

GOVERNMENT SERVICE, INSURANCE SYSTEM, PETITIONER, VS. COURT OF APPEALS, AND ZENAIDA LIWANAG, RESPONDENTS.

G.R. No. 128523. September 25, 1998

Ponente: DAVIDE, JR. J.

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DAVIDE, JR. J.:

Petitioner Government Service Insurance System (GSIS) seeks to reverse the 26 February 1997 decision[1] of respondent Court of Appeals in CA G.R. SP No. 41976 which granted private respondent Zenaida Liwanag compensation benefits under P.D. No. 626, as amended, and in the process, set aside the 27 December 1995 decision[2] of the Employees' Compensation Commission (ECC) in ECC Case No. 7633.

As found by respondent Court of Appeals, the facts of this case were as follows:

[Private respondent] Zenaida Liwanag is the surviving spouse of the late Jaime Liwanag who died on September 14, 1994. He was 48 years old and had served the police force continuously for 27 years. At the time of his death, he was [a] Senior Superintendent of the Philippine National Police.

On August 28, 1994, the late P/Sr. Supt. Jaime Liwanag was admitted at the Medical Center of Manila due to complaints of Ascites, Poor Appetite. [The] CT Scan showed Cirrhosis with probable Hepatocellular CA, HB 5A3 positive. Despite medical intervention, Jaime Liwanag succumbed to Upper GI Bleeding, Cirrhosis Secondary to Hepatitis B; Hepatocellular Carcinoma on September 14, 1994.

As a consequence, [private respondent] filed a claim with the Government Service Insurance System (GSIS) for compensation benefits. The claim was denied for not being an occupational disease under the law neither was the risk of contracting the ailment of the deceased increased by his employment as a member of the police force.

On appeal pursuant to Section 5, Rule XVIII of Presidential Decree No. 626, as amended, the xxx Employees Compensation Commission affirmed the GSIS ruling and ultimately dismissed the appeal for lack of merit. xxx[3]

In denying private respondent's claim, the ECC ruled:

Section 1(B), Rule III of the Amended Rules on Employees' Compensation clearly defines when a disability or death resulting from illnesses is considered compensable. It provides:

"Section 1. x x x ;

(b) For the sickness and the resulting disability or death to be compensable, the sickness must be the result of an occupational disease listed under Annex "A" of these Rules with the conditions set therein satisfied; otherwise proof must be shown that the risk of contracting the disease is increased by the working conditions."

The late P/Sr[.] Supt. Liwanag's ailments, Upper GI Bleeding; Cirrhosis secondary to Hepatitis B; Hepatocellular Carcinoma, cannot be made compensable inasmuch as the said ailments are not among those listed as occupational diseases, nor has appellant shown proofs [sic] that the risk of contracting said diseases

were [sic] increased by her late husband's working conditions and employment as a member of our country's police force.

A study on the etiologies of P/Sr. Supt. Liwanag's ailments reveal that, to wit:

Cirrhosis is a disorganization of liver architecture by widespread fibrosis and nodule formation. It may be due to the following:

a.) Congenital Causes: hemorrhagic telangiectasia galactosemia

b.) Chemicals: alcohol methotrexate halothane

c.) Infection: Viral Hepatitis B congenital Syphilis

(Merck's Manual, 14th ed. P. 831)

Hepatocellular Carcinoma - grievously somitinus called a hepatoma. It may be due, to wit:

a.) underlying cirrhosis: alcoholic postneurotic, hemochromatotic.

b.) environmental carcinogen: Blood contaminated with fungal aflatoxin

Chronic infection with Hepatitis B

(Merck's Manual 14th ed., p. 859)

Apparently, P/Sr. Supt. Liwanag's ailments are not inherent among policemen and everybody is susceptible to the said diseases regardless of one's job.

It is well settled under the Employees' Compensation Law that when the ailment is not the direct result of the covered employee's employment, like the instant case, and the appellant failed to show proof that the risk of contracting the disease was increased by the covered employee's employment and working conditions the claim for compensation benefits cannot prosper.

