

TEODORO CHAVEZ, ZACARIAS PANTANILLA, ERNESTO PANTANILLA, NITO PANGAN, DADING DE LA CRUZ & RAFAEL MANIEGO, PETITIONERS, VS. HON. COURT OF APPEALS,

G.R. Nos. L-49167-70. January 31, 1987

Ponente: PARAS, J.

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PARAS, J.:

These are cases jointly tried in the lower court but separately instituted by respondents, as plaintiffs therein, against petitioners, as defendants therein, to restore and maintain them (respondents) in the peaceful and continued possession and cultivation of the salt beds owned by petitioner Teodoro Chavez, and for recovery of damages and litigation expenses.

During the pre-trial conference, the parties, except defendant Felipe Cruz, duly assisted by their respective counsel, agreed in open court on the following stipulation of facts:

"1. That the saltbeds involved in these cases, 47 in CAR Case No. 3141-Bulacan, 47 in CAR Case No. 3142-Bulacan, 56 in CAR Case No. 3143-Bulacan, and 50 in CAR Case No. 3144-Bulacan, are constructed or laid on a portion with an area of 14 hectares, more or less, of the fishpond located in the Sitio of Pariahan, Barrio Taliptip, Bulacan, Bulacan, owned by defendant Teodoro Chavez since 1958, the relative positions of which as well as two (2) compartments in said fishpond used as storage of water to increase its salidity in (paalatan), marked as Exhs. "A-1" and "A-2", two (2) compartments in the same fishpond used as temporary storage of water, marked as Exhs. "A-3" and "A-4", and a bodega or storehouse of salt produce on the saltbeds in question, marked as Exh. "A-5" are shown on the sketch plan, marked as Exh. "A" for the plaintiffs, and Exh. "1" for the defendants;

"2. That the scraping of salt in the saltbeds in question during the salt-making season starts in the month of February and ends in the month of May or June;

"3. That after the close of the salt-making season, the saltbeds in question are used for the production of fish and plaintiffs David Teodoro, Juan Teodoro and Marcelo Borlongan have nothing to do with the operation of said saltbeds as a fishpond;

"4. That the construction of the saltbeds in question started in the year 1967;

"5. That in the salt-making seasons or agricultural years 1968-1969, 1970-1971, 1971-1972, 1972-1973, 1973, 1973-1974 and 1974-1975, there were salt productions from the saltbeds in question while in the agricultural year 1969-1970 there was no salt production from said saltbeds;

"6. That no written tenancy contract over the saltbeds in question between defendant Teodoro Chavez and the plaintiffs was executed by them;

"7. That a criminal complaint entitled, "People of the Philippines vs. Carlos Teodoro accused", docketed as Criminal Case No. 1352 for estafa was filed against plaintiff Carlos Teodoro with the Municipal Court of Bulacan, Bulacan (Exh. "2");

"8. That plaintiff Carlos Teodoro admits to be his signatures those affixed on the receipts marked as Exhs. "3", "3-A", "3-C", "3-D", "3-E", "3-F", "3-G", "3-H", "3-I", "3-J", "3-K", and "3-L";

"9. That plaintiff Juan Teodoro admits to be his signatures those affixed on the receipts marked as Exhs. "4", "4-A", "4-B", "4-C", "4-D", "5", "5-A", "5-B", "5-C", "5-D", "5-E", "6", "6-A", "6-B", "6-C", "6-D", "6-E", "6-F", "6-G", "6-H", "6-I", "6-J", "6-K", "6-L", "6-M", "8", "8-A", "8-B", "8-C", "8-D", "9", "9-A", "9-B", "9-C", "9-D", "9-E", "9-F", "9-G", and "9-H";

"10. That plaintiff Marcelo Borlongan admits to be his signatures those affixed on the receipts marked as Exhs. "7", "7-A", "7-B", "7-C", "7-D", "7-E", "11", "11-A" and "11-B";

"11. That plaintiff David Teodoro admits to be his signatures those affixed on the receipts marked as Exh. "10", "10-A" and "10-B"; and

12. That defendant Teodoro Chavez admits that the signature reading Teodoro Chavez appearing on the document marked as Exh. "B" is his signature.

