

REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. BARTOLOME LIM AND WORKMEN'S COMPENSATION COM-MISSION, RESPONDENTS.

G.R. No. L-32109. October 29, 1971

Ponente: CASTRO, J.

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CASTRO, J.:

Petition for review of the order dated February 9, 1970 of the Workmen's Compensation Commission (in RO4-114879) and its resolution dated April 23, 1970, dismissing for lack of jurisdiction a petition for relief, filed with the Commission by the Solicitor General (representing the petitioner Republic of the Philippines), from a final and executory letter-award of a referee of the Commission granting compensation benefits to the herein respondent Bartolome Lim.

On December 2, 1969 acting chief referee Atanacio Mardo of the Regional Office 4 in Manila, pursuant to endorsements of the Office of the Solicitor General that it "will not controvert the claim" of the respondent Lim, a district engineer employed with the Bureau of Public Highways, adjudicated in favor of the latter the following benefits under the Workmen's Compensation Act (hereinafter referred to as the WCA), to wit:

- (a) P4,099.95 as "reimbursement of medical expenses" under section 13 of the WCA;
- (b) P2,076.90 for incapacity for labor under section 14 of the WCA; and
- (c) P6,000.23 for permanent partial disability under section 18 of the WCA.

Items (b) and (c) above were, in the same letter-award, reduced to P6,000 as this latter sum is the maximum disability benefit allowed under the WCA.

The foregoing award became final and executory on January 3, 1970, after the Solicitor General failed, within the extended period granted to him, to file any motion for reconsideration or appeal or petition for review with the Commission.

On January 30, 1970 the Solicitor General filed with the Commission a petition for relief under section 1, Rule 381[1] of the Rules of Court, seeking (a) the setting aside of that portion of the award adjudicating the sum of P6,000.23 in favor of Lim; and (b) the reduction of the sum of P4,099.95 as reimbursement of medical expenses. The Solicitor General alleged:

"4. That petitioner's failure to perfect its appeal from the said letter-award is due to excusable negligence, as shown by the following facts:

"(a) The undersigned Solicitor to whom this case is assigned went on vacation leave to replenish his worn out energies from December 22, 1969 to January 4, 1970;

"(b) Upon his resumption of work on January 5, 1970, he found a big heap of papers that were received while

he was on leave pertaining to a great majority of the no less than 429 active assorted cases he was then handling;

“(c) In his zeal to read and act upon those papers, he overlooked the instant case, the records of which he kept in his cabinet before he went on leave;

“(d) However, when he got through with said papers as well as the 20 new assorted cases assigned to him since his return to the office on January 5, 1970, he took a look at his old cases and discovered that in the meantime the period for perfecting an appeal from the letter-award had already expired, hence, the instant petition for relief under Rule 38, Rules of Court.”

On February 9, 1970 the Commission, through one of its commissioners, issued an order dismissing the mentioned petition "for the reason that matters of this nature fall within the jurisdiction of the Regional Office."

On March 13, 1970 the Solicitor General filed a motion for reconsideration of the foregoing order on the ground that the Commission has jurisdiction to entertain the petition for relief —

". . . because the Regional Office which rendered the award is analogous to an inferior court and the Workmen's Compensation Commission, to a Court of First Instance, and considering that the Rules of Court as a whole are supplementary to the Rules of the Workmen's Compensation Commission (Sec. 1, Rule 23, Rules of the Workmen's Compensation Commission), Rule 38 of the Rules of Court applies to the said petition for relief in a supplementary character because the Rules of the Workmen's Compensation Commission did not in particular provide for the procedure to be taken in petitions for relief."

On April 23, 1970 the Commission en banc approved a resolution denying the said motion, for the following reasons:

"We do not the least doubt the fact that the Supreme Court had impliedly recognized the authority of the Commission to pass upon the merit of a petition for relief from judgment rendered by the referee. But that was true under the old set-up or under Republic Act 772, when the Workmen's Compensation Commission was an independent body vested by law with the original and exclusive jurisdiction to hear and decide workmen's compensation claims. Unlike today, where the Workmen's Compensation Commission is but an adjunct of the Bureau of Workmen's Compensation and performs appellate functions. Hence, the cited ruling of the Supreme Court [in Republic vs. Cesario de Leon, G.R. No. L-9868, June 28, 1957; 54 O.G. No. 3, pp. 663-668] does not apply.

"Our consistent policy to refrain from taking an original action on a petition for relief from judgment rendered by the regional office is not without reason. In fact, said policy was aimed at giving more emphasis on the line that divides the powers of the Commission and the regional offices, with the end in view of avoiding one office unduly exercising the powers and functions belonging to the other and vice-versa. Such purpose could easily be reduced to naught if we ever concede to and accept the view expressed by the respondent that this Commission, and not the regional office, has the original jurisdiction to entertain a petition for relief from judgment. Why is it so? Because under the Rules of Court, when the Court of First Instance finds the ground relied on by the petitioner in a petition for relief from judgment rendered by the inferior court to be meritorious, it is by law authorized to set aside the decision from which relief is sought and proceed with the trial or hearing of the case as if the same had been regularly brought up by appeal. (Section 7, Rule 38, Rules of Court). This kind of procedure is legally allowable in the Court of First Instance because said court has both the appellate power to review the decision of the inferior court and the power to hear and try de novo cases originally falling within the jurisdiction of said inferior court. This latter power of the Court of First Instance is not shared by the Workmen's Compensation Commission for what the law (Act 3428, as amended by RA 4119) and the Rules (of the WCC) had seen fit to grant it, is only the power to review. It cannot originally hear and decide the claim should it come out, after hearing the petition for relief from judgment, that the ground relied on by the petitioner is meritorious."

