

GENERAL TEXTILES, INC., PETITIONER, VS. TEOFILO TAAY, RESPONDENT.

G.R. No. L-29348. November 29, 1971

Ponente: TEEHANKEE, J.

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TEEHANKEE, J.:

Appeal by certiorari from a decision of the Workmen's Compensation Commission en banc.

In the decision dated February 14, 1968 of then acting commission chairman Cesareo Perez, the award dated November 9, 1967 issued by the workmen's compensation section chief of the commission's Pasay City subregional office for respondent claimant Taay's total temporary disability due to moderately advanced pulmonary tuberculosis (incurred after eight years employment as operator with petitioner) was affirmed with modification. Petitioner was thereby ordered:

"1. To pay the claimant in lump sum through this Commission the amount of ONE THOUSAND THREE HUNDRED THIRTY and 35/100 PESOS (P1,330.35) as compensation; and commencing February 15, 1968, to pay the claimant a weekly compensation of P27.15 until his illness is declared by competent authority to have been cured or arrested, but not to exceed the amount of P6,000.00 in the aggregate;

"2. To pay the claimant the sum of ONE HUNDRED FOURTEEN and 65/100 PESOS (P114.65) as reimbursement of medical expenses, and to provide him with such services, appliances, and supplies as the nature of his disability and the process of his recovery may require, and that which would promote his early restoration to the maximum level of his physical capacity; and

"3. To pay the Workmen's Compensation Fund the sum of NINETEEN PESOS (P14.00 as decision fee and P5.00 as cost of this review) pursuant to Sec. 55 of the Act, as amended."

Petitioner's motion for reconsideration was denied "for lack of merit" by the commission en banc in its resolution of July 18, 1968.

Petitioner's appeal was given due course per the Court's resolution of August 27, 1968 on petitioner's seemingly plausible submittal that its substantial rights had been violated in that the commission allegedly arbitrarily held its statement of controversion to be a pro forma statement of controversion that was fatally deficient in form and substance, notwithstanding that its failure to state its reasons for controversion was due to the lack of a corresponding question thereon in WC Form No. 3, supplied by the commission itself, and that it had therefore been denied its right to due process.

The appeal was submitted for decision without respondent having filed a brief.

The commission records, however, fully support and justify in law the decision appealed from.

The case background is thus briefly recounted in the decision: "(I)t appears that the award in question was issued based upon the records and without a hearing on the merits for failure of the respondent to controvert the right to compensation of the claimant in accordance with law. In now seeking to set aside the award and to have the case

heard on the merits, the respondent in effect contends that it had timely exercised its right of controversion and therefore, it is entitled to a hearing where it could pre-sent 'a valid and good defense showing its non-liability to the claim...' In essence, it is the position of the respondent that it first acquired know-ledge of the claimant's illness when it received on September 11, 1967 the claim for compensation which was served upon it by the Pasay City Sub-Regional Office. In this connection it presented evidence showing that on September 19, 1967, or within ten days from receipt of the claim, it filed its corresponding employer's reports containing its controversion with Regional Office No. 4 Manila. On this score, we are willing to grant, in the liberal interpretation of the Rules of the Workmen's Compensation Commission to promote the ends of justice, that there was substantial compliance in so far as the act of the physical filing of the reports is concerned, considering that by law, Pasay City Sub-Regional Office 4 still stands as an integral part of Regional Office No. 4, Manila."

1. The commission, after an examination of the photostat copies of the reports, the originals of which were filed with its Manila regional office, expressly sustained the award having been made without need of hearing on the merits due to petitioner's failure to controvert respondent's right to compensation in accordance with law, more specifically in the following particulars:

"1. The respondent failed to comply with the form and substance required for the notice of controversion by failing to state 'in clear terms the grounds or reasons for controverting the employee's rights to compensation (Sec. 2, Rule 8, Rules of the Commission); for in Item 7 of the Employer's Report (WCC Form No. 3), the respondent was content to answer a simple 'Yes' to the question, 'State whether you will controvert the claim for compensation in this case'; and

"2. The respondent failed to comply with the sub-stantial requirements in the accomplishment of the em-employer's report required under Sec. 37 of the Act for pur-poses of administration and under Rule 7 of the Rules of the Commission for the purpose of serving as an answer."

2. Petitioner's main contention that "the commission cannot prescribe a form to serve as notice of controversion and then discard it as insufficient, in form and substance, when answered as instructed, especially when the form prescribed was prepared, printed, utilized, supplied, furnished and provided by it"[1] is not borne out by the records.

Thus, the commission noted "from the Employer's Report (WCC Form No. 3) submitted by the respondent, that aside from the personal employment data of the claimant, the former avoided the submission of relevant information regarding the circumstances surrounding the illness of the claimant, such as its nature and cause, date and probable length of disability (Items 18 to 33) by the simple expedient of answering the ques-tions for each item with the phrase 'Not applicable'. Under Sec. 37 of the Act, it is the duty of the employer, under pain of penal sanction, to give such information which it is presumed conclusively by law to be in posses-sion of or to have access to."[2]

3. Reproduced hereinbelow in part are the evasive answers given by petitioner to the numerous questions expressly asked in the commission's printed notice of controversion in accordance with the commission's rules requiring the employer to state its reasons for controversion:

