PURIFICACION PEREZ-ROSARIO, FEDERICO ROSARIO, RICARDO PEREZ, MARIA PAZ PEREZ-PASION, GUALBERTO PEREZ, LADISLAO PEREZ, MARCELO PEREZ AND TEODORA PEREZ, PETITIONERS, VS. HON. COUR...

G.R. NO. 140796. June 30, 2006

Ponente: AUSTRIA-MARTINEZ, J.

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AUSTRIA-MARTINEZ, J.:

Before this Court is a petition for certiorari under Rule 65 of the Rules of Court questioning the Decision[1] dated January 14, 1999 promulgated by the Court of Appeals (CA) in CA-G.R. SP No. 43905 which affirmed in toto the Decision dated June 10, 1994 of the Adjudication Board of the Department of Agrarian Reform (DARAB); and the CA Resolution[2] dated November 8, 1999 which denied the petitioners' Motion for Reconsideration.

The petition originated from an action for ejectment filed with the DARAB principally on the grounds of non-payment of lease rentals and sub-leasing without the knowledge and consent of the owners of a parcel of agricultural land, consisting of 2.2277 hectares, more or less, devoted to rice and mango production, located at Barangay Obong, Basista, Pangasinan and registered in the name of Nicolasa Tamondong Vda. de Perez, predecessor-in-interest of the petitioners, under Transfer Certificate of Title (TCT) No. T-31822.

The facts declared by the DARAB, as supported by the evidence on record, are clear:

> On January 28, 1973, Nicolasa Tamondong Vda. de Perez sold the property with a right to repurchase in favor of [respondent] Miguel Resultay who was already cultivating the subject land under a 50-50 sharing basis of the rice harvest. After said sale, Miguel Resultay stopped delivering the shares to Nicolasa Tamondong and it was during this period or sometime in 1976, that [respondent] Miguel Resultay constituted [respondent] Basilio Cayabyab to work on a one-half (1/2) hectare portion of the land devoted to rice under an agreed lease rental agreement of seven (7) cavans per cropping season (T.S.N., February 16, 1989, pp. 7-9).
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> On July 15, 1977, Nicolasa Tamondong Vda. de Perez died. She is survived by her children [petitioners herein].
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> On November 29, 1983, [petitioners] Purificacion and Federico Rosario repurchased the subject property from [respondent] Miguel Resultay in the total amount of P16,000.00 as evidenced by a document denominated as DEED OF RESALE OF LAND UNDER PACTO DE RETRO. Thereafter, defendant Miguel Resultay resumed his delivery of 50% share of the rice harvest to the plaintiffs-heirs [petitioners] through [petitioners] Purificacion and Federico Rosario on the portion of 1.6 hectares of the land planted to rice [sic] while the other one-half hectare portion of this 2.2277 of hectares land [sic] continued to be cultivated by defendant Basilio Cayabyab who then dealt directly with [petitioners] Purificacion and Federico Rosario. On November 28, 1986, Basilio Cayabyab deposited with the Gangano's Family Rice Mill at Malimpec, Bayambang, Pangasinan a total of fourteen (14) cavans at forty-five (45) kilos per cavan of palay.
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> On December 20, 1986, [petitioner] Federico Rosario received from [respondent] Basilio Cayabyab seven (7)

> cavans at forty-five (45) kilos per cavan of clean and dry palay representing lease rental for 1984 and also seven (7) cavans at forty-five (45) kilos per cavan of clean and dry palay representing lease rental for 1985, or a total of fourteen (14) cavans of clean and dry palay.
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> On February 1, 1989, [petitioner] Purificacion Rosario received from [respondent] Basilio Cayabyab the total amount of Php 2,511.60 representing the lease rentals for 1985 and 1986.[3]
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> On February 16, 1989, [petitioner] Purificacion Rosario received from [respondent] Cayabyab the amount of P1,228.50 representing the lease rental for 1988.
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> On May 25, 1990, [petitioner] Federico Rosario received from [respondent] Cayabyab seven (7) cavans of palay at 45 kilos per cavan.
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> On December 11, 1990, [petitioner] Federico Rosario received from defendant Cayabyab seven (7) cavans of palay.
>
> Sometime in 1988, [respondent] Miguel Resultay who is already old and senile was paralyzed. However, [the] shares of [petitioner] Purificacion Rosario from the rice harvest were being delivered.
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> On November 24, 1988, [petitioners] filed the instant complaint for ejectment of defendants from the land on the grounds that: a) [respondent] Miguel Resultay delivered only 33.30 cavans of palay to them (plaintiffs); b) [respondents] Miguel Resultay and Federico Baniqued constructed their own residential houses on the subject landholding without their knowledge and consent; c) [respondent] Miguel Resultay is now old and senile and is no longer capable of doing the necessary manual work; and, d) due to old age, [respondent] Miguel Resultay sub-leased the land to [respondents] Federico Baniqued and Basilio Cayabyab without [petitioners'] knowledge and consent.
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> [Respondents] controverted the allegations of [petitioners] by averring that: 1) [respondent] Federico Baniqued is only a hired farm worker who constructed a shanty inside the disputed landholding for the purpose of guarding the plants inside the land; 2) [respondent] Miguel Resultay has been cultivating the land since 1973 and he had constructed his house on the land itself; 3) the net harvest during the agricultural year of 1987 was twenty-one (21) cavans and one (1) can, and it was divided into 50-50 basis; 4) [respondent] Basilio Cayabyab is an agricultural lessee on a portion of one-half hectare of the land paying a lease rental of seven (7) cavans of palay; and 5) the lease rental of seven (7) cavans which is being paid by Basilio Cayabyab is excessive and unjustifiable considering that he can produce 14 to 18 cavans of palay.[4]

