

VICTORIANO F. CORALES, PETITIONER, VS. EMPLOYEES' COMPENSATION COMMISSION AND THE GOVERNMENT SERVICE INSURANCE SYSTEM (BUREAU OF LANDS), RESPONDENTS.*G.R. No. L-44063. November 29, 1983*

Ponente: MAKASIAR J.

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Before Us for another resolution is the manifestation and motion filed by respondent Government Service Insurance System on April 14, 1982 in the cases of Corales, Villones, Cañeja and Barga. In the latter compensation cases of Duran, Calvero, Delegente and Ceniza, motions to amend decision, for reconsideration, and for reconsideration/clarification have, in the meantime, been filed either by petitioner or respondent which, off-hand, involve the same matters presented to Us in the first four cases (p. 314, L-44063 rec.).

Thus, in Duran, respondent Employees' Compensation Commission filed an urgent motion to amend decision on April 29, 1982 and respondent GSIS filed on May 7, 1982 its motion for reconsideration. In Calvero, respondent ECC filed a motion for reconsideration on November 11, 1982. In Delegente, respondent GSIS filed a motion for reconsideration/clarification on December 14, 1982. In Ceniza, respondent GSIS filed its joint reply on May 23, 1983.

Since it appears that the problem now presented before Us for consideration does not deviate from the issue We have extensively discussed in Our resolution of March 15, 1982, We have to restate certain portions of the said resolution which can very well serve as a backgrounder or refresher for a final clarification and resolution of the problem of implementing the decreed compensation awards.

The pertinent portions are quoted thus:

"The main issue common to all these cases revolves on the entity liable to pay the compensation claims of petitioners for ailments initially suffered before the effectivity of the New Labor Code -- whether the Government Service Insurance System or the government offices and agencies which are the employers of petitioners -- which were filed with the Government Service Insurance System under the provisions of the New Labor Code, adversely decided by the System and affirmed by the Employees' Compensation Commission, but on appeal to this Court, were favorably considered; because We applied the more favorable and compassionate provisions of the old workmen's compensation law (Workmen's Compensation Act, as amended), instead of the provisions of the New Labor Code on employees' compensation which have been criticized as retrogressive. The social justice impact of the new compensation law as compared to the prior compensation law has been deeply noted and lamented in a resolution of this Court, through the Second Division, in the case of Ibañez vs. ECC, et al., L-47008, March 8, 1978, before Corales, thus: 'Upon consideration of the allegations of the petitioner and the comments thereon of respondent Employees' Compensation Commission, and the Government Service Insurance System, the Court resolved to DENY the petition, noting that since the current Labor Code, as amended by Presidential Decree No. 626, has indeed reduced the broad instances of compensability under the former Workmen's Compensation Act, the Court is

powerless to apply the doctrines laid down under said Act to petitioner's case, even as it feels that perhaps a legislative remedy may be worthy of study by those concerned to the end that what was conceded to be humane attitude inspired by the social justice precepts of the Constitution may be reconciled with the new or additional benefits, if any, that the Labor Code provides in compensation cases and thereby avoid the impression that in regard to the security aspect of public or private employment, so worthy of compassionate approach, there has been an intentional backward step in the policies of the New Society.

"The mother case is *Corales vs. ECC, et al.*, wherein petitioner, who started his career in the government in 1932 and retired on March 26, 1975 under Republic Act No. 660, as amended by Republic Act No. 4968, filed on August 4, 1975 a compensation claim with the Government Service Insurance System for his tuberculosis which was traceable to 1965 when he was downed by a high fever.

