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WHEREFORE, and except as thus modified with respect to Jose Cosculluela, the decision appealed from is hereby AFFIRMED. Costs against petitioner.

SO ORDERED.

Concepcion Jr., Escolin, and *Alampay, JJ.*, concur.

Aquino, J., concurs in the result.

Makasiar, and *Abad Santos, JJ.*, took no part.

EN BANC

[G.R. No. L-43828. June 29, 1985]

BALTAZAR C. REYES, *petitioner, vs.* **EMPLOYEES' COMPENSATION COMMISSION and GOVERNMENT SERVICE INSURANCE SYSTEM (BUREAU OF AGRICULTURAL EXTENSION),** *respondents.*

SYLLABUS

1. **LABOR AND SOCIAL LEGISLATION; WORKMENS' COMPENSATION ACT; STILL APPLICABLE WHEN THE ILLNESS EXISTED BEFORE THE EFFECTIVITY OF THE LABOR CODE AND CONTINUE AFTER THE SAID CODE WAS ALREADY EFFECTIVE AND OPERATIVE.**— This Court has repeatedly ruled that when the illness subject of the claim supervened in the course of petitioner's employment prior to the effectivity of the New Labor Code on January 1, 1975, the provisions of the Workmen's Compensation Act nevertheless shall govern. In the case at bar, the petitioner's cause of action evidently existed even before the effectivity of the New Labor Code and his illness continued after the said law was already effective and operative. The accrual of the cause of action in a Workmen's Compensation case is

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determined by the date when the ailment was felt and not the subsequent date when the sickness became so severe that the employee had to retire. Although petitioner's claim for disability and income benefits was filed with the GSIS only on July 31, 1975, nevertheless, the Workmen's Compensation Commission Act should be applied because under Title III, Article 294, of the Transitory and Final provisions of the New Labor Code.

2. ID.; ID.; PRESUMPTION OF COMPENSABILITY; APPLIED IN CASE AT BAR.— There is, therefore, evidence on the record indicating that even prior to the effectivity of the New Labor Code on January 1, 1975, the illness of petitioner-appellant had already been incurred which, therefore, place his claim still under the coverage of the Workmen's Compensation Act. Even assuming that the exact cause of the ailment is unknown, so long as it occurs during employment, the presumption of compensability exists.

APPEARANCES OF COUNSEL

Nicasio S. Palaganas for respondent ECC.

D E C I S I O N

ALAMPAY, *J.*:

Petition for Review on *Certiorari* of the decision of the Employees Compensation Commission (ECC) dated November 13, 1975, denying petitioner's claim for disability, income benefits under Presidential Decree No. 626 and affirming the action taken by the Government Service Insurance System (G.S.I.S.), rejecting the same said petitioner's claim.

Petitioner-Appellant Baltazar C. Reyes was formerly employed on July 15, 1969, with the Bureau of Agricultural Extension, Diliman, Quezon City, as a casual laborer. With gradual promotions, he was appointed on May 3, 1972 as Personnel Aide, a position he held until his retirement from the service on August 15, 1975 due to physical disability. At the time of his retirement, he was receiving a salary of ₱3,923.20 per annum plus an emergency living allowance of ₱50.00 a month.

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In the decision of the Employees Compensation Commission dated November 12, 1979, it stated that —

"Because of the cause of strain and stress allegedly generated by his work, he contracted illness of essential hypertension for which he was forced to seek medical attention. From June 14 to July 21, 1975, he was under medical treatment of Dr. Buenaventura Domingo of the Bureau of Agricultural Extension Clinic, who recommended that Baltazar C. Reyes has to retire from the service to insure early recovery and to avoid fatal consequences due to the constant rise of blood pressure because of frequent pains over the nape and severe attack and constant expiring of bodily functions and Baltazar C. Reyes heeded the advice of his physician and retired on August 16, 1975 at the age of 61." (Annex A, Petition, *Rollo*, p. 17).

