

**ALBERTO SALAS, PETITIONER, VS. REPUBLIC OF THE PHILIPPINES
(NATIONAL ECONOMIC DEVELOPMENT AUTHORITY) AND THE
WORKMEN'S COMPENSATION COMMISSION (DEFUNCT) C/O
DEPARTMENT OF LABOR,...**

G.R. No. L-45539. August 21, 1980

Ponente: MELENCIO-HERRERA, J.

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MELENCIO-HERRERA, J.:

Subject of the present Petition for Review is the Order, dated January 7, 1977, of the Secretary of Labor, acting concurrently as Chief of the Compensation Appeals and Review Staff, an office created pursuant to Presidential Decree No. 954 after the abolition of the Workmen's Compensation Commission to attend to unfinished workmen's compensation cases.

Claimant Alberto L. Salas started working with the National Economic Development Authority (NEDA) in May, 1961. He rose from the ranks until he became a Professional Management Analyst, responsible for the technical supervision of the different projects of the Government. He contracted tuberculosis in 1969 and from that time on, he worked "off and on."

On February 12, 1974, claimant filed a "Notice of Injury or Sickness and Claim for Compensation" before the Department of Labor, Regional Office No. 4, Workmen's Compensation Unit, Manila. This was docketed as RO4-WC Case No. 149412 (hereinafter referred to as First Case). The ailment was described as "pulmonary tuberculosis, moderately advanced, active, bilateral & chronic bronchial asthma, cor-pulmonale, right ventricle hypertrophy," which allegedly disabled claimant for labor. In its "Employer's Report of Accident or Sickness", NEDA controverted the claim for the reason that "it is doubtful whether his alleged illness is work-connected."

The Service Record of Alberto L. Salas contains the notation that Salas was on "indefinite sick leave of absence WITHOUT PAY effective February 8, 1974".[1]

On June 28, 1974, Acting Referee Isauro G. Marmita found that claimant's ailment was "interlinked with the nature of his work and conditions of his employment and, therefore, compensable," and ordered NEDA:

- "1) to pay claimant, thru this Office, the sum of P4,470.28 as compensation benefits;
- 2) to reimburse to claimant the sum of P4,909.37 for the medical expenses he incurred;
- 3) to pay claimant's counsel of record Atty. Maximo C. Lopez, the sum of P223.51 as attorney's fees; and
- 4) to pay direct to this Office the sum of P45.00 as decision fee."

At NEDA's instance, the records were elevated for review to the Workmen's Compensation Commission. The case was given docket number RO4-WC Case No. 162589.

Resolving that petition for review, a judgment of reversal was rendered on February 13, 1976 by Associate

Commissioner Dioscora C. Arellano, concurred in by Severo M. Pucan, Chairman of the Commission, dismissing the First Case on the ground that "no sufficient evidence was presented to form a reasonable conclusion that the claimant was in fact disabled from work by reason of the illness of pulmonary tuberculosis."

Copy of the said Decision was received by the Solicitor General's Office on March 18, 1976.

There appears to be confusion in so far as said Decision is concerned for the records disclose that as early as July 25, 1974, the Solicitor General, as the NEDA counsel, had already recommended payment of the awards in the First Case, and that NEDA had, in fact, effected payment.

In the interim, claimant reported for work again on May 16, 1974 and worked continuously up to July 9, 1974 when his physicians advised him to retire. He was paid his salary for services rendered during that period. His retirement took effect on July 10, 1974.

On January 30, 1975, claimant filed another claim for compensation citing as his ailment "chronic bronchial asthma & PTB" and stating that he had stopped work on July 9, 1974. It was given the same docket number RO4-WC Case No. 162589 (hereinafter called the Second Case). NEDA did not controvert stating that it had already made a voluntary payment of compensation in the respective amounts of P4,470.28 for disability for labor, P4,909.37 for medical expenses; P223.51 for claimant's counsel, and P45.00 as administrative fees.