"In Our February 27, 1979 extended resolution, We stressed that the substantive provisions applicable to his claim are those of the old workmen's compensation law and not those of the New Labor Code on employees' compensation, because of the following considerations: (1) the cause of action accrued as early as September, 1965, hence during the effectivity of the Workmen's Compensation Act, as amended; (2) the time limitation in Article 292 of the Labor Code -- which requires that workmen's compensation claims accruing prior to the New Labor Code shall be filed with the appropriate regional offices of the Department of Labor not later than March 31, 1975, otherwise, they shall forever be barred -- does not apply to petitioner who filed his claim on August 4, 1975 with the Government Service Insurance System; because of the controlling jurisprudence under the old law that the prescriptive period for claims which accrued under the Workmen's Compensation Act, as amended, is ten [10] years, it being a right founded on statute and, as such, is considered a vested right; (3) the provisions of the New Labor Code on Employees' Compensation, Book IV, Title II, apply only to injury, sickness, disability or death accruing on or after January 1, 1975 (Art. 208); and more precise is Section 1(c) of Rule III of the Amended Rules on Employees' Compensation, which declares that only injury or sickness that accrued on or after January 1, 1975 and the resulting disability or death shall be compensable under the rules; and (4) the filing by petitioner of the claim with the GSIS, instead of with the appropriate regional office of the Department of Labor does not militate against the claim; because the filing of a claim in an office that has no authority to act on it can be treated as having been filed with the appropriate agency as long as it is filed within the period allowed by law /*Pobre vs. WCC*, 77 SCRA 315-320, May 31, 1977/; and Art. 294, Title II (Transitory and Final Provisions) of the New Labor Code provides that all actions and claims accruing prior to the effectivity of this Code shall be determined in accordance with the laws in force at the time of their accrual and under the third paragraph of Article 292, Title II (Prescription of Offenses and Claims), workmen's compensation claims accruing prior to the effectivity of this Code and during the period from November 1, 1974 up to December 31, 1974 shall be processed and adjudicated in accordance with the laws and rules at the time their causes of action arose.

"Because We declared the aforesaid resolution as final and executory, respondents resorted to this present motion for clarification. Thus respondent Employees' Compensation Commission submitted on March 28, 1979 the following points for clarification:

"A. Payment by the Government Service Insurance System (GSIS) of compensation/medical benefits for claims filed under the New Labor Code with said office which it finds to be noncompensable under said code but may be considered compensable under the repealed Workmen's Compensation Act, as amended;

"B. Legal implications of the application by this Honorable Court of the ten-year prescriptive period to the claim filed in the present case on claims filed under similar circumstances in relation to the provision in the New Labor Code on prescription of actions whereby all workmen's compensation claims accruing prior to January 1, 1975 are required to be filed not later than March 31, 1975, otherwise, they shall be forever barred;

"C. Legal basis for the Employees' Compensation Commission to assume jurisdiction over and apply the

provisions of the repealed Work-men's Compensation Act to compensation cases involving causes of action accruing prior to January 1, 1975.

"Likewise, respondent GSIS filed on April 17, 1979 its own motion for clarification with respect to the following points:

"I. Whether or not the GSIS has a right of reimbursement from the employer of petitioner, considering that the employer was originally liable to pay the claim and payment by the GSIS for the employee rewards the employer for his failure to pay the claim.

"II. To whom should the GSIS pay the administrative costs and whether or not the GSIS should, at the very least, have a right to recover the administrative costs from the employer of petitioner.

"Petitioner was required to comment on the aforesaid motions and he filed one on August 28, 1979.

"Meanwhile, several cases were decided by this Court applying the doctrine in the aforesaid Corales case. Thus, the cases of Villones (G.R. No. L-46200, July 30, 1979); Cañeja (G.R. No. L-46992, March 31, 1980), and Barga (G.R. No. L-49227, April 25, 1980), were all favorably decided in favor of petitioner workers as their ailments were all traced prior to the effectivity of the new compensation scheme under the New Labor Code.

"In Villones, a government teacher died on September 2, 1975 or more than three (3) years from his initial service on July 3, 1972. His death was traced to an ailment he contracted way back on December 4, 1972. His dependent filed a claim on December 23, 1975.

"In Barga, petitioner began working for the government on August 10, 1959 and in 1969, he began to feel the symptoms of duodenal ulcer; was hospitalized by reason thereof on February 22, 1975, discharged on March 4, 1975 and was re-admitted to be subjected to exploratory laparotomy and drainage of pelvic abscess. He was discharged on March 30, 1975 and resumed working on May 5, 1975. He thereafter filed his claim for compensation.

"And in Cañeja, petitioner, who entered the government service on July 5, 1950, filed his claim on July 30, 1976 for schizophrenia, for which he was confined at the National Mental Hospital during the periods from December 6, 1961 to February 15, 1962, from July 9, 1966 to January 10, 1967, and from January 2, 1973 to May 15, 1975 and had been under treatment for the same illness as an out-patient for the periods from July 30 to November 11, 1968, and on May 2, 1974, August 26, 1974, December 22, 1975, April 26, and June 8, 1976.

"Invariably, herein respondents filed motions for reconsideration and/or motions for clarification along the same points raised in the Corales case" (pp. 285-288, L-44063 rec.).