The principal issue to be resolved in these cases is whether or not the plaintiffs are the agricultural tenants of defendant Teodoro Chavez on the saltbeds in question. In the affirmative, whether or not the plaintiffs are entitled to reinstatement and damages.

There being no other fact which the parties could stipulate upon, the pre-trial conference of these cases was deemed closed and terminated."

After trial, the court a quo rendered a decision in favor of the plaintiffs, the dispositive portion reading as follows:

"WHEREFORE, judgment is hereby rendered:

- Declaring the plaintiffs, Carlos Teodoro, David Teodoro, Juan Teodoro and Marcelo Borlongan, to be the share tenants of defendant Teodoro Chavez on 47 saltbeds, 47 saltbeds, 56 saltbeds and 50 saltbeds, respectively, involved in these cases, located in the Sitio of Pariahan, Barrio of Talipit, Bulacan, Bulacan;
- Ordering defendants Zacarias Pantanilla, Ernesto Pantanilla, Nito Pangan, Dading dela Cruz and Rafael Maniego, Jr. to vacate the saltbeds in question and surrender the possession thereof to the plaintiffs;
- Ordering Teodoro Chavez to reinstate the plaintiffs as share tenants on the saltbeds respectively tenanted by them involved in these cases and maintain them in the peaceful possession and cultivation thereof, every salt-making season only, with all the rights accorded and obligations imposed by law;
- Dismissing the other claims of the plaintiffs and counterclaim of the defendants for lack of merit; and
- Dismissing this case with respect to defendant Felipe Cruz, Jr.

No pronouncement as to costs."

Not satisfied with said decision, defendants appealed to the Court of Appeals.

The Court of Appeals affirmed the trial court's decision, hence the present petition, assigning errors reading as follows:

I

THE HONORABLE COURT OF APPEALS ERRED IN FINDING ON THE BASIS OF UNFOUNDED ASSUMPTIONS AND PREMISES AND IN UTTER DISREGARD OF THE EVIDENCE AND ADMISSIONS ON RECORD, THAT RESPONDENTS ARE THE SHARE TENANTS OF PETITIONER TEODORO CHAVEZ.

II

THE HONORABLE COURT OF APPEALS ERRED IN NOT RESOLVING A VITAL QUESTION OF FACT AND LAW RAISED BEFORE IT IN RESPECT TO THE MATTER OF LACK OF IDENTITY OF THE SALTBEDS ALLEDEGEDLY TENANTED BY THE INDIVIDUAL RESPONDENT.

III

THE HONORABLE COURT OF APPEALS ERRED IN AFFIRMING IN TOTO THE DECISION OF THE TRIAL COURT.

The trial court made the following findings of fact:

"Sometime in 1962 or 1964 Eugenio dela Cruz, brother-in-law of defendant Teodoro Chavez and former Vice-Mayor of Bulacan, Bulacan, engaged the plaintiff Carlos Teodoro as fishpond guard of a fishpond located at Pariahan, Taliptip, Bulacan, Bulacan, owned by defendant Teodoro Chavez, when the former guard of said fishpond had stopped working as such guard. Plaintiff Carlos Teodoro and defendant Teodoro Chavez met in the house of Eugenio dela Cruz and on that occasion defendant Teodoro Chavez agreed to employ plaintiff Carlos Teodoro as fishpond guard of his fishpond and the latter agreed to work as such guard. Plaintiff Carlos Teodoro worked as guard of said fishpond until 1970.