Thus, finding no causal relation between P/Sr. Supt. Liwanag's ailments with his employment and working conditions, or the nature of appellant's work had increased the risk of contracting said diseases, xxx GSIS is correct in denying [private respondent's] application for compensation benefits under PD NO. 626, as amended.[4]

In her petition[5] filed before the Court of Appeals, private respondent relied heavily on two (2) documents as proof of the causal relation between P/Sr. Supt. Liwanag's ailments and his employment and working conditions: first, the "Investigation Report Re Death of the Late P/SSUPT JAIME M. LIWANAG" dated 14 September 1994 submitted by Cristeto Rey R. Gonzalodo, Police Chief Inspector, Investigator on Case; and second, the "REPORT OF PROCEEDINGS OF LOD BOARD TO DETERMINE THE LINE OF DUTY STATUS OF THE LATE P/SSUPT JAIME J. LIWANAG PNP." Moreover, private respondent argued that the requirement of proof of a causal relation between a claimant's ailments and his employment and working conditions "admits of exceptions and must yield to the higher interests of justice." In closing, private respondent advocated for a liberal interpretation of social legislation statutes, citing jurisprudence which, however, dealt with the relaxation of the procedural requirements as regards the late filing of pleadings and/or belated appeals.

As these documents from the Philippine National Police (PNP) are of importance to the resolution of this dispute, they are hereunder quoted in full. The Investigation Report[6] reads as follows:

Republic of the Philippines
Department of the Interior and Local Government

National Police Commission
NATIONAL HEADQUARTERS, PHILIPPINE NATIONAL POLICE
DIRECTORATE FOR PLANS
Camp Crame, Quezon City
14 September 1994

ODPL-A

SUBJECT: Investigation Report Re Death of the late
P/SSUPT JAIME M LIWANAG
TO: Officer-In-Charge, DPL
P o s t

I. AUTHORITY:

Verbal Order of the Officer-In-Charge, DPL.

II. MATTERS INVESTIGATED:

To determine the causes surrounding the death of the late P/SSUPT JAIME M. LIWANAG, Deputy Director for Plans and the Line of Duty Status thereof.

III. FACTS OF THE CASE:

x x x

IV. DISCUSSION:

1. The late P/SSUPT JAIME M LIWANAG had been vigorously/mentally examined before he was called to Active Duty as Second Lieutenant in the defunct Philippine Constabulary on 16 January 1969 which was repeated when he was appointed as Regular Officer (Direct Commission) on 1 Aug. 1971. From that initial rank he gradually rose to Police Senior Superintendent with Physical/Medical examination as a matter of requirement for promotion. All the while, P/SSUPT JAIME M LIWANAG was physically/mentally fit for the service.

2. It [is] highly believed that the late P/SSUPT JAIME M LIWANAG acquired his illness in the course of his employment with the Philippine National Police considering that there are some personnel in his office who are positive to [sic] Hepatitis B (Reactive) virus.

IV. CONCLUSION:

The death of the late P/SSUPT JAIME M LIWANAG was in Line of Duty and not attributable to his own misconduct or negligence.

V. RECOMMENDATION:

Recommend that the death benefits due to the legal heirs/beneficiary (ies) of the late P/SSUPT JAIME M LIWANAG be granted to them.

(signed)

CRISTETO REY R GONZALODO
Police Chief Inspector
Investigator on Case

The Report of Proceedings[7] reads as follows:

REPORT OF PROCEEDINGS OF LOD BOARD TO DETERMINE THE LINE OF DUTY STATUS OF

THE LATE P/SSUPT JAIME M LIWANAG PNP

UNIT/ORGANIZATION: Directorate for Plans, NHQ PNP
Camp Crame, Quezon City

DATE/TIME: 040900 October 1994

AUTHORITY: Letter Order Nr 454 dtd 04 October 1994

PRESENT:

P/SSUPT FRANCISCO F CABACCANG, MDS - Chairman
P/SUPT REYNALDO R. ALBERTO, LS - Member
P/CINSP CRISTETO REY R GONZALODO - Mbr/Recorded
P/INSP SERVILLANO B. RITUALO, PHPGH - Member
P/INSP LYDIA M DAVID, BFAD - Member

ABSENT: P/SINSP EMMA S LACANDULA - DPRM - Member

040900 Oct 94

CHAIRMAN - - - There being a quorum, I hereby declare that the Board will come to order. Mr. Member/Recorder, what is the order for today?

