

**BICOL FEDERATION OF LABOR, PETITIONER – APPELLANT,
VS. DR. G.S. CUYUGAN, MARIO, CERES, FIDES, BUL, ALL SURNAMED
CUYUGAN, ERNESTO OBSUNA, ERNESTO DACER, AND NARCISO
MALATE, RESPO...**

G.R. No. L-28853. July 22, 1975

Ponente: CASTRO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/b5ceee65316d/>

CASTRO, J.:

This is an appeal from a resolution of the Court of Agrarian Relations of Camarines Sur, Branch I, dismissing the complaint (CAR case 874), filed by the Bicol Federation of Labor in behalf of fifteen of its members[*] (hereinafter referred to as the claimants) against Dr. G.S. Cuyugan, his children Mario, Ceres, Fides and Bul, and their overseers Ernesto Obsuna, Ernesto Dacer and Narciso Malate (hereinafter referred to as the appellees), for lack of jurisdiction over the subject-matter thereof.

We set aside the resolution, and remand the case for further proceedings.

The material portions of the complaint in question recite:

"1. Petitioner is a registered labor organization representing its bona fide members who are tenants on a portion of the 276 hectares of agricultural land devoted to coconuts owned by respondents Cuyugan . . .;

"2. That in 1947, Dona Jacinta de S. Cuyugan deceased wife of Dr. G.S. Cuyugan, and mother of the 4 respondents Cuyugan children, thru their general overseer Gregorio Musa, took in the tenants on a verbal and implied understanding that each would clear the bushes and trees on their respective assigned areas and plant thereon coconuts; that while they waited and watched their plantings, they may plant other semi-permanent and non-permanent crops in their respective clearings for their livelihood, with the promise that when the time comes for their coconut plantings to bear fruits, they shall share in the produce according to the customs and practice of sharing in the locality, unless compensation is paid them also in conformity with the customs of the place, when landowner shall have the full and exclusive benefits of the nuts produced;

"3. That the customs and practice adopted in the locality in alike situation is to pay the planter-tenant fifty centavos per tree of three years old and one peso twenty-five centavos when five years or more, provided it is alive; however if no compensation had been made, the planter-tenant shall receive a share on a fifty-fifty basis, the latter undertaking the cleaning, harvesting, gathering, husking and making the copra;

"4. That in conformity with the understanding, the petitioning tenants . . . cared and successfully planted coconuts which are now continuously bearing fruits and numbering 8000 trees . . .;

"5. That tenants have not been compensated of their respective plantings, despite their demands, and, as early as 1957, when a portion of the plantings were already bearing fruits, the tenants were given a share of one-third instead of one-half; while the landowner gets two-thirds of the produce, the tenants doing the cleaning, harvesting, stocking, husking and making copra all at the expense and without reimbursement from landowner contrary to the agreed practice, and despite their protests, landowners overseer promised and continue to

promise them of settling the matter, while all the past years, and up to the present the 1/3-2/3 sharing in favor of the landowner is being enforced; . . .

"7. That harvesting of coconuts is now taking place and there are about 20,000 nuts which had been felled to the ground upon orders of the agent, Ernesto Obsuna, employing for this purpose an outsider, the respondents Ernesto Dacer and Narciso Malate, with the right to process the nuts into copra to the exclusion of the original planters-tenants, and for them (Dacer and Malate) to receive the 1/3 share,

"8. That the tenants were further made to understand by agent Obsuna that all their respective landholding shall be withdrawn from their care . . . ;

"13. That petitioning tenants register its desire to a change from the sharing to a leasehold system in their landholdings whereby they shall have a wider area and initiative to increase the productivity of the land with the least intervention by the agents of the landholder and for this purpose manifest their willingness to negotiate on the terms of the contract; . . ."

On January 16, 1964 the agrarian court, acting on a motion to dismiss filed by the appellees, issued a resolution dismissing the complaint for lack of jurisdiction, as follows:

"To our mind, it is clear from the above facts, that, at least, as of this date, there is no tenancy relationship between the herein parties. It has been alleged clearly that the tenancy relationship will arise only upon failure of the respondents to compensate or indemnify the members of the petitioner-union for planting the coconuts in amounts fixed by the customs of the locality.

"In the absence of an adjudication by a competent court that no compensation has been made in amounts fixed by the customs of the place, the members of the petitioner-union has no right to claim tenancy relationship and much less, invoke before this Court the customs of the place as to the sharing ratio that would govern the tenancy relationship that will be created upon failure to recover compensation from respondents.

"As of now, the binding and operative agreement between the parties is a civil contract over which the ordinary courts of justice have jurisdiction. . . ."

From the foregoing resolution the Bicol Federation of Labor appealed to the Court of Appeals which thereafter certified the appeal (CA-G.R. 34543-R) to this Court upon the sole question of law whether on the basis of the facts alleged the agrarian court has jurisdiction over the subject-matter of the complaint.