Sometime in 1967 when plaintiff Carlos Teodoro was still working as guard of said fishpond, defendant Teodoro Chavez told him to look for persons who could construct saltbeds and work as saltmakers. Carlos Teodoro engaged plaintiffs Juan Teodoro, David Teodoro and Marcelo Borlongan including himself. Plaintiffs and defendant Teodoro Chavez met in a house erected on said fishpond and entered into an agreement that the plaintiffs shall be the ones to construct the saltbeds in question and be the tenants on the saltbeds to be constructed by them.

Plaintiff Carlos Teodoro constructed 47 saltbeds, David Teodoro, 47 saltbeds, Juan Teodoro, 56 saltbeds and Marcelo Borlongan, 50 saltbeds in a portion of the fishpond owned by defendant Teodoro Chavez, located at Pariahan, Taliptip, Bulacan, Bulacan.

Plaintiff Juan Teodoro acted as the foreman in the construction of the said saltbeds. The construction of the compartment called "paalatan" and the saltbeds in question including the laying of tiles thereon was completed sometime in January, 1968.

Defendant Teodoro Chavez defrayed the cost of tiles, sand and lumber used in the construction of said saltbeds. In the production of salt from said saltbeds, the agreement between the plaintiffs and defendant Teodoro Chavez was that the plaintiffs shall contribute their labor and the articles needed in producing salt like the "panulong", "tiklis", "pangayod" and broom, while defendant Teodoro Chavez shall defray the cost of sand to be used for levelling the saltbeds, the tiles to replace the missing tiles and lumber to replace the lost or destroyed lumber used as partitions of the saltbeds and that the proceeds of the sale of the harvest, after deducting the cost of measurement, shall be divided between the plaintiffs and defendant Teodoro Chavez under the sharing ratio of 50-50.

The plaintiffs started scraping salt from the respective saltbeds in February, 1968 and terminated the same in June, 1968. The salt scraped by the plaintiffs every day was hauled and stored by them in their respective compartments of the store house. After the scraping of salt was terminated in June, 1968 all of the salt produced by them was sold and the proceeds (divided) between the plaintiffs and defendant Teodoro Chavez under the sharing ratio of 50-50.

In the salt making seasons of 1967-1968 and 1968-1969 the plaintiffs with the help of the members of their families and farm households, worked on their respective saltbeds. They did not work on the said saltbeds in the salt making season of 1969-1970 for the reason that the production of salt was suspended as the store house

was still filled up with unsold salt. Defendant Teodoro Chavez was the landholder of the plaintiffs in the salt making seasons of 1967-1968 and 1968-1969.

In the salt making season of 1970-1971, 1971-1972 and 1972-1973, Dr. Alberto Reyes of Malolos, Bulacan was the legal possessor-land-holder of the saltbeds in question. (Exh. 21).

In the salt making season of 1973-1974, Dr. Mario O. Lacson of Tunsuya, Malabon, Metro Manila, was the legal possessor-landholder of said saltbeds, with defendant Felipe Cruz, Jr., as the manager (Exhibits "21-A" and Exhibit "H").

In the salt making seasons of 1968-1969, 1970-1971, 1971-1972, 1972-1973 and 1973-1974, the plaintiffs, with the exception of David Teodoro who was sick in salt making seasons of 1970-1971, 1971-1972, 1972-1973, performed all of the phases of work in the production of salt in their respective saltbeds. In the month of November or December, each year, plaintiff repaired the dikes, cleaned the dikes by removing the grasses and weeds growing thereon, cleaned the paalatan by removing the fish feed called "lablab", drained the water from the paalatan, dried up the paalatan for three days allowed the water to enter the paalatan and kept it therein to enhance its salinity, removed the mud or soil from the tiles of the salt-beds, repaired the missing tiles of the saltbeds with new ones, levelled the saltbeds, cleaned the saltbeds with broom and water and after such cleaning dried up the saltbeds.

In the month of February of the ensuing year, the plaintiffs allowed the water coming from the paalatan to flow into the saltbeds every morning, scraped the salt that had been formed and started scraping at about 3:00 o'clock in the afternoon, piled the scraped salt inside the saltbeds and late in the afternoon hauled and stored the salt in their respective compartments of the store house after scraping of salt every day was finished.

