

FRANKLIN BAKER COMPANY OF THE PHILIPPINES, PETITIONER, VS. MAURICIO ALILLANA AND WORKMEN'S COMPENSATION COMMISSION, RESPONDENTS.

G.R. No. 25245. December 11, 1967

Ponente: BENGZON, J.P., J.

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BENGZON, J.P., J.:

Franklin Baker Co. of the Philippines, a domestic corporation engaged in producing copra, on July 19, 1947 took Mauricio Alillana into employment, as truck loader. In 1956 he was assigned as washer. Four months later, he became shell collector therein, performing duties of this nature: To pick up unshelled coconuts from a moving conveyor; place them in a "caritilla" and hand them to the shellers; four times during the 8-hour work, he and some assistants had to personally rotate the pulley to keep the conveyor running when it gets stuck up by coconut shells.

On April 21, 1958, Alillana suffered from pains at the ribs; he was found with bronchitis and went on leave. On May 9, 1958, however, he was allowed by the company to resume his work.

Starting May 31, 1958, he from time to time complained of cough, with chest and back pains, for which he was treated. Referred for physical and X-ray examinations, on July 6, 1958, his condition was found to be as follows: "Far advanced pulmonary tuberculosis at the left lung, associated with bronchitis." The next day, on July 7, 1958, he retired from the company. Franklin Baker Co. paid him P288.16 under its non-occupational sickness and disability benefit plan for the period from July 7, 1958 to October 29, 1958; and P669.12 as retirement benefits.

Alillana subsequently filed a claim for disability compensation under the Workmen's Compensation Act. On February 28, 1963, the Regional Office hearing officer awarded disability benefits. Franklin Baker Co. elevated the case to the Workmen's Compensation Commission.

The Workmen's Compensation Commissioner, on October 11, 1963, affirmed the award, slightly reducing the amount to P3,015.06. Section 14 was applied, on temporary total disability, i.e., 60% of his average weekly wage of P27.01, times the maximum of 208 weeks less a brief period when he had "odd-lot" or sporadic employment.

On July 25, 1964, Franklin Baker Co. paid said award of P3,015.06. Satisfaction thereof was acknowledged by Alillana in writing (Annex "C" to Petition).

Thereafter, on August 10, 1964, alleging continuing disability from his ailment, Alillana filed a motion in the same case for additional compensation. The Workmen's Compensation Commission, on September 16, 1964, ordered a physical examination of Alillana. And on September 7, 1965, after said physical examination by one of the Commission's doctors, finding Alillana still suffering from temporary total disability due to his ailment, the Workmen's Compensation Commission issued an order for additional compensation of P984.94, thus raising the total award to the then statutory maximum of P4,000.

Franklin Baker Co. moved for reconsideration. On October 13, 1965, the Workmen's Compensation Commission en banc denied the motion, stating that the period of disability -can be extended beyond 208 weeks under Sec. 18 of the Act.

Hence, this petition was filed by the Franklin Baker Co., to raise on appeal from the Workmen's Compensation Commission's orders the issue: Does the Workmen's Compensation Commission have power under Sec. 18 to extend the period of disability under Sec. 14 of the Act?

Section 14 provides:

"Sec. 14. Total disability. - In case the injury or sickness causes total disability for labor, the employer, during such disability but exclusive of the first three days shall pay to the injured employee a weekly compensation equivalent to sixty per centum of his average weekly wages; but not more than thirty-five pesos nor less than ten pesos per week, except in the case provided for in the next following paragraph. Such weekly payments shall in no case continue after the disability has ceased, nor shall they extend over more than two hundred and eight weeks, nor shall the aggregate sum paid as compensation exceed in any case four thousand pesos. But no award of permanent disability shall take effect until after two weeks have elapsed from the date of injury."

In *Avecilla Building Corporation vs. Workmen's Compensation Commission*, L-10668, September 26, 1957, this Court already ruled that said maximum period of 208 weeks can be extended under Section 18, as amended by Republic Act 772:

"Speaking of this right of the Workmen's Compensation Commissioner to reopen a case already decided by him, it is an innovation introduced by Rep. Act 772, particularly, Sec. 13 thereof, amending Section 18 (last par.) of the original Workmen's Compensation Law, namely, Act 3428. Before amendment, the last paragraph of Section 18 read thus:

"The total compensation prescribed in this and the next preceding section and the total compensation prescribed in sections fourteen and fifteen of this Act shall, together, not exceed the sum of three thousand pesos."