In Our consolidated disposition of the afore-said motions for clarification and/or reconsideration, We resolved thus:

"WHEREFORE, THE GOVERNMENT SERVICE INSURANCE SYSTEM IS HEREBY DIRECTED TO PAY THE CLAIMANTS THE DECREED AWARDS IN THEIR RESPECTIVE CASES, WITHOUT PREJUDICE TO THE RIGHT OF THE GOVERNMENT SERVICE INSURANCE SYSTEM TO REIMBURSEMENT FROM THE RESPECTIVE EMPLOYERS OF THE CLAIMANTS OR OF THE DECEASED EMPLOYEE AFTER DUE HEARING,"

From the aforecited subject resolution of March 15, 1982, respondent Government Service Insurance System filed in the same consolidated cases of Corales, Villones, Barga and Cañeja its manifestation and motion on April 14, 1982, further clarifying therein its position. Said respondent submitted the following:

1. The legal theory of the GSIS's right to reimbursement is anchored on the quasi-contract nature of

compensation claims and aimed at the preservation of the State Insurance Fund for the benefit of beneficiaries under the current law;

2. Primarily, compensation claims that should have been filed before the defunct Work-men's Compensation Commission should be pursued, by the principle of *ubi jus, ibi remedium*, before the regular courts by private employees against their employers and before the Commission on Audit as money claims in case of government employees.

The rationale for the aforestated submission is: When administrative agencies are endowed with quasi-judicial powers, such as the National Labor Relations Commission, the Securities and Exchange Commission or the Insurance Commission, they eat into the general jurisdiction of regular courts so that, *al contrario*, if those administrative agencies are abolished, their jurisdiction should revert back to the regular courts or to other appropriate agencies vested by law with general jurisdiction such as the Commission on Audit with respect to government claims.

3. The government employer concerned, not the GSIS, should be directed to pay for claims accruing under the old law, invoking the cases of *Avendaño* and *LaO*. To hold government employers directly liable in these cases would do away with the circuitous proceedings for reimbursement, saving on time, effort and expense on the part of the government (pp. 318-319, L-44063 rec.).

Respondent System prays, among others, that:

1. Its manifestation be noted, and that the pronouncements of this Court as to the alleged "offer" of the Government Corporate Counsel be deleted or qualified as being merely an equitable solution to the legal predicament of the GSIS being made to satisfy a liability that belongs to the government employer concerned;
2. Subject to the succeeding paragraph, the grant to the GSIS of the right of reimbursement be applied only in the *Coralles*, *Villones*, *Cañeja* and *Barga* cases, and in other similar cases involving workmen's compensation claims where the decisions of the Supreme Court have already become final and executory; and
3. With respect to all the other cases still pending or not yet final and executory, in the exercise of this Court's sound discretion, either (a) the legal submission of the GSIS that workmen's compensation claims be filed with the Commission on Audit for government employees and in the regular courts for private employees or (b) the legal submission that the government employers themselves be held directly liable to pay in line with precedents, be followed, in fairness and justice to the claimants, although the first alternative is preferred as being more in consonance with the law (p. 319, L-44063 rec.).

In *Barga vs. ECC*, petitioner *Barga*, in his comment on the GSIS's manifestation filed on October 1, 1982, pleads that the reliefs prayed for in paragraphs (a) and (b) of subject manifestation be granted provided his award is not prejudiced; that respondent System's submission under paragraph (c) be declared improper and irrelevant at this stage of the proceedings and that the same may be properly ventilated in future cases; and that respondent System be ordered to facilitate and expedite the processing and payment of awards in the four cases (p. 186, L-49227 rec.).

In the *Villones* case, petitioner also submitted his comment on the same manifestation on May 31, 1982 stating therein that the resolution of issues raised by the GSIS should not be made a condition precedent to the execution of this Court's decision; that the matter of reimbursement by the government employer should not be utilized to delay execution thereof since the government guarantees the solvency of the State Insurance Fund; that the resolution of this Court directing the GSIS to pay petitioner's award should be immediately executory and no longer reconsidered; and, that the GSIS's submission that workmen's compensation claims be filed with the Commission on Audit for government employees and with the regular courts for private employees derogates upon the principle of speedy labor justice, as such claims would surely be subjected to bureaucratic auditing red

tape, fund availability requirements and technical rules of evidence and procedure in courts (p. 325, L-44063 rec.).