The Office of the Provincial Agrarian Reform Adjudicator identified the issues as follows: first, whether respondent Miguel Resultay or his wife, respondent Mercedes Resultay, is entitled to remain as agricultural lessee of the land in question with respondent Federico Baniqued as their hired farm worker; and, second, whether respondent Basilio Cayabyab is entitled to remain as an agricultural lessee on the one-half hectare riceland portion of the landholding in question.[5]

On June 14, 1991, the Office of the Provincial Agrarian Reform Adjudicator promulgated its decision, the dispositive portion of which reads:

> WHEREFORE, judgment is hereby rendered:
>
> - Declaring [respondent] Mercedes Resultay as having succeeded [respondent] Miguel Resultay as agricultural lessee of the land in question as of the time the former suffered a stroke which paralyzed him;
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> - Dispossessing the [respondent] Basilio Cayabyab for deliberate non-payment of the 1986, 1987, 1988 and 1989 lease rental of the one-half (1/2) hectare riceland portion until the filing of this complaint against him;
>
> - Ordering [respondent] Federico Baniqued to refrain from further performing farmworks on the riceland in

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question;

- Dispossessing [respondent] Mercedes Resultay from the riceland portion of the land in question which she retained after giving the one-half (1/2) hectare portion to [respondent] Basilio Cayabyab;

- Maintaining [respondent] Mercedes Resultay as agricultural lessee on the non-riceland portion of the land in question.[6]

In support of the foregoing, the Office of the Provincial Agrarian Reform Adjudicator held that although respondent Mercedes Resultay succeeded respondent Miguel Resultay after a stroke which caused his paralysis, she did not perform the farm work on the land in question; that, for this reason, she hired respondent Federico Baniqued to work for her; that the hiring of respondent Baniqued amounted to a "substantial non-compliance of her obligation" as an agricultural tenant and a ground for dispossession under Section 36, paragraph 2,[7] of Republic Act No. 3844, as amended; that although the receipt of the lease rentals by petitioner Federico Rosario is indicative of respondent Cayabyab's status as an agricultural lessee on the one-half hectare riceland portion, he should be evicted on the ground of deliberate refusal to pay rental; that respondent Baniqued is merely a hired farm laborer and, thus, he "has no better right than (respondent) spouses Miguel Resultay and Mercedes Resultay who hired him;" and that the non-riceland portion where respondent spouses Resultay reside does not appear to have been subleased or given to any third party for farm work and, hence, they should remain in possession of the same.[8]

Respondents appealed to the DARAB. On June 10, 1994, the DARAB promulgated its decision, the decretal portion of which states:

WHEREFORE, the assailed judgment dated June 14, 1991 is hereby REVERSED and SET ASIDE. Miguel and Mercedes Resultay are declared to be agricultural tenants on the land they till. Likewise, Basilio Cayabyab is maintained in peaceful possession and enjoyment of the land he tills as an agricultural lessee. The responsible officials of the Department of Agrarian Reform in the Province of Pangasinan, specifically in the Municipality of Basista, Pangasinan are hereby ordered to fix the lease rental on the land being cultivated by Miguel and Mercedes Resultay in accordance with pertinent agrarian laws, rules and regulations.

IT IS SO ORDERED.[9]

The DARAB declared that respondent Cayabyab is a bona fide agricultural lessee; that he substantially complied with his obligation to deliver the landholders' share and was not remiss in paying the rentals whenever they fell due; that he could not be faulted for seemingly delayed payment of lease rentals after the institution of the complaint on November 24, 1988, nor could he be blamed for the confusion in the accounting and liquidation of harvests since the petitioners gave rise to it by refusing to receive promptly his tender of lease rentals; that petitioner Purificacion Rosario herself admitted in her testimony that she received the rental payments; that the conclusion that respondent Mercedes Resultay, as successor of her old and paralyzed husband Miguel Resultay, did not herself perform the farm work on the land had no factual basis; that the burden to prove the averment that she did not actually perform her obligations as an agricultural tenant rested with the petitioners and they failed to discharge that burden; that the hiring of the services of a farm laborer to do certain piece work or on an occasional basis is not prohibited by law, as long as the agricultural tenant herself cultivates the farm and manages it with due diligence; that the hiring of a farm laborer to do a certain phase of farming is, in itself, a generally accepted practice in a farming community; that respondent Mercedes Resultay had faithfully and religiously shared the rice produce with the petitioners; that there is no legal impediment for respondent Miguel Resultay to build his house within the landholding, and neither did petitioners adduce any concrete evidence to show that respondent Baniqued had constructed a house thereon, since Baniqued, who is only a farm helper, merely built a shanty which is not a dwelling contemplated by law; that petitioners failed to prove the existence of any other lawful

cause for the ejectment of the respondents; and that since the juridical relationship between the parties appears to be a share tenancy which is contrary to law and public policy, it should be converted to a leasehold pursuant to law and existing rules and regulations.

On February 11, 1997, the DARAB denied petitioners' Motion for Reconsideration.