After the close of each salt making season, the salt harvests deposited in the store house were sold. The proceeds of the sale of the harvest in the salt making seasons of 1968-1969, after deducting the cost of measurement, was divided between the plaintiffs and defendant Teodoro Chavez under the sharing ratio of 50-50. The loans and advances extended by said defendant to the plaintiffs during said salt making season were paid by the plaintiffs to said defendant from their 50% share. One cavan for every 10 cavans of salt of the 50% share of the plaintiffs was taken by defendant Teodoro Chavez.

In the salt making seasons of 1970-1971, 1971-1972 and 1972-1973, the proceeds of the sale of the salt harvests of the plaintiffs from their respective saltbeds, after deducting the cost of measurement, were divided between the plaintiffs and Dr. Alberto Reyes, thru his overseer, Ruperto Liwanag of Atlag, Malolos, Bulacan, under the sharing ratio of 50-50. The loans and advances extended by Dr. Alberto Reyes to the plaintiffs were paid by the latter to the former from their respective 50% share.

In the salt making season of 1973-1974, the proceeds of the sale of the salt harvests of the plaintiffs from their respective saltbeds, after deducting the costs of measurement, were divided between the plaintiffs and defendant Felipe Cruz, Jr., manager of Dr. Mario O. Lacson, under the sharing ratio of 50-50. The loans and advances extended by defendant Felipe Cruz, Jr., to the plaintiffs in said salt making season were paid to said defendant from the 50% share of the plaintiffs.

In the salt making season of 1974-1975, the plaintiffs started the preparation of their respective saltbeds in the month of December, 1974. They cleaned the dikes and "paalatan", removed the soil from the tiles of the saltbeds, levelled the saltbeds and replaced the missing tiles with new ones.

On February 17, 1975, at about 2:00 o'clock in the afternoon, while the plaintiffs were in the saltbeds in question and about to begin scraping salt from their respective saltbeds, defendant Teodoro Chavez, in company with Teodoro Chavez, Jr., two security guards carrying firearms, Patrolman Ernesto Carpio, of the Police Department of Bulacan, Bulacan, P.C. Sgt. Decrito, Zacarias Pantanilla, Dading de la Cruz, Nito Pangan, Rafael Maniego, Jr., and Ernesto Pantanilla drove away the plaintiffs from the saltbeds in question.

Plaintiffs David Teodoro, Juan Teodoro and Marcelo Borlongan were brought by Patrolman Ernesto Carpio to the Office of the Chief of Police of Bulacan, Bulacan, on said date. Plaintiff Carlos Teodoro voluntarily went to the office of chief of Police on the same afternoon and inquired from said Chief of Police whether he and the other plaintiffs could return to the saltbeds in question. The said Chief of Police told him that he could not do so and warned him that if he and the other plaintiffs would go to said saltbeds they might be considered as trespassers. Notwithstanding the admonition of said Chief of Police, the plaintiffs returned to the saltbeds in question, but they were prevented by the security guards from entering said saltbeds.

On February 19, 1975, the plaintiffs went to the P.C. Headquarters of Malolos, Bulacan, and were able to talk with Lt. Sarmiento, to whom they complained that they were prevented by defendant Teodoro Chavez from entering and working on their respective saltbeds. After the lapse of a few days, plaintiff Carlos Teodoro again returned to the P.C. Headquarters at Malolos, Bulacan, and was advised by Lt. Sarmiento to seek the assistance of the Bureau of Agrarian Legal Assistance, Malolos, Bulacan, Department of Agrarian Reform, in filing the proper action in court. Hence, on March 10, 1975, the complaints in the instant cases were filed by the plaintiffs, thru their counsel, the Bureau of Agrarian Legal Assistance.

