

MAGALONA & COMPANY, PETITIONER, VS. THE WORKMEN’S COMPENSATION COMMISSIONER AND PEDRO P. GERONCA, RESPONDENTS.

G. R. No. 10338. April 30, 1957

Ponente: ENDENCIA, J.

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ENDENCIA, J.:

The petitioner seeks the reversal of the order of the Workmen's Compensation Commissioner to pay to Pedro P. Geronca the amount of P2,995.20 together with the sum of P30 as fee required by section 55 of the Workmen's Compensation Law, for the injuries suffered by Jorge Geronca while he was working as a mechanic helper in the automobile repair shop run and operated by the herein petitioner.

It appears that on May 16, 1954, while Jorge Geronca was working in the aforesaid shop hammering the spindle pin of a truck, a piece of steel flew oft, pierced his left eye and became imbedded in Ma posterior eyeball. He was immediately given emergency treatment by Dr. Eduardo Garcia, the petitioner's physician, and was able thereafter to continue working. However, on June 10, 1954, he stopped working because of diminishing vision of his injured eye and was immediately sent to Manila at the petitioner's expense for specialized treatment. In that city, he was confined at the Singian Clinic from June 16, to July 14, 1954, under the care of Dr. Carlos Sevilla who removed the foreign body from his injured eye. Thereafter, while he was recovering from the operation of his eye, he developed psychosis and had to be confined in the National Psychopathic Hospital.

On April 21, 1955, the manager of the petitioner company received a letter computation, dated March 21, 1955, from respondent Commissioner Cesareo P. de Leon, wherein he was held liable for compensation under sections 14 and 15 of the aforementioned Act for the claimant's permanent total disability (insanity resulting from his injury) and ordered to pay to said claimant the total sum of P2,995.20. In that letter he was adverted that if after fifteen (15) days from receipt thereof the Commissioner did not hear from petitioner, it shall be presumed that the latter is in full accord with the letter-computation and the same will be entered as the final decision on the case.

On April 28, 1955, petitioner replied to respondent Commissioner thru a letter, the most pertinent portions of which read as follows:

"We. make reference to your letter of March 21, 1955, copy of 'which was received by our client, Magalona Motor Co., on April 21, 1955, relative to the claim for compensation of the above named laborer. We must disagree with the views expressed therein, with all due respect, most especially with your finding our said client liable for compensation for total permanent disability (insanity resulting from his injury) of the said worker and assessing compensation on the basis thereof.

"While our said client is not minded to escape liability where compensation is legally demandable, still it feels that in view of the exaggerated claim for which it is now sought to be answerable, it has no other recourse but to contest the claim. It is not denied 'that the insanity of the claimant supervened while recovering from the operation of his eye. But it is certainly and unjustifiable jumping at conclusions for the Honorable Commission

to hold that merely on that account the insanity from which the claimant now suffers is compensable illness under the Workmen's Compensation Act, for which our client is bound to respond.

"In view of the foregoing circumstances, our client is contesting the claim. It is, therefore, requested that the hearing required by law be conducted to the end that our client may be afforded opportunity to present evidence in its favor and against the claim,"

On July 21, 1955, the respondent Commissioner rejoined and stated in his communication among other things, the following:

"Reference is made to your letter dated April 28, 1955, contesting the claim for compensation of the above-named injured laborer of your client, the Magalona Motor Co., on the ground that although, admittedly, his eye injury occurred in the course of his employment, his supervening insanity could not have arisen out of and in the course of same employment.

"We cannot at this stage of the proceedings take cognizance of your opposition to the claim, it being a matter of record that no controversion had ever been submitted to the Workmen's Compensation Commission within the period provided for by the following pertinent provision of Section 45 of the Workmen's Compensation Act, as amended:

"* * * In case the employer decides to controvert the right to compensation, he shall, either on or before the fourteenth day of disability or within ten days after he has knowledge of the alleged accident, file a notice with the Commissioner, on a form prescribed by him, that compensation is not being paid, giving the name of the claimant, name of the employer, date of the accident, and the reason why compensation is not being paid. Failure on the part of the employer or the insurance carrier to comply with this requirement shall constitute a renunciation of his right to controvert the claim. * * *

"The 15-day period mentioned in the last paragraph of our letter-computation was not intended to reinstate your client's right to controvert but to afford him an opportunity to question our computation as well as the disability rating given to the injured. The compensability of the claim is deemed admitted by your client because of his failure to controvert. This being the case, no further hearing is necessary.

In view of the foregoing, this Commission is of the opinion, and so holds, that your request-for a hearing is not necessary. We would request, therefore, that your client be prevailed upon to remit at once to this Office the compensation due the injured in the amount of Two Thousand Nine Hundred Ninety-Five Pesos and 20/100. (P2,995.20), together with the sum of Thirty Pesos (30.00) as fee required by section 55 of the Act."