In due time, the Solicitor General filed the present petition for review, based on the same grounds alleged in the mentioned motion for reconsideration.

The position adopted by the Commission which, in essence, is that since it cannot originally hear and decide a workmen's compensation case it does not have any jurisdiction to take cognizance of a petition for relief from a judgment of a referee, finds no adequate leverage in either the statutes or the decisions of this Court.

The WCA, as amended by R.A. 4119, did vest in the referee original jurisdiction over all workmen's compensation cases (secs. 7 and 48, WCA), and did provide that the Commission shall have the power to review the decisions and awards of a referee. However, the Commission, under the new arrangement and division of powers brought about by R.A. 4119 between it and the referees, did not thereby lose its authority and jurisdiction to grant relief from an assailed award or decision of a referee. Under the WCA (even after its amendment by R.A. 4119), the Commission retained the power and authority granted to it by the WCA, as amended by R.A. 772, to make its own factual findings relative to a controversy before it. Section 47 of the WCA thus provides:

"SEC. 47. General powers and duties.-- The Commissioner shall have full power and authority:

"(a) To take charge of the administration of the Workmen's Compensation Act.

"(b) To hear and determine all claims for compensation under this Act in the manner herein provided; to require and order medical service for injured employees as provided herein; to approve and fix attorney's fees and claims for medical services; to excuse failure to give notice either of injury, sickness or death of an employee; to approve agreements, make, modify or rescind awards, and make findings of fact and rulings of law; to determine the time for payment of compensation and order reimbursements of employers for amounts advanced; to assess penalties, compute awards, and compromise actions for the collection of awards; to require and order physical examinations of injured employees; and to exercise such other powers as may be necessary to carry out the purposes of this Act. . . ." (italics ours)

In addition, section 49 of the WCA provides, *inter alia*:

"SEC. 49. Procedure. – Any dispute or controversy concerning compensation under this Act shall be submitted to the Commissioner as provided herein.

"Hearing shall be held by the Commissioner upon his own motion or upon the application of any party interested therein. He shall cause reasonable notice of such hearing to be given to each party interested, in service upon him personally or mailing a copy thereof to him at his last known post office address. Such hearing may be adjourned from time to time in the discretion of the Commissioner and may be heard at such place or places as he shall designate. All parties in interest shall have the right to be present at any hearing in person or by counsel or by any other agent, or representative, to present such testimony as may be pertinent to the controversy before the Commissioner and to cross-examine the witnesses against them."

Contrary then to the impression of the Commission that it merely sits passively to review the decisions and awards of a referee, the foregoing provisions of the WCA clearly empower it to actively and directly inform itself on the particulars of any controversy or compensation claim pending before it. Its functions, therefore, are not merely that of simply reading the evidence already on record. As an active participant in the broad process of determining the viability in law of a compensation claim, the Commission, in the absence of a specific rule to the contrary, performs, in this respect, a function not substantially different in scope and nature from that of a court of first instance. Since the Rules of Court apply to workmen's compensation cases in a suppletory manner, the Commission, in a proper case, may grant relief from a judgment rendered by a referee under Rule 38 of the Rules of Court. This authority of the Commission, which has been recognized in several cases decided by this Court,[2] was not abrogated by R.A. 4119 when this amended the WCA on June 20, 1964.

But while this Court recognizes the authority of the Commission to grant relief from judgment under Rule 38 of the Rules of Court, it is also quite clear that the grounds adduced by the petitioner in the case at bar do not constitute excusable negligence.

A copy of the award in question was received by the solicitor assigned to the case on December 4, 1969. He had, therefore, until December 19, 1969 within which to file a petition for review with the Commission. This period was, upon his request, extended for 15 days from December 19, 1969, or to January 3, 1970. The said solicitor, however, went on leave from December 22, 1969 to January 5, 1970. In failing to take the necessary and appropriate precautions required by the circumstances, which resulted in his being unable to take an appeal from the said award of the referee, the said solicitor has only himself to blame.

Moreover, it must be observed that the claim of the respondent Lim was never controverted by the Solicitor General who, in point of fact, even unmistakably and explicitly represented to the referee that the Government was not contesting the said claim. The petitioner is thus deemed to have waived or renounced, by operation of law, its right to question the validity or reasonableness of the respondent Lim's claim for compensation under the WCA.[3]

ACCORDINGLY, the instant petition is hereby denied. No pronouncement as to costs.

Concepcion, C.J., Reyes, Makalintal, Zaldivar, Fernando, Teehankee, Barredo, and Villamor, JJ., concur. Makasiar, J., did not take part.

[1] "Section 1. Petition to Court of First instance for relief from judgment of inferior court.— When a judgment is rendered by an inferior court in a case, and a party thereto, by fraud, accident, mistake or excusable negligence, has been unjustly deprived of a hearing therein, or has been prevented from taking an appeal, he may file a petition in the Court of First Instance of the province in which the original judgment was rendered, praying that such judgment be set aside and the case tried upon its merits."

[2] Republic vs. De Leon, G.R. No. L-9868, June 28, 1957; Buenaflor vs. De Leon, G.R. No. L-7583, May 25, 1955, 97 Phil. 78; Fuentes vs. Binamira, G.R. No. L-14965, August 31, 1961, 2 SCRA 1133; and Filipino Pipe & Foundry Corp. vs. W.C.C., G.R. No. L-20381, December 24, 1963, 9 SCRA 721.

[3] Talisay-Silay Co., Inc. vs. W.C.C., G.R. No. L-22096, September 29, 1967, 21 SCRA 371, and cases cited therein.

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