After the plaintiffs were driven away from their respective saltbeds on February 17, 1975 and prevented from working on the same, defendants Zacarias Pantanilla and Ernesto Pantanilla have been working on the 47 salt-beds involved in CAR Case No. 3141-Bulacan '75, defendant Nito Pangan on the 47 saltbeds involved in CAR Case No. 3142-Bulacan '75, Dading dela Cruz on the 57 saltbeds involved in CAR Case No. 3143-Bulacan '75 and Rafael Maniego on the 50 saltbeds involved in CAR Case No. 3144-Bulacan '75 up to the present."

Defendants or petitioners presented in their brief a counterstatement of facts:

"From the evidence, testimonial and documentary, the following facts were established, to wit:

That petitioner Teodoro Chavez is the owner of that certain fishpond located in Pariahan, Taliptip, Bulacan, Bulacan, with an area of fourteen (14) hectares, more or less, portion of which is utilized as saltbeds for salt-making purposes, with an area of eight (8) hectares, more or less. As early as August 1, 1959, he (Chavez) engaged Zacarias Pantanilla as caretaker ("katiwala") and overseer of said fishpond with fixed compensation. The services of Zacarias Pantanilla continued and then in the early part of September 1967 Chavez caused the construction of the saltbeds in question, designating said Zacarias Pantanilla as his foreman ("maestro") therein because of his experience in said endeavor, in addition to his job as caretaker of the fishpond. Because of this, the compensation of Zacarias Pantanilla increased commensurately.

At the initial stages of the construction of the saltbeds commencing from the first week of September 1967 to September 30, 1967, Chavez hired, on "pakyaw" basis, laborers (Fidel Cruz, Arturo San Jose and Florentino Rodriguez) under the supervision of Zacarias Pantanilla, to perform the levelling of the saltbeds and they were paid their corresponding wages therefor. During the period from October 1, 1967 to October 31, 1967, the drying of the saltbeds was effected in preparation for the placing of lumber for each compartment of the saltbeds. The placing of lumber for each saltbed compartment was done from November 2, 1967 to November 22, 1967, on "pakyaw" contract with Amado Chavez and his helpers, also under the supervision of Zacarias Pantanilla, "From November 23, 1967 to December 15, 1967, the placing of sand ("paglalalatag ng buhangin") was performed by hired workers on "pakyaw" contract and, thence, from December 16, 1967 to February 2, 1968, the preparation of the saltbeds ("latag ng banigan") was done by hired laborers, namely: Carlos Teodoro and Marcelo Borlongan, herein respondents, and one Jose Teodoro and Miguel Teodoro.

On February 2, 1968, Zacarias Pantanilla, under "pakyaw" basis, started the production of salt for the stipulated amount of P6,500.00, hiring for that purpose laborers/workers (namely, Jesus Pantanilla, Teofilo Pantanilla, Dolfo Pera, Celestino Pera, etc) and expending therefor for his account the costs of "tiklis", panulong.

For the saltmaking season of 1968-1969, Zacarias Pantanilla undertook the salt-production on "pakyaw" contract at the price of P6,500.00 hiring for that purpose laborers (namely: Jesus Pantanilla, Pedro Guzman, Celestino Pera, etc) to perform the job.

Chavez did not produce salt for the season 1969-1970 as he had plenty of salt stored in his bodega and the price of salt was then unprofitably low.

For the salt-making season 1970-1971, Chavez contracted, again on "pakyaw" basis, Zacarias Pantanilla to produce and harvest salt from the saltbeds in question for P7,000.00 as consideration, therefor. Hired helpers (namely: Jesus Pantanilla, Teofilo Pantanilla, Dolfo Pera, Celestino Pera, etc) were engaged as before, by Zacarias Pantanilla who paid their wages.

On February 23, 1971 Chavez entered with Dr. Alberto Reyes into a contract of buy and sell covering fish in the former's fishpond. Said contract expired on February 23, 1973. The production of salt was already in progress at the time of execution of said contract and Chavez had already engaged Zacarias Pantanilla on "pakyaw" contract to undertake the production and harvest of salt for the salt-making season 1970-1971. Dr. Alberto Reyes never engaged in salt production during the entire period of said contract.

