

BENIGNO C. GASCON, PETITIONER, VS. EMPLOYEES COMPENSATION COMMISSION; GOVERNMENT SERVICE INSURANCE SYSTEM AND THE BUREAU OF CUSTOMS, RESPONDENTS.

G.R. No. 59760, May 19, 1984

Ponente: GUTIERREZ, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-59760/>

GUTIERREZ, JR., J.:

This is a petition for review on certiorari to set aside the decision of respondent Employees' Compensation Commission (hereinafter referred to as Commission) in ECC Case No. 1286 affirming the decision of respondent Government Service Insurance System (hereinafter referred to as GSIS) to deny disability benefits under Presidential Decree No. 626 as amended to claimant Benigno C. Gascon.

The antecedent facts are not disputed. As correctly summarized by respondent Commission they are:

"After twenty six years of service in the Bureau of Customs, Benigno Gascon, appellant herein, contracted two ailments, namely, diabetes mellitus and pulmonary tuberculosis, prompting him to retire at the age of 64. Per certification of Mr. Dominador Nigoza, Personnel Officer III of the Bureau of Customs, appellant started in June 1953 as clerk, thereafter liquidator, later examiner and finally customs examiner I, his last position. Due to the above-named ailments, appellant had been incurring absences from his work on various dates and occasions and as disclosed by Mr. Adan I. Rosete, his immediate superior, appellant was on sick leave of absence from December 2, 1974 up to March 31, 1975. He retired on April 1, 1975.

"Attributing his ailments to the nature and conditions of his employment as a customs examiner, appellant on February 9, 1976 filed with the Government Service Insurance System (GSIS) a claim for disability benefits under Presidential Decree No. 626, as amended. The respondent System disallowed the claim on the ground that appellant's ailments had been contracted prior to the advent of the new Employees' Compensation Program and could not, therefore, be given due course for lack of legal basis. x x x"

The respondent Commission denied the petitioner's claim for disability benefits on two grounds: 1) the claim was filed after March 31, 1975 the last day for filing claims which accrued prior to the effectivity of the New Labor Code pursuant to Article 292 thereof and 2) the Commission has no jurisdiction over the petitioner's claim.

We are constrained to reverse the Commission's decision.

The rulings in *Corales v. Employees Compensation Commission* (88 SCRA 547); *Javier v. Employees Compensation Commission, et al.* (123 SCRA 735); *Santarin v. Employees Compensation Commission* (124 SCRA 548) establish the rule to be followed on claims falling under the Workmen's Compensation Act but filed after March 31, 1975.

The rule in the *Corales* and *Javier* decisions summarized in the *Santarin* decision reads:

"Furthermore, the provisions of the New Labor Code on Employees Compensation Book IV, title II-apply only to injury, sickness, disability or death accruing on or after January 1, 1975 (Art. 208). More precise is

Section 1 (c) of Rule III of the Amended Rules on Employees Compensation, which declares that only injury or sickness that accrued on or after January 1, 1975 and the resulting disability or death shall be compensable under the Rules. There is therefore no doubt that what governs petitioner's claim is the Workmen's Compensation Act, as amended.

xxx xxx xxx

"Article 292 of the New Labor Code, which requires that workmen's compensation claims accruing prior to the New Labor Code shall be filed with the appropriate regional offices of the Department of Labor not later than March 31, 1975, otherwise, they shall forever be barred, does not apply to petitioner, who filed his claim on August 4, 1975 with the GSIS; because WE have repeatedly held that the prescriptive period for claims which accrued under the Workmen's Compensation Act, as amended, is ten (10) years, it being a right founded on statute. Petitioner's right accrued as early as September 1965 and hence is a vested right."

The petitioner proved that he had far advanced and active pulmonary tuberculosis in 1974 when the New Labor Code was not yet operative. Therefore, the disease commenced earlier than 1974 and is presumed to have resulted from the nature of his job as a customs examiner with the Bureau of Customs under the applicable law at that time. Consequently, the claim continues to be governed by the Workmen's Compensation Act. Under the abovesited precedents, the petitioner's claim is not covered by the March 31, 1975 deadline for filing claims pursuant to Article 292 of the New Labor Code. When, therefore, the petitioner filed his claim for disability benefits with the GSIS on February 9, 1976, the prescriptive period of ten (10) years had not yet lapsed.

