

THE BOARD OF ADMINISTRATORS, PHILIPPINE VETERANS ADMINISTRATION, PETITIONER, VS. HON. MARIANO V. AGCAOILI, AS PRESIDING JUDGE OF THE COURT OF FIRST INSTANCE OF MANILA, BRANCH XX...

G.R. No. L-38129. July 23, 1974

Ponente: CASTRO, J.

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CASTRO, J.:

The petitioner Philippine Veterans Administration seek a review of the decision rendered by the Court of First Instance of Manila, Branch XXIX in its civil case 90373, ordering it to extend to Mauro Abrera, his wife and minor children, the full benefits provided by section 9 of Republic Act 65, as amended by Republic Acts 1920 and 5753, which section recites:

"The persons mentioned in sections one and two hereof who are permanently incapacitated from work owing to sickness, disease or injuries sustained in line of duty, shall be given a life pension of two hundred pesos a month, and thirty pesos a month for his wife and each of his unmarried minor children below eighteen years of age, unless they are actually receiving a similar pension from other Government funds, and shall receive, in addition, the necessary hospitalization and medical care."

On March 28, 1973 Abrera, a veteran-grantee of disability benefits under Republic Act 65, as amended, sought, through mandamus proceedings instituted in the court a quo, to compel the petitioner to pay differential pensions as well as allowances allegedly due to him, his wife and minor children, pursuant to the above-quoted section 9 of Republic Act 65, as amended. The petitioner duly answered the petition.

Thereafter, the parties submitted a stipulation of facts, the relevant paragraphs of which read:

"4. Without subjecting him [Abrera] to a physical examination to determine whether he was 'permanently incapacitated from work,' the Philippine Veterans Board now Philippine Veterans Administration) provisionally approved petitioner's claim on November 22, 1947, awarding him P50.00 monthly pension pursuant to section 9 of RA 65, payment to take effect on May 29, 1947, subject to re-rating upon submission of his physical examination.

"5. Upon examination, however, the injury was not found to have 'permanently incapacitated' the petitioner from work, so as to be entitled to the full benefits of section 9 of RA 65.

"6. The Philippine Veterans Administration therefore applied to him the rating schedule which allows benefits for injuries which only temporarily incapacitate an applicant from work.

"7. Under the schedule, the injury was rated 50% only. - or that it incapacitated him from work only to the extent of 50%. - and his monthly pension was therefore reduced from P50.00 to P25.00.

"8. After another physical examination, he was rated 75% and his monthly pension was increased from P25.00 to P35.00.

"9. When RA 1920 was implemented on July 1, 1963, petitioner's monthly pension was automatically doubled and became P75.00.

"10. Due to the fact that the effect of his injury on his capacity to work is variable as it could heal and allow him to work at a later time, his pension was subjected to re-rating upon physical examination.

"11. After another physical examination, it was found that petitioner's disability incapacitated him from work by only 60%; and his monthly pension was therefore reduced to P60.00, which he has been receiving up to the present.

"12. In view of the fact that the disability of petitioner was rated 60% only, his wife and minor children were not granted a monthly allowance of P30.00 each under section 9 of RA 65, as amended by RA 5753, because his disability was not found to have permanently incapacitated him from work, so as to make said section applicable to him."

Upon the facts thus stipulated and the respective memoranda thereafter submitted by the parties, the court rendered judgment on December 26, 1973, awarding Abrera full pension benefits, including allowances for his wife and minor children, and attorney's fees, with costs against the petitioner.

Hence, this appeal by the Government.

1. The courts a quo predicates its judgment in civil case 90373 on the stipulation of facts submitted by the parties. In addition, the court relies on the Begosa[1] and Teoxon[2] cases in ruling that Abrera merits the full pension benefits assured by Republic Act 65, as amended, to deserving war veterans "who are permanently incapacitated from work owing to sickness, disease, or injuries sustained in line of duty." [3] In both Begosa and Teoxon, this Court found that the claimants therein suffered from permanent disability which rendered them permanently incapacitated for work, and held that the right of these claimants to the pension prescribed by the pertinent statutes was not affected by any rule or regulation adopted by the Philippine Veterans Administration decreasing said amounts. In Teoxon, this Court stated that "a veteran suffering from permanent disability is not to be denied what has been granted him specifically by legislative enactment, which certainly is superior to any regulation that may be promulgated by the Philippine Veterans Administration, presumably in the implementation thereof."

