

SOCIAL SECURITY SYSTEM, PETITIONER, VS. LEONOR ARELLANO AND THE WORKMEN'S COMPENSATION COMMISSION, RESPONDENTS.

G.R. No. L-33886. March 07, 1984

Ponente: PLANA, J.

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PLANA, J.:

This is a petition for review of the resolution of the Workmen's Compensation Commission (WCC) dated June 9, 1971 declaring private respondent Arellano's right to compensation benefits for disability due to pulmonary tuberculosis under a final and partially executed decision of the WCC, as not affected by his subsequent separation (retirement) from the service by his employer, the Social Security System (SSS), for absences that were precisely caused by his illness.

When Leonor Arellano was still working as a clerk in the Claims Department of the Social Security System, he contracted pulmonary tuberculosis on the basis of which he filed a claim for disability compensation under the Workmen's Compensation Act. On January 20, 1970, the WCC hearing officer rendered a decision declaring Arellano's disability work-connected and ordering the SSS to pay the claimant P1,933.99 plus a weekly compensation of P52.27 beginning on January 21, 1970 until the disability ceases, which weekly compensation shall not exceed P6,000.

The SSS moved for a reconsideration of the decision. In a decision dated August 11, 1970, the WCC chairman denied the motion and ordered the SSS to pay the claimant P3,449.82 as compensation benefits under section 14 of the Workmen's Compensation Act from May 7, 1969 to August 11, 1970, and weekly thereafter, the sum of P52.27 until his disability for labor ceases, but the total compensation shall not exceed P6,000.

In compliance with the above decision, the SSS paid the claimant P3,449.82 but did not pay the adjudged weekly compensation. Hence, in March 1971, the claimant filed with the WCC an "Ex-Parte Motion to Declare Balance of Compensation Benefits under Section 14 of the Act as Due and Demandable." There being no opposition nor even a manifestation filed by the SSS, the WCC chairman issued an order dated April 23, 1971 granting the Ex-Parte Motion and ordering the SSS - in implementation of the two previous -WCC decisions mentioned above - to pay the claimant the sum of P1,904.12 as compensation benefits from August 12, 1970 to April 23, 1971; and thereafter, a weekly compensation of P52.27 until his sickness is declared arrested, but the total compensation benefits shall not exceed P6,000.

Soon after the issuance of the above adverse WCC order, the SSS Administrator wrote Mr. Arellano a letter dated December 23, 1970, as follows:

"In view of your prolonged absence due to ill health, you are hereby informed that you are dropped from the roll of employees of the System, effective immediately."

It bears emphasis that although the above letter was belatedly dispatched, the termination of Mr. Arellano's

services was made retroactive to December 23, 1970.

Thereafter, i.e., on May 31, 1971, the SSS filed with the WCC a Motion for Clarification and/or Reconsideration, inquiring as to the effect of claimant's retirement from the SSS on the WCC order of April 23, 1971. On June 9, 1971, the WCC chairman promulgated the now assailed resolution declaring that "claimant's retirement does not at all relieve the respondent from payment of compensation due him," from which the instant appeal by way of petition for review has been filed.

The petition must fail, quite apart from the fact that the issue (as to the effect of the dismissal of private respondent upon his entitlement to compensation benefit) was tardily raised by the SSS in a mere motion for clarification and/or reconsideration after the decision awarding the same had become final and had in fact been partially paid by the SSS.

Section 14 of the Workmen's Compensation Act provides:

"Total disability. - In case the injury or sickness causes temporary total disability for labor, the employer shall, during such disability, pay to the injured employee a weekly compensation equivalent to sixty per centum of his average weekly wage but not less than fourteen pesos per week... Such weekly payments shall in no case continue after the disability has ceased, nor shall the aggregate sum paid as compensation exceed in any case six thousands pesos."

Compensation benefit is premised on loss or impairment of earning capacity due to illness or injury during a period of employment. Hence, it may be conceded that entitlement thereto, as a rule, presupposes the existence of employer-employee relationship. (Hernandez vs. Work-men's Compensation Commission, 14 SCRA 219.) Nevertheless, once compensation benefits are awarded and the award becomes final, the employer's liability cannot be aborted by his unilateral act of terminating the services of his disabled or sick employee, especially if the ground invoked therefor is absence which was precisely caused by the disability for which compensation benefits had been awarded. If the rule were otherwise, the employer would have it within its power to unilaterally extinguish his own liability at the expense of his hapless employees.

WHEREFORE, the assailed resolution of the Workmen's Compensation Commission dated June 9, 1971 is affirmed. Costs against the petitioner.

SO ORDERED.

Melencio-Herrera, (Acting Chairman), Relova, Gutierrez, Jr., and De La Fuente JJ., concur.

Teehankee, J., (Chairman), on official leave.

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