On April 16, 1997, petitioners filed a Petition for Review with the CA, raising the following grounds:

> - That public respondent Adjudication Board grossly misappreciated the established facts and evidence adduced in the above-entitled case;
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> - That the Decision dated June 10, 1994 and Resolution dated February 11, 1997 rendered by public respondent Adjudication Board in the instant case, were contrary to existing agrarian laws and jurisprudence applicable on the matter at issue; and
>
> - That due to public respondent Adjudication Board's patent and gross errors committed in the issuances of the assailed Decision and Resolution, petitioners suffered not only irreparable damage and prejudice but also caused grave injustice to petitioners.[10]

On January 14, 1999, the CA rendered the assailed Decision which affirmed in toto the DARAB ruling. In particular, the CA agreed with the DARAB that no factual basis supported the averment that respondent Mercedes Resultay did not comply with her obligations as an agricultural tenant; that the hiring of a farm helper in itself is not prohibited; that the land in question had not been abandoned as it is actively being cultivated by the respondents; that respondent spouses have been paying their shares and rentals to the landowners, herein petitioners; that respondent Mercedes Resultay succeeded her incapacitated husband, co-respondent Miguel Resultay, by operation of law; that respondent Cayabyab is a bona fide agricultural lessee on the one-half hectare riceland portion; that the evidence clearly shows that he paid the lease rentals from 1984 to 1989; that there was no delay in payment; that petitioner Purificacion Rosario admitted the receipt of these payments; that while the withdrawal of deposited rentals by the petitioners litis pendentia should not be construed as a recognition of the tenancy relationship between them and respondent Cayabyab, the fact that petitioner Federico Rosario received on December 20, 1986 the lease rental pertaining to 1984 as well as the rental for 1986 is indeed indicative of respondent Cayabyab's status as an agricultural lessee of the one-half hectare; and that respondent Cayabyab had no conscious intent to unlawfully deprive the landholders of their share in the farm proceeds, considering that they had received from Cayabyab in 1989 and 1990 the rentals for the other years.[11]

Petitioners moved to reconsider, but the CA denied the motion through its Resolution dated November 8, 1999, a copy of which was received by the petitioners on November 15, 1999.

Twenty-two days later, or on December 7, 1999, petitioners filed the instant Petition for Certiorari under Rule 65.

Petitioners raise the following issues before this Court:

> - Whether or not public respondents Honorable Court of Appeals and Honorable Adjudication Board (DARAB) grossly erred in declaring private respondents Mercedes Resultay and Basilio Cayabyab as agricultural lessees over the landholding co-owned by the petitioners;
>
> - Whether or not the declarations of private respondents as agricultural lessees by the public respondents are contrary to the established facts, adduced evidences [sic], law and jurisprudence applicable on the matter; and
>
> - Whether or not honorable public respondents committed grave abuse of discretion in declaring private respondents as agricultural lessees over the landholding co-owned by the petitioners.[12]

Meanwhile, on May 30, 2002, Arturo Resultay, one of the children of respondent Miguel Resultay, as well as

respondent Cayabyab, filed a Manifestation and Motion with the Court stating that respondent Miguel Resultay had passed away on July 6, 1993. Hence, as prayed for, Miguel Resultay is deemed substituted by Arturo Resultay. The parties submitted their respective memoranda.

The instant Petition for Certiorari "based on Rule 65" must fail.

Under Rule 65, the petitioners must show that they have no plain, speedy, and adequate remedy in the ordinary course of law against the error that they seek to correct. A remedy is considered "plain, speedy, and adequate" if it will promptly relieve the petitioners from the injurious effects of the judgment and the acts of the lower court or agency.[13] In this case, an appeal under Rule 45 by way of petition for review on certiorari was not only available but also a speedy and adequate remedy.[14] When the petitioners received on November 15, 1999 a copy of the CA Resolution dated November 8, 1999 denying their Motion for Reconsideration, and absent any motion for extension, they had until November 30, 1999, or 15 days later, within which to perfect their appeal. They did not. What they chose to do was to file a "Petition for Certiorari" "based on Section 1, Rule 65" on December 7, 1999, repeating in essence the issues and arguments already heard by the CA. The petitioners cannot lodge a special civil action of certiorari to make good the loss of the right of ordinary appeal. In view of this serious procedural error, the instant petition should be dismissed.

Under Rule 45, the reglementary period to appeal is 15 days from notice of judgment or denial of the motion for reconsideration. Rule 45 is clear that decisions, final orders or resolutions of the CA in any case, i.e., regardless of the nature of the action or proceedings involved, may be appealed to this Court by filing a petition for review, which would be but a continuation of the appellate process over the original case.[15] A special civil action under Rule 65 of the Rules of Court will not cure the failure to timely file a petition for review on certiorari under Rule 45 of the Rules of Court.[16] The remedies of appeal in the ordinary course of law and that of certiorari under Rule 65 of the Revised Rules of Court are mutually exclusive and not alternative or cumulative.[17] A petition under Rule 65 is an independent action that cannot be availed of as a substitute for the lost remedy of an ordinary appeal, including that under Rule 45, especially if such loss or lapse was occasioned by one's own neglect or error in the choice of remedies.[18] And under Section 5(f) of Rule 56 of the Rules of Court, an error in the choice or mode of appeal, as in this case, merits an outright dismissal.

But even if this Court should excuse the procedural lapse in the interest of substantial justice, the same result obtains, because the decisions and resolutions of the DARAB and CA, as well as their findings of fact, are in accord with law and jurisprudence.