Member/Recorder: Mr. Chairman, we have been convened pursuant to Letter Order Nr 454 NHQ PNP dtd 04 Oct 94 to determine the Line of Duty (LOD) Status of the late P/SSUPT JAIME M LIWANAG, then Deputy Director for Plans who died at Medical Center Manila Manila located along Taft Ave corner UN Ave. Manila on or about 132210 Sep 94. xxx

Chairman: So, [t]herefore (referring to all the members) having been detailed as members and member/recorder, do you swear and affirm to thoroughly examine today's proceeding, the evidence now available in your possession without partiality, favor, affection, prejudice or hope of any reward?

Member/Recorder: Yes, Mr. Chairman, we do.

Member: On the otherhand [sic], P/SSUPT FRANCISCO F CABACCANG, having been detailed as Chairman of this Board, do you swear and affirm to thoroughly examine today's proceeding, the evidence now available in your possession without partiality, favor, affection, prejudice or hope of any reward?

Chairman: Yes, I do.

Chairman: Mr. Member/Recorder, what are the evidence now in the possession of [the] LOD Board?

Member/Recorder: Chairman, the available evidences [sic] are as follows:

Appointment Order
Death Certificate
Medical Certificate
Abstract Clinical Record of
P/SSUPT LIWANAG JM
Spot Report
Investigation Report
Result of Hepatitis B Lab Test of
all ODPL Personnel
Statement of Service

Chairman: Based on the record, the immediate cause of death of the late P/SSUPT JAIME M LIWANAG, then Deputy Director for Plans was due to Cardio-Respiratory Arrest Secondary to Gastro-Intestinal bleeding as a

result of fulminating Hepatitis. How was he infected by this Virus?

P/SINSP RITUALO: It is highly possible that he got infected just recently in the Directorate for Plans since there were five (5) other ODPL pers[onnel] out of the total strength of forty five (45) who are reactive to Hepatitis B Antigen Test. Modes of transmittal are through body fluids and secretion. Another proof is that all the immediate members of his family are negative [for the] Hepatitis B Virus.

P/CINSP GONZALODO: ODPL received an undated report on Hepa B Test finding from the Chief, Laboratory Section, PNPBGH on 15 June 1994, when did P/SSUPT LIWANAG actually know that he was positive [for] Hepatitis B?

P/SINSP RITUALO: He came to know about it as early as 19 Apr 94 when he visited my office at the Laboratory Section, PNPBGH. On 20 June 1994 when he came to my office again, I advised him to go slow with his work as I observed something unusual in his Liver Profile.

P/SUPT ALBERTO: Where did P/SSUPT LIWANAG g[e]t this Hepatitis B?

P/SINSP RITUALO: I strongly believe that he got this while working [at] Headquarters since this is [sic] already endemic in this camp. You can get infected anywhere? [sic]

P/SUPT ALBERTO: So, do you want to say that this kind of disease was acquired by the late P/SSUPT LIWANAG while serving the Philippine National Police?

P/SINSP RITUALO: Yes, sir.

P/CINSP GONZALODO What type of Hepatitis [did] the late P/SSUPT LIWANAG acquired [sic]?

P/SINSP RITUALO: It was of Acute Fulminant Type. The effect is so immediate that one out of ten usually dies.

P/SINSP DAVID: I would like to inform the Board that under Ministry of National Defense Department Order Nr 162 dtd 15 Jan 65, a military personnel who died while in the Active Service is presumed to have died in [the] Line of Duty and not as a result of his own misconduct unless there is substantial evidence to rebut such presumption.

P/CINSP GONZALODO: Is this still binding [upon] PNP Personnel?

P/SINSP DAVID: Yes, sir. We are still using this as a reference.

