

LOLITA SANTOS, PETITIONER, VS. DEPARTMENT OF LABOR AND MANILA BAY HOSIERY MILLS INC., RESPONDENTS.

G.R. No. L-47146. December 27, 1979

Ponente: SANTOS, J.

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SANTOS, J.:

Petition for review on certiorari, filed on October 19, 1977, of the Order dated July 7, 1977 of then Acting Secretary Amado G. Inciong which denied petitioner's "Ex-Parte Motion to Enforce Additional Weekly Compensation", on the ground that her "illness has already been cured or arrested."

On December 2, 1977, respondent Department, now Ministry of Labor filed its "Comment" thru Ministry Counsel Lydia Arada-Navarro. Petitioner, by way of reply, filed a "Rejoinder to Comment" on December 19, 1977. Per resolution of May 24, 1978, We resolved to consider public respondent's comment as answer to the petition and to require the parties to file their respective memoranda. In compliance therewith, petitioner filed a "Brief" in lieu of memorandum thru counsel, Atty. Bonifacio R. de Luna. Public respondent, the Ministry of Labor, adopted its comment as its memorandum. Solicitor General Estelito P. Mendoza,[1] having received notice of pendency of this case on June 22, 1978, manifested his desire to make an official stand on the matter, and filed a "Manifestation" on August 9, 1978. He submits that – ". . . the respondent Minister of Labor, acting as chairman of the Compensation Appeals and Review Staff of the Ministry of Labor, committed a reversible error or a grave abuse of discretion, amounting to lack of jurisdiction, when he issued the aforesaid Orders of July 7, 1977 and August 30, 1977 in the same workmen's compensation case. Perforce, the final and partially executed decision of October 2, 1975 in this workmen's compensation case should now be fully satisfied . . ."[2] Thereafter, the case was deemed submitted for decision on May 18, 1979.

The factual and procedural antecedents of this petition follow. Petitioner started working at respondent Manila Bay Hosiery Mills Inc. as seamstress on June 10, 1966 after undergoing the required physical and medical examination. Her work consisted mainly of sewing socks and bags. In 1973 she was disabled from labor, from July 10 up to September 16, on account of illnesses, i.e., "cholecystitis, cholelithiasis, dilated common bile duct etiology sphincter." She returned to work on September 17, 1973.[3] Then she filed on November 27, 1973 a "Notice of Injury or Sickness and Claim for Compensation"[4] with Regional Office No. 4, Manila, which was docketed as WC Case No. 147119. Respondent company failed to controvert the claim. Accordingly, then Acting Chief Referee and Chief of Section Ernesto A. Cruz issued on August 9, 1974 an "Award"[5] in favor of petitioner granting her P1,707.19 as compensation and reimbursement of medical expenses. This amount was duly paid by respondent Company as evidenced by a "Satisfaction of Award or Decision"[6] dated October 22, 1974.

Meanwhile, prior to the final settlement of WC Case No. 147119 or on February 23, 1974, petitioner again became sick. She was hospitalized at the Mary Johnston Hospital and was forced to file a sick leave for one year starting from February 23, 1974.[7] According to the statement dated March 7, 1975 of Diosdado P. Villarama, attending physician, petitioner was suffering from "gastric hyperacidity, iron deficiency, and anemia".[8] Petitioner did not return to work because the company allegedly terminated her employment effective February

12, 1975, upon the recommendation of the company physician.[9] She was then receiving a daily wage of P8.40, working 6 days a week.[10]

On March 17, 1975, petitioner filed a "Notice of Injury or Sickness and Claim for Compensation" with the Workmen's Compensation Unit, Regional Office No. 4, Manila, which was docketed as WC Case No. 164491. The case having been filed before March 31, 1975, shall be processed and adjudicated in accordance with the law, rules and procedure existing prior to the effectivity of the new law on Employees Compensation and State Insurance Fund.[11]

She alleged that she was suffering from pulmonary tuberculosis (PTB), chronic gastritis, and anemia which were "... caused by the working condition such as heat, obnoxious chemical odor, flying fabric waste, smoke from machine, previous continuous night shift work, for around five (5) days from 2 p.m. to 10:30 p.m. then sudden exposure to outside element after work like rain, floody streets from premises, etc." Respondent company filed on June 6, 1975 an "Employer's Report of Accident or Sickness" per Arthur Tan, General Manager, and alleged the claimant's illnesses were "... neither caused nor aggravated by her employment." [12]

Acting Referee Gerardo D. Rabanes rendered a "Decision" [13] dated October 2, 1975 in favor of claimant, herein petitioner. He found her illnesses to be work-connected and observed that "... her working place was too hot, that the machine she was using also become hot, foul odor of chemicals and flying cotton dusts which mixed the air she breathe, and she was also exposed to sudden change of temperature"; and that "(U)nder section 15 of the Act, the claimant is entitled to total and permanent disability compensation . . ." Accordingly, the company was ordered to pay:

"1. The claimant, thru this Office, the amount of TWO THOUSAND SIX HUNDRED SIXTY ONE AND TWELVE CENTAVOS (P2,661.12) plus 60% of her average weekly wage accruing hereinafter until the maximum amount of P6,000.00 or 208 weeks shall have been reached, whichever is earlier, pursuant to section 15 of the Act;

2. The claimant, thru this Office, the amount of P415.30 as reimbursement of medical expenses, it being duly supported by official receipts pursuant to section 13 of the Act;

