

JUSTINIANO CAJIUAT, MARCIAL LARA, JOSE NUNEZ, LEONOR AMACIO, ETERIO SOTIANGCO, OTILIO DE GUZMAN, OSCAR INDUCTIVO, DONATO ABELARDO, CECILIO CUNANAN, CONSTANCE QUITORIANO, RAYMUND...

G.R. No. L-39743. September 24, 1983

Ponente: FERNANDO, C.J.

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FERNANDO, C.J.:

The claim of petitioners, which was denied by the then Acting Chairman of the Commission on Audit, Ismael Mathay, Sr., is based on par. 3, Section 26 of Presidential Decree No. 4. It reads as follows: "Permanent officials and employees of the Rice and Corn Administration * * * who prefer to retire, if qualified for retirement, shall be given gratuity equivalent to one month salary for every year of service but in no case more than twenty-four months salary, in addition to all other benefits to which they are entitled under existing laws and regulations." [1] There is no dispute that petitioners were, prior to their retirement, permanent officials and employees of the then Rice and Corn Administration abolished under Presidential Decree No. 4. They being retirable, they exercised the option to do so under the Optional Retirement Law. [2] They had, therefore, by virtue thereof, received the gratuity under such law. With the issuance of the aforesaid Presidential Decree, however, they were led to hope that a claim for separation gratuity would likewise be justified. Respondent, the then Acting Chairman of the Commission on Audit was of a different mind. For him, there was no legal basis for allowing them double gratuity. He rendered such a decision. In view of such refusal to give due course to their plea, they filed this petition before this Court.

It is their submission that to deny them separation gratuity "would render the clause under consideration meaningless as if it is (sic) never written in the decree. This would be contrary to the rules on statutory construction and interpretation that every part of the statute should be carried into effect." [3] The Solicitor General, in his memorandum for respondent, rejected such an argument. Thus: "It is respectfully submitted that since the petitioners herein have already retired and were paid the gratuity under Commonwealth Act No. 186, as amended by Republic Act No. 1616, they are no longer entitled to the gratuity provided under paragraph 3, Section 26 of Presidential Decree No. 4." [4] After referring to the gratuity as "a free gift, a present, or any benefits of pecuniary value bestowed without claim or demand, or without consideration," [5] he pointed out that from its very nature, "there seems to be no apparent reason for granting to the herein petitioners the gratuity provided for under paragraph 3, Section 26, of Presidential Decree No. 4, in addition to the gratuity which they have already received under Commonwealth Act No. 186, as amended by Republic Act No. 1616. This is so because to assume otherwise would not only be an act of "over-liberality" on the part of the State but likewise inconsistent with its policy against double pension or gratuity for the same service." [6]

To bolster his submission, he cited the ruling in *Borromeo v. Government Service Insurance System*: [7] "The gratuity received by petitioner under Act 2589 was obviously in consideration of his services to the government as of his retirement in December 15, 1949. It is similarly obvious that the retirement benefits he was found to be

entitled to receive under the provisions of Act 910, as amended, were in consideration of the same services to the government. Therefore, for petitioner to receive full benefits under the law, in addition to the gratuity he had already received under Act 2589, would amount to allowing him to receive double pension for exactly the same services as consideration. The rule in construing or applying pension and gratuity laws is that, in the absence of express provisions to the contrary, they will be so interpreted as to prevent any person from receiving double compensation."^[8] It was further stressed that the enactment of later legislations after the retirement of a public official "is not a circumstance of sufficient weight to justify our ignoring the general policy of the State – expressed both in Act 2589 as well as in Act 910 – against double pensions for the same services. To the contrary, the fact that even after petitioner's retirement under Act 2589 another pension law was enacted under which he could claim greater benefits affords a greater reason for the application of the general policy against double pensions, unless the contrary was expressly and clearly provided in the later enactment."^[9]

This Court, after a careful consideration, arrives at the same conclusion. There must be a provision, clear and unequivocal, to justify a double pension. The general language employed in paragraph 3, Section 26 of Presidential Decree No. 4 fails to meet that test. All that it states is that permanent employees of the Rice and Corn Administration who are retirable are entitled to gratuity equivalent to one month salary for every year of service but in no case more than twenty-four months salary in addition to other benefits to which they are entitled under existing laws and regulations. To grant double gratuity then is unwarranted. No reliance can be placed to the use of the term "other benefits" found in the paragraph relied upon. As clearly stated in the memorandum of the Solicitor General, they refer to "those receivable by a retiree under the general retirement laws, like the refund of contributions to the retirement fund and the money value of the accumulated vacation and sick leaves of said official employee. The clause 'in addition to all other benefits to which they are entitled under existing laws and regulations,' was inserted to insure the payment to the retiree of the refund of the contributions to the retirement fund and the money value of the accumulated vacation and sick leaves of said official or employee."^[10]

That is all it can plausibly signify. To go further would make it a fruitful parent of injustice. It would set at naught a state policy dictated by reason and fairness alike. Petitioners seek to claim the status of an exempt class. The burden of proof is on them. That they failed to meet, relying as they do on words hardly indicative of their being accorded a favored status. To justify such a result, it is imperative that the language employed be of the clearest and most satisfactory character. The paragraph relied upon in Section 26 of Presidential Decree No. 4, to repeat, cannot be so characterized.

One last word. It is to be added that the rule against double compensation is nothing new. It was so held in *Peralta v. Auditor General*.^[11] While the question involved is not identical, its ratio decidendi applies to the instant situation, namely, to allow what petitioners seek "would be a clear disregard of the prohibition to receive both the compensation and the pension, annuity, or gratuity."^[12] *Peralta* was cited with approval in a later case, *San Diego v. Auditor General*.^[13] A recent decision, *Chavez v. Auditor General*,^[14] puts the matter tersely but emphatically. Thus: "Appeal from a decision of the Auditor General, in which we reaffirm the Court's doctrine against the payment to retirees from the government service of double pension for exactly the same services."^[15] We do so again.

WHEREFORE, this petition for certiorari is denied for lack of merit and the decision of respondent, the then Auditor General, denying due course to the claim of petitioner for double gratuity affirmed. No costs.

Makasiar, Aquino, Concepcion, Jr., Guerrero, and Escolin, JJ., concur.

Abad Santos, J., did not take part.

De Castro, J., on sick leave.

[1] Section 26, par. 3 of Presidential Decree No. 4.

[2] Commonwealth Act No. 186.

[3] Memorandum for the Petitioners, 11.

[4] Memorandum of Solicitor General for Respondent, 1-2. Solicitor General Mendoza was assisted by then Assistant Solicitor General Reynato Puno and then Solicitor Ramon Barcelona.

[5] Ibid, 2.

[6] Ibid.

[7] 110 Phil. 1 (1960).

[8] Ibid, 3.

[9] Ibid, 4.

[10] Memorandum for the Respondent, 5.

[11] 100 Phil. 1951 (1957).

[12] Ibid, 1055.

[13] 119 Phil. 335 (1964).

[14] L-29311, February 27, 1971, 37 SCRA 776.

[15] Ibid, 777. Cf. Espejo v. Auditor General, 97 Phil. 216 (1955).

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