"TIME AND PLACE

18. Place where accident occurred or sickness con-tracted Do not know

19. Date of injury or sickness Do not know ,19 at A. M. / P. M.

20. Was injured paid in full for this day? Not applicable

21. Date of disability began Do not know ,19 at A. M. / P. M.

22. When did you or your foreman first know of injury or sickness? Not applicable

23. Name of foreman Not applicable

"x x x

"NATURE OF INJURY

31. Nature and location of injury (Describe fully exact location or amputations, fractures, right or left)

32. Probable length of disability: Do not know

33. Has injured returned to work? No If so, when? Not applicable , 19____ , at what wage? N. A. at what occupation? Not applicable

34. Did you provide medical attention? No When

35. (a) Name and address of attending physician Dr. Mario C. Lirag

(b) Name and address of hospital Quezon Institute, Quezon City "[3]

4. The Court finds no error in law in the commission's rulings that petitioner merely "pretended not to know of the claimant's illness, yet it knew and reported the name of his attending physician, Dr. Mario C. Lirag, as well as the name and address of the hospital where he was confined, namely, the Quezon Institute in Quezon City. Further-more, Dr. Lirag certified in his physician's report that he commenced treatment on the claimant for his pulmonary tuberculosis on March 30, 1967, which since then had caused the claimant total temporary disability for labor for an indefinite period. This statement is corroborative of, and consistent with the allegation of the claimant in his claim that on March 26, 1967, he vomitted blood while operating the cone-winding ma-chine of the (petitioner), as a result of which he had to stop working since then. In view of the foregoing considerations, the disclaimer of the (petitioner) as to any knowledge of the claimant's illness and his subsequent disability acquires a hollow and false ring. Under the circumstances, one is impelled to believe that the (petitioner) learned of the claimant's disabi-lity on March 28, 1967, on the same day it began, and it was therefore in-cumbent upon it to have controverted the right to compensation of the claimant within a period of 14 days after such disability. However, as al-ready alluded to, it filed the employer's report only on September 19, 1967 containing a pro-forma statement of controversion, which as we have pointed out, is fatally deficient in form and substance. Even if such notice had been filed on time, it may not under the circumstance, be considered a valid controversion."[4]

5. The Court further finds that the commission therefore correctly ruled that "the failure to controvert within the period prescribed by law works as a forfeiture of all non-jurisdictional defenses available under the Act, including the defense that the claim is not compensable", in accordance with section 45 of the Workmen's Compensation Act, as amended, and long-settled jurisprudence.[5]

6. The consequences of such failure to controvert were thus cor-rectly stated by the commission: "In specific terms, it means that the respondent may not interpose and prove by evidence its affirmative defenses in avoidance of its liability. In view thereof, the evidence of the claimant showing that his illness was aggravated by the nature and conditions of his employment with the respondent stands un rebutted. And the records show that upon examination by Dr. Lirag of the claimant immediately after the latter suffered hemoptysis which he alleged occurred on March 28, 1967 in the course of employment, it was found out that he had moderately ad-vanced pulmonary tuberculosis. Considering the nature of his work as machine operator, his illness would not have progressed to an advanced stage without having been aggravated one way or the other by the exertion and strain

inherent in the performance of the duties of his job. After he stopped working and underwent treatment at the hands of a competent physician, his illness began to regress, a fact which further accrues to emphasize by implication, its work-connection. Under the circumstances, we need not even invoke the statutory presumption of compensability to tilt the balance in favor of the claimant." [6]

7. Finally, it must be noted that petitioner's motion for reconsideration against the award, which found that "an examination of the records show that no such employer's report (with controversion) was filed by respondent. Granting for the sake of argument that this office received the same, yet the claim cannot be considered controverted as alleged, pursuant to section 4, Rule 6 of the Workmen's Compensation Commission," [7] as well as its motion for reconsideration of the decision affirming the award on the ground of alleged timely controversion and for an opportunity "to present its evidence showing its non-liability to the claim of the claimant" both suffer from fatal defects. They were neither verified nor were affidavits of merit appended to support its petition for a new hearing, which would properly indicate that it has a valid defense against the claim and the nature thereof. [8]

If the new hearing insisted upon by petitioner would not after all alter the conclusions reached in the decision upon the evidence of record and hence the alleged defense against the claim is legally ineffective, it would be a needless waste of time and would merely undermine the law's measure of public policy designed to compel due observance of the statutory requirements as well as to protect the rights of the claimant worker [9] to set aside the decision and to remand the case for a new hearing, as sought in the petition.

ACCORDINGLY, the petition is hereby dismissed and the decision appealed from is hereby affirmed in toto. With costs against petitioner.

Concepcion, C.J., Reyes, J.B.L., Makalintal, Zaldivar, Castro, Fernando, Barredo, Villamor, and Makasiar, JJ., concur.

[1] Petitioner's brief, p. 18; emphasis furnished.

[2] Emphasis furnished.

[3] Rollo, pp. 20-21.

[4] Emphasis and notes in parentheses furnished.

[5] See cases cited in Pucan & Besinga's Workmen's Compensation Act, 1971 Ed., pp. 453-459.

[6] Emphasis furnished.

[7] Rollo, p. 26; note in parentheses supplied.

[8] Filipino Pipe & Foundry Corp. vs. WCC, 9 SCRA 721 (Dec. 24, 1963); Rule 38, section 3, Rules of Court.

[9] Agustin vs. WCC, 12 SCRA 55 (Sept. 29, 1964).

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