The determination of personal cultivation is a factual issue and requires the exercise of a function not within the province of this Court. Well established is the rule that in an appeal via certiorari, only questions of law may be reviewed.[19] And so, too, is the rule that in agrarian cases, the only function of the appellate courts is to determine whether the findings of fact of the agrarian courts, such as the DARAB or, its predecessor, the Court of Agrarian Relations, are supported by substantial evidence, and where they are so supported, such findings are conclusive and binding upon the appellate courts.[20]

Petitioners insist that respondent spouses Miguel and Mercedes Resultay did not perform in their personal capacity the major phases of the farm work over the land in question, but through hired hands. Both the CA and the DARAB are of the same opinion that this negative averment has no factual basis. While it is conceded in all quarters that respondent Baniqued is a hired farm worker, from this fact alone, it cannot be inferred that respondent Mercedes Resultay is not actually performing her obligations as an agricultural tenant or, stated otherwise, that she did not cultivate the land in person or through other members of the immediate household. Under Section 37 of Republic Act No. 3844, as amended, and coupled with the fact that the petitioners are the

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complainants themselves, the burden of proof to show the existence of a lawful cause for the ejectment of an agricultural lessee rests upon them, since they are the agricultural lessors.[21] This proceeds from the principle that a tenancy relationship, once established, entitles the tenant to a security of tenure. She can only be ejected from the agricultural landholding on grounds provided by law.[22] Section 36 of the same law enumerates the grounds for dispossession of the tenant's landholding.

> Sec. 36. Possession of Landholding; Exceptions. - Notwithstanding any agreement as to the period or future surrender, of the land, an agricultural lessee shall continue in the enjoyment and possession of his landholding except when his dispossession has been authorized by the Court in a judgment that is final and executory if after due hearing it is shown that:
>
> (1) The agricultural lessor-owner or a member of his immediate family will personally cultivate the landholding or will convert the landholding, if suitably located, into residential, factory, hospital or school site or other useful non-agricultural purposes: Provided; That the agricultural lessee shall be entitled to disturbance compensation equivalent to five years rental on his landholding in addition to his rights under Sections twenty-five and thirty-four, except when the land owned and leased by the agricultural lessor, is not more than five hectares, in which case instead of disturbance compensation the lessee may be entitled to an advanced notice of at least one agricultural year before ejectment proceedings are filed against him: Provided, further, That should the landholder not cultivate the land himself for three years or fail to substantially carry out such conversion within one year after the dispossession of the tenant, it shall be presumed that he acted in bad faith and the tenant shall have the right to demand possession of the land and recover damages for any loss incurred by him because of said dispossessions.
>
> (2) The agricultural lessee failed to substantially comply with any of the terms and conditions of the contract or any of the provisions of this Code unless his failure is caused by fortuitous event or force majeure;
>
> (3) The agricultural lessee planted crops or used the landholding for a purpose other than what had been previously agreed upon;
>
> (4) The agricultural lessee failed to adopt proven farm practices as determined under paragraph 3 of Section twenty-nine;
>
> (5) The land or other substantial permanent improvement thereon is substantially damaged or destroyed or has unreasonably deteriorated through the fault or negligence of the agricultural lessee;
>
> (6) The agricultural lessee does not pay the lease rental when it falls due: Provided, That if the non-payment of the rental shall be due to crop failure to the extent of seventy-five per centum as a result of a fortuitous event, the non-payment shall not be a ground for dispossession, although the obligation to pay the rental due that particular crop is not thereby extinguished; or
>
> (7) The lessee employed a sub-lessee on his landholding in violation of the terms of paragraph 2 of Section twenty-seven.

The petitioners failed to discharge that burden. They invoke Gabriel v. Pangilinan[23] where the Court held:[24]

> A person, in order to be considered a tenant, must himself and with the aid available from his immediate farm household cultivate the land. Persons, therefore, who do not actually work the land cannot be considered tenants; and he who hires others whom he pays for doing the cultivation of the land, ceases to hold, and is considered as having abandoned the land as tenant within the meaning of sections 5 and 8 of Republic Act No. 1199, and ceases to enjoy the status, rights, and privileges of one.

But precisely, as discussed above, it falls upon the petitioners to demonstrate through substantial evidence that the respondents did not actually cultivate the land in order to consider the latter as having abandoned the same. It does

not follow that, if the tenant hires a farm worker to do certain phases of the farm work, then the tenant entirely ceases all cultivation.

Respondent Baniqued himself testified that he was being paid for a certain phase of work.[25]

In the recent past, the Court has held that the employment of farm laborers to perform some aspects of farm work does not preclude the existence of an agricultural leasehold relationship, provided that an agricultural lessee does not leave the entire process of cultivation in the hands of hired helpers. Indeed, while the law explicitly requires the agricultural lessee and his immediate family to work on the land, this Court nevertheless has declared that the hiring of farm laborers by the tenant on a temporary, occasional, or emergency basis does not negate the existence of the element of "personal cultivation" essential in a tenancy or agricultural leasehold relationship.[26]

The foregoing pronouncements are nothing new; the Court, quoting established authority, has recognized as far back in 1962 that the mere fact that the agricultural lessee did not do all the work himself but temporarily utilized the services of others to help him, does not mean that he violated the requirements provided by law and jurisprudence; it would have been otherwise had the lessee entirely entrusted the work to other persons and employed laborers on a permanent basis. The law does not prohibit the tenant or the landowner who works the land himself to avail occasionally of the help of others.[27]

Petitioners maintain that respondent spouses Resultay sub-leased a portion of the land in question to respondent Cayabyab, and that the employment of a sub-lessee who is not a member of the tenant's immediate household, and without the knowledge and consent of the landowner, is prohibited by law.[28] To support this contention, petitioners refer to a decision rendered by the CA.[29] Further, petitioners aver that respondent Cayabyab deliberately refused to pay the lease rentals for the period covering 1986 to 1989. Even if Cayabyab attempted to pay the rentals by depositing them during the pendency of the case, petitioners argue, their withdrawal, however, was made with leave of court, prompted by extreme human needs, and on the condition that the receipts shall not be used as evidence of any tenancy relationship.