P/SUPT ALBERTO: Based on the records and the foregoing discussions, it is hereby resolved that P/SSUPT JAIME M LIWANAG died in [the] Line of Duty. Mr Chairman, I therefore move that all the benefits due the late P/SR JAIME M LIWANAG be granted to his legal heirs/beneficiary(ies) and henceforth, be likewise cleared from money and property accountabilities.

Member/Recorder: I second the motion.

CHAIRMAN: After a judicious appreciation of all evidences [sic] and after hearing the members of the Board, I personally favor the motion, hence, I now declared [sic] it as carried, voted upon affirmatively and duly resolved unanimously by the LOD Board. Do we have other more business to transact?

MEMBER/RECORDER: No more other business, Mr. Chairman.

CHAIRMAN: There being no other business to transact, upon motion duly made and seconded, this LOD proceeding is hereby adjourned.

WE HEREBY CERTIFY that the foregoing are true and correct records of the LOD (P/SSUPT JAIME M LIWANAG, PNP) Board proceeding.

(signed)
P/SSUPT F[R]ANCISCO F. CABACCANG, PNP
Chairman
P/SUPT REYNATO R ALBERTO, PNP
Member
P/CINSP CRISTETO REY R GONZALODO, PNP
Member/Recorder
P/SINSP SERVILLANO B RITUALO, PNP
Member
P/SINSP LYDIA M DAVID, PNP Member

In its Comment[8] filed with the Court of Appeals, petitioner argued that since the ailments of P/Sr. Supt. Liwanag were not among those listed as occupational diseases, the burden then lay on herein private respondent to prove that the risk of contracting the disease was increased by her late husband's working conditions and employment as a member of the PNP. As regards private respondent's reliance on the Investigation Report, petitioner pointed out that said Report fallaciously concluded that the deceased contracted Hepatitis B in the course of his employment as some of his co-workers in his office tested positive for Hepatitis B. Petitioner deemed this reasoning as mere allegations which were inadmissible. In fact, petitioner contends that the ailments of the deceased were not inherent among policemen and everybody was susceptible to the disease regardless of one's work. At bottom, petitioner asserted that there was no substantial evidence pointing to a reasonable connection, much less, a direct causal relation, between the deceased's ailments and the nature of his employment; and that while social legislation statutes had to be interpreted liberally in favor of the intended beneficiaries, undue compassion for victims of diseases not covered by the law would endanger the integrity of the State Insurance Fund and deprive beneficiaries truly deserving of benefits.

In its Comment[9] filed with the Court of Appeals, the Employees' Compensation Commission (ECC), represented by the office of the Solicitor General (OSG), expectedly echoed the arguments of petitioner herein. The ECC merely added that as regards the nature of Hepatitis B and the need for substantial evidence proving that the risk of contracting the same was increased by one's working conditions: "It is a sickness that strikes people in general. The nature of one's employment is irrelevant. It makes no difference whether the victim is employed or not, [a] white collar employee or a blue collar worker, a housekeeper, an urban dweller or a resident of a rural area."

Respondent court, in ruling for private respondent, held:

In the case at bench, the [ECC] ruled that the ailment[s] of the deceased xxx are not among those listed as compensable occupational diseases. [The ECC] furthermore said that xxx there is no showing of any causal relation between the sickness of the late P/Supt. Liwanag with his employment or working condition[s]. We disagree.

Records of this case reveal that proceedings were conducted by the Directorate for Plans, National Headquarters, PNP, Camp Crame, Quezon City, to determine the line of duty status of the late P/Supt. Jaime M. Liwanag (Annex F, Petition). Submitted as well is the investigation report thereof (Annex E, Petition).

In said exhibits, it is clearly shown that prior to the employment of the deceased to active duty as [a] 2nd Lieutenant in the defunct Philippine Constabulary up until his appointment as [a] regular officer (Direct Command) to his position at the time of his death as Senior Police Superintendent, he was found to be physically, medically and mentally fit for the service. It was also concluded that it [was] highly believable that the late S/Supt. Liwanag acquired his illness in the course of his employment with the PNP considering that there are some personnels [sic] in his office who [tested] positive [for] Hepatitis B (reactive virus). In

conclusion, it was recommended that death benefits due to the legal heirs be granted. Conformably, said evidences [sic] are sufficient under P.D. 626.

