

THIRD DIVISION

[G.R. No. 192531, November 12, 2014]

BERNARDINA P. BARTOLOME, PETITIONER, VS. SOCIAL SECURITY SYSTEM AND SCANMAR MARITIME SERVICES, INC., RESPONDENTS.

DECISION

VELASCO JR., J.:

Nature of the Case

This Appeal, filed under Rule 43 of the Rules of Court, seeks to annul the March 17, 2010 Decision^[1] of the Employees' Compensation Commission (ECC) in ECC Case No. SL-18483-0218-10, entitled *Bernardina P. Bartolome v. Social Security System (SSS) [Scanmar Maritime Services, Inc.]*, declaring that petitioner is not a beneficiary of the deceased employee under Presidential Decree No. (PD) 442, otherwise known as the *Labor Code of the Philippines*, as amended by PD 626.^[2]

The Facts

John Colcol (John), born on June 9, 1983, was employed as electrician by Scanmar Maritime Services, Inc., on board the vessel *Maersk Danville*, since February 2008. As such, he was enrolled under the government's Employees' Compensation Program (ECP).^[3] Unfortunately, on June 2, 2008, an accident occurred on board the vessel whereby steel plates fell on John, which led to his untimely death the following day.^[4]

John was, at the time of his death, childless and unmarried. Thus, petitioner Bernardina P. Bartolome, John's biological mother and, allegedly, sole remaining beneficiary, filed a claim for death benefits under PD 626 with the Social Security System (SSS) at San Fernando City, La Union. However, the SSS La Union office, in a letter dated June 10, 2009^[5] addressed to petitioner, denied the claim, stating:

We regret to inform you that we cannot give due course to your claim because you are no longer considered as the parent of JOHN COLCOL as he was legally adopted by CORNELIO COLCOL based on documents you submitted to us.

The denial was appealed to the Employees' Compensation Commission (ECC), which affirmed the ruling of the SSS La Union Branch through the assailed Decision, the dispositive portion of which reads:

WHEREFORE, the appealed decision is AFFIRMED and the claim is hereby dismissed for lack of merit.

SO ORDERED.^[6]

In denying the claim, both the SSS La Union branch and the ECC ruled against petitioner's entitlement to the death benefits sought after under PD 626 on the ground she can no longer be considered John's primary beneficiary. As culled from the records, John and his sister Elizabeth were adopted by their great grandfather, petitioner's grandfather, Cornelio Colcol (Cornelio), by virtue of the Decision^[7] in Spec. Proc. No. 8220-XII of the Regional Trial Court in Laoag City dated February 4, 1985, which decree of adoption attained finality.^[8] Consequently, as argued by the agencies, it is Cornelio who qualifies as John's primary beneficiary, not petitioner.

Neither, the ECC reasoned, would petitioner qualify as John's secondary beneficiary even if it were proven that Cornelio has already passed away. As the ECC ratiocinated:

Under Article 167 (j) of P.D. 626, as amended, provides (sic) that beneficiaries are the "dependent spouse until he remarries and dependent children, who are the primary beneficiaries. **In their absence, the dependent parents** and subject to the restrictions imposed on dependent children, the illegitimate children and legitimate descendants who are the secondary beneficiaries; Provided; that the dependent acknowledged natural child shall be considered as a primary beneficiary when there are no other dependent children who are qualified and eligible for monthly income benefit."

The dependent parent referred to by the above provision relates to the **legitimate parent** of the covered member, as provided for by Rule XV, Section 1 (c) (1) of the Amended Rules on Employees' Compensation. **This Commission believes that the appellant is not considered a legitimate parent of the deceased, having given up the latter for adoption to Mr. Cornelio C. Colcol. Thus, in effect, the adoption divested her of the status as the legitimate parent of the deceased.**

x x x x

In effect, the rights which previously belong [sic] to the biological parent of the adopted child shall now be upon the adopting parent. Hence, in this case, the legal parent referred to by P.D. 626, as amended, as the beneficiary, who has the right to file the claim, is the adoptive father of the deceased and not herein appellant.^[9] (Emphasis supplied)

Aggrieved, petitioner filed a Motion for Reconsideration, which was likewise denied by the ECC.^[10] Hence, the instant petition.

The Issues

Petitioner raises the following issues in the petition:

ASSIGNMENT OF ERRORS

- I. The Honorable ECC's Decision is contrary to evidence on record.
- II. The Honorable ECC committed grave abuse in denying the just, due and lawful claims of the petitioner as a lawful beneficiary of her deceased biological son.
- III. The Honorable ECC committed grave abuse of discretion in not giving due course / denying petitioner's otherwise meritorious motion for reconsideration.^[11]

In resolving the case, the pivotal issue is this: Are the biological parents of the covered, but legally adopted, employee considered secondary beneficiaries and, thus, entitled, in appropriate cases, to receive the benefits under the ECP?