On September 15, 1955, the petitioner reiterated its petition for the reconsideration of the computation mentioned above and urged that the same be made merely on the basis of the eye injury sustained by Mr. Geronca, alleging that the latter's insanity upon which the disputed computation was based cannot be taken into consideration without giving the herein petitioner sufficient opportunity to be heard. This petition for reconsideration was turned down by the Commissioner on January 27, 1956, hence the present appeal by way of certiorari.

Petitioner contends that the Commissioner committed an error in adjudicating Geronca's claim on the basis of insanity without holding a hearing thereon as demanded by it in its letter of April 28, 1955. Petitioner claims: "that the causality of the injury in relation to the insanity upon which the compensation was computed can be arrived at only after a hearing. Short of any showing by evidence that there is such causality, many other factors may be surmised to have intervened, not necessarily connected with the eye injury, which could have induced the psychosis. As a matter of fact, the authorities hold the view that insanity which comes about after an injury cannot necessarily be presumed to be causally -linked: The legal causation must still be established and proved. In support of our stand, we quote from Schneider on Workmen's Compensation Laws, 2nd ed., Vol. I, section 629 to 632, as follows:

'In October a workman suffered an injury to his thumb, which, due to infection, was slow in healing. He could not work. After Christmas he became very depressed, and began to suffer from neurasthenia and in a few days threw himself under a train and was killed. The court, in denying' compensation, said: 'I think if we were to assent to the very able and interesting arguments which we have heard we should be driven to say that, wherever we find an accident which involves, as so many accidents do, depression of spirits, particularly in the case of a man who had been leading an active life as a laboring man or artisan, depression at being kept from his work and idling about at home, then if neurasthenia and suicide result, they can all be traced directly to the accident. If we were to say that, we should be opening a very wide door; and I think we ought not to do so. I think, as the Scottish court said, there must be some direct evidence of the insanity being a result of the accident—something more than the insanity being subsequent in turn to the accident. The legal causation must be established and proved.'

* * * * *

'Insanity is not to be inferred merely from the fact that a 'workman who had received an injury to his eye, and was suffering great pain, committed suicide, although there was no other reason advanced for the act except injury.' "

It is further argued by the petitioner that, having in view all the facts of the case, the Commissioner, in denying its request for a formal hearing on the issue of insanity, violated the constitutional provision of due process of law in that it was deprived of the opportunity to contest the legality and correctness of the disputed computation based not only on the injury in the eye but also on the insanity resulting from such injury.

In turn, the respondents contend that the petitioner has waived its right to show lack of causal relation between Geronca's insanity and eye injury when the petitioner failed to controvert the right to compensation on or before the 14th day of disability or within the 10-day period fixed by paragraph 2, section 45 of the Workmen's Compensation Act, as amended. Carefully considered, this contention can hardly be maintained, for the letter-computation dated March 21, 1955 was only received by the petitioner on April 21, 1955 and on April 28 it immediately sent its letter of- protest, wherein it requested formal hearing about the computation based not only on the injury in the eye but also on the insanity resulting from such injury. And it cannot be pretended that the petitioner lost its right to contest such computation because the same was based not only on the injury in the eye, of Jorge Geronca but principally on his insanity, and upon learning of such computation the petitioner filed its protest and demanded hearing thereon. Again, we find that no claim for compensation based on insanity was filed by the respondent Geronca; and the record does not show when the insanity of Jorge Geronca did begin, and although petitioner had knowledge of the accident, or the injury on the eye, at that time there was no sign of Geronca's insanity so that petitioner could not file the corresponding notice required by section 45 of the Workmen's Compensation Act to controvert such claim based on insanity. In other words, we find paragraph 2 of section 45 of the Workmen's Compensation Act inapplicable to the present case for there is no sufficient fact laid before this Court from which it may be inferred that the herein petitioner, as employer of Jorge Geronca, has renounced its right to controvert the latter's claim to compensation based on his insanity.

We do not lose sight of the fact that under our laws and the policies of our government, the labor laws should be construed liberally in favor of the laborer; but, on the other hand, the fundamental principle of due process of law should ; be sternly applied alike on both the poor and the rich in order to attain proper justice. Hence, in the present' case, we believe that a hearing should be had on the disputed facts about causality of the injury on the eye of Jorge Geronca and his alleged insanity arising therefrom.

Accordingly, the resolutions of the respondent Commissioner, dated March 21 and July 21, 1955 and January 27, 1956, are hereby set aside and a formal hearing is hereby ordered on the issue of legal causation between the eye injury and insanity of Jorge, Geronca in order to determine the true compensation that should be awarded to him.

Bengzon,, Padilla, Montemayor, Reyes, A., Bautista Angelo, Labrador, Concepcion, Reyes, J. B. L., and Felix, JJ., concur.

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