The degree of proof required under PD 62[6] is merely substantial evidence, which means relevant evidence as a reasonable mind might accept as adequate to support a conclusion. Besides under the law, it is not required that the employment [is] the sole factor in the growth, development and acceleration of his illness. It is enough if his employment had contributed, even in a small degree, to the development or acceleration of the disease. (Magistrado vs. ECC, 174 SCRA 605 [1989])

The above proofs were not rebutted. No contrary evidence was presented to counter-attack the conclusions arrived at that the cause of death of P/Supt. Jaime Liwanag is work-connected and acquired from his said employment. After all, the policy of Presidential Decree 626 is to provide a [sic] meaningful and appropriate compensation to workers in the event of work related contingencies. As the law is social in character for the promotion and development of a tax exempt employee's compensation program whereby employees and their dependents, in the event of work related disability of death, may promptly secure adequate income or medical benefits, it is only fitting and proper that all doubts be interpreted in favor of labor. In this way, the very essence and creation of employment compensation laws will be given more meaning.

IN VIEW OF ALL THE FOREGOING, the appealed decision is hereby REVERSED and SET ASIDE and a new one entered declaring [private respondent] entitled to the death benefits under Presidential Decree No. 626, as amended. No pronouncement as to costs.[10]

Petitioner now takes respondent court to task for "taking into consideration only the records of the proceedings conducted by the xxx PNP," as what the Court of Appeals seems to have forgotten was that "the investigation was [only] for the purpose of determining the line of duty status of the [deceased] and if his ailment was work connected." Moreover, petitioner argues that Hepatitis B cannot be acquired by mere mingling with other people who test positive for the illness, hence reliance by respondent Court on the PNP investigation constituted reversible error as the same, by itself, did not constitute substantial evidence. Petitioner likewise hastens to add:

It should be remembered that Hepatitis B is not just acquired by simple association. There was no medical proof/evidence presented how the [deceased] could have acquired his illness. Hepatitis B. [sic] According to the medical view point (Merk [sic] Manu[a]l p. 100) HBV is often transmitted parenterally, typically by contaminated blood or blood products. Routine screening of donor blood for H B s Ag has dramatically diminished posttransfusion HBV infection but transmission via needles shared by drug abusers remain[s] an important problem. There is an increased risk in patients in renal dialysis and oncology units and to hospital personnel in contact with blood. HBV is associated with a wide spectrum carrier state to acute-hepatitis, chronic hepatitis, cirrhosis, and hepatocellular carcinoma. While it was mentioned that there were some personnel in the office of the [deceased] who [were] positive with Hepatitis B, it was not medically shown or proven that he had any association with them that might have transferred the disease to him in a medically proven means as stated above.[11]

We grant the petition.

At the outset, certain basic postulates governing employees' compensation benefits under P.D. No. 626 need be reviewed. First, said Decree abandoned the presumption of compensability and the theory of aggravation under the Workmen's Compensation Act.[12] Second, for the sickness and resulting disability or death to be compensable, the claimant must prove either of two (2) things: (a) that the sickness was the result of an occupational disease listed under Annex "A" of the Rules on Employees' Compensation; or (b) if the sickness is not so listed, that the risk of contracting the disease was increased by the claimant's working conditions. Third, the claimant must prove this causal relation between the ailment and working conditions by substantial evidence, since the proceeding is taken before the ECC, an administrative or quasi-judicial body. Within the field of

administrative law, while strict rules of evidence are not applicable to quasi-judicial proceedings, nevertheless, in adducing evidence constitutive of substantial evidence, the basic rule that mere allegation is not evidence cannot be disregarded.[13] Finally, in case of doubt in construction and interpretation of social legislation statutes, the liberality of the law in favor of the working man and woman prevails in light of the Constitution's social justice policy.[14]