The Court's Ruling

The petition is meritorious.

The ECC's factual findings are not consistent with the evidence on record

To recall, one of the primary reasons why the ECC denied petitioner's claim for death benefits is that even though she is John's biological mother, it was allegedly not proven that his adoptive parent, Cornelio, was no longer alive. As intimated by the ECC:

Moreover, there had been no allegation in the records as to whether the legally adoptive parent, Mr. Colcol, is dead, which would immediately qualify the appellant [petitioner] for Social Security benefits. Hence, absent such proof of death of the adoptive father, this Commission will presume him to be alive and well, and as such, is the one entitled to claim the benefit being the primary beneficiary of the deceased. Thus, assuming that appellant is indeed a qualified beneficiary under the Social Security law, in view of her status as other beneficiary, she cannot claim the benefit legally provided by law to the primary beneficiary, in this case the adoptive father since he is still alive.

We disagree with the factual finding of the ECC on this point.

Generally, findings of fact by administrative agencies are generally accorded great respect, if not finality, by the courts by reason of the special knowledge and expertise of said administrative agencies over matters falling under their

jurisdiction.^[12] However, in the extant case, the ECC had overlooked a crucial piece of evidence offered by the petitioner- Cornelio's death certificate.^[13]

Based on Cornelio's death certificate, it appears that John's adoptive father died on October 26, 1987,^[14] or only less than three (3) years since the decree of adoption on February 4, 1985, which attained finality.^[15] As such, it was error for the ECC to have ruled that it was not duly proven that the adoptive parent, Cornelio, has already passed away.

The rule limiting death benefits claims to the legitimate parents is contrary to law

This brings us to the question of whether or not petitioner is entitled to the death benefits claim in view of John's work-related demise. The pertinent provision, in this regard, is Article 167 (j) of the Labor Code, as amended, which reads:

ART. 167. Definition of terms. - As used in this Title unless the context indicates otherwise:

x x x x

(j) 'Beneficiaries' means the dependent spouse until he remarries and dependent children, who are the primary beneficiaries. In their absence, **the dependent parents** and subject to the restrictions imposed on dependent children, the illegitimate children and legitimate descendants who are the **secondary beneficiaries**; Provided, that the dependent acknowledged natural child shall be considered as a primary beneficiary when there are no other dependent children who are qualified and eligible for monthly income benefit. (Emphasis supplied)

Concurrently, pursuant to the succeeding Article 177(c) supervising the ECC "[T]o approve rules and regulations governing the processing of claims and the settlement of disputes arising therefrom as prescribed by the System," the ECC has issued the Amended Rules on Employees' Compensation, interpreting the above-cited provision as follows:

RULE XV - BENEFICIARIES

SECTION 1. Definition, (a) Beneficiaries shall be either primary or secondary, and determined at the time of employee's death.

(b) The following beneficiaries shall be considered primary:

- (1) The legitimate spouse living with the employee at the time of the employee's death until he remarries; and
- (2) Legitimate, legitimated, legally adopted or acknowledged natural children, who are unmarried not

gainfully employed, not over 21 years of age, or over 21 years of age provided that he is incapacitated and incapable of self - support due to physical or mental defect which is congenital or acquired during minority; Provided, further, that a dependent acknowledged natural child shall be considered as a primary beneficiary only when there are no other dependent children who are qualified and eligible for monthly income benefit; provided finally, that if there are two or more acknowledged natural children, they shall be counted from the youngest and without substitution, but not exceeding five.

(c) The following beneficiaries shall be considered secondary:

(1) The **legitimate parents** wholly dependent upon the employee for regular support;

(2) The legitimate descendants and illegitimate children who are unmarried, not gainfully employed, and not over 21 years of age, or over 21 years of age provided that he is incapacitated and incapable of self - support due to physical or mental defect which is congenital or acquired during minority. (Emphasis supplied)

Guilty of reiteration, the ECC denied petitioner's claim on the ground that she is no longer the deceased's legitimate parent, as required by the implementing rules. As held by the ECC, the adoption decree severed the relation between John and petitioner, effectively divesting her of the status of a legitimate parent, and, consequently, that of being a secondary beneficiary.

We disagree.

a. Rule XV, Sec. 1(c)(1) of the Amended Rules on Employees' Compensation deviates from the clear language of Art. 167 (j) of the Labor Code, as amended

Examining the Amended Rules on Employees' Compensation in light of the Labor Code, as amended, it is at once apparent that the ECC indulged in an unauthorized administrative legislation. In net effect, the ECC read into Art. 167 of the Code an interpretation not contemplated by the provision. Pertinent in elucidating on this point is Article 7 of the Civil Code of the Philippines, which reads:

Article 7. Laws are repealed only by subsequent ones, and their violation or non-observance shall not be excused by disuse, or custom or practice to the contrary.

When the courts declared a law to be inconsistent with the Constitution, the former shall be void and the latter shall govern.