On September 30, 1975, Acting Referee and Team Leader Estratonico S. Añano allowed compensation in the Second Case stating that claimant's illness supervened in the course of employment and ordered NEDA:

- "(1) to pay the claimant Alberto Salas thru this Office, the sum of P6,000.00 as disability compensation benefits, and the additional sum of P12,747.84 as reimbursement of medical expenses;
- (2) to pay Atty. Ricardo M. Perez, the sum of P300.00 as attorney's fees pursuant to Section 31 of the Act; and
- (3) to pay this Office, the sum of P61.00 as decision fees pursuant to Section 55 of the Act."

NEDA sought a review of the Decision from the Workmen's Compensation Commission contending that claimant's right to compensation disability had already been adjudged in the First Case.

In a Decision dated March 5, 1976, the Commission allowed disability compensation of P6,000.00 but reduced the amount recoverable for medical expenses from P12,747.84 to P4,664.99, and raised attorney's fees from P300.00 to P600.00, thus:

"WHEREFORE, modified as hereinabove indicated, the decision appealed from should be, as it is hereby AFFIRMED, and the respondent is directed to pay -

- (1) To the claimant, thru this Commission, the total amount of TEN THOUSAND SIX HUNDRED SIXTY-FOUR PESOS AND 99/100 (P10,664.99) as disability compensation & reimbursement of medical expenses;
- (2) To claimant's counsel, the sum of SIX HUNDRED PESOS (P600.00) as attorney's fees;
- (3) To this Commission, the sum of SIXTY-SIX PESOS (P66.00) as administrative costs, including P5.00 for this review pursuant to Section 55 of the Act."

NEDA, through the Solicitor General, received a copy of the aforesaid Decision on March 11, 1976, and, on March 30, 1976, or 19 days thereafter, moved for reconsideration, reiterating its position that claimant had already received compensation benefits for his illness in the First Case. It further contended that if claimant were at all entitled to any benefits, only the difference between P6,000.00, which is the maximum amount recoverable, and P4,470.28, the amount previously granted, should be awarded him.

On January 7, 1977, the Secretary of Labor acting concurrently as Head of the Compensation Appeals and Review Staff, rendered an Order holding, inter alia:

"We find respondent's contention well taken. For under the Workmen's Compensation Act, as amended, the maximum amount which an injured workman may recover for one and the same injury or sickness is P6,000.00 which means, that, even if the compensation due to the claimant after computation, and on account of the several disabilities suffered (temporary, total, permanent partial, etc.) or on account of his high rate of salary, reaches the amount of, say, P10,000.00 or more, the same will have to be reduced to P6,000.00. Such a rule would, in effect, be violated if a recurrence of an illness will be treated as a distinct and separate disability that would entitle the claimant to the maximum compensation of P6,000.00 in such case.

"This is precisely what would happen if the claimant who had already been awarded P4,470.28 before for PTB would again be awarded for the same illness (recurrence) the maximum amount of P6,000.00. To avoid any such violation, the award under consideration should accordingly be reduced to P1,529.72, and attorney's fee to P152.97.

"WHEREFORE, subject to the foregoing modifications, the decision appealed from should be, as it is hereby, affirmed."

Hence, the instant recourse by claimant raising the following issues:

- Whether or not the Honorable Secretary of Labor can still decide a case of the Workmen's Compensation Commission after the decision has already become final and executory; and
- Granting arguendo that the Secretary of Labor has jurisdiction to resolve the case, whether or not it can still deduct the amount received by the complainant in a previous case.

Procedurally speaking, the Decision in the Second Case had already become final for NEDA's failure to take an appeal within the reglementary period of ten (10) days. As contended by petitioner, therefore, there was no Decision that could be reviewed by the Compensation Appeals and Review Staff headed by the Secretary of Labor.

