

P’CARLO A. CASTILLO, PETITIONER, VS. MANUEL TOLENTINO, RESPONDENT.

G.R. No. 181525. March 04, 2009

Ponente: YNARES-SANTIAGO, J.

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YNARES-SANTIAGO, J.:

This petition for review on certiorari assails the September 28, 2007 Decision[1] of the Court of Appeals in CA-G.R. SP No. 88738,[2] which declared as final and executory the January 22, 1999 Decision of the Presiding Adjudicator in DARAB Case No. IV-ORM-0064-95 and ordered the petitioner's ejectment from the subject leasehold, as well as the removal of the concrete reservoir and dike which the latter constructed thereon. Also assailed is the January 23, 2008 Resolution[3]denying the motion for reconsideration.

The facts of the case as found by the Court of Appeals are as follows:

(Manuel) TOLENTINO (herein respondent) is the owner of two (2) parcels of agricultural land with a total area of 44,275 square meters situated at Sta. Isabel, Calapan, Oriental Mindoro and covered by Transfer Certificate of Title (TCT) No. RT-114 (T-71693) and TCT No. T-8989. He is also the administrator of another parcel of agricultural land, approximately 39,274 square meters in area owned and titled in the name of petitioner's brother Eliseo V. Tolentino.

(Petitioner P'Carlo) CASTILLO is an agricultural lessee of said parcels of land under an agreement that he will till and cultivate the land and pay (TOLENTINO) a total of eleven (11) cavanos per hectare every harvest season.

On April 25, 1995, x x x CASTILLO wrote a letter to the Provincial Agrarian Reform Office (PARO) informing the said office of (his) intention to construct a concrete water reservoir with a total area of 2,000 square meters together with a one-meter high dike.

x x x TOLENTINO was furnished a copy of the letter which he received three days thereafter or on April 28, 1995.

Immediately upon receipt of the letter, x x x TOLENTINO wrote the PARO informing the office of his opposition to the planned construction on the ground that it was totally unnecessary as the free-flowing well located at the said property was already a good source of irrigation and that the said permanent improvement might create problems in the future development of the property. x x x TOLENTINO prayed that the PARO disallow the proposed construction by the lessee CASTILLO of the concrete water reservoir and dike.

x x x