1. The essential averments of the complaint are the following: (a) the claimants were hired by the deceased wife of Dr. G.S. Cuyugan to clear her land and plant coconut seedlings thereon; (b) the claimants were allowed to plant non-permanent crops in their respective clearings; (c) when the coconut trees are already fruit-bearing the claimants are by their agreement entitled to share in the produce thereof on the customary 50-50 basis, unless the landowner shall compensate them in cash at the rate of P0.50 or P1.25 per tree, depending on its age; (d) the claimants have not been compensated in cash despite demands upon the landowner who has instead opted to give them a share in the produce on a 1/3-2/3 basis in favor of the landlord instead of the customary 50-50 sharing basis; and (e) the respondents are employing other people in their coconut plantation, thereby in effect ousting the claimants and preventing them from pursuing their claim for compensation.

Section 154 of R.A. 3844, as amended, otherwise known as the Code of Agrarian Reforms, pertinently defines the jurisdiction of courts of agrarian relations as follows:

"The Court shall have original and exclusive jurisdiction over:

"(1) All cases or actions involving matters, controversies, disputes, or money claims arising from agrarian relations; . . ."

Although the Code nowhere expressly defines the metes and bounds of the term "agrarian relations," there can be no doubt, considering the policy, objectives, spirit and purposes of that far-reaching legislation, that as used therein, the term embraces every situation where an individual provides his personal labor over a parcel of agricultural land belonging to another for the purpose principally of agricultural production, and where the former, for his labor input and other sundry contributions, is compensated either in wages or a share in the produce, or is obligated to pay lease rentals to the landowner.

In the case at bar, the complaint alleges that the claimants were taken in by the landowner to provide their labor consisting of clearing the latter's land of shrubs and bushes, preparing it for the planting of coconut seedlings, and taking care of the coconut plants. For that labor, the claimants were given the right to plant non-permanent food crops for their subsistence and guaranteed a share in the harvest once the coconut trees they planted bore fruit. Although the landowner reserved to herself the option to pay the claimants instead the cash value of their labor input according to the customs of the place, this alternative, as clearly averred in the complaint was never exercised by the landowner who continued to share with the appellants the produce of the coconut trees.

On the basis of the hypothetically admitted statement of ultimate facts, therefore, the actual on-going relationship between the principal adverse parties at the time of the filing of the complaint was one of share tenancy and the cause of action is the vindication of the appellants' rights in that relationship, a matter definitely within the periphery of the jurisdictional competence of the agrarian court. The fundamental error of the court below was its precipitate assumption that the absence of a judicial declaration of non-payment by the landowner of the cash value of the labor input of the claimants removes the case from its jurisdiction — a posture which, to say the least, ignores the realities described in the questioned complaint.

Moreover, even if the complaint may be regarded as primarily posing a money claim, the jurisdiction of the court below would still attach because what gave rise to the complaint was the hiring and retention of the claimants' services for the purpose of agricultural production, a situation well within the contemplation section 154 of the Code of Agrarian Reforms.

2. During the pendency of this suit, the respondents raised the technical question of whether the Bicol Federation of Labor is competent to act as a party to the case at bar in view of the declaration by its counsel, made after the Federation terminated his authority to represent it in the courts of law, that his legal retainership, including that in the case at bar, is in behalf of the individual claimants concerned and not of the Federation. The respondents also submitted to this Court the affidavits of two of the principal claimants in this case, Zacarias Naron and Jaime Paz, wherein it is stated that they have not given their consent to the Federation to represent them in the action below. Zacarias Naron, however, later disclaimed any knowledge of the contents of the sworn declaration signed by him.

Going over the record, we note that ten of the claimants represented by the Federation signed or thumbmarked the petition to appeal as pauper filed with the Court of Appeals by Atty. Quirico A. Fabul, erstwhile counsel of the Federation, namely, Ariston Cuatrona, Gregorio Bardon, Pio Diaz, Elpidio Alanis, Crispin Fabillar, Alfredo Bagayawa, Modesto Egregorio, Jose Alveza, Celestino Bardon, and Gabriel Omegan.

To prevent a failure or miscarriage of justice and pursuant to the provisions of Section 3 of Rule 3 of the Rules of Court, the names of the fifteen principal claimants in the case at bar should be added to the complaint below under the legal representation of Atty. Quirico A. Fabul until and unless each individual claimant should otherwise manifest before the court below.

ACCORDINGLY, the resolution of the Court of Agrarian Relations of Camarines Sur dismissing the questioned complaint is set aside, and this case is hereby remanded to the said court, with the instruction that it proceed forthwith to try the case with deliberate speed. No pronouncement as to costs.

Makalintal, C.J., Makasiar, Muñoz Palma, and Martin, JJ., concur.

[*] Jaime Paz, Ariston Cuatrona, Elpidio Alanis, Jose Alveza, Gregorio Bardon, Crispin Fabillar, Celestino Bardon, Pio Diaz, Alfredo Bagayawa, Dionisio Villaflor, Pedro Memay, Gabriel Omegan, Serafn Oliveros, Modesto Egregorio and Zacarias Naron.

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.