3. Atty. Bonifacio D. de Luna, counsel for claimant, the amount of ONE HUNDRED THIRTY THREE PESOS (P133.00) plus 5% of the 60% of the claimant's average weekly wage accruing hereinafter pursuant to Section 31 of the Act;

4. To the Workmen's Compensation Fund, the amount of P26.00 as decision fee, pursuant to Section 55 of the Act." [14]

x x x

Claimant, herein petitioner, filed a "Motion for Execution of Decision" on December 9, 1975, and an "Ex-Parte Reiterated Motion for Execution" on January 19, 1976. A "Writ of Execution" was issued on March 18, 1976. [15] However, per the "Sheriff's Return" [16] dated March 23, 1976, of Deputy Sheriff Renato C. Llobrera, it appears that herein petitioner was directly paid by the Company "... the sum of P3,261.12 corresponding to what was due up to October 2, 1975," ... for which reason there is no further need to enforce the writ. [17] It appears also that respondent Company failed to make the additional payments.

On February 10, 1977, petitioner moved to enforce weekly payments of award with the Compensation Appeals and Review Staff, Department, now Ministry of Labor, to which effective March 31, 1976, workmen's compensation cases were transferred. [18] Again, on April 19, 1977, Atty. Bonifacio D. de Luna, counsel for herein petitioner, also wrote a letter to the Employee's Compensation Commission (ECC) requesting for

"favorable action" on petitioner's claim for additional weekly payments of award.[19] The same was referred by ECC Executive Director E.M. Cayapas thru a first indorsement dated April 27, 1977 to the Compensation Appeals and Review Staff of the Ministry of Labor for appropriate action.[20]

On July 7, 1977, then Acting Secretary, now Deputy Minister of Labor Amado G. Inciong issued an "Order"[21] holding that "...claimant is no longer entitled to further weekly compensation" for the reason that "... the latest x-ray examinations taken on September 23, 1975 reveals . . . that claimant's illness has already been cured or arrested." Petitioner moved for reconsideration of the same on August 11, 1977, alleging, inter alia, that the decision has already become final and in fact has been partially executed. On August 13, 1977, however, the then Secretary, now Minister, of Labor, Hon. Blas F. Ople denied the said Motion for Reconsideration. Hence, this Petition.

This petition is clearly invested with merit. As the Solicitor General pointed out, the decision dated Oct. 2, 1975 of Acting Referee Rabanes has long become final and executory and has in fact been partly executed and, therefore, the same can no longer be disturbed or modified, whether directly or indirectly. The questioned order dated July 7, 1977 denying petitioner's claim for additional compensation and in effect setting aside said decision, was issued in excess of and/or with grave abuse of discretion, amounting to lack of jurisdiction.

The rule well-settled in our jurisdiction to the effect that in workmen's compensation cases the referee's decision which has become final and executory can no longer be modified or set aside[22] is grounded on fundamental considerations of public policy and sound practice namely that at the risk of occasional error, the judgment of courts and award of quasi-judicial agencies must become final at some definite date fixed by law.[23]

Finally, as the Solicitor General also observed, respondent employer having refused or failed to pay the weekly compensation, petitioner can now rightfully claim the entire balance of the disability compensation due her at one time, pursuant to the last paragraph of Section 22, Workmen's Compensation Act as amended.[24] Per her own admission, she has already received the sum of P3,261.12. Subtracting this from P6,000.00, the total entitlement, she is entitled to receive the balance or P2,738.88. Petitioner is also entitled to interest on the said amount at the rate of 12% from February 10, 1977, the date she made her demand on respondent employer.[25]

WHEREFORE, the Order dated July 7, 1977 of Deputy Minister Amado G. Inciong is hereby SET ASIDE. Respondent-employer Manila Bay Hosiery Mills, Inc. is hereby ordered to pay directly to herein petitioner the sum of P2,738.88 plus 12% interest from February 10, 1977, the date demand was made, until fully paid or satisfied by respondent-employer. Costs against respondent-employer.

SO ORDERED.

Barredo, (Chairman), Antonio, Aquino, Concepcion, Jr., and Abad Santos, JJ., concur.

[1] He was assisted by Assistant Solicitor General Ruben E. Agpalo and Solicitor Deusdedit B. Quijano.

[2] Citing Quintos vs. Republic, Nos. L-46249-52, August 31, 1977, 78 SCRA 547.

[3] Records, p. 136.

[4] Id., p. 156.

[5] Id., p. 135.

[6] Id., p. 124.

[7] Rollo, at pp. 44-45. Brief for Petitioner.

[8] Records, p. 122.

[9] Id., p. 105.

[10] Rollo, p. 7.

[11] Article 300, par. 2, Labor Code, as amended by PD 626.

[12] Id., p. 118.

[13] Rollo, p. 7.

[14] Id., at pp. 9-10.

[15] Id., p. 80.

[16] Id., p. 81.

[17] Rollo, p. 3, Petition, par. 4.

[18] See Article 297, PD 442 (Labor Code), as amended.

[19] Records, p. 78.

[20] Id., p. 76.

[21] Rollo, p. 11, Petition, Annex "B".

[22] Ruelan vs. Republic, 70 SCRA 615; Soliven vs. WCC, 77 SCRA 519; Cruz vs. WCC, 81 SCRA 445.

[23] Ramos vs. Republic, 69 SCRA 576.

[24] "Sec. 22. x x x Any failure on the part of the employer to comply with this obligation to pay any of the sums due to the injured laborer or his dependents in accordance with this Act, shall entitle the beneficiary to claim the entire balance of the compensation at one time."

[25] Central Bank Circular No. 416, July 29, 1974.

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