In the meantime, this Court has allowed compensation benefits in several cases conformably with the doctrine laid down in the Corales case. Accordingly, the following cases were decided in favor of petitioners/claimants whose ailments were contracted on dates prior to the effectivity of the new compensation scheme under P.D. No. 626, as amended.

In *Duran vs. ECC* (G.R. No. L-52363), petitioner filed the claim for death benefits under P.D. No. 626, as amended, on behalf of her husband, the late Municipal Judge Restituto Duran. Decedent entered the government service on October 15, 1941 in the Department of Finance. He joined the judiciary on May 31, 1952 as justice of the peace. He was initially hospitalized in March, 1972 and for the next five years, he was on and off confined for castralgia, angina pectoris, gouty arthritis, myo-fascitis, coronary insufficiency, hypocalcemia with cramps and monocytic leukemia. He died of acute monocytic leukemia on April 28, 1977. Petitioner filed her claim with the GSIS on March 14, 1978.

This Court, in its decision dated March 30, 1982 found decedent's death from acute monocytic leukemia compensable and adjudged the claim allowable under the Workmen's Compensation Act (p. 115, L-52363 rec.).

On April 29, 1982, respondent ECC filed an urgent motion to amend decision praying that the dispositive portion of aforesaid decision be Amended to the effect that petitioner should be awarded P6,000.00 as death benefits, refunded medical and hospital expenses duly supported by receipts, and given burial expenses of P200.00 in accordance with the Workmen's Compensation Act, instead of the original award of P12,000.00 as death benefits and P1,000.00 as funeral expenses (p. 126, L-52363 rec.).

On May 7, 1982, respondent GSIS filed its motion for reconsideration praying therein for reconsideration and setting aside of subject decision and for the payment of the award pursuant to the old Workmen's Compensation Act or in the alternative, for this Court to allow reimbursement to the GSIS for whatever final amount the latter will be directed to pay petitioner (p. 133, L-52363 rec.).

Commenting on this Court's finding of compensability of decedent's various ailments, respondent GSIS rationalizes in its motion:

"Coronary insufficiency is a qualified occupational disease but gouty arthritis is not. Gouty arthritis is due to an increase in uric acid which is, in turn, due to the intake of rich foods, beans, etc.. Coronary insufficiency is treated basically with vaso-dilators, not antibiotics or anti-rheumatic drugs" (p. 135, L-52363 rec.).

Petitioner filed her comment on the motions of respondents ECC and GSIS on July 8, 1982 praying that the decision of March 30, 1982 be maintained and that the same be implemented as soon as legally possible by whatever government agency may be directed to (p. 142, L-52363 rec.).

In *Calvero vs. ECC* (G.R. No. L-52059), petitioner entered the government service as classroom teacher on July 28, 1941. She suffered from multiple sclerosis, which was initially discovered on June 12, 1971. By reason of such illness, petitioner retired on November 1, 1977 at the age of 55. She filed her claim for disability benefits under P.D. 626, as amended, in the latter part of January, 1978 (pp. 156 & 157, L-52059 rec.).

In Its decision of September 30, 1982, this Court allowed compensation disability benefits of P6,000.00, reimbursement of properly receipted medical and hospitalization expenses and rehabilitation services plus attorney's fees equivalent to 5% of the award. Petitioner's ailment of multiple sclerosis was adjudged as compensable (p. 169, L-52059 rec.).

On November 11, 1982, respondent ECC filed a motion for reconsideration of aforesaid decision wherein it pleads for reconsideration of the same and for dismissal of the petition based primarily on the ground that conformably with Art. 292 of the New Labor Code, the claim of petitioner is barred since it was filed beyond March 31, 1975 (p. 174, L-52059 rec.).

Respondent GSIS, on January 6, 1983, filed its motion for reconsideration/clarification praying, among others, that the decision in this case be reconsidered by dismissing the claim for disability benefits for having been barred by the specific statute of limitations provided for in Art. 292 of the New Labor Code and for having been filed with an entity not vested by law with jurisdiction to resolve the same or that said decision be amended/clarified by expressly qualifying the benefits granted as not lifelong; by deleting the grant of 5% attorney's fees; and by requiring petitioner's employer, the Ministry of Education and Culture, to effect direct payment of the claim.

In *Delegente vs. ECC* (G.R. No. L-47460), petitioner filed the claim for medical and income benefits on behalf of decedent who worked as letter carrier in the Bureau of Posts regional office at San Pablo City for more than 34 years from January 1, 1942 up to his death on May 28, 1976 (p. 129, L-47460 rec.).