Attributing the nature of his work as the cause of his deteriorating health, petitioner, in his letter dated July 31, 1975, filed a claim for disability under P.D. 626 with the Government Service Insurance System (GSIS). This claim was denied by the GSIS under its letter dated August 29, 1975, upon its consideration that the illness of said employee which is essential hypertension is not an occupational disease and that the nature of his duties at the Bureau of Agricultural Extension could not have directly caused such ailment. The G.S.I.S., however, in the same said letter concedes that, "at most they (Petitioner's duties) could have aggravated your condition." (Annex E, Petition, *Rollo*, p. 25).

Petitioner herein sought a reconsideration of said denial ruling of the G.S.I.S. but this proved fruitless. The record of the case was eventually elevated to the Employees Compensation Commission for review.

Respondent Employees Compensation Commission, in its decision dated November 12, 1975, affirmed the denial by the GSIS of petitioner's claim for disability benefits on the ground that the illness of hypertension which petitioner aver to have been caused by strain and stress is not supported by medical science and that the record is bereft of any showing that the pre-disposing factors occurred as a result of his employment. The Employees Compensation Commission took into account

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the age of the appellant who was then sixty-one (61) years old and concluded that "it is most likely that his essential hypertension is the result of his advance age and not to stress and strain as asserted." Respondent Commission further maintained that the nature of claimant's work as personnel aide "at most aggravate his existing condition and aggravation is unfortunately no longer compensable under the present Employees Compensation Program." (Decision, Annex A of Petition, p. 3,; *Rollo*, p. 22).

We find merit in the petition.

There is evidence on the record that petitioner was in good and excellent health when he commenced his employment on July 19, 1969 as attested and certified to by Dr. Carlos N. Singson, on September 12, 1975. It is even indicated that two (2) years earlier, petitioner herein had consulted with Dra. Emerita Estacion, Clinic Physician of Malacañang, Manila and Dra. Domingo, Clinic Agricultural Extension Physician of Diliman, Quezon City and he was found to be then suffering from continuous headache and dizzy spells, and from such indications he was stated to be hypertensive (Annex H, Petition; *Rollo*, p. 32).

In the certification of Dra. Buenaventura B. Domingo who is no less the clinic physician of the Bureau of Agricultural Extension, herein petitioner appears to have been actually treated during the period from June 14, 1975, to July 25, 1975 for recurrent bouts of essential hypertension, pain over the neck, severe headache, bodily weakness, dizziness and palpitation "so that he was advised to rest and even retire to avoid further attacks and so that he may obtain early recovery." (Annex I, Petition; Rollo, p. 36). Unmistakably, petitioner's illness occurred during the period of his employment, which is a fact uncontroverted by his employer.

This Court has repeatedly ruled that when the illness subject of the claim supervened in the course of petitioner's employment prior to the effectivity of the New Labor Code on January 1, 1975, the provisions of the Workmen's Compensation Act nevertheless shall govern. (*Avendano vs. Employees Compensation Commission*, 97 SCRA 464-467). In the case at

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bar, the petitioner's cause of action evidently existed even before the effectivity of the New Labor Code and his illness continued after the said law was already effective and operative. The accrual of the cause of action in a Workmen's Compensation case is determined by the date when the ailment was felt and not the subsequent date when the sickness became so severe that the employee had to retire (*Calvero vs. Employees Compensation Commission, et al.*, 117 SCRA 452). Although petitioner's claim for disability and income benefits was filed with the GSIS only on July 31, 1975, nevertheless, the Workmen's Compensation Commission Act should be applied because under Title III, Article 294, of the Transitory and Final provisions of the New Labor Code, it is provided that —

"All actions or claims accruing prior to the effectivity of this Code shall be determined in accordance with the law enforced at the time of their accrual."