For the salt-making season 1971-1972, Chavez engaged Zacarias Pantanilla for the production and harvest of salt in his (Chavez's) saltbeds for the consideration of P7,000.00, Zacarias Pantanilla hired workers (namely, Jesus Pantanilla, Teofilo Pantanilla, Celestino Pera, Dolfo Pera, etc.), to effect his undertaking.

For the saltmaking season 1972-1973, Chavez contracted Zacarias Pantanilla to produce and harvest salt from the questioned saltbeds for the consideration of P7,500.00, engaging for that purpose the same hired helpers.

For the salt-making season 1973-1974, Chavez again contracted, for the sum of P8,000.00, Zacarias Pantanilla to produce and harvest salt, hiring for that purpose workers to perform his undertaking. For the season 1974-1975, Zacarias Pantanilla was contracted, for the sum of P9,000.00, to produce and harvest salt and for this purpose, Zacarias Pantanilla engaged helpers to work on the saltbeds.

On January 7, 1974, a contract of buy and sell was executed between Dr. Mario O. Lacson and Chavez covering the latter's fishponds. At the time of said contract of buy and sell, Zacarias Pantanilla who had already been engaged by Chavez to work on the saltbeds, had commenced preparation for saltmaking. Dr. Lacson did not cause work to be done in said saltbeds.

Indeed, Chavez never engaged Carlos Teodoro to be his fishpond guard as Zacarias Pantanilla was Chavez's caretaker and overseer of the fishpond during the period that Carlos Teodoro claims to have worked as fishpond guard for Chavez. Chavez likewise never requested Carlos Teodoro to look for saltmakers nor entered into any agreement with respondents for them to construct and work in the saltbeds in question, and that the only activity of plaintiffs as regards the saltbeds has reference to their participation in the construction of the saltbeds as hired workers and suppliers of some of the materials used in the saltbed construction.

Prior to January 6, 1975, Chavez had charged respondent Carlos Teodoro for estafa by virtue of which Criminal Case No. 1352 was filed on January 6, 1975 with the Municipal Court of Bulacan, Bulacan. After the filing of said case for estafa against Carlos Teodoro, respondent David Teodoro (brother of Carlos Teodoro) and other relatives entered the saltbeds by stealth — without the permission of Chavez. Then, when demanded by Zacarias Pantanilla to vacate the premises, they refused to comply. Chavez thus charged them for trespassing in the Municipal Court of Bulacan docketed as Criminal Case No. 1356. Thereafter, respondent David Teodoro vacated the premises voluntarily but threatened to kill Zacarias Pantanilla and to return to the saltbeds. On January 21, 1975, however, Carlos Teodoro and his relatives entered Chavez's fishpond, particularly the saltbeds portion, without the owner's consent and permission and therein made threats, and for this incident, Chavez filed a criminal complaint docketed as Criminal Case No. 1359 of the Municipal Court of Bulacan, Bulacan. On February 4, 1975, respondent David Teodoro reentered the saltbeds and destroyed the