Decedent initially detected his ailment which was later confirmed as thyroid carcinoma secondary to pulmonary tuberculosis on or about April, 1974 or 1½ years before he submitted to surgical constilation. He was finally confined on October 20, 1975 and during such confinement, he was operated on for total thyroidectomy and excision biopsy of the supra-clavicular masses. Decedent died on May 28, 1976. Petitioner filed the claim as early as March 10, 1976 (pp. 130 and 135, L-47460 rec.).

On November 2, 1982, this Court rendered a decision finding decedent's ailment compensable and granting him P6,000.00 death benefits, the refund of medical and hospital expenses duly receipted, P200.00 burial expenses and P600.00 attorney's fees (p. 149, L-47460 rec.).

Respondent GSIS filed a motion for reconsideration/clarification on December 14, 1982 praying for direct payment of the award by employer Bureau of Posts even before the questioned decision becomes final, for the total removal of attorney's fees and the deletion of the award of administrative costs (p. 167, L-47460 rec.).

On March 3, 1983, petitioner filed her comment on aforesaid motion of respondent System with prayer that the same be denied for lack of merit (p. 178, L-47460 rec.).

Respondent ECC filed its comment on the motion on April 13, 1983, stating therein that it has no objection to the GSIS's proposition (p. 139, L-47460 rec.).

In *Ceniza vs. ECC* (G.R. No. L-55645), the late Perpetua Ceniza entered the government service on September 12, 1947 as public school teacher. She contracted chronic pyelonephritis and uremia while in the service and for which ailments, she was confined in December, 1977. She died on January 30, 1979 at the age of 49. On November 14, 1979, her husband-petitioner filed the claim for compensation benefits under the New Labor Code (pp. 75 & 76, L-55645 rec.).

This Court rendered decision on November 2, 1982 allowing compensability and granting benefits under the former compensation scheme (p. 75, L-55645 rec.).

On December 15, 1982, respondent GSIS filed its motion for reconsideration/clarification praying that, since the decision has not yet become final and executory, the Ministry of Education and Culture be made to pay directly to petitioner-claimant the awarded benefits, and also, since under the old workmen's compensation law, the employer is ultimately liable (p. 95, L-55645 rec.).

On February 4, 1983, petitioner filed a manifestation with prayer that respondent GSIS be directed to pay the

benefits awarded and there-after, it be allowed to seek reimbursement from the Ministry of Education and Culture. (p. 100, L-55645 rec.).

In compliance with this Court's resolution of January 31, 1983, petitioner submitted his comment on February 22, 1983 stating therein that he has no objection to respondent GSIS's paying the award and afterwards seeking reimbursement from the Ministry after due hearing and reiterat-ing its prayer for the GSIS to be allowed to seek minibursement after payment is effected (p. 106, L-55645 rec.).

Respondent ECC filed its comment on May 4, 1983 manifesting that it does not conform to the submission of the GSIS that the Ministry should pay directly to petitioner and instead, respondent System should be made solely responsible for the payment of benefits since under the New Labor Code, it is the custodian and administrator of the State Insurance Fund (p. 115, L-55645 rec.).

On May 23, 1983, respondent GSIS filed a joint reply to aforecited comment and manifesta-tion restating its prayer in its previous motion for reconsideration/clarification (p. 120, L-55645. rec.).

By way of summation and simplification, re-spondent GSIS has initially opted for application of the right of reimbursement, if granted, in Corales, Villones, Cañeja and Barga cases only and in other similar cases involving workmen's compensation claims where the decisions of this Court have already become final and executory. In Duran, respondent System seeks the payment of the award as per provisions of the Workmen's Com-pensation Act and for reimbursement of whatever amount it will be directed to pay. In the subse-quent cases of Delegente and Ceniza, said respondent specifically and finally prays for direct payment of the approved claims by the respective employers of petitioners/claimants even before finality of the decision.

Respondent ECC stubbornly clings to its previous position that the petitions or claims should be dismissed since the same are already barred conformably with Article 292 of the New Labor Code; and maintains that it does not agree to the GSIS's submission of direct payment by the employer since under the new compensation scheme, the System as the administrator of the State Insurance Fund should be solely and directly liable for payment of claims.

