

EMILIO CANO, ET AL., PETITIONERS, VS. HON. JUDGE DOMINGO M. CABANGON, ETC., ET AL., RESPONDENTS.*G. R. No. L-12764. December 23, 1959*

Ponente: BENGZON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/52e3033ff2f8/>**BENGZON, J.:**

Appeal from a decision of the respondent judge of the Court of Agrarian Relations, Third Regional District.

In March 1956, Emilio Cano and twenty-five other persons, tenants of Salvador de Jesus on the sharing basis of 45-55, petitioned the Court of Agrarian Relations for change beginning that year, of their crop sharing arrangement, from 45-55 to 30-70. They cultivated rice lands located in Concepcion, Tarlac. The landholder opposed the petition alleging they had a written contract fixing their shares up to and including the year 1959-1960.

After the hearing, and after considering the report of the Commissioner, the Judge of the District authorized the change desired by the tenants—and ordered the landholder to agree thereto. However, for reasons unnecessary to mention, he said the alteration shall commence only from the year 1958-1959. De Jesus did not appeal; but the tenants appealed, insisting that the new arrangement should start from the year 1956-1957 as they had requested. Their demand rests upon section 14 of Republic Act 1199, which for convenience is hereby quoted (as amended recently by Republic Act 2263).

"SEC. 14. Change of System.—The tenant shall have the right to change the tenancy contract from one of share tenancy to lease-hold tenancy and vice versa and from one crop sharing arrangement to another of the share tenancy. If the share tenancy contract is in writing and is duly registered, the right to change from one crop sharing arrangement to another or from one tenancy system to another may be exercised at least one month before the beginning of the next agricultural year after the expiration of the period of the contract. In the absence of any registered written contract, the right may be exercised at least one month before the agricultural year when the change shall be effected." (Italics ours)

There is no question that each and every one of the herein tenants had executed a written contract with the landholder in the language and form prescribed by sec. 12 of Republic Act 1199; and that all the documents had been registered as provided therein. All the contracts fix a 45-55 division, contain the same provisions on other tenancy matters and state (part. IV) "this agreement shall remain in force as long as the tenancy relationship exists, unless otherwise amended or altered through or by the agreement between the landholder and the tenant." At the end of each contract, there are four additional agreements; the first reads "We the landholder and tenants, by virtue of this contract, mutually agreed that the foregoing palay tenancy contract will remain in force for agricultural year 1956-1957"; and the other three, in the same words refer respectively to 1957-1958, 1958-1959, and 1959-1960.

On the strength of the above stipulations, De Jesus the landholder objected to any change prior to the 1960- 1961 agricultural year. He contended: inasmuch as the parties had a sharing contract up to 1959-1960, the tenants' right

to alter may be exercised only "at the expiration of the period of the contract" as declared by section 14, as amended.

Overruling this contention, the court held, more or less: First proposition.—The body of the contract contained no stipulation as to the date it will expire; therefore, the landlord may not invoke that part of section 14, referring to change "at the expiration of the contract."

Second proposition.—Although par. IV says "this agreement shall remain in force as long as the tenancy relationship exists" such paragraph may not be enforced as to continuance of the sharing basis, because it deprives the tenants of the freedom to change, which section 14 explicitly confers upon them.

Third proposition.—The additional stipulations for the years 1956-1957, 1957-1958, 1958-1959, and 1959-1960 merely confirm the tenants' allegation that the contract "as regards sharing arrangement lasts from year to year starting from 1956-1957." Such stipulations may not be regarded as fixing the sharing ratio for the five-year period from 1955 to 1960, for this specific reason; Salvador de Jesus being merely a lessee of the owners of the hacienda for the same period of five years, his contract with these tenants can only be for five years. Wherefore, the sharing arrangement would in effect govern during the entire term of their tenancy relationship, and this court (Agrarian), for the reason explained in the second proposition, believes it to be contrary to sec. 14.

To repeat, the above three propositions substantially restate the main grounds of the appealed decision.

Now, it is probably true that, if the landholder and the tenant agree in a written contract that the sharing or leasehold agreement therein provided shall be observed "so long as the relationship exists" such stipulations will be contrary to the spirit of section 14. However, a stipulation that such arrangement shall be observed "during the period of the written contract" or during the period fixed in such contract, is entirely a different matter. It must be remembered that the tenancy relationship is not extinguished by the expiration of the written contract (Sec. 9, Republic Act 1199 as amended). Hence, the right to change given to the tenant by sec. 14, may still be exercised during the existence of the tenancy relationship, after the period of, or fixed in, the written contract.

In this particular case, it is reasonably clear that the above-quoted provisions of the contract between the parties, specially the additional stipulations established a sharing basis for the five agricultural years indicated. We perceive no reason to invalidate a written stipulation adopting a fixed sharing arrangement for five years. Section 14 impliedly permits it. To the argument that, as the written contract is to be enforced for five years only, such stipulation fixing an unchangeable arrangement for five years barter away the right to the tenant under sec. 14, the answer is: after the five years the tenancy relationship still exists, (sec. 9) as already explained, and then the tenant may make use of the privilege to demand a new arrangement.

This answer holds good even if Salvador de Jesus were only a lessee for five years expiring in 1960, as the lower court found. This is so, because nothing prevents his obtaining an extension of the lease; and the continuation of the tenancy relationship between him and these tenants beyond 1960 is possible, with a modified system if the latter so desires.[1]

This leads to an equitable consideration: Very probably, not to say certainly, in making these contracts, Salvador de Jesus fixed the share basis in relation to the sums he himself has to pay the owner of the hacienda for five years. Would it then be fair to alter such basis during the five-year period without a corresponding alteration in the amounts he has to deliver in turn to the owner.

All the above considerations impel us to hold there was error in ordering the change to start in the year 1958-1959; such change could take place only after 1959-1960. Nevertheless, the error may not presently be corrected, because De Jesus has not appealed.

On the other hand, the appellants have no cause to complain against the decision; after all, it favored their interests.

Judgment affirmed, with costs against appellants, except Antonio Punsalang, Bienvenido Santos, Segundo Victoria, Calixto Bondoc, Pedro Guiso, Juan Dungca, Ireneo Santos and Norberto Pineda who have heretofore withdrawn their respective appeals.

Paras, C. J., Padilla, Montemayor, Bautista Angelo, Labrador, Endencia and Gutierrez David, JJ., concur.
Concepcion and Barrera, JJ., concur in the result.

[1] If the lease is not extended, they might even claim tenancy relationship (perhaps) under sec. 9 with the hacienda owner, under a different way of dividing the crop.

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.