

(MATIONAL IREIGATION ADMINISTRATION) Jusaling Ablaza, 117 E. Rodriguez, Sr. Lungsod ng Quezon

MC # ____, s. 1969

MEMORANDUM CIRCULAR

TO

ALL HEADS OF DEPARTMENTS & STAFFS, CENTRAL OFFICE; REGIONAL & PROVINCIAL IRRIGATION ENGINEERS, IRRIGATION SUPERINTENDENTS, OFFICERS-IN-CHARGE OF IRRIGATION SYSTEMS & PROJECT ENGINEERS This Agency

SUBJECT: : The Contraversion of Compensation Gases Involving the Government as An Employer Under the Workmen's Compensation Law.

There is quoted hereunder for your information and guidance Memorandum Circular No. 210 of the Office of the President of the Philippines:

"OFFICE OF THE PRESIDENT OF THE PHILIPPINES

MEMORANDUM CIRCULAR NO. 210

PROMULGATING RULES GOVERNING THE CONTROVERSION OF COMPENSATION CASES INVOLVING THE GOVERNMENT AS AN EMPLOYER.

By virtue of the amendatory provisions of Republic Act No. 4119 which took effect on June 20, 1964, the coverage of the Workmen's Compensation Law has been extended to "all officials, employees, and laborers in the service of the National Government and its political subdivisions and instrumentalities," except public officers elected by popular vote. As a result of this expanded coverage, there has been a cumulative increase of claims against the Government, its political subdivisions and agencies. Based upon statistics furnished by the Department of Labor, it appears that most of the cases arising under the Workmen's Compensation Law involving the Government as an employer have not been controverted within the period and in the manner prescribed by law, resulting in the allowance of many claims of doubtful compensability.

Under Section 45 of the Workmen's Compensation Act, as amended, and implementing Rules, if the employer decides to controvert the employee's right to compensation, he shall, either on or before the fourteenth day of disability or within ten days after he has knowledge of the alleged accident, file with the proper regional office of the Department of Labor a notice of controversion in the form prescribed by the Bureau of Workmen's Compensation. Failure of the employer to comply with this requirement constitutes a renunciation of his right to controvert the claim, unless he submits reasonable grounds for such failure. Implementing this statutory provision, the Rules of the Workmen's Compensation having been filed, the employee's right to compensation is deemed controverted when the employer or insurance carrier has filed the notice of controversion within the period and in the manner prescribed by the Act. Under the prevailing doctrine enunciated by the Supreme Court, the renunciation of the right to controvert operates as a statutory bar to or forfeiture of the employer's right to set up such defenses as are available under the Act in avoidance of his liability, and is imposed as a measure of public policy designed to compel observance of the requirements of the law.

In order to properly safeguard the interests and preserve the rights of the Government as an employer under the Workmen's Compensation Act, the following rules governing controversion are, therefore, hereby promulgated:

1. All injuries and illnesses of doubtful compensability should be controverted within fourteen days from the date of disability or within ten days after the head or representative of any department, bureau or office of the National Government, or political subdivision, instrumentality, self-governing board, commission or agency of the Government (hereafter to be referred to as "office or agency") first acquired knowledge of the disability or death of the employee resulting from accident or illness. The term "representative" as used herein shall be understood to refer to any responsible official who has acquired knowledge of any accident or illness suffered by his subordinates. For purposes of these rules, knowledge of the representative is construed as knowledge of the head of office or agency. Accordingly, the representative must immediately transmit such knowledge to the head of office or agency concerned to enable the latter to file the notice of controversion within the prescribed period.

2. The duty to submit the notice of controversion devolves upon the head of the office or agency concerned. In cases where there are regional offices or branches, notice of controversion shall be made by the head thereof, who shall at the same time furnish a copy of the same to the central office. Such notice of controversion shall be accomplished in the "Employer's Report of Accident or Sickness" form prescribed by the Bureau of Workmen's Compensation which may be requisitioned from the proper regional office of the Department of Labor or the Bureau of Workmen's Compensation. In case no such form is available, the notice of controversion may be made in any other written communication containing the information required under the Rules of the Workmen's Compensation Commission. In either case, a mere statement that the right to compensation or the claim itself is being controverted is not sufficient to constitute a valid controversion; the reason or reasons for so controverting must be explicitly stated.

3. For purposes of coordination, a committee should be set up in each office or agency to which all reports of injuries and illnesses of its personnel, whether compensable or not, should be submitted for evaluation. It shall be the responsibility of the committee upon receipt of such reports to convene immediately and evaluate the report, and without delay submit its findings to the head of the office or agency, who shall sign and cause the filing of the notice of controversion or "Employer's Report of Accident or Sickness" in the proper regional office of the Department of Labor within the period prescribed, stating therein the decision of the office or agency to controvert the right to compensation of its employee affected and the reasons therefor. The committee should include in its composition a lawyer and a doctor of medicine, if there is any in the organization.

4. Where the organization has regional or field offices or units, a similar committee should also be set up in each of the field offices or for such number of field offices as their size and geographical condition would permit. If the committee does not have a doctor of medicine as one of its members, it may, whenever it deems necessary, seek the advice of the nearest government physician (preferably the Chief of the Provincial or City Hospital or his representative) on complex or difficult medical questions.

5. The employer's report or notice of controversion must be filed directly within the periods above prescribed, as the case may be, with the proper regional office of the Department of Labor having jurisdiction thereon. At the same time, the Solicitor General, in case of the National Government, the Provincial or City Fiscal, in case of provincial or city governments, and the municipal mayor, in case of municipal governments, should be furnished with a copy of the employer's report or notice of controversion.

6. The notice of controversion, duly submitted or filed, may be withdrawn by the office or agency, should further evidence of compensability so warrant: <u>Provided</u>, <u>however</u>, That no such action shall be taken without prior consultation with the Solicitor General, the Provincial Fiscal, City Fiscal, or Municipal Mayor, as the case may be.

The head of each office or agency may prescribe its own internal rules in implementation hereof to insure that all injuries and illnesses of the respective personnel thereof are reported and acted upon in the manner and within the period fixed in the Workmen's Compensation Act, as amended, or the Rules of the Workmen's Compensation Commission.

Strict compliance with the foregoing rules is enjoined.

This Memorandum Circular shall take effect immediately.

By authority of the President:

(SGD.) JOSE J. LEIDO, JR. Acting Executive Secretary

Manila, October 29, 1968 12 Gg/"

Strict compliance with the above-quoted Memorandum Circular is enjoined.

ALFREDO L. JUINIO Acting Administrator

<u>Janúary</u> 9, 1969 43/ No