Of these subject approved claims, only five petitioners-claimants have specifically expressed what they plead for. Thus, in Barga and Villones, both claimants do not oppose the matter of reimburse-ment to the GSIS as long as the processing and pay-ment of their benefits are facilitated and imple-mented pursuant to Our resolution of March 15, 1982. They feel, however, that the proposed filing of claims with the Commission on Audit or courts would still be premature at this stage but might be seriously considered in future cases, and, that such procedure would defeat the guaranteed speedy labor justice. In Duran and Delegente, all that the petitioners-claimants pray for is the imple-mentation of this Court's decision in their respective claims without touching the awarded benefits.

At this juncture, the common issues of com-pensability of these claims and of whether or not said claims are already barred, have been fore-closed by Our resolutions of February 27, 1979 and March 15, 1982, wherein We exhaustively con-fronted and resolved the same.

Our sole and urgent concern at this moment is the payment of these claims and which agency should be primarily liable.

Nevertheless, for the consumption of future claimants and respondent agencies, We emphatically reiterate:

"With respect to the second and third points of clarification of the respondent ECC on the legal implications of the application by this Honorable Court of the ten-year prescriptive period to the claim filed in the present case (Corales) on claims filed under similar circumstances in relation to the provision in the New Labor Code on

prescription of actions whereby all workmen's compensation claims accruing prior to January 1, 1975 are required to be filed not later than March 31, 1975, otherwise they shall be forever barred; and the legal basis for the Employees' Compensation Commission to assume jurisdiction over and apply the provisions of the repealed Workmen's Compensation Act to compensation cases involving causes of action accruing prior to January 1, 1975, the subject points of clarification sought for are clear from Our pronouncement that the vested rights of claimants, whose causes of action accrued before the regime of the new compensation scheme, over the more favorable and compassionate provisions of the previous compensation statute, including the right to file their claims during the ten-year prescriptive period, should be recognized and respected. Consequently, respondents GSIS and ECC have jurisdiction over claims the causes of action of which arose during the effectivity of the old workmen's compensation law, which must be resolved by them on the basis of the provisions of the old workmen's compensation law which is more sympathetic to the plight of the working man as it is more expressive of the social justice guarantee of the supreme law of the land.

"As delineated above, petitioners whose causes of action accrued during the effectivity of the old compensation law and continued even after its repeal unto the regime of the new employees' compensation law, filed their respective claims for compensation only after the deadline set forth under the new law; but which deadline was ruled by this Court as not barring the claims of the petitioners as filed with the GSIS which under the new law is mandated to take cognizance of compensation claims, the defunct Workmen's Compensation Commission and its regional branches being then in the process of folding up.

"Relevant to state at this point is the fact that herein petitioners (except petitioner Barga, who resumed working after his temporary disability), like claimant in the Romero case [77 SCRA 482, 489 (1977)], despite their medical disability, persisted in working by their sheer determination and ingenuity until their compulsory retirement (Corales), death (Villones), and mental incapacity (Cañeja).

"It must also be noted that the new compensation law in fixing the March 31, 1975 deadline of filing claims accruing during the effectivity of the old compensation law with the regional offices (WCC) of the Department of Labor, overlooked the vested rights of claimants to file their claims within the ten-year prescriptive period recognized under the previous compensation law and jurisprudence.

"Hence, respondent GSIS and ECC as the only existing agencies presently entrusted by law with the processing of claims for compensation benefits have jurisdiction over the claims herein involved and over all claims of claimants similarly situated. (While P.D. 954, issued on July 6, 1976, empowered the Secretary [now Minister] of Labor to assume and exercise effective jurisdiction over workmen's compensation cases, this was however expressly limited to the power and authority to determine, dispose of and to take final action on workmen's compensation cases pending as of March 31, 1976 before the Workmen's Compensation Commission and the Workmen's Compensation Units in the regional offices of the Department [now Ministry] of Labor, and those cases remanded or to be remanded by the Supreme Court for further proceedings).

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"Indeed, to sustain the stand of respondent ECC on this matter would result into a situation wherein herein claimants and others similarly circumstanced would have a bare right without any forum to enforce the same. A vested right rooted from a social legislation enacted pursuant to the social justice provision of the Constitution may not be rendered worthless by a literal construction of the pertinent provisions of the New Labor Code, which would thus inflict upon the petitioners and those equally situated the harshness of the arbitrary and constricted time limitation set forth in its Article 292.

"The President-Prime Minister, in promulgating the New Labor Code, did not deliberately intend to inflict such injustice on claimant employees and thereby deny them the social justice guaranteed by the Constitution he swore to uphold and defend.

"As long as this Supreme Tribunal exists and functions as the vital instrument of social justice, the afore-said situation will never be countenanced."