"banigan" thereof, for which reason, Chavez instituted Criminal Case No. 1367 with the same court. On February 17, 1975, respondents Marcelo Borlongan, Miguel Teodoro (son of David Teodoro), Jose Teodoro (son of Juan Teodoro), Ernesto Valdez and one Joven Torres entered the saltbeds involved without the permission and consent of Chavez, drove away the saltworkers of Zacarias Pantanilla and started scraping salt and placing the scraped salt in "tiklis". Having been informed of this unlawful entry into the saltbeds, Chavez complained with the police of Bulacan, Bulacan and acting thereon, the Chief of Police, Lt. Antonio Cardenas, sent Pat. Ernesto Carpio and PC Sgt. Decrito to investigate the incident and invite the persons who entered the saltbeds. Immediately, Pat. Carpio, the PC sergeant, Zacarias Pantanilla, Teodoro Chavez, Jr., and petitioner Teodoro Chavez proceeded to the saltbeds involved. Upon their arrival at the scene of the incident, PC Sgt. Decrito talked with Marcelo Borlongan, Miguel Teodoro (son of David Teodoro), Jose Teodoro (son of Juan Teodoro), Ernesto Valdez and Joven Torres, and invited them to go to their station commander. These persons invited went voluntarily to the police station. When the five (5) persons arrived in the municipal hall of Bulacan, Bulacan, Chavez had already left and the Chief Police talked with them, asking if there was any possible settlement or if they are really aggrieved, that they file a complaint and "we will help." The persons invited begged leave, after a while, to go home.

On said occasion on February 17, 1975, respondents Carlos Teodoro, Juan Teodoro, David Teodoro and Felipe Cruz, Jr. were not in the saltbeds premises. There were no security guards during the incident on February 17, 1975 as Chavez employed security guards only after the said incident to protect his property from intruders. Chavez filed Criminal Case No. 1375 in the Municipal Court of Bulacan, Bulacan, against those who actually entered the saltbeds.

"The criminal cases filed against Chavez were filed long after various criminal cases had been lodged against them for various offenses and that these instant cases filed against Chavez were retaliatory moves against him."

The issues brought up in the petition before Us boil down to the determination of whose version of the statement of facts is to be adopted by this Court.

Petitioners aver that it was wrong for the trial court and the respondent appellate court to rely mainly on the mere verbal assertions of the private respondents that they are the share tenants of petitioners and totally disregard the documentary evidences representing the receipts signed by private respondents Juan Teodoro and David Teodoro as suppliers of the materials for the saltbeds. Petitioners also aver that Exhs. "8", "8-A" to "8-D" were offered to prove that respondent Juan Teodoro was a "hired laborer" to work on the construction of the questioned saltbeds and Exhs. "10", "10-A" and "10-B", were offered to establish that David Teodoro was also a mere "hired laborer". Private respondents' contention in this respect is that they worked on the questioned construction upon an agreement that they would work on the saltbeds as tenants.

We disagree with petitioners' averments. The receipts were not for wages or salaries received but the produce. If indeed respondents were mere employees or laborers, why was said relationship not duly reported to the Social Security Commission? We agree with the following apt observations of the Court of Appeals.

"Appellants make much of the fact that plaintiffs appear to have received their regular salary from the defendant Chavez as evidenced by receipts to that effect. Contrarily, We find these receipts which are Exhibits 3 to 3-L, Carlos Teodoro; Exhibits 4 to 4-D; 5 to 5-Z; 6 to 6-M; 8 to 8-D; and 9 to 9-R, Juan Teodoro; Exhibits 7 to 7-E; and 11 to 11-B; Marcelo Borlongan, Exhs. 7 - 7-E and 11 to 11-B; David Teodoro, Exhs. 10 - 10-B; as indicated are but for "hakot ng tisa"; "buhangin"; "tabla", etc., and a few "labor" not in the handwriting of plaintiffs and these are not indicative of they being hired laborers. The greater number of these receipts were signed by Pantanilla, et al., as overseer and who took over after February 17, 1975. If they were hired laborers, did Teodoro Chavez, et al., make the SSS contributions for them under the law? Never! Plaintiffs-appellees were not even confronted with these few receipts for "labor" by the defense as the record shows. Also, there is no proof whatsoever that these plaintiffs-appellants were paid by the day, by the week or by the month, for so

much, respectively."