The case record indicates that in the Notice of Sickness and Claim for Compensation, together with the Physician's report of sickness (Annex D of Petition; *Rollo*, p. 23) the supporting papers thereto include a xerox copy of MC Form No. 4, issued by Dra. Emerita Estacion, clinic physician of Malacañang, Manila, certifying that Baltazar C. Reyes had been treated and was found to be suffering from essential hypertension on March 11, 1974. Similarly, submitted was a medical certificate issued by Dra. Buenaventura D. Domingo, Clinic Physician of the Bureau of Agricultural Extension, Diliman, Quezon City dated June 21, 1974 and July 25, 1975 certifying that Mr. Reyes was found to be suffering from recurrent bouts of high blood pressure. There is, therefore, evidence on the record indicating that even prior to the effectivity of the New Labor Code on January 1, 1975, the illness of petitioner-appellant had already been incurred which, therefore, place his claim still under the coverage of the Workmen's Compensation Act. Even assuming that the exact cause of the ailment is unknown, so long as it occurs during employment, the presumption of compensability exists.

We find untenable the assertion of respondent Commission that because the nature of petitioner's work is not the direct

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cause of hypertension as at most it only aggravates his existing condition, then his illness is "unfortunately no longer compensable under the present Employees Compensation Program." As We have pointed out, since the inception of petitioner's illness started in the course of his employment and before the New Labor Code was enacted, it would be the Workmen's Compensation Act that would govern his claim for income disability benefits.

In the aforecited case of *Calvero vs. E.C.C., et al.* (*supra*) this Court held:

"the *exact cause* of the ailment suffered by a claimant is *not significant*, and the possibility that factors other than the employment, such as advancing age, may have caused or contributed to the development of the ailment, is not a drawback; for what is material and decisive is that the employment contributed even in a small degree in aggravating the ailment." (*Balatero vs. ECC, et al.*, 95 SCRA 608, 614 [1980] citing several cases, italics supplied).

Citing therein earlier rulings, We further stated:

"Moreover, the opinion of the ECC Medical Officer that there was no causal connection between the ailment, multiple sclerosis, and claimant's employment nor was the risk of contracting it increased by the working conditions, cannot overthrow the presumption of compensability established by law. In *Lao vs. ECC, et al.* (97 SCRA 780, 791 [1980], We ruled that 'xxx where the cause of the illness of the claimant or of the death of the deceased is not definitely determinable, the medical report of findings presented by respondent employer (the ECC or GSIS) does not or cannot constitute substantial evidence to prevail over the presumption of compensability and aggravation and thus defeat the compensability of the claim."

WHEREFORE, the decision of respondent Employees Compensation Commission, subject of the petition in this case, is hereby SET ASIDE and the Government Service Insurance System is hereby ordered to pay petitioner herein such disability income benefits as may be due to him under the law.

No pronouncement as to costs.

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SO ORDERED.

Fernando, C.J., Teehankee, Concepcion Jr., Abad Santos, Melencio-Herrera, Plana, Escolin, Relova, Gutierrez, Jr., De la Fuente, and *Cuevas, JJ.*, concur.

Makasiar, J., The dispositive portion should decree in favor of claimant specifically (1) ₱6,000.00 as disability income benefits; (2) refund for his medical expenses with proper receipts; (3) ₱600.00 as attorney's fees; and (4) administrative costs.

Aquino, J., no part.

EN BANC

[G.R. No. L-44616. June 29, 1985]

MARIA U. ESPAÑOL, *petitioner-appellee, vs.* **THE CHAIRMAN and MEMBERS OF THE BOARD OF ADMINISTRATORS, PHILIPPINE VETERANS ADMINISTRATION,** *respondents-appellants.*

SYLLABUS

1. REMEDIAL LAW; ACTIONS; CAUSE OF ACTION; RIGHT OF ACTION ACCRUES WHEN THERE EXISTS A CAUSE OF ACTION.— The right of action accrues when there exists a cause of action, which consists of 3 elements, namely: a) a right in favor of the plaintiff by whatever means and under whatever law it arises or is created; b) an obligation on the part of defendant to respect such right; and c) an act or omission on the part of such defendant violative of the right of the plaintiff. It is only when the last element occurs or takes place that it can be said in law that a cause of action has arisen.

2. ID.; ID.; ID.; ID.; CASE AT BAR.— It is only when this Court declared invalid the questioned administrative policy in the