

NATIONAL HOUSING AUTHORITY, PETITIONER, VS. HONORABLE PASTOR P. REYES, IN HIS CAPACITY AS PRESIDING JUDGE (ON DETAIL), COURT OF AGRARIAN RELATIONS, SEVENTH REGIONAL DISTRICT, BR...*G.R. No. L-49439. June 29, 1983*

Ponente: FERNANDO, C.J.

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The undisputed fact that in this certiorari proceeding against respondent Judge for failure to comply with the provision of the Presidential Decrees as to the amount to be paid by petitioner to entitle it to a writ of possession in an expropriation proceeding, no question was raised as to their validity, calls for the grant of the remedy sought.

The controversy started with the filing of a complaint with the then Court of Agrarian Relations, Seventh Regional District, Branch II, Cavite City, against private respondents, for the expropriation, pursuant to Presidential Decree No. 757, of a parcel of land, with an area of 25,000 square meters, owned and registered in the name of respondent Quirino Austria, and needed for the expansion of the Dasmariñas Resettlement Project.[1] Then came from petitioner about a year later a motion for the issuance of a writ of possession.[2] Petitioner was able to secure an order placing it in possession.[3] Thereafter, private respondent Quirino Austria filed a Motion to Withdraw Deposit in the amount of P6,600.00, a sum which was equivalent to the value of the property assessed for taxation purposes and which was deposited by petitioner pursuant to Presidential Decree No. 42.[4] There was an Opposition to the Motion to Withdraw Deposit by petitioner, citing Section 92 of Presidential Decree No. 464 which states: "Basis for payment of just compensation in expropriation proceedings. In determining such compensation when private property is acquired by the government for public use, the same shall not exceed the market value declared by the owner or administrator or anyone having legal interest in the property, or such market value as determined by the assessor, whichever is lower." [5] Petitioner's submission is that the owner's declaration at P1,400.00 which is lower than the assessor's assessment, is the just compensation for the respondents' property, respondents thus being precluded from withdrawing any amount more than P1,400.00.[6] Respondent Judge, however, issued an order dated July 13, 1978 which, according to petitioner, is clearly contrary to the letter and spirit of the aforecited laws.[7] There was a Motion for Reconsideration dated July 21, 1978.[8] Its basis is the provision in Presidential Decree No. 1224: "In the determination of just compensation for such private lands and improvement to be expropriated, the government shall choose between the value of the real property and improvements thereon as declared by the owner or administrator thereof or the market value determined by the City or provincial assessor, whichever is lower, at the time of the filing of the expropriation complaint." [9] It was then submitted that under the aforequoted statutory provision, the owner's declared market value at P1,400.00 which is lower than that fixed by the assessor is the just compensation of respondent Quirino Austria's property sought to be expropriated. The motion for reconsideration was denied for lack of merit. Hence, this petition.

On January 4, 1979, the Court issued the following resolution: "Considering the allegations contained, the issues raised and the arguments adduced in the petition for certiorari and mandamus with preliminary injunction with prayer for a restraining order, the Court Resolved without giving due course to the petition to require the respondents to comment, not to file a motion to dismiss, within ten (10) days from notice. The Court further Resolved to issue a temporary restraining order, effective as of this date and continuing until otherwise ordered by the Court." [10] The comment was thereafter submitted by private respondents Quirino Austria and Luciano Austria.

Private respondents stress that while there may be basis for the allegation that respondent Judge did not follow Presidential Decree No. 76 as amended by Presidential Decree No. 464, as further amended by Presidential Decree Nos. 794, 1224 and 1259, the matter is still subject to his final disposition, he having been vested with the original and competent authority to exercise his judicial discretion in the light of the constitutional provisions. [11] There was a comment likewise submitted by counsel on behalf of respondent Judge but again, there was no question raised as to the validity of the aforementioned Decrees. Such comments were considered as answers. The case was originally submitted to the Second Division, and in a resolution of February 21, 1979, it referred this case to the Court en banc.

Under the state of the pleadings as submitted to this Court, it is evident why, as noted at the outset, certiorari lies.

- One of the basic postulates in constitutional law is the presumption of validity of legislative or executive acts. In *Angara v. Electoral Commission*, [12] the leading case on the subject until now, Justice Laurel, in speaking of judicial review, made clear that it is not for the judiciary to "pass upon questions of wisdom, justice or expediency of legislation." [13] His landmark opinion continues: "More than that, courts accord the presumption of constitutionality to legislative enactments, not only because the legislature is presumed to abide by the Constitution but also because the judiciary in the determination of actual cases and controversies must reflect the wisdom and justice of the people as expressed through their representatives in the executive and legislative departments of the government." [14] As pointed out in *Ermita-Malate Hotel & Motel Operators Association, Inc. v. City Mayor of Manila*: [15] "Primarily what calls for a reversal of such a decision is the absence of any evidence to offset the presumption of validity that attaches to a challenged statute or ordinance. As was expressed categorically by Justice Malcolm: "The presumption is all in favor of validity. . . ." [16] As of this stage in this particular case, there is a failure to challenge the validity of such legislation. Both public and private respondents in their comments considered as answers raised no such constitutional question. Even for it, therefore, as of this stage of litigation, and under the conceded facts, there should be a recognition that the law as it stands must be applied. The Decree having spoken so clearly and unequivocally calls for obedience. It is repeating a common place to state that on a matter where the applicable law speaks in no uncertain language, the Court has no choice except to yield to its command.