On the other side of the coin, however, there is a competing, yet equally vital interest to heed in passing upon undeserving claims for compensation. It is well to remember that if diseases not intended by the law to be compensated are inadvertently or recklessly included, the integrity of the State Insurance Fund is endangered. Compassion for the victims of diseases not covered by the law ignores the need to show a greater concern for the trust fund to which the tens of millions of workers and their families look to for compensation whenever covered accidents, diseases and deaths occur.[15] This stems from the development in the law that no longer is the poor employee still arrayed against the might and power of his rich corporate employer, hence the necessity of affording all kinds of favorable presumptions to the employee. This reasoning is no longer good policy. It is now the trust fund and not the employer which suffers if benefits are paid to claimants who are not entitled under the law. The employer joins the employee in trying to have their claims approved. The employer is spared the problem of proving a negative proposition that the disease was not caused by employment.[16] Moreover, the new system instituted by the new law has discarded, among others, the concept of "presumption of compensability and aggravation" and substituted one based on social security principles. The new system is administered by social insurance agencies - the GSIS and the SSS - under the ECC. The purpose of this innovation was to restore a sensible equilibrium between the employer's obligation to pay workmen's compensation and the employee's right to receive reparation for work-connected death or disability.[17]

Applying these principles to the instant case, there is no dispute that Hepatitis B, the disease which caused the demise of the decedent, is not listed as an occupational disease under Annex "A" of the Rules on Employees' Compensation. As such, private respondent's burden of evidence before the ECC was to prove, by substantial evidence, the causal relationship between her deceased husband's illness and his working conditions. This she failed to do, as will be discussed below. In the same vein and for the same reasons, respondent court, in reversing the ECC, committed an error of law by misappreciating the legal standard of what constitutes substantial evidence; and in according full credence to the proceedings before the PNP Board and thus shifting the burden of evidence to petitioner to rebut private respondent's claim, when private respondent's evidence was sorely wanting to justify the award of compensation benefits under P.D. No. 626, as amended.

What is striking as regards private respondent's advocacy was that throughout the course of this dispute, private respondent merely relied on the PNP Reports, and nothing more, to substantiate her claim. However, the PNP Reports, as quoted above in full, merely contained sweeping statements and conclusions and treated the matter in a most perfunctory manner.

Notably, the Result of Hepatitis B Lab Test of all ODPL Personnel was made available to the PNP Investigation Board, but the details of the lab test were not disclosed and there was merely the general averment that five (5) out of 45 ODPL personnel contracted Hepatitis B. Likewise noteworthy was the statement of P/SInsp. Ritualo before the PNP Board that Hepatitis B is transmitted through body fluids or secretion, but there was no showing whatsoever as to the degree of contact, if any, between the deceased and his office mates who contracted Hepatitis B. In this light, petitioner properly maintains in its Reply: "Further, the report on the investigation on the ailment of the [deceased] merely stated 'it is highly believable that his illness was acquired in the course of his employment.' This statement was not based on medical findings but on a layman's point of view which should not be given weight by the Honorable Court for such is tantamount to hearsay." [18] On this score, as early as

1940, in the landmark case of *Ang Tibay v. The Court of Industrial Relations*,^[19] this Court already declared that as regards the standard of substantial evidence required in administrative proceedings, "[m]ere uncorroborated hearsay or rumor does not constitute substantial evidence."

As to the definition, nature and workings of substantial evidence in administrative proceedings, *Ang Tibay* declared:

Substantial evidence is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. [citations omitted] The statute provides that 'the rules of evidence prevailing in courts of law and equity shall not be controlling.' The obvious purpose of this and similar provisions is to free administrative boards from the compulsion of technical rules so that the mere admission of matter which would be deemed incompetent in judicial proceedings would not invalidate the administrative order. [citations omitted] But this assurance of a desirable flexibility in administrative procedure does not go so far as to justify orders without a basis in evidence having rational probative force.^[20]

While the PNP Reports may have sufficed to grant private respondent whatever benefits were due her under PNP Rules and Regulations, clearly, the dearth of evidence adduced by private respondent militates against the grant of compensation benefits under P.D. No. 626, as amended. On this note, what is worth mentioning is that the PNP Board's conclusions were founded upon the Ministry of National Defense Department Order Number 162 dated 15 January 1965, i.e., that a member of the military who died while in active service is presumed to have died in the line of duty and not as a result of his own misconduct unless there is substantial evidence to rebut such presumption.