But even from the substantive viewpoint, we uphold petitioner's contention that the Second Case involved a separate and distinct cause of action from that adjudicated in the First Case, there having been two compensable disabilities which had happened to claimant. We draw support for this conclusion from *Earnshaws Docks and Honolulu Iron Works vs. Sortijas*,^[2] where the facts are almost on all fours with the case at bar. To quote:

"Sortijas was found afflicted with tuberculosis in 1952 and had since then been disabled for work until July 14, 1964, when, apparently cured of his illness, he returned to work. Ten days thereafter or on July 24, 1964, his ailment recurred forcing him to be on leave again the following day and to be eventually separated from the service. It will thus be observed that there are two causes of action involved in this case. The first one accrued in 1952 when Sortijas was disabled for work because of the disease (PTB) and the second on July 25, 1964, when he again became disabled because of its recurrence. x x x"

To quote further:

"x x x Sortijas was permanently separated from the service on March 12, 1965. He, however, received on account thereof, in addition to his separation pay, the total amount of P4,000.00 (P2,886.11 plus P1,113.89) as disability benefit under the Workmen's Compensation Act, as amended, on June 23, 1965, after executing an instrument (Release and Waiver) releasing the respondent from any further liability, including the medical benefit, under the Act."

When Sortijas subsequently filed claim for further Compensation, the Workmen's Compensation Commission

granted him for the second disability, the lump sum of P5,842.70 plus weekly compensation but not to exceed P6,000.00, stating that:

"The sum of P4,000 already paid to the claimant should not be deducted from the amount of P5,842.70 for while the latter refers to the second disability the former refers to the first or original disability, each (disability) having a different maximum of its own. x x x"

Affirming the award of the Commission, the Court then enunciated the following ruling:

"To Our mind, when petitioner reemployed claimant on July 14, 1964, it did so realizing the risk of possible liability it might incur for disability compensation in favor of claimant because petitioner had knowledge that claimant as their employee was disabled because of his previous disease of tuberculosis incurred while he was working with his employer; that even if claimant appeared to have recovered from his previous disease there was the risk that said disease might recur. If notwithstanding said knowledge of the risk involved in the re-employment of claimant, the petitioner nevertheless re-employed him, then petitioner must be ready to bear the burden of a possible liability for disability compensation upon the happening of second disability.

"We fully concur with the view of the respondent Workmen's Compensation Commission that 'for every illness contracted and for every recurrence thereof, a corresponding cause of action accrues in favor of the injured or sick employee' and 'by this is meant that a recurrence, or even a mere reactivation in some cases, of an illness gives rise to a cause of action distinct and separate from the cause of action brought about by the illness as originally contracted'.

"Stated otherwise, if the employer who has already become liable to the employee for disability compensation by reason of some disability incurred in the performance of his job in accordance with the provisions of the Workmen's Compensation Act, reemploys the same employee then he accepts the risk that he shall again be liable for disability compensation in favor of the same employee should he be disabled again for a cause considered compensable under the same."

In addition to compensation benefits, petitioner should be reimbursed for medical expenses in the sum of P4,664.99, the amount found to be reasonable by the Compensation Rating Medical Officer.

The Solicitor General's claim that the Decision of February 13, 1976 dismissing the First Case had already become final, absent any appeal therefrom; and that said Decision referring as it did to the second claim for compensation filed by petitioner, the WCC had already lost jurisdiction to render judgment in the Second Case, should not merit serious consideration. It is obvious from a reading of the said Decision that it was inconclusive as to the claim actually being dismissed. While the opening paragraph spoke of the review of the Decision of June 28, 1974 (in the First Case) yet, it also made reference to the filing of the claim of "February 12, 1975" (should be January 30, 1975), which was actually the Second Claim.

WHEREFORE, the Order of the Secretary of Labor dated January 7, 1977 is hereby set aside, and respondent National Economic Development Authority (NEDA) is hereby ordered to pay: 1) to Alberto L. Salas the amount of P6,000.00 as disability compensation, and P4,664.99 as reimbursement for medical expenses; 2) to petitioner-claimant's counsel, the amount of P600.00 as attorney's fees; and 3) to the successor of the Workmen's Compensation Commission the corresponding administrative fees.

SO ORDERED.

Teehankee, (Chairman), Makasiar, Guerrero, and De Castro, JJ., concur.
Fernandez, J., on official leave.

[1] Exhibit F.

[2] 66 SCRA 566 (1975).

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