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"As disclosed by the record, Eugenio de la Cruz, brother-in-law of Teodoro Chavez, landowner herein and one-time vice-Mayor of Bulacan, Bulacan, engaged Carlos Teodoro (godson in marriage by de la Cruz) as guard in the fishpond sometime in either 1962 or 1964. In 1967, in the house of E. de la Cruz, Carlos Teodoro was engaged by said Teodoro Chavez to construct saltbeds and look for construction workers and salt-makers as tenants on the saltbeds to be constructed by them. Carlos Teodoro, principal plaintiff, then engaged the services of the other plaintiffs, first as construction salt-bed workers which was completed in January of 1968 and then followed up as salt-makers on a 50-50 sharing basis from the net proceeds thereof starting from February of 1968 to June, 1968. In the 1969-70 agricultural year salt-making season, there was no salt production because there was still undisposed salt in the bodega (unsold). In 1970-71 agricultural year salt-making season, the legal possessor was Dr. Mario Lacson of Malabon, Rizal, under the same 50-50 sharing agreement with the herein plaintiffs. In 1973-74 salt-making season, Felipe Cruz, Jr., became the legal possessor under the same 50-50 sharing agreement.

At the start, the plaintiffs-appellees contributed labor and expenses for the broom, "panulong", "tiklis" and "pangayod" while defendant Teodoro in the beginning of the said tenancy relationship shall, and did defray the cost of sand to replace the missing tiles and lumber to replace the destroyed ones as partitions in the saltbeds, and the proceeds of the sale of the harvest after deducting the cost of measurement, shall be divided as they did divide the net proceeds between plaintiffs-appellees and defendant-appellant Teodoro Chavez.

The contribution of plaintiffs-appellees was to clean the dikes by removing the grasses and weeds thereon, cleaning the "paalatan" by removing the fish called "lablab", draining the water from the "paalatan", dried it up for 3 days and allowed the water to come in and kept it there to enhance the salinity. Scraping the salt-beds is a normal phase of work in salt-making which is part of the labor contributed by plaintiffs-appellees. Cash Advances were sometime given to the poor tenants by the defendants-appellants payable after their partition from the share in the salt-harvest.

Uncontradicted is the fact that the said plaintiff-appellees were forcibly ejected by the appellants with the aid of armed men, from the Bulacan, Bulacan Police Department, 2 security guards and PC sergeant and soldiers on February 17, 1975 from the subject landholdings, witnessed by Felipe Cruz, civil law-lessee since 1973, the reasons for which was the desire of the herein defendants-appellants to hire laborers instead (t.s.n., pp. 1017-11018, Vol. II, Record). Vital to the cause of action for reinstatement, this is why the plaintiffs-appellees were/are not in the landholdings in question.

The bureau of Legal Assistance (BALA), of the Department of Agrarian Reform (BAR) through counsel, upon receipt of the complaint, after the therein plaintiffs were advised by the PC Command to which they went twice, to consult the government's counsel (after they tried to enter the landholdings again but were prevented by the Chief of Police of Bulacan, Bulacan), filed the said complaints on March 10, 1975."

Such abovementioned recital of the participation of the private respondents in all the phases of farm work in the salt-bed cultivation of the questioned landholdings leaves no doubt that the tenancy relationship existing between petitioners and respondents is fully substantiated by the records and that the respondent Court did not commit a grave abuse of discretion in its appreciation of facts. We have held in the case of *People v. Marcina*, 77 SCRA 238 and in other similar cases that the findings of facts of the trial court which heard, saw and observed the witnesses testify in Court should not be disturbed on appeal in the absence of any showing that it had overlooked, misunderstood or otherwise misinterpreted some facts or circumstances which when properly weighed and

interpreted, would justify a reversal of the appealed decision. In the same manner, the findings of facts of the Court of Appeals are generally binding upon the Supreme Court.

WHEREFORE, finding no reversible error in the appealed decision, We hereby AFFIRM the same with costs against petitioners.

SO ORDERED.

Fernan, (Chairman), Gutierrez, Jr., Padilla, and Bidin, JJ., concur.
Alampay, J., no part.

[1] The Justices were Reyes, Alampay, German, Cuevas & Nocon.

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