This only buttresses our observation that the proceedings before the PNP Board and the ECC are separate and distinct, treating of two (2) totally different subjects; moreover, the PNP Board's conclusions here may not be used as basis to find that private respondent is entitled to compensation under P.D. No. 626, as amended. The presumption afforded by the Order relied upon by the PNP Board concerns itself merely with the query as to whether one died in the line of duty, while P.D. No. 626 addresses the issue of whether a causal relation existed between a claimant's ailment and his working conditions. Plainly, these are different issues calling for differing forms of proof or evidence, thus accounting for the existence of a favorable presumption in favor of a claimant under the Defense Department Order, but not under P.D. No. 626 when the disease is not listed under Annex "A" of the Amended Rules on Employees' Compensation.

It would likewise not be remiss to point out that Police Chief Inspector Gonzalodo, having prepared the Investigation Report dated 14 September 1994 wherein he recommended the grant of benefits to private respondent, should have inhibited himself from the proceedings subsequently conducted by the PNP Board on 4 October 1994. Having already pre-judged the matter by way of his recommendation that the deceased passed away while in the line of duty and to grant benefits to his heirs or beneficiaries, Police Chief Inspector Gonzalodo could hardly have been said to have been able to subsequently act in an impartial and unbiased capacity as a member of the PNP Investigating Board.

On the imperative of ensuring due process in administrative proceedings, *Ang Tibay*^[21] laid down the guidelines for administrative tribunals to observe. However, what *Ang Tibay* failed to explicitly state was, prescinding from the general principles governing due process, the requirement of an impartial tribunal which, needless to say, dictates that one called upon to resolve a dispute may not sit as judge and jury simultaneously, neither may he review his decision on appeal.

In *Rivera v. Civil Service Commission*,^[22] this Court, sitting en banc, unanimously set aside a Resolution issued by respondent Commission as it was shown that Civil Service Commissioner Thelma P. Gaminde, who took part

only in the deliberations for the assailed Resolution (but not the deliberations prior to promulgation of respondent Commission's Decision), had earlier participated in the case as Board Chairman of the Merit Systems Protection Board (MSPB). As it was the MSPB's decision which was appealed to respondent Commission, then even the mere participation of Commissioner Gaminde, at the appellate level, in issuing the questioned Resolution (but not the Decision) violated procedural due process. Thus the Court there declared that Commissioner Gaminde should have inhibited herself totally from participating in the resolution of the appeal and remanded the case to respondent Commission, sans the participation of Commissioner Gaminde, in order to "give full meaning and consequence to a fundamental aspect of due process." This Court moreover noted:

This is not the first time that the Court has been confronted with this kind of prejudicial issue.

In *Zambales Chromite Mining Company vs. Court of Appeals* [94 SCRA 261], the decision of the Secretary of Agriculture and Natural Resources was set aside by this Court after it had been established that the case concerned an appeal from the Secretary's own previous decision he handed down while he was yet the incumbent Director of Mines. Caling the act of the Secretary a "mockery of administrative justice," the Court said:

In order that the review of the decision of a subordinate officer might not turn out to be a farce, the reviewing officer must perforce be other than the officer whose decision is under review; otherwise, there could be no different view or there would be no real review of the case. The decision of the reviewing officer would be a biased view; inevitably, it would be the same view since being human, he would not admit that he was mistaken in his first view of the case.

The Court similarly struck down a decision of Presidential Executive Assistance Jacobo Clave over a resolution of the Civil Service Commission, in which he, then concurrently its Chairman, had earlier "concurred." [*Anzaldo v. Clave*, 119 SCRA 353 (1982)][23]

In fealty then to due process and this Court's rulings, and in absence of any showing that Police Chief Inspector Gonzalodo acted in the capacity of a Board-designated commissioner merely tasked to receive evidence on behalf of the PNP Board, it should have behooved Police Chief Inspector Gonzalodo to recuse himself from the proceedings before the PNP Board. While this matter was not assigned as error, we have taken it upon ourselves to comment on this irregularity, if only for the guidance of PNP Investigating Boards constituted in the future.

