

AMADO T. CRUZ, PETITIONER, VS. WORKMEN'S COMPENSATION COMMISSION AND REPUBLIC OF THE PHILIPPINES (DEPT. OF PUBLIC WORKS), RESPONDENTS.

G.R. No. L-42739. January 31, 1978

Ponente: TEEHANKEE, J.

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TEEHANKEE, J.:

The five workmen's compensation cases at bar are jointly decided on a decisive common issue of law. The Court sets aside respondent commission's decisions and reinstates the referees' awards of disability compensation and benefits to the respective petitioners-claimants on the jurisdictional ground of the commission's lack of power and authority to set aside the referees' awards that already were final and executory with the lapse of the reglementary periods for appeal and for relief from judgment.

In L-42739, the referee's decision dated October 31, 1975 granted petitioner-claimant Amado T. Cruz P5,796.28 as disability compensation (for acute rheumatism, hypertension and left eye cataract contracted by him during his employment as laborer in the Wells and Drills Section, Water Resources Survey Division, Bureau of Public Works since January 10, 1928 until he was compelled to retire from the service on October 31, 1972 at age 62) with P289.91 as attorney's fee and P58.00-administrative fee. Respondent admittedly failed to file a timely appeal within the statutory 15-day period due to the volume and heavy pressure of work after receipt of the decision on November 11, 1975 and belatedly filed only in January, 1976 its Petition to Elevate Records for Relief from Judgment dated January 6, 1976 long after the lapse of the ultimate 30-day grace period from notice of the decision for the purpose. Respondent commission in its decision dated January 19, 1976 nevertheless reversed the decision "for lack of merit."

In L-43221, the referee's decision dated October 28, 1975 granted petitioner-claimant Resurreccion Tinio P4,438.19 as disability compensation (for her illnesses diagnosed as malignant hypertension, arteriosclerosis and premature menopausal syndrome, besides having been confined for pyelonephritis and having undergone hysterectomy and appendectomy during the course of her employment as classroom teacher since 1947 until she was optionally retired in 1975) with P221.91 as 5% attorney's fee and P45.00-administrative fee. Respondent admittedly received copy of the decision on October 28, 1975 but failed to appeal "due to the volume and pressure of work" and belatedly filed only on January 16, 1976 a Petition to Elevate Records for Relief from Judgment bearing the same date, long after the lapse of the ultimate 30-day grace period for the purpose. Respondent commission in its decision dated February 23, 1976 nevertheless reversed the decision "for lack of merit."

In L-43406, the referee's decision dated October 27, 1975 as amended granted petitioner-claimant Leonor San Juan P2,684.40 as disability compensation and P2,053.00 as reimbursement of duly receipted medical expenses (for her ailments of pulmonary tuberculosis and cerebro-vascular thrombosis with residual speech defect during the course of her employment as Accountant II, Bureau of Treasury, for which reason she stopped working on July 7, 1973) with 5% attorney's fee (P36.72 based on the original compensation of P734.40 later increased by

P1,950.00 or a total of P2,684.40) and P8.00-administrative fee. Respondent admittedly received copy of the decision on November 3, 1975 but failed to take an appeal "due to the volume and pressure of work" and belatedly filed only on February 10, 1976 its Petition for Relief from Judgment of the same date long after the lapse of the 30-day grace period for the purpose. Respondent commission in its decision dated March 5, 1976 nevertheless reversed "for lack of merit."

In L-43470, the referee's order dated November 6, 1975 granted petitioner-claimant Edward Chandler reimbursement of duly receipted medical, professional and hospital expenses of P11,653.88 from May 24, 1972 to May 31, 1974 pursuant to section 13 of the Workmen's Compensation Act and the previous final award of March 3, 1972 in his favor of disability benefits (for his ailment of pulmonary tuberculosis, far advanced, bilateral which caused his disability for labor as security guard since January 3, 1972) which expenses were duly evaluated by the Medical Rating Officer who fixed the said amount as reduced from the original claim of P14,758.84. Respondent admittedly received the order-award on November 27, 1975 but failed to take an appeal "due to the usual volume and pressure of work" and belatedly filed only on March 4, 1976 its Petition for Relief from Judgment dated February 16, 1976. Respondent commission nevertheless took cognizance of the "appeal" (notwithstanding that no appeal had been filed or perfected) and issued its decision dated March 12, 1976 reducing the amount awarded for reimbursement of medical and hospital expenses to P3,987.68.

In L-44599, the referee's Amended Decision dated September 1, 1975 (after the original decision of October 11, 1974 was set aside upon the Solicitor General's motion for reconsideration) granted petitioner Alejandro Ecarma P6,000.00 as disability compensation (for permanent and total disability caused by his affliction of Parkinson's Disease contracted by him during his employment as municipal judge first of Tuburan, Cebu in December 1936 until his disability forced his retirement at age 67 on March 13, 1972 as municipal judge of Naval, Leyte) and P3,742.00 as reimbursement of duly receipted hospital, professional and medical expenses (reduced from the amount of P5,072.35 originally awarded) with P300.00-attorney's fee and P61.00-administrative fee. Respondent admittedly failed to take an appeal within the reglementary period and belatedly filed only on November 27, 1975 its petition for relief of the same date. Respondent commission nevertheless reversed the amended decision and dismissed the claim "for lack of merit".

