

**GODOFREDO I. MOSUELA—(34), GREGORIO C. MON—(35) AND
HONORIO L. PADILLA—(36), PETITIONERS AND APPELLEES, VS.
PHILIPPINE LONG DISTANCE TELEPHONE COMPANY, RESPONDENT
AND APPELLANT.**

G.R. Nos. L-16693-5. January 30, 1962

Ponente: REYES, J.B.L., J.

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REYES, J.B.L., J.:

The above-entitled cases have been elevated for review to this Court by the respondent, Philippine Long Distance Telephone Company, seeking relief from the Resolution of the Social Security Commission, dated October 26, 1959, ordering the said respondent to pay sickness benefits to petitioners for the periods claimed by them, in amounts to be determined by the Social Security System's Claims Department.

The findings of fact by the Social Security Commission are admitted by the respondent and are as follows:

"Godofredo Mosuela was an employee of the respondent from August 25, 1955 to January 19, 1969, with a salary of P1.02 per hour and worked eight (8) hours a day. In August, 1957, he became a covered member of the Social Security System and was assigned SSS No. 03-011790. In the collective bargaining agreement concluded between the employee's union, of which petitioner is a member, and the respondent, it is provided among other things that an employee who falls ill shall receive sick leave with full pay for the first two weeks of illness and thereafter, sick leave with half pay for the duration of the illness up to a maximum of six (6) months.

On September 30, 1958, Godofredo Mosuela was afflicted with sciatica and was confined in the Waterous Clinic on October 6, 1958. He was operated on October 6, 1958, and discharged from the clinic on December 20, 1958, from which date he was confined in his house for purposes of recuperation until January 4, 1959. In accordance with the collective bargaining agreement, the respondent allowed the petitioner sick leave with full pay from September 30, to October 15, 1958, and sick leave with half pay from October 15, 1958 to January 4, 1959. On January 5, 1959, petitioner returned to work for respondent until January 13, 1959. On January 14, 1959, he was asked by respondent to stop working and was finally discharged on January 31, 1959. Soon after his discharge, petitioner applied to the respondent for sickness benefits under Section 14 (a) of the Social Security Act, as amended, for the period of his ailment from October 16, 1958 to January 3, 1959, when he was receiving only half pay, but respondent refused to grant the same.

Gregorio C. Mon was an employee of respondent from 1950 up to January 30, 1959, with a salary of P.82 per hour and worked eight (8) hours a day. In August, 1957, he became a covered member of the Social Security System and was assigned SSS No. 03012561. On December 16, 1958, he was confined at the Waterous Clinic where he underwent a kidney operation and was discharged therefrom on January 8, 1959. From January 9, to January 19, 1959, he was confined in his house to recuperate. In accordance with the collective bargaining agreement heretofore mentioned, respondent granted the petitioner sick leave with full pay from December 16-30, 1958, and, thereafter, sick leave with half pay from January 1-29, 1959. On January, petitioner was discharged by respondent. Soon after, he applied to respondent for sickness benefits under the Social Security

Act, as amended, for the period of his ailment from January 1-29, 1959, when he was receiving only half pay, but the respondent likewise refused to grant the demand.

"Honorio L. Padilla was employed with the respondent from 1950 to December 31, 1958, with a salary of P1.20 per hour and worked for eight (8) hours a day. In August, 1957, he became a covered member of the System and was assigned SSS No. 03011179. Between January and March, 1958, he was periodically ill and was granted by respondent sick leave with full pay for two weeks so that by March, 1958, he had exhausted all sick leaves with full pay to which he was entitled from the respondent by virtue of the collective bargaining agreement mentioned in the two preceding cases.