To further evince the paucity of evidence extant on the record to support private respondent's cause, in both her Comment to the Petition and Memorandum[24] filed with this Court, in lieu of any discussion of the issues, private respondent merely adopted the following pleadings and/or documents to convince this Court to uphold the decision of the Court of Appeals: her Petition for Review filed with the Court of Appeals; petitioner's Comment filed with the Court of Appeals; the Comment of the Employees' Compensation Commission filed with the Court of Appeals; and the Notice of Judgment and Decision of respondent court. The total absence of any semblance of discussion on the issues betrays a deplorable degree of want of industry on the part of private respondent's counsel, both as far as his client and the courts are concerned.

All told, what the Court of Appeals should have done here was to respect the findings of the ECC on the technical matter concerning the nature of the deceased's illness, Hepatitis B. As likewise quoted above, plainly, the ECC's rejection of private respondent's claim was not unfounded, in fact, the ECC even took the pains to quote from a medical manual in order to substantiate its holding. This is one instance when, pursuant to prudence and judicial restraint, a tribunal's zeal in bestowing compassion should have yielded to the precept in administrative law that in absence of grave abuse of discretion, courts are loathe to interfere with and should respect the findings of quasi-judicial agencies in fields where they are deemed and held to be experts due to their special technical knowledge and training.[25]

WHEREFORE, the instant petition is GRANTED and the decision of respondent Court of Appeals dated 26 February 1997 in CA G.R. SP No. 41976 is hereby REVERSED and SET ASIDE and the decision of the Employees' Compensation Commission dated 27 December 1995 in ECC Case No. 7633 is hereby REINSTATED.

No pronouncement as to costs.

SO ORDERED.

Bellosillo, Vitug, Panganiban and Quisumbing, JJ., concur.

[1] Rollo, 23-26. Per Vasquez, C.M., Jr., J., with Purisima, F. P. and Sandoval Gutierrez, A., JJ., concurring.

[2] Rollo, 56-61.

[3] Id., 23-24.

[4] Rollo, 58-60.

[5] Rollo, 36-54.

[6] Id., 67-68.

[7] Rollo, 69-71.

[8] Rollo, 72-79.

[9] Rollo, 80-85.

[10] Rollo, 25-26.

[11] Rollo, 16-17.

[12] See *Latagan v. Employees' Compensation Commission*, 213 SCRA 715, 718 [1992] as regards the operation of the old rule: "[P]rior to the effectivity of the New Labor Code xxx once it was established that the illness supervened during employment, there existed a rebuttable presumption that such illness arose out of the employment or was at least aggravated by it. Consequently, the employer assumed, by force of this presumption, the burden of establishing the contrary by substantial evidence. But this rule has been abandoned under the compensation scheme in the present Labor Code, which took effect 1 January 1975."

[13] See *Narazo v. Employees' Compensation Commission*, 181 SCRA 874, 877 [1990].

[14] See *Employees' Compensation Commission v. Court of Appeals*, 264 SCRA 248, 255-257 [1996].

[15] See *Raro v. Employees' Compensation Commission*, 172 SCRA 845, 852 [1989].

[16] *Santos v. Employees' Compensation Commission*, 221 SCRA 182, 187 [1993], citing *Raro v. Employees' Compensation Commission*, *supra* note 15.

[17] See *Tria v. Employees' Compensation Commission*, 208 SCRA 834, 841-842 [1992].

[18] Rollo, 94.

[19] 69 Phil. 635, 643, citing *Consolidated Edison Co. v. National Labor Relations Board*, 59 S. Ct. 206, 83 Law. Ed. No. 4, Adv. Op., p. 131.

[20] Supra note 19 at 642-643.

[21] Supra note 19 at 642-644.

[22] 240 SCRA 43 [1995]

[23] Rivera v. Civil Service Commission, 240 SCRA 43, 47-48 [1995]. See also Miguel Singson v. NLRC, G.R. No. 122389, 19 June 1997.

[24] Rollo, 32-35.

[25] Id., 113-119.

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