The proposition of the GSIS that compensation claims of, government employees and those of private employees should be filed with and pursued before the Commission on Audit and the regular courts, respectively, not only has been advanced too late in the day to merit consideration, but also appears inaccurate and cannot be upheld in the face of certain specific provisions of the Labor Code (P.D. No. 626, Title II, as amended) and its implementing rules.

The exclusive responsibility of administering and disposing of claims for compensation benefits is clearly defined in the following provisions of the said Code, thus:

"Art. 171. Exclusiveness of liability. -- Unless other-wise provided, the liability of the State Insurance Fund under this Title shall be exclusive and in place of all other liabilities of the employer to the employee, his dependents or anyone otherwise entitled to receive damages on behalf of the employee or his dependents. The payment of compensation under this Title shall bar the recovery of benefits as provided for in Section 699 of the Revised Administrative Code, Republic Act Numbered Eleven Hundred Sixty-one as amended, Commonwealth Act Numbered One Hundred Eighty-six, as amended, Republic Act Numbered Six Hundred Ten, as amended, Republic Act Num-bered Forty-eight Hundred Sixty-four, as amended, and other laws whose benefits are administered by the System, during the period of such payment for the same disability or death, and conversely.

"Art. 178. Settlement of Claims. -- The System shall have original and exclusive jurisdiction to settle any dispute from this Title with respect to coverage, entitle-ment to benefits, collection and payment of contributions and penalties thereon, or any other matter related thereto, subject to appeal to the Com-mission, which shall decide appealed cases within twenty (20) working days from the submission of the evidence" [Emphasis supplied].

Under Article 165(e) of the Code, "System" means the SSS or the GSIS, as the case may be.

Furthermore, to give more teeth to the aforequoted provisions, Article 175(c) of the Code empowers the Commission (ECC) to approve rules and regulations governing the processing of claims and other settlement of disputes arising therefrom as prescribed by the System (GSIS). This simply means that the GSIS initiates the promulgation and adoption of rules and regulations subject only to approval by the ECC.

And pursuant to the authority vested in the ECC under the aforecited Article 175(c) to promulgate rules and regulations, the said Commission incorporated certain explicit and mandatory provi-sions into the amended rules. The pertinent sections under Rule XVII (Settlement of Claims) read as follows:

"Section 1. Services. -?

a) The claim for medical benefits shall be filed on a prescribed form by an accredited physician or accredited hospital direct-ly with the System.

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"Sec. 2. Income Bene-fits. -- The claim for income benefits shall be filed in a prescribed form by the employee, his de-pendents or his employer on his behalf, directly with the System. xx xx

"Sec. 3. Adjudication. -? Upon receipt of the claim, the System shall process the claim and determine whether or not the injury, sickness, disability or death is compensable" (underlining supplied).

Unless and until the Labor Code and its imple-menting rules on compensation are amended, the foregoing provisions stand as they are. In the meantime, the filing, processing and adjudication of claims for compensation

should remain with the GSIS and the ECC.

In the light of the foregoing, in the cases of Corales, Villones, Cañeja and Barga and other similar cases where the decisions had already become final and executory, the GSIS shall remain liable to pay the respective petitioners-claimants the decreed awards in the said cases, without prejudice to the right of the Government Service Insurance System to reimbursement from the respective employers of the claimants or petitioners; because said cases were adjudged compensable pursuant to the Workmen's Compensation Act as they cover ailments initially contracted prior to the effectivity of the New Labor Code, even if said cases were filed after the effectivity of said Code.

In all other cases where the decisions decreed awards under the Workmen's Compensation Act for ailments initially contracted prior to the effectivity of the New Labor Code, although the claims were filed thereafter, but said decisions have not yet become final, the awards shall be paid by the respective employers of the claimants.

WHEREFORE, IN CORALES, VILLONES, CAÑEJA AND BARGA CASES, THE MANIFESTATION AND MOTION OF THE GOVERNMENT SERVICE INSURANCE SYSTEM IS DENIED AND SAID SYSTEM IS HEREBY DIRECTED TO PAY THE PETITIONERS OR CLAIMANTS THE DECREED AWARDS IN THEIR RESPECTIVE CASES, THE DECISIONS THEREIN HAVING ALREADY BECOME FINAL AND EXECUTORY WITHOUT PRE-JUDICE TO THE RIGHT OF THE GOVERNMENT SERVICE INSURANCE SYSTEM TO REIMBURSEMENT FROM THE RESPECTIVE EMPLOYERS OF THE CLAIMANTS OR PETITIONERS.

