

MANUELA MENDOZA ET AL., PLAINTIFFS AND APPELLANTS, VS. KAPISANAN NG MGA MANGGAGAWA SA MANILA RAILROAD COMPANY, DEFENDANT AND APPELLEE.*G.R. No. L-16733. April 25, 1961*

Ponente: BAUTISTA ANGELO, J.

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On March 26, 1956, Emilio Magnayon, brakefitter in the Caloocan shop of the Manila Railroad Company, was examined and found to be suffering from "poor vision and atrophy of upper extremities" and being unfit for work he was recommended to be retired due to physical disability. Acting upon said recommendation, the general manager of the company recommended his retirement effective June 1, 1956.

On June 21, 1956, Magnayon filed with the GSIS his application for retirement under Republic Act No. 660, with the recommendation for approval of the executive officer of the company. This application was approved by the GSIS effective as of June 1, 1956. And basing upon this favorable action, he applied to the defendant union, of which he was a member, for payment of his retirement gratuity under the provision of Article VI, Section 1 (f) of the Union Constitution and By-Laws, which states:

"(f) Ang sino mang kasaping kusang tumiwalag o itiniwalag sa kanyang paglilingkod sa MRR Co., na may pabuya o wala man, kailan pa man at siya ay nakatutupad sa pagbabayad sa Kapisanan ay dapat pagkalooban ng halagang Isang Libong Piso (1,000.00) kailan ma't siya ay mayroong 30 taong tuluyang paglilingkod sa Kompanya at hindi naman kukulangun sa 8 taong pagkakasapi sa Kapisanan; subali't kung hindi matutugunan ang takdang paglilingkod sa Kompanya at pagkakasapi sa Kapisanan ay pagkakalooban naman siya ng halagang Isang Daang Piso (P100.00) sa bawat taon ng kanyang pagiging kasapi sa Kapisanan."

Defendant union approved the application for retirement and paid Magnayon the sum of P300.00 on June 25, 1956, and to his widow Manuela Mendoza, P500.00 on September 26, 1956 as partial payment of his gratuity based on physical disability. On the same date (September 26, 1956), Magnayon died, whereupon his widow demanded that she be paid the death benefits due her under Article VI, Section 1 (a) of the Union Constitution and By-Laws, which provides:

"(a) Sa pagkamatay ng Kasaping Nakatupad—Ang tagapagmana ay tatanggap ng abuloy sa Kapisanan ng halagang Dalawang Libong Piso (P2,000.00);"

Benigno Santos, an employee in the mechanical department of the same company, was also examined before September 10, 1956 by its medical department and found to be suffering from "cancer maxillary region right, error of refraction and arcus sinilitis, total both eyes", and as a consequence, he was declared unfit for work. On September 10, 1956, his application for retirement was submitted to the general manager of the company with a favorable recommendation.

On October 8, 1956, Santos' application for retirement bearing the recommendation for approval of said company was received by the GSIS which in turn approved the same effective as of September 16, 1956. Thereupon,

Santos applied for retirement from defendant union, of which he was a member, under the same provisions of the constitution and by-laws of the union, and the same having been approved, on October 5, 1956, the union paid Santos the amount of P1,000.00 as "gratuity granted to a retiree due to physical disability." On October 10, 1956, Santos died, whereupon his widow Maria Enriquez demanded payment of the balance of P1,000.00 due her as death benefits under the provisions of Article VI, Section 1 (a) of the Union Constitution and By-Laws, quoted above.

Because of the failure of defendant union to pay the death benefits which the two widows claimed to be entitled to, they commenced the present action before the Court of First Instance of Manila against defendant union praying that it be ordered, to pay Manuela Mendoza P1,200.00 and Maria Enriquez P1,000.00, or a total of P2,200.00 representing the balance of the death benefits due them for the death of their husbands, plus interest and attorney's fees. The case having been submitted on the basis of the stipulation of facts submitted by the parties, the court rendered decision on November 2, 1957 dismissing the complaint. Plaintiffs interposed the present appeal.

We agree with the lower court that the deceased had already been retired at the time of their death and for that reason plaintiffs herein are not entitled to the death benefits contemplated in Article VI, Section 1(a) of the Constitution and By-Laws of the defendant union. And this is so because from the provisions of said constitution and by-laws it is clear that the death benefit is intended to be paid to a member of good standing only when he meets death while still a member of the union. It does not apply when he dies after his retirement. Here it is undisputed that at the time of the death of the husbands of appellants which took effect on September 26, 1956 and October 10, 1956, respectively, they were already deemed retired because their retirement became effective on June 1, 1956 and September 16, 1956, respectively. The fact that the widows received their official notice of retirement from the GSIS after the death of their husbands is of no moment because what determines the date of retirement is the date of its approval if the same is made known to the retiree even if the official notice thereof comes afterwards. As correctly observed by the lower court:

"* * * When they therefore applied for retirement from the union and for payment of their gratuity, they were already retired from the Company, and their retirement from the service was precisely the basis of their application for retirement gratuity from the union. The union approved their applications for retirement gratuity and paid them the amounts due them under applicable provisions of the union constitution and by-laws; therefore, insofar as the union is concerned, it had discharged its obligation under its constitution and by-laws."

If we will follow the theory of appellants we will have a situation wherein they will be allowed to get the retirement pay of their husbands on the dates when the same becomes effective, and after the occurrence of their death later they would also be allowed to get the death benefits accorded to their beneficiaries under the constitution and by-laws of the union on the simple expedient that the official notification of the approval of their retirement only came after their death. We are not prepared to adopt such interpretation which is contrary to logic and sound reasoning.

Wherefore, the decision appealed from is affirmed, without pronouncement as to costs.

Bengzon, Acting C.J., Padilla, Labrador, Concepcion, Reyes, J.B.L., Paredes, and Dizon, JJ., concur.

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