As amended, the said last paragraph now reads as follows:

"The total compensation prescribed in this and the next preceding section and the total compensation prescribed in sections fourteen and fifteen of this Act, shall, together, not exceed the sum of four thousand pesos: Provided, however, that after the payment has been made for the period specified by the Act in each case, the Workmen's Compensation Commissioner may from time to time cause the examination of the condition of the disabled laborer, with a view to extending, if necessary, the period of compensation which shall not, however, exceed the said amount of four thousand pesos."

"One change introduced is the increase from P3,000 to P4,000 of the total compensation provided in the original provision. The more important change, however, is that contained in the proviso, which is the last part of the paragraph. This legal provision empowering Workmen's Compensation Boards or Commissioners to reopen a case is contained in the Workmen's Compensation Acts of many of the States of the American union, including the Territory of Hawaii. The reason for this legal provision is explained by Arthur Larson in his authoritative work entitled, *The Law of Workmen's Compensation*, Vol. 2, page 330, as follows:

"In almost all states, some kind of provision is made for reopening and modifying awards. This provision is a recognition of the obvious fact that, no matter how competent a commission's diagnosis of claimant's condition and earning prospects at the time of hearing may be, that condition may later change markedly for the worse, or may improve, or may even clear up altogether. Under the typical award in the form of periodic payments during a specified maximum period or during disability, the objectives of the legislation are best accomplished if the commission can increase, decrease, revive or terminate payments to correspond to claimant's changed condition."

Theoretically, then, commissions ought to exercise perpetual and unlimited jurisdiction to reopen cases as often as necessary to make benefits meet current conditions. But the administrative problem lies in the necessity of preserving the full case records of all claimants that have ever received any kind of award; against the possibility of a future reopening. Moreover, any attempt to reopen a case based on an injury ten or fifteen years old must necessarily encounter awkward problems of proof, because of the long delay and the difficulty of determining the relationship between some ancient injury and a present aggravated disability. Another argument is that insurance carriers would never know that kind of future liabilities they might incur, and would have difficulty in computing appropriate reserves.'

"It will be noticed, however, that while in the several states of the union, the reopening is intended for the benefit of both employer and employee in the sense that, in case of aggravation or deterioration of the disability of the employee, the period of compensation should be extended up to a certain limit, or in case the condition of the employee improves or the disability disappears altogether, the period of compensation is shortened or compensation stopped, our law, under Section 18, is a little one-sided and is all for the benefit of the employee, for the reason that as may be gathered from the proviso, the Commissioner may from time to time cause examination of the condition of the disabled laborer, with a view to extending, if necessary, the period of compensation. In this respect there is room for improvement of the law as to make it more equitable to both parties, labor and management. Furthermore, while in the several states of the American Union, the time within which the Commissioner or Board may reopen a case is limited anywhere from one year to several years, our law contained in the proviso in question, sets no time limit. The disadvantage of making this period within which the case may be reopened, too long, or as in our law, with no limit at all, is touched upon by Larson in the latter part of his commentary, as above-reproduced, namely, that in case such a period is too long, there may be difficulty in completing and preserving the record of the injury, or determining the relationship, if any, between the aggravation or deterioration of the employee's disability and some ancient injury, to say nothing of the fact that insurance companies which are interested in similar cases, by having insured employees of companies against injuries, may find difficulty in adjusting their finances, such as putting up reserve funds to take care of future liabilities.

"But there is no question that under Section 18 of the Workmen's Compensation Act, as amended, the Commissioner was authorized to re-open the case of Carpeso and to direct that the compensation to him by petitioner be increased or continued. The claim of petitioner that it had not been given an opportunity to traverse the claim that Carpeso's condition had deteriorated, is not supported by the record."

Clearly, therefore, the Workmen's Compensation Commission did not incur in any error in extending to cover beyond 208 weeks the period of Alillana's disability compensation, up to a total of not more than P4,000.

Alillana's having signed a satisfaction receipt can not result in waiver; the law does not consider as valid any agreement to receive less compensation than what the worker is entitled to recover under the Act (Sec. 29).

WHEREFORE, the appealed orders of the Workmen's Compensation Commission are hereby affirmed. No costs.

SO ORDERED.

Concepcion, C.J., Reyes, JBL, Dizon, Makalintal, Zaldivar, Sanchez, Ruiz Castro, Angeles, and Fernando, JJ., concur.

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