THE DISPOSITIVE PORTIONS OF THE DECISIONS IN THE FOLLOWING CASES ARE HEREBY AMENDED TO READ AS FOLLOWS:

IN G.R. NO. 52363 (DURAN VS. ECC):

"WHEREFORE, THE DECISION OF THE RESPONDENT COMMISSION IS HEREBY SET ASIDE AND THE SUPREME COURT (OFFICE OF THE COURT ADMINISTRATOR) IS HEREBY DIRECTED

"1. TO PAY THE PETITIONER THE SUM OF SIX THOUSAND (P6,000.00) PESOS AS DEATH BENEFITS;

"2. TO REIMBURSE PETITIONER'S MEDICAL AND HOSPITAL EXPENSES SUPPORTED BY PROPER RECEIPTS;

"3. TO PAY PETITIONER TWO HUNDRED (P200.00) PESOS AS FUNERAL EXPENSES;

"4. TO PAY PETITIONER SIX HUNDRED (P600.00) PESOS AS ATTORNEY'S FEES; AND

"5. TO PAY ADMINISTRATIVE COSTS.

"SO ORDERED."

IN G.R. NO. 52059 (CALVERO VS. ECC):

"WHEREFORE, THE DECISION OF THE EMPLOYEES' COMPENSATION COMMISSION IS HEREBY SET ASIDE AND THE MINISTRY OF EDUCATION AND CULTURE IS HEREBY ORDERED

"1. TO PAY PETITIONER THE SUM OF SIX THOUSAND (P6,000.00) PESOS AS DISABILITY COMPENSATION BENEFITS;

"2. TO REIMBURSE PETITIONER HER MEDICAL AND HOSPITAL EXPENSES DULY SUPPORTED BY

PROPER RECEIPTS;

"3. TO PAY PETITIONER THE SUM OF SIX HUNDRED (P600.00) PESOS AS ATTORNEY'S FEES; AND

"4. TO PAY ADMINISTRATIVE COSTS.

"SO ORDERED."

IN G.R. NO. 47460 (DELEGENTE VS. ECC):

"WHEREFORE, THE DECISION OF RESPONDENT EMPLOYEES' COMPENSATION COMMISSION IS HEREBY SET ASIDE AND THE MINISTRY OF TRANSPORTATION AND COMMUNICATIONS (BUREAU OF POSTS) IS HEREBY ORDERED

"1. TO PAY HEREIN PETITIONER THE SUM OF SIX THOUSAND (P6,000.00) PESOS AS DEATH BENEFITS;

"2. TO REFUND PETITIONER'S MEDICAL AND HOSPITAL EXPENSES DULY SUPPORTED BY PROPER RECEIPTS;

"3. TO PAY PETITIONER BURIAL EXPENSES IN THE AMOUNT OF TWO HUNDRED (P200.00) PESOS;

"4. TO PAY PETITIONER SIX HUNDRED (P600.00) PESOS AS ATTORNEY'S FEES; AND

"5. TO PAY ADMINISTRATIVE COSTS.

"SO ORDERED."

IN G.R. NO. 55645 (CENIZA VS. ECC):

"WHEREFORE, THE DECISION OF RESPONDENT EMPLOYEES' COMPENSATION COMMISSION IS HEREBY SET ASIDE AND THE MINISTRY OF EDUCATION AND CULTURE IS HEREBY ORDERED

"1. TO PAY PETITIONER THE SUM OF SIX THOUSAND (P6,000.00) PESOS AS DEATH BENEFITS;

"2. TO REIMBURSE THE DECEDENT'S MEDICAL AND HOSPITAL EXPENSES DULY SUPPORTED BY RECEIPTS;

"3. TO PAY PETITIONER BURIAL EXPENSES IN THE AMOUNT OF TWO HUNDRED (P200.00) PESOS;

"4. TO PAY PETITIONER SIX HUNDRED (P600.00) PESOS AS ATTORNEY'S FEES; AND

"5. TO PAY ADMINISTRATIVE COSTS.

"SO ORDERED."

SO ORDERED.

Fernando, C.J., Teehankee, Concepcion, Jr., Guerrero, Abad Santos, De Castro, Plana, and Escolin, JJ., concur.
Aquino and Relova, JJ., no part.

Melencio-Herrera and Gutierrez, Jr., JJ., in the result.

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