- Nor is there any choice for petitioner National Housing Authority for precisely it was created for the laudable purpose of "urban land reform." [17] The first whereas clause speaks of the "magnitude of the housing problem of the country" which "has grown into such proportions that only a purposeful, determined, organized mass housing development program can meet the needs of Filipino families" for decent housing. [18] Moreover, the Presidential Decree is mandated by the Constitution which requires the State to "establish, maintain, and ensure adequate social services in the field of . . . housing . . ." as well as "to guarantee the enjoyment of the people of a decent standard of living." [19] The very first section of the Decree speaks of the following: "Pursuant to the mandate of the New Constitution, there shall be developed a comprehensive and integrated housing program which shall embrace, among others, housing development and resettlement, sources and schemes of financing, and delineation of government and private sector participation. The program shall specify the priorities and targets in accordance

with the integrated national human settlements plan prepared by the Human Settlements Commission." [20] In view of the urgency of the housing problem the various decrees mentioned earlier were issued for the purpose of assuring that the government would be in a financial position to cope with such basic human need which in the Philippines, under the welfare state concept, and according to the express language of the Constitution, is an obligation cast upon the State. The memorandum for petitioner submitted by Government Corporate Counsel, now likewise the Presidential Legal Assistant, Justice Manuel M. Lazaro, pursues the matter further in prose impressed with force and clarity: "The issue in this petition for certiorari and mandamus involves the application of a rule introduced by P.D. No. 76 and reiterated in subsequent decrees that not only promotes social justice but also ends the baneful and one-sided practice abetted by the collusive acquiescence of government officials and employees, of underdeclaring properties for the purpose of taxation but ballooning the price thereof when the same properties are to be acquired by the government for public purposes. Put to the test, therefore, is the power of the government to introduce rationality in the laws and to discourage a deceitful practice that is not only ruinous to the government coffers but also undermines its efforts at awakening a democratic responsiveness of the citizenry toward good government and its economic and social programs. The courts should recognize that the rule introduced by P.D. No. 76 and reiterated in subsequent decrees does not upset the established concepts of justice or the constitutional provision on just compensation for, precisely, the owner is allowed to make his own valuation of his property." [21]

WHEREFORE, the writ of certiorari is granted and the order of respondent Judge of July 13, 1978 is hereby nullified and set aside. The restraining order issued by this Court on January 4, 1979 is hereby made permanent. The case is remanded to the lower court for further action conformably to law and to the above opinion. No costs.

Concepcion Jr., Guerrero, Abad Santos, Plana, Escolin, Relova and Gutierrez, Jr., JJ., concur.

Teehankee, Aquino and De Castro, JJ., took no part.

Makasiar, J., in the result.

Melencio-Herrera and Vasquez, JJ., are on leave.

[1] Petition, par. 3.

[2] Ibid, par. 6.

[3] Ibid, par. 9.

[4] Ibid, par. 10.

[5] Presidential Decree No. 464, Section 92.

[6] Petition, par. 11.

[7] Ibid, par. 12.

[8] Ibid, par. 13.

[9] Presidential Decree No. 1224, Section 2.

[10] Resolution of this Court dated January 4, 1979.

[11] He cited Article IV of the Constitution on the due process and equal protection clauses, Section 1 and the just compensation requirement in Section 2.

[12] 63 Phil. 139 (1936).

[13] Ibid, 158.

[14] Ibid, 158-159. Cf. *Morfe v. Mutuc*, L-20837, January 31, 1968, 22 SCRA 424 and *Vera v. Arca*, L-25721, May 26, 1969, 28 SCRA 351.

[15] L-24693, July 31, 1967, 20 SCRA 849. The opinion cited *U.S. v. Salaveria*, 39 Phil. 102 (1918).

[16] Ibid, 856.

[17] Presidential Decree No. 757, creating the National Housing Authority (1975). "Urban land reform" is mentioned in the third whereas clause.

[18] Ibid, first whereas clause.

[19] Ibid, second whereas clause. Cf. Section 7, Article II of the Constitution.

[20] Ibid, Section 1.

[21] Memorandum for Petitioner, 1-2.

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