In the case at bar, however, the provisions of the stipulation of facts clearly evince one inescapable fact: that Abrera's disability did not render him permanently incapacitated for work. When it formulated its decision in civil case 90373, the court disregarded this material fact, and consequently failed to draw a conclusion consistent therewith. Stipulations by parties to a litigation regarding certain facts constitute agreements or admissions which bind the parties.[4] These stipulated facts require no further evidence and cannot be contradicted, unless the party adversely affected can show that he agreed thereto through a palpable mistake.[5] In the case at bar, Abrera has made no attempt to demonstrate, directly or inferentially, that he entered into the stipulation of facts through a palpable mistake.

Thus, the court a quo erred when it entered a judgment inconsistent with the facts agreed upon by the parties. Where the parties submit the case on a stipulation of facts, the court should render judgment strictly in accordance therewith. Otherwise, the judgment is inefficacious.[6]

Furthermore, the explicit language of section 9 of Republic Act 65, as amended, leaves no room for doubt: it makes available full pension benefits only to those "who are permanently incapacitated from work," and only when the veteran is permanently disabled may his wife and minor children be entitled to receive the pensions specifically provided for them by law. The words "permanently incapacitated" have a restrictive signification which cannot be conveniently disregarded. Application of the law according to its plain terms the court failed to do, for, it extended to Abrera full pension benefits accorded only to those who fall within the ambit of the strict

statutory qualification.

2. Notwithstanding what we have said thus far, the claim of Abrera cannot be dismissed as completely devoid of merit. We note that the amount of the monthly pension given to him in the past was based on his physical disability rating multiplied by the amount of the monthly pension prescribed by the law. Thus, when section 9 of Republic Act 65, as originally passed, provided for a monthly pension of P50.00 for permanently incapacitated veterans and his disability rating was 50%, he was given a monthly pension of P25.00; when Republic Act 1920 increased the monthly pension for permanently disabled veterans from P50.00 to P100.00, and his disability rating was 75%, the monthly pension given to him was P75.00; subsequently when his disability rating was reduced to 60%, his monthly pension was correspondingly reduced to P60.00. But from January 1, 1972, when the petitioner implemented Republic Act 5753 which increased the monthly pension for permanently incapacitated veterans from P100.00 to P200.00, instead of increasing the monthly pension of Abrera from P60.00 to P120.00, which latter amount is 60% of P200.00, the petitioner continued to give Abrera a monthly pension of only P60.00. The inability of the petitioner to pay Abrera the differential of P60.00 in monthly pension is attributed by it, in its own words, "to the failure of Congress to appropriate the necessary funds to cover all claims for benefits, pensions and allowances." And the petitioner states that it has "no alternative but to suspend [full] implementation of said laws until such time as sufficient funds have been appropriated by Congress" to cover the total amount of all approved claims.

We find the explanation of the petitioner satisfactory, but we nevertheless hold that as a matter of law Abrera is entitled to a monthly pension of P120.00 from January 1, 1972 when Republic Act 5753 was implemented up to the present, if his physical disability rating has continued and continues to be 60%. Payment to him of what is due him from January 1, 1972 must however remain subject to the availability of Government funds duly set aside for the purpose, and subject to further periodic re-rating of his physical disability.

But even if we have thus defined the precise terms, nature and scope of the entitlement of the respondent Abrera, for the guidance of the petitioner, we nevertheless refrain from ordering the petitioner to pay the amount of P120.00 per month from January 1, 1972 that is due to the respondent by virtue of the mandate of section 9 of Republic Act 65, as amended by Republic Act 5753, because the Government has thus far not provided the necessary funds to pay all valid claims duly approved under the authority of the said statute.

3. In view of all the foregoing, the Court deems it unnecessary to resolve the other points raised by the petitioner.

ACCORDINGLY, the judgment a quo dated December 26, 1973 is set aside, and the petition for mandamus below dated March 28, 1972 is hereby dismissed. No costs.

Makalintal, C.J., Teehankee, Makasiar, Esguerra, and Munoz Palma, JJ., concur.

[1] Begosa vs. Chairman, Philippine Veterans Administration, L-25916, April 30, 1970, 32 SCRA 466.

[2] Teoxon vs. Members of the Board of Administrators, Philippine Veterans Administration, L-25619, June 30, 1970, 33 SCRA 585.

[3] Section 9, Republic Act 65, as amended.

[4] Stevenson and Co. vs. Collector, 51 Phil. 178.

[5] Irlanda vs. Pitargue, et al., 22 Phil. 383.

[6] Cabrera vs. Lacson, 71 Phil. 182.

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