The petitions at bar must be granted, since they correctly maintain that respondent commission no longer had jurisdiction and authority to set aside the referees' decisions and awards which became final and executory with the lapse of the statutory periods for appeal and for relief from judgment.

The Solicitor General's argument that petitioners' common contention of lack of jurisdiction on the commission's part to alter a final judgment or award "while apparently meritorious, actually puts form over substance and applies the Rules to obstruct justice"[1] has been rejected by the Court in a uniform and long line of cases. The statutory periods for appeal and for petitions for relief from judgment are not merely matters of form but of substance, dealing as they do with the very jurisdiction of the commission.

As reaffirmed by the Court in *Soliven vs. Workmen's Compensation Commission*,[2] it is settled doctrine that "(the) basic rule of finality of judgments is applicable indiscriminately to one and all and regardless of whether respondent employer be a public or private employer, since the rule is grounded on fundamental considerations of public policy and sound practice that at risk of occasional error, the judgment of courts and award of quasi-judicial agencies must become final at some definite date fixed by law;" and "(I)t is of course beyond question that the perfection of an appeal within the statutory or reglementary period is mandatory and jurisdictional and that failure to so perfect an appeal renders final and executory the questioned decision and deprives the appellate court of jurisdiction to entertain the appeal. The lapse of the appeal period deprives the courts of jurisdiction to alter the final judgment." [3]

In workmen's compensation cases, the 1973 Commission Rules granted expressly for the first time^[4] an exception or "last chance" of a timely petition for relief from judgment that has become final and executory for lapse of the 15-day statutory period for appeal by providing for a further grace period (within 30 days from knowledge/notice of the decision-award and within 3 months from entry thereof). Yet, respondent failed to avail timely of this ultimate remedy in the cases at bar.

In the Luzon Stevedoring Corporation cases,^[5] wherein the Court commended the commission for recognizing in the sixteen (16) separate cases therein involved its lack of appellate jurisdiction to review or set aside the questioned awards which had already become final and executory and "thereby relieving this Court from the needless burden of having to set aside its action had it arbitrarily resolved the matter otherwise" (contrary to the action taken by it in the cases at bar), the Court in dealing with respondent's counsel's plea of volume and pressure of work cited the now Chief Justice's admonition in *Republic vs. Lim*^[6] that "in failing to take the necessary and appropriate precautions required by the circumstances, which resulted in (its) being unable to take an appeal from the said award of the referee," the [respondent] "has only (itself) to blame."

The Court stressed therein furthermore that "considering the underlying purpose of the Workmen's Compensation Act to promote the expeditious disposition of workmen's compensation claims, the grace period granted for seeking relief from judgment must be taken as 'absolutely fixed, inextendible, never interrupted and cannot be subjected to any condition or contingency. Because the period fixed is itself devised to meet a condition or contingency, the equitable remedy is an act of grace, as it were, designed to give the aggrieved party another and last chance' and failure to avail of such last chance within the grace period fixed is fatal."^[7]

ACCORDINGLY, judgment is rendered setting aside respondent commission's decisions reversals of the referees' awards (in L-42739, L-43221, L-43406 and L-44599) and reduction of the referees' award in L-43470, and reinstating in toto the referees' awards and decisions in favor of the five claimants-petitioners (Amado T. Cruz, Resurreccion Tinio, Leonor San Juan, Edward Chandler and Alejandro Ecarma).

In L-43221, L-43406 and L-44599, the award of 5% attorneys' fees is increased to 10%, i.e. P443.82, P231.72 and P600.00, respectively, in accordance with the Workmen's Compensation Act and Rules.

SO ORDERED.

Makasiar, Muñoz Palma, Fernandez, and Guerrero, JJ., concur.

[1] Solicitor General's comment in L-44599, p. 1.

[2] 77 SCRA 519, 521 (June 30, 1977); emphasis supplied.

[3] Citing *Carreon vs. Workmen's Compensation Commission* (May 31, 1977), 77 SCRA 297, 300; see *Ramos vs. Republic*, 69 SCRA 576 (1976), and *Vitug vs. Republic*, 75 SCRA 436 (Feb. 28, 1977).

[4] Cf. *Hoc Huat Trading vs. Santos*, 24 SCRA 441, 446 (1968) per Concepcion, C.J.

[5] 71 SCRA 655 (June 30, 1976), emphasis supplied.

[6] 42 SCRA 163, 169 (1971); word in brackets supplied.

[7] See also *Martinez vs. Workmen's Compensation Commission*, 73 SCRA 271 (Sept. 30, 1976) and *Soliven vs. Workmen's Compensation Commission*, *supra*, fn. 2.

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