These mixed questions of fact and law are interrelated, and have been correctly resolved by the CA and the DARAB whose decisions are supported by substantial evidence as it appears on the record. This Court affirms the CA decision which, in turn, upheld in toto the DARAB's finding that respondent Cayabyab is a bona fide agricultural lessee,[30] as well as the finding that he duly paid the rentals, to wit:

> There is no factual basis which shall lead to a conclusion that [respondent] Basilio Cayabyab deliberately refused to pay the lease rentals on the land for the cropping years of 1986, 1987, 1988 and 1989. Evidence on records clearly show[s] that Basilio Cayabyab was not remiss of his obligation to pay lease rentals when they fall due. For the cropping years of 1984 and 1985, he paid to [petitioner] Federico Rosario a total amount of fourteen (14) cavans as evidenced by a receipt dated December 20, 1986 (Exhibit "3", Defendants). The lease rentals due for the cropping years of 1986 and 1987 in the total amount of fourteen (14) cavans were deposited by [respondent Cayabyab] with Gangano's Family Rice Mill at Malimpec, Bayambang, Pangasinan on November 28, 1986. These rentals which were converted into its money equivalent of Php 2,511.60 were received by [petitioner] Purificacion Rosario on February 1, 1989 (Exh. "1" Defendants). The act of depositing the lease rentals due on the land supports the claim of [respondent] Cayabyab that [petitioners], specifically Purificacion Rosario, refused to accept payment of lease rentals from the former. This fact becomes evident from the allegations contained in the complaint itself and also from the declaration of [petitioners] and their witnesses themselves that [respondent] Cayabyab is not a tenant on the land but a mere sub-lessee who was instituted by [respondents] Miguel and Mercedes Resultay without the knowledge and consent of [petitioners]. One should not lose sight of the correct conclusion arrived at in the assailed [DARAB] decision that [respondent] Cayabyab is a bona fide agricultural lessee.

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> The lease rentals due for 1988 harvest season amounting to seven (7) cavans was deposited by [respondent] Cayabyab with the Rural Bank of San Carlos (T.S.N., February 1, 1989, pp. 2-3), but it was withdrawn and acknowledged to have been received by [petitioner] Rosario on February 16, 1994 (Exh. "4", Defendants, p. 8, Rollo). The lease rental due for the 1989 harvest season amounting to seven (7) cavans was received by [petitioner] Federico Rosario on May 25, 1990. Thus, the total amount of lease rentals due for a period of (6) years from 1984 to 1989 was forty-two (42) cavans. Documentary proof such as receipts show that [respondent] Cayabyab paid exactly forty-two cavans during this period of time. He could not be faulted for the seemingly delayed payment of lease rentals after the institution of the complaint on November 24, 1988, nor could he be blamed for the confusion in the accounting and liquidation of harvests since, as discussed earlier, [petitioners] gave rise to it by refusing to receive promptly the tender of lease rentals made by [respondent] Cayabyab. x x x
>
> x x x Finally, the issue on payment of lease rentals is undoubtedly resolved by the admission of [petitioner] Purificacion Rosario herself when she testified in the following manner –
> Q — So, in 1986, 1987, 1988 and 1989 nagdedeliver sa inyo si Cayabyab ng renta sa lupa.
>
> A — Opo.
>
> Q — Sigurado kayo?
>
> A — Until 1991 pala." (T.S.N., September 29, 1992, p. 7).

We find no cogent reason to find otherwise than the above quoted findings of public respondent Adjudication Board.[31] (emphasis supplied)

With respect to the question of whether the withdrawals made with leave of court may prejudice the petitioners, the CA aptly held:[32]

> Furthermore, while it is true that the approved withdrawal of the deposited rentals thereon by the [petitioners] should not be construed as recognition of tenancy relationship, it is likewise true that the act of [petitioner] Federico Rosario in receiving from [respondent] Basilio Cayabyab on December 20, 1986 the lease rental of seven (7) cavans of palay for 1984 and another seven (7) cavans of palay for 1986 is indicative of his being [an] agricultural lessee of the one-half (1/2) hectare riceland portion of the land in question. Besides, it should be noted, that in cases for ejectment of a tenant for failure to pay lease rentals, there must be a conscious intent to unlawfully deprive the landholder of his share, which is not so in the case at bar especially considering that, on February 1, 1989, [petitioner] Purificacion Rosario received from [respondent] Basilio Cayabyab the total amount of Php 2,511.60 representing the lease rentals for 1985 and 1986, and on February 16, 1989, the amount of Php 1,228.50 representing the lease rental for 1988; on May 25, 1989, [petitioner] Federico Rosario received from [respondent] Cayabyab seven (7) cavans of palay at 45 kilos per cavan; and on December 11, 1990, [petitioner] Federico Rosario received from [respondent] Cayabyab seven (7) cavans of palay.

