

GENERAL TEXTILES, INC., PETITIONER VS. WORKMEN'S COMPENSATION COMMISSION AND LEONILA M. JAVIER, RESPONDENTS.

G.R. No. L-40187. May 30, 1975

Ponente: TEEHANKEE, J.

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TEEHANKEE, J.:

The Court sets aside respondent commission's ex-parte decision and award and remands the case for hearing and determination on the merits, since respondent commission in wrongly declaring that petitioner did not seasonably controvert the claim as against the documented fact of record to the contrary, has deprived petitioner of its right to due process and to a day in court.

The following facts are undisputedly established by the documents in the records of the case:

On August 31, 1973, two (2) days after having been informed of the illness of its employee, Constante Javier who later died on November 18, 1973 and is survived by his widow, respondent-claimant Leonila M. Javier and five minor children, petitioner-employer filed its notice of controversion. (Employer's Report of Accident or Sickness — WCC Form No. 3)[1] with the WCC unit in Regional Office No. 4 of the Department of Labor in Manila, the regional office which has jurisdiction over Quezon City, petitioner's place of business, controverting the compensability of the employee's ailment, as required by law.[2]

On November 20, 1973, two (2) days after the death on November 18, 1973 of the said employee, petitioner again filed a second notice of controversion with the same Regional Office No. 4, controverting any claim for death compensation.[3]

Two months later on January 28, 1974, respondent widow filed her claim for death compensation before the Rizal Labor Office at Mandaluyong, Rizal and notice thereof was received by petitioner on February 23, 1974;[4] and on February 28, 1974, petitioner filed a third controversion of the claim (this time with the Mandaluyong Office where the claim was actually filed.)[5]

On May 15, 1974, petitioner received from said Mandaluyong Office copy of the award dated May 8, 1974 of the office's chief of unit, rendered without hearing and declaring that "(D)eceased's illness having presumption is that it arose out of the employment and for its failure to file its controversion on time, respondent is deemed to have constructively admitted the compensability of the claim and forfeited all such defenses of non-jurisdictional nature as are available in the premises. An outright award is therefore proper and justified," directing petitioner to pay claimant P6,200.00 as death compensation and reimbursement of burial expenses and P61.00 as administrative fee.

Petitioner's motion for reconsideration underscoring the fact that it had timely filed to previous controversions and submitting copies thereof, and praying for the setting aside of the award and the setting of the case for hearing at the earliest possible date was denied per order of August 14, 1974 which elevated the records to respondent

commission for review as provided by the Rules.

Under date of January 30, 1975, respondent commission rendered its decision wherein it totally ignored and made no mention of the two earlier and timely controversions of petitioner and taking into account only the third controversion filed with the Mandaluyong office, arbitrarily ruled that petitioner's controversion was filed out of time, declaring that "as admitted by the (petitioner), it first knew of Javier's death on November 18, 1973. However, the (petitioner) filed the Employer's Report controverting the instant claim only on February 28, 1974," and that "(H)aving failed to seasonably controvert claimant's right to compensation, the respondent by operation of law is deemed to have renounced its right to assail the instant claim on non-jurisdictional grounds. And this means, that all non-jurisdictional defenses such as the non-compensability of the illness or injury, prescription, etc., are barred. Hence, there is nothing the (petitioner) can prove in relation thereto."

As to the cause of death, the commission found that "(A) perusal of the death certificate reveals that there is no information as to the cause of death of the deceased. However, the CERTIFICATE OF POST-MORTEM EXAMINATION issued by the Medico-Legal Officer of the National Bureau of Investigation on November 18, 1973 shows that the cause of death was 'Hemorrhagic pancreatitis, acute'."

Respondent commission accordingly affirmed the award, besides ordering petitioner to pay additionally 5% or P300.00 as attorney's fees, besides additional cost of P5.00 for the review.