"On August 1, 1958, he was afflicted with fibrotic tuberculosis and was hospitalized at the Waterous Clinic. He was discharged from the hospital on August 20, 1958 but remained in confinement in his home up to September 3, 1958. Having exhausted all sick leaves with full pay from the respondent, he was granted sick leave with half pay from August 1 to September 3, 1958. Soon after his release from the Waterous Clinic on August 20, 1958, he applied to respondent for sickness benefits under the Social Security Act, as amended, for the period of his ailment from August 1, 1958 to September 12, 1958, when he was receiving only half pay but respondent refused to grant it. On September 4, 1958, respondent's physician declared petitioner fit for duty but respondent's operation supervisor, Mr. Homer Pratte, refused to let him work alleging that he was not then yet fit for duty. On December 31, 1958, petitioner was discharged by respondent."

Since the cases involved similar facts and the same question of law, the same were tried jointly by the Commission.

The issue resolves upon the proper interpretation of the word "pay" appearing in the second proviso of Section 14 (a) of Republic Act No. 1161, which is worded as follows:

"SEC. 14. Sickness benefit.—(a) Under such rules and conditions as the Commission may prescribe, any covered employee under this Act who, after one year at least from the date of his coverage, on account of sickness or bodily injury is confined in a hospital, or elsewhere with the Commission's approval, shall, for each day of such confinement, be paid his employer, or by the System if such person is a voluntary member, an allowance equivalent to twenty per centum of his daily rate of Compensation, plus five per centum thereof for every dependent if he has any, but in no case shall the total amount of such daily allowance exceed six pesos, or sixty per centum of his daily rate of compensation, whichever is the smaller amount, nor paid for a period longer than ninety days in one calendar year: Provided, That he has paid the required premiums for at least six months immediately prior to his confinement: Provided, further, That the payment of such allowance shall begin only after the first seven days of confinement, except when such confinement is due to injury or to any acute disease; but in no case shall such payment begin before all leaves of absence with pay, if any, to the credit of the employee shall have been exhausted: * * *" (Italics supplied.)

It may be gleaned from the records that the respondent, pursuant to a bargaining agreement with petitioners' union, granted them two weeks' sick leave with full pay and thereafter, sick leave with half pay up to a maximum of six months.

Petitioners contend that upon exhaustion of their two-week full pay sick benefits, they became entitled to the sickness allowances provided for under the Social Security Act (Republic Act 1161, as amended), although they were still enjoying the half-pay benefits during their illness for a maximum period of six months.

On the other hand, the respondent maintains that as the petitioners are still receiving some amount of sick leave pay from it, although less than full pay, said petitioners are not entitled to the sickness allowances under the said Social Security Law.

We agree with the appellees that appellant Company's contention is untenable. The Social Security law was

enacted for the avowed purpose of protecting employees against the hazards of disability, sickness, old age, and death, and these purposes would be frustrated if lawful claims were to be denied simply because the claimant is receiving some pay, however infinitesimal, from the employer. Such would be the logical consequence of appellant's theory that the term "leaves of absence with pay" used in the statute includes leaves with any amount of pay, whatever such amounts should be. It stands to reason that in requiring the employee to exhaust all his leaves of absence with pay before his sickness allowances can begin, the statute takes into consideration that if the employee does receive the same compensation as when he was healthy, he has no ground for complaint. But this can not be true if the compensation received during his leave of absence is substantially reduced.

It is argued that unless appellant's interpretation is adopted, the laid-off employee may receive a total sickness allowance (under the statute and under the collective bargain combined) greater than the compensation he was actually earning before sickness. Suffice it to say that the law, in fixing the sickness allowance, did not take into account allowances fixed by agreement, since the legislator could not determine in advance whether such allowances would be agreed upon, nor their amount. Hence the contractual sickness benefits can not operate to reduce the statutory indemnities. The remedy evidently lies in taking into account the provisions of the Social Security law in the collective bargaining contract, and in providing for the deduction of the statutory allowances from the benefits that the employer is required to pay under the agreement. But such deduction can not be made without express assent to the effect by all the contracting parties, since courts can not write the contract for them.

In view of the foregoing, the Social Security Commission's resolution now under appeal is affirmed. Costs against respondent-appellant.

Bengzon, C. J., Padilla, Bautista Angelo, Labrador, Concepcion, Barrera, Paredes, Dizon, and De Leon, JJ., concur.

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