Moreover, the respondent Commission's conclusion that it has no jurisdiction over the petitioner's claim because the same is governed by the Workmen's Compensation Act, as amended, is erroneous. As successor of the defunct Workmen's Compensation Commission, the respondent Commission has the jurisdiction to pass upon claims governed by the Workmen's Compensation Act, as amended and is duty bound to apply its underlying principles. Thus,

"Petitioner's claim having accrued prior to the New Labor Code, the presumption of compensability, the principle of aggravation, the award of attorney's fees and the payment of administrative fees must be observed and applied. And the Employees' Compensation Commission as the successor of the defunct Workmen's Compensation Commission is duty-bound to observe and apply the foregoing principles in passing upon workmen's compensation x x x." (Corales v. ECC, et al., 88 SCRA 547; La O v. ECC, et al., 97 SCRA 780; Panangui, et al., v. ECC, et al., 121 SCRA 65; Makabali v. ECC, et al., G. R. No. 51533 (November 29, 1983).

The respondent Commission admits the linkage between the petitioner's illness and his employment. It ruled:

"While we sympathize with the appellant considering that his ailments were contracted during his stint in the government service, our sympathy cannot justify an award under PD No. 626, as amended, because the cause of action in the instant case clearly falls under the old Workmen's Compensation Act 348, as amended, and, therefore, outside of the jurisdiction of this Commission."

The petitioner submitted the following in support of his claim before the respondent GSIS:

"2. That my occupation as a Customs Examiner in Manila International Airport, (MIA), involves the increased risk of contracting PTB, considering that among my duties are the following, to wit:

"A) EXAMINATION OF PASSENGER'S BAGGAGES -involves constant direct contact with various people of different health conditions; (some passengers sick with flu and some carriers of Tuberculosis germs, whose baggages are likewise contaminated with 'the disease they are suffering from);

"B) EXAMINATION OF MANIFESTED CARGOES AND UNACCOMPANIED BAGGAGES IN THE WAREHOUSE/ BODEGA - The warehouse in the MIA has no ventilation and/or is poorly ventilated,

aggravated by overcrowding of baggages and people/claimants of different health conditions, some suffering from PTB; Some baggages belonging to sick persons are contaminated; Some baggages, after being unclaimed for sometime, has accumulated dust and other toxic substances;

"C) MAKING INVENTORY OF OVERSTAYING AND UNCLAIMED CARGOES AND BAGGAGES - The examination is done at the extreme end of the poorly ventilated warehouse; The area is hot and polluted with mixtures of accumulated dust, diesel, and smokes from forklifts and foul odor from excrement of animals and fighting cocks imported; The temperature therein induces profuse perspiration;

"D) ABRUPT CHANGE OF TEMPERATURE FROM WAREHOUSE TO EXAMINATION ARRIVAL AREA - From the warehouse which is hot, the examiner has to rush to the passenger arrival area which is airconditioned and cool especially if the plane arrives ahead of schedule; This abrupt change of temperature causes ones resistance to weaken and exposes one to the increased risk of contracting PTB;

"E) EXAMINATION DUTIES BEFORE AND AFTER MIDNIGHT DAWN, AND MORNING, AND ON DELAYED FLIGHTS DUE TO WEATHER CONDITIONS, CAUSING LOSS OF SLEEP - The examiner could not sleep the whole night if he is the assigned. Examiner to such delayed flight arrivals; He has to report for regular duty on the morning; This loss of sleep is a contributory factor to the weakening of ones resistance, thereby rendering the employee susceptible to pulmonary tuberculosis;

"F) INCIDENT CAUSING SICKNESS DISABILITY; PROXIMATE CAUSE - Sometime on November, 1974, claimant Benigno Gascon from his official duty at MIA; was stranded on his way home, because of the deep flood and storm; Being weary from work and exposed to wetness, he contracted flu, and despite prudent medical care, was aggravated at the hospital and later his disability retirement;"

xxx xxx xxx

The ruling in *Pantranco v. Workmen's Compensation Commission* (8 SCRA 352) applies:

"A stronger reason to sustain the compensability of the present claim is that the company failed to rebut the presumption in favor of the working man, as held 'in the case of *Naira v. Workmen's Compensation Commission, et al.*, L-18066, 30 October 1962, when this Court pronounced:

"x x x, in the absence of proof that the injury or death supervening in the course of employment has arisen because of the nature of the same, the death or injury is, by law, compensable, unless the employer clearly establishes that it was not caused or aggravated by such employment or work. Mere absence of evidence that the mishap was traceable to the employment does not suffice to reject the claim; there must be credible showing that it was not so traceable x x x."

WHEREFORE, the decision of the Employees' Compensation Commission is SET ASIDE and the Bureau of Customs is hereby ordered:

1. To pay petitioner the sum of Six Thousand (P6,000.00) Pesos as disability compensation benefits;
2. To reimburse petitioner his medical and hospital expenses which are duly supported by proper receipts; and
3. To pay attorney's fees equivalent to 10% of the amount of the award.

SO ORDERED.

Teehankee, (Chairman), Melencio-Herrera, Plana, Relova, and De La Fuente, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.