return to his previous strenuous work." There the Court categorically ruled that "nowhere x x x did we hold that the company-designated physician's assessment of the nature and extent of a seaman's disability is final and conclusive on the employer company and the seafarer-claimant x x x while it is the company-designated physician who must declare that the seaman suffered a permanent disability during employment, it does not deprive the seafarer the right to seek a second opinion." The Court emphasized this view in *Micronesia Resources v. Cantomayor*. [citations omitted, italics supplied]

Thus, we find it proper that the labor arbiter used the disability grading given by Serna's personal physician in determining his disability compensation. The labor arbiter had no choice; although the petitioners' designated physicians at the Seaman's Hospital declared Serna to be unfit for work on August 5, 1999, they omitted to assess his disability grading.

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41 *Supra* note 16, at 457-458.

As a final point, the petitioners' discussion on the distinction between disability benefits under the Labor Code and those under the 1996 POEA-SEC holds no particular significance in this case. The discussion was prompted by the petitioners' observation that while Serna sought benefits under the 1996 POEA-SEC, he alleged that he had been ill for more than 120 days. The mistake, however, cannot defeat Serna's claim. The petitioners omit to mention that Serna claimed disability benefits under the parties' CBA, not simply under the 1996 POEA-SEC.[42] In *Vergara v. Hammonia Maritime Services, Inc.*,[43] we stated that the POEA-SEC is supplemented by the CBA between the owner of the vessel and the covered seafarers. In this case, the pertinent CBA provides:

> *Permanent Medical Unfitness — A seafarer whose disability is assessed at 50% or more under the POEA Standard Employment Contract, shall for the purpose of this paragraph is regarded as permanently unfit for further sea service in any capacity and entitled to 100% compensation, i.e. US$80,000 for officers and US$60,000 for ratings.*[44]

For this reason, what is pertinent to Serna's claim is his proof that he had been issued a disability grading of "3." As the CA correctly noted, an Impediment Grade of 3 under the Schedule of Disability Allowances in Section 30-A of the 1996 POEA-SEC is equivalent to a 78.36% disability assessment.

In light of the above conclusions, we hold that the CA correctly found that the NLRC committed no grave abuse of discretion in awarding disability benefits to Serna.

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42 *Id*. at 212.
43 G.R. No. 172933, October 6, 2008, 567 SCRA 610.
44 *Rollo*, p. 166.

In light of the above conclusions, we hold that the CA correctly found that the NLRC committed no grave abuse of discretion in awarding disability benefits to Serna.

WHEREFORE, premises considered, we hereby **AFFIRM** the decision of the Court of Appeals in CA-G.R. SP. No. 91237.

SO ORDERED.

ARTURO D. BRION
Associate Justice

WE CONCUR:

ANTONIO T. CARPIO
Associate Justice
Chairperson

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

ATTESTATION

I attest 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.

ANTONIO T. CARPIO
Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, 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.

MARIA LOURDES P. A. SERENO
Chief Justice