Hence, the present petition. Upon receiving the respective comments required of respondents, the Court resolved on May 7, 1975 to treat the case as a special civil action and dispense with the filing of briefs for an expeditious determination of the case.

Respondent commission's arbitrary pronouncement that petitioner's controversion was not timely filed cannot stand as against the documented fact of record that petitioner did timely file on November 20, 1973, just two days after the death on November 18, 1973 of its employee, the corresponding notice of controversion with Regional Office No. 4 at its regional headquarters in Manila and of which the Mandaluyong Office (where the claim was actually filed later) is but an extension or a sub-office.[6] That such timely controversion earlier filed with the main office of Regional Office No. 4 at Manila was properly and validly filed therein (since it properly covered Quezon City where petitioner has its place of business as required by the Commission Rules) is unquestioned. Neither of respondents in their respective comments has questioned or denied the fact of such earlier controversion timely filed by petitioner.

Such arbitrary pronouncement constitutes a grave abuse of discretion and is manifestly based on a misapprehension of facts and cannot be binding on this Court.[7]

It is manifest that respondent commission in wrongly declaring that petitioner did not seasonably controvert the claim and thereby renounced all right to assail the claim on non-jurisdictional grounds, has denied petitioner of its right to due process and to a day in court where it could properly present its defenses, The case shall be remanded for hearing at which the parties shall be given the opportunity to submit evidence, oral and documentary, in support of their respective contentions.

ACCORDINGLY, respondent commission's decision of January 30, 1975 is hereby set aside and the case is remanded to respondent commission or its successor under the Labor Code of the Philippines (under P.D. No. 442) for hearing and determination on the merits.

Castro, (Chairman), Makasiar, Esguerra, Muñoz Palma, and Martin, JJ., concur.

[1] Petition, Annex A.

[2] Under section 2, Rule 7 of the Workmen's Compensation Commission Rules, an employer must file upon being informed of the employee's injury or illness the report or controversion required by Sec. 37 of the Workmen's Compensation Act with the Workmen's Compensation Unit of the Regional Office where the employer resides or has his place of business as follows:

"SEC. 2. Submission of Report Before Notice of Claim. – In the absence of any claim filed and served upon the employer or insurance carrier, the reports required under Section 37 of the Workmen's Compensation Act may be submitted to the Workmen's Compensation Unit of the Regional Office where the employer resides or has his place of business. But if the injured or sick laborer concerned or his dependent chooses to file his claim with a different Unit other than where the employer resides or has his place of business in accordance with the provisions of Sec. 2 of Rule 6, the employer or his insurance carrier shall, upon being served with the claim by the Unit where it is filed, notify said Unit of the reports he submitted and the Chief of the Unit of the Regional Office where the reports were submitted shall then, upon due notice, transmit the reports and other allied papers to the Chief of the Unit where the claim is filed."

Such report or controversion, which must be filed within the reglementary period as required by sec. 45 of the Workmen's Compensation Act, serves a controversion of any claim subsequently filed by the employee, under Rule 8, section 1 of the Workmen's Compensation Commission rules, which provides:

"SEC. 1 Right to Compensation Deemed Controverted. – With or without a claim for compensation having been first filed, the employee's right to compensation is deemed controverted where the employer or carrier has filed a notice of controversion with the proper Unit within fourteen (14) days from the date of the disability or within ten (10) days after the employer or his representative first acquired knowledge of the disability resulting from the accident or illness."

[3] Petition, Annex B.

[4] Idem, Annex C.

[5] Idem, Annex D.

[6] Quezon City where petitioner has its place of business is encompassed within Region No. 4 which "comprises the provinces of Bulacan, Rizal, Cavite, Occidental Mindoro and Palawan and the cities of Pasay, Quezon, Tagaytay, Cavite, Trece Martires and Manila, with regional headquarters at Manila." (Rep. Act 2646, sec. 1 (d)).

[7] See Ramos vs. CA, L-25463, Apr. 4, 1975 and cases cited.

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