This Court has held that rental payments are factual issues beyond the reach of an appeal via certiorari, as only questions of law may be reviewed.[33] Likewise, the question of whether a person is an agricultural tenant or not is basically a question of fact.[34]

Apart from the foregoing findings of the courts a quo, there is evidence on the record, unrebutted by petitioners and confirmed by the DARAB, showing that respondent Miguel Resultay constituted respondent Cayabyab as an agricultural lessee by virtue of a contract of lease entered into by them at the time the former owned the land as vendee a retro before its redemption by the petitioners in 1983.[35] Hence, when the petitioners repurchased the land, they are deemed to have assumed this lease by virtue of subrogation. Respondent Cayabyab himself testified that at the time of the redemption and reversion of ownership, he was made to sign a receipt describing the parcel he cultivated in order to acknowledge that he had received the land from the petitioners and their

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predecessor-in-interest.[36]

As stated above, in agrarian cases, when the appellate courts confirm that the findings of fact of the agrarian courts are borne out by the record or based on substantial evidence, such findings are conclusive and binding on the appellate courts.[37] Accordingly, this Court will not disturb the factual findings of the DARAB, as affirmed by the CA, that respondent Cayabyab was an agricultural lessee of the subject land, considering that this conclusion was supported by substantial evidence.[38]

As correctly noted by the DARAB, it appears that the juridical relationship of the parties is still governed by agricultural share tenancy. The relationship should be converted into a leasehold. On August 8, 1963, R.A. No. 3844, the Agricultural Land Reform Code, abolished and outlawed share tenancy and put in its stead the agricultural leasehold system. On September 10, 1971, R.A. No. 6389, amending R.A. No. 3844, declared share tenancy relationships as contrary to public policy. R.A. No. 3844, as amended by R.A. No. 6389, is the governing statute in this case.[39] Petitioners filed their complaint on November 24, 1988 or long after the approval of R.A. No. 6389 but before R.A. No. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988. Notably, R.A. No. 6657 only expressly repealed Section 35 of R.A. No. 3844.[40]

Sections 4 and 5[41] of R.A. No. 3844 provide for the automatic conversion of share tenancy to agricultural leasehold. The lease rental should be determined in accordance with Section 12[42] of R.A. No. 6657 in relation to Section 34[43] of R.A. No. 3844, as amended, and existing rules and regulations.

It is an established social and economic fact that the escalation of poverty is the driving force behind the political disturbances that have in the past compromised the peace and security of the people as well as the continuity of the national order. To subdue these acute disturbances, the legislature over the course of the history of the nation passed a series of laws calculated to accelerate agrarian reform, ultimately to raise the material standards of living and eliminate discontent.[44] Agrarian reform is a perceived solution to social instability. The edicts of social justice found in the Constitution and the public policies that underwrite them, the extraordinary national experience, and the prevailing national consciousness, all command the great departments of government to tilt the balance in favor of the poor and underprivileged whenever reasonable doubt arises in the interpretation of the law. But annexed to the great and sacred charge of protecting the weak is the diametric function to put every effort to arrive at an equitable solution for all parties concerned: the jural postulates of social justice cannot shield illegal acts, nor do they sanction false sympathy towards a certain class, nor yet should they deny justice to the landowner whenever truth and justice happen to be on her side.[45] In the occupation of the legal questions in all agrarian disputes whose outcomes can significantly affect societal harmony, the considerations of social advantage must be weighed,[46] an inquiry into the prevailing social interests is necessary in the adjustment of conflicting demands and expectations of the people,[47] and the social interdependence of these interests, recognized.[48]

WHEREFORE, the instant petition is DENIED and the assailed Decision and Resolution of the Court of Appeals are AFFIRMED.

Costs against petitioners.

SO ORDERED.

Ynares-Santiago, (Acting Chairperson), Callejo, Sr. and Chico-Nazario, JJ., concur.
Panganiban, C.J., (Chairperson), on official leave.

[1] Penned by then Acting Presiding Justice Jorge S. Imperial (retired), with Associate Justices Eubulo G. Verzola (now deceased) and Artemio G. Tuquero (retired), concurring.

[2] Penned by Associate Justice Artemio G. Tuquero (retired), with Associate Justices Eubulo G. Verzola (now deceased) and Teodoro P. Regino (retired), concurring.

[3] It must be noted that these rentals and those that came after, but not those before, were deposited and withdrawn pending litigation through petitioners' motions and with leave of court. The instant complaint for ejectment was filed by the petitioners on November 24, 1988.

[4] CA rollo, pp. 43-46.

[5] Id. at 34.

[6] Id. at 35.

[7] Republic Act No. 3844, Sec. 36, as amended, provides:

Sec. 36. Possession of Landholding; Exceptions. - Notwithstanding any agreement as to the period or future surrender, of the land, an agricultural lessee shall continue in the enjoyment and possession of his landholding except when his dispossession has been authorized by the Court in a judgment that is final and executory if after due hearing it is shown that:

x x x x

(2) The agricultural lessee failed to substantially comply with any of the terms and conditions of the contract or any of the provisions of this Code unless his failure is caused by fortuitous event or force majeure;

x x x x

[8] CA rollo, pp. 34-35.

[9] Id. at 53.

[10] CA rollo, p. 8.

[11] Rollo, pp. 34-40.

[12] Id. at p. 9.

[13] Chua v. Santos, G.R. No. 132467, October 18, 2004, 440 SCRA 365, 374.

[14] Id.; National Irrigation Administration v. Court of Appeals, 376 Phil. 362, 372 (1999).

[15] Pagoda Philippines, Inc. v. Universal Canning, Inc., G.R. No. 160966, October 11, 2005, 472 SCRA 355, 359; Chua v. Santos, supra note 11, at 373; Heirs of Pagobo v. Court of Appeals, 345 Phil. 1119, 1132-1133 (1997).

[16] Chua v. Santos, supra note 11, at 373.

[17] Land Bank of the Philippines v. Court of Appeals, 456 Phil. 755, 785 (2003); Yap Sumndad v. Harrigan, 430 Phil. 612 (2002); Banco Filipino Savings and Mortgage Bank v. Court of Appeals, 389 Phil. 644,655 (2000); Republic v. Court of Appeals, 379 Phil. 92, 97 (2000); Ligon v. Court of Appeals, 355 Phil. 503, 516 (1998); Esguerra v. Court of Appeals, 335 Phil. 58, 75 (1997).

[18] Chua v. Santos, supra note 11; Land Bank of the Philippines v. Court of Appeals, supra note 15; National

Irrigation Administration v. Court of Appeals, supra note 12; Linzag v. Court of Appeals, 353 Phil. 506 (1998). Although there are exceptions to these rules, among them are: (a) when public welfare and the advancement of public policy dictates; (b) when the broader interest of justice so requires; (c) when the writs issued are null and void; (d) or when the questioned order amounts to an oppressive exercise of judicial authority, none is present in the case at bar. Metropolitan Manila Development Authority v. Jancom Environmental Co., 425 Phil. 961 (2002), citing Ruiz, Jr. v. Court of Appeals, G.R. No. 101566, March 26, 1993, 220 SCRA 490. The writ of certiorari issues for the correction of errors of jurisdiction only or grave abuse of discretion amounting to lack or excess of jurisdiction. It cannot be legally used for any other purpose. Its function is only to keep the inferior court within the bounds of its jurisdiction or to prevent it from committing such a grave abuse of discretion amounting to lack or excess of jurisdiction. Silverio v. Court of Appeals, 225 Phil. 459 (1986). The raison d'etre for the rule is when a court exercises its jurisdiction, an error committed while so engaged does not deprive it of the jurisdiction being exercised when the error is committed. De Baron v. Court of Appeals, 420 Phil. 474 (2001). If it did, every error committed by a court would deprive it of its jurisdiction and every erroneous judgment would be a void judgment. In such a scenario, the administration of justice would not survive. Hence, where the issue or question involved affects the wisdom or legal soundness of the decision - not the jurisdiction of the court to render said decision - the same is beyond the province of a special civil action for certiorari. New York Marine Managers, Inc. v. Court of Appeals, 319 Phil. 538 (1995).

[19] Palon v. Nino, G.R. No. 138042, February 28, 2001, 353 SCRA 204, 214.

[20] Reyes v. Reyes, 437 Phil. 274, 284 (2002); Malate v. Court of Appeals, G.R. No. 55318, February 9, 1993, 218 SCRA 572, 576; Heirs of E.B. Roxas, Inc. v. Tolentino, G.R. No. L-39807, November 14, 1988, 167 SCRA 334,339; Bagsican v. Court of Appeals, 225 Phil. 185, 188 (1986).

[21] See Mon v. Court of Appeals, G.R. No. 118292, April 14, 2004, 427 SCRA 165, 177.

[22] See Heirs of Enrique Tan, Sr. v. Pollescas, G.R. No. 145568, November 17, 2005, 475 SCRA 203,212; Alarcon v. Court of Appeals, 453 Phil. 373, 381 (2003). Republic Act No. 3844, Sec. 7, as amended, provides:

SEC. 7. Tenure of Agricultural Leasehold Relation. – The agricultural leasehold relation once established shall confer upon the agricultural lessee the right to continue working on the landholding until such leasehold relation is extinguished. The agricultural lessee shall be entitled to security of tenure on his landholding and cannot be ejected therefrom unless authorized by the Court for causes herein provided.

[23] 157 Phil. 578 (1974).

[24] Id. at 588.

[25] TSN, April 26, 1989, pp. 3-4.

[26] Verde v. Macapagal, G.R. No. 151342, June 23, 2005, 461 SCRA 97, 108; Cuaño v. Court of Appeals, G.R. No. 107159, September 26, 1994, 237 SCRA 122, 135-136.

[27] De Guzman v. Santos, G.R. No. L-16568, November 30, 1962, 6 SCRA 795, 799-800.

[28] Republic Act No. 3844, Sections 27 and 36, as amended, provide:

Sec. 27. Prohibitions to Agricultural Lessee. -It shall be unlawful for the agricultural lessee:

x x x x

(2) To employ a sub-lessee on his landholding: Provided, however, That in case of illness or temporary incapacity he may employ laborers whose services on his landholding shall be on his account.

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Sec. 36. Possession of Landholding; Exceptions. - Notwithstanding any agreement as to the period or future surrender, of the land, an agricultural lessee shall continue in the enjoyment and possession of his landholding except when his dispossession has been authorized by the Court in a judgment that is final and executory if after due hearing it is shown that:

x x x x

(7) The lessee employed a sub-lessee on his landholding in violation of the terms of paragraph 2 of Section twenty-seven.

[29] Jano v. Jamias, CA-G.R. No. SP-02952, September 26, 1976.

[30] Rollo, p. 38.

[31] Id. at 38-40, 46-49.

[32] Id. at 40.

[33] Palon v. Nino, supra note 17; Spouses Batingal v. Court of Appeals, G.R. No. 128636, February 1, 2001,351 SCRA 60, 66.

[34] Mon v. Court of Appeals, supra note 19.

[35] CA rollo, p. 43. Respondent Cayabyab again confirmed this statement during cross-examination, TSN, April 24, 1989, pp. 7-8.

[36] Id.

[37] Supra note 18; See Planters Development Bank v. Garcia, G.R. No. 147081, December 9, 2005, 477 SCRA 185; Milestone Realty and Co., Inc. v. Court of Appeals, 431 Phil. 119,130 (2002).

[38] Planters Development Bank v. Garcia, supra note 35; Mon v. Court of Appeals, supra note 19; Valencia v. Court of Appeals, G.R. No. 122363, April 29, 2003, 401 SCRA 666.

[39] Heirs of Enrique Tan, Sr. v. Pollescas, supra note 20; Mon v. Court of Appeals, supra note 19; Ganzon v. Court of Appeals, 434 Phil. 626, 633 (2002).

[40] Id.; Reyes v. Reyes, supra note 18.

[41] Republic Act No. 3844, Sections 4 and 5 read:

Sec. 4. Abolition of Agricultural Share Tenancy. - Agricultural share tenancy, as herein defined, is hereby declared to be contrary to public policy and shall be abolished: Provided, That existing share tenancy contracts may continue in force and effect in any region or locality, to be governed in the meantime by the pertinent provisions of Republic Act Numbered Eleven hundred and ninety-nine, as amended, until the end of the agricultural year when the National Land Reform Council proclaims that all the government machineries and agencies in that region or locality relating to leasehold envisioned in this Code are operating, unless such contracts provide for a shorter period or the tenant sooner exercise his option to elect the leasehold system: Provided, further, That in order not to jeopardize international commitments, lands devoted to crops covered by marketing allotments shall be made the subject of a separate proclamation that adequate provisions, such as the organization of cooperatives, marketing agreements, or other similar workable arrangements, have been made to insure efficient management on all matters requiring synchronization of the agricultural with the processing phases of such crops: Provided, furthermore, That where the agricultural share tenancy contract has ceased to be operative by virtue of this Code, or where such a tenancy contract has been entered into in violation of the provisions of this

Code and is, therefore, null and void, and the tenant continues in possession of the land for cultivation, there shall be presumed to exist a leasehold relationship under the provisions of this Code, without prejudice to the right of the landowner and the former tenant to enter into any other lawful contract in relation to the land formerly under tenancy contract, as long as in the interim the security of tenure of the former tenant under Republic Act Numbered Eleven hundred and ninety-nine, as amended, and as provided in this Code, is not impaired: Provided, finally, That if a lawful leasehold tenancy contract was entered into prior to the effectivity of this Code, the rights and obligations arising therefrom shall continue to subsist until modified by the parties in accordance with the provisions of this Code.

Sec. 5. Establishment of Agricultural Leasehold Relation. - The agricultural leasehold relation shall be established by operation of law in accordance with Section four of this Code and, in other cases, either orally or in writing, expressly or impliedly.

[42] Republic Act No. 6657, Section 12 provides:

Sec. 12. Determination of Lease Rentals. - In order to protect and improve the tenurial and economic status of the farmers in tenanted lands under the retention limit and lands not yet acquired under this Act, the DAR is mandated to determine and fix immediately the lease rentals of thereof in accordance with Section 34 of Republic Act No. 3844, as amended: Provided, That the DAR shall immediately and periodically review and adjust the rental structure for different crops, including rice and corn, of different regions in order to improve progressively the conditions of the farmer, tenant or lessee.

[43] Republic Act No. 3844, Section 34 provides:

Sec. 34. Consideration for the Lease of Riceland and Lands Devoted to Other Crops. - The consideration for the lease of riceland and lands devoted to other crops shall not be more than the equivalent of twenty-five per centum of the average normal harvest during the three agricultural years immediately preceding the date the leasehold was established after deducting the amount used for seeds and the cost of harvesting, threshing, loading, hauling and processing, whichever are applicable: Provided, That if the land has been cultivated for a period of less than three years, the initial consideration shall be based on the average normal harvest during the preceding years when the land was actually cultivated, or on the harvest of the first year in the case of newly-cultivated lands, if that harvest is normal: Provided, further, That after the lapse of the first three normal harvests, the final consideration shall be based on the average normal harvest during these three preceding agricultural years: Provided, furthermore, That in the absence of any agreement between the parties as to the rental, the maximum allowed herein shall apply: Provided, finally, That if capital improvements are introduced on the farm not by the lessee to increase its productivity, the rental shall be increased proportionately to the consequent increase in production due to said improvements. In case of disagreement, the Court shall determine the reasonable increase in rental.

[44] See EDUARDO F. HERNANDEZ, ET AL., LANDOWNERS' RIGHTS UNDER THE AGRARIAN REFORM PROGRAM 21 (2004) citing YUJIRO HAYAMI, ET AL., TOWARD AN ALTERNATIVE LAND REFORM PARADIGM: A PHILIPPINE PERSPECTIVE (1990); RODOLFO V. ROMERO, MISSED OPPORTUNITIES: THE PHILIPPINE ECONOMY 1970-1994 (1995); JOAQUIN G. BERNAS, S.J., A LIVING CONSTITUTION: THE CORY AQUINO PRESIDENCY (2000).

[45] Land Bank of the Philippines v. Court of Appeals, 319 Phil. 246 (1995).

[46] See Oliver Wendell Holmes, The Path of the Law, 10 HARV. L. REV. 457 (1897).

[47] See Roscoe Pound, A Survey of Social Interests, 57 HARV. L. REV. 1 (1943); Eugene Ehrlich, Montesquieu and Sociological Jurisprudence, 29 HARV. L. REV. 582 (1916).

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[48] ROSCOE POUND, AN INTRODUCTION TO THE PHILOSOPHY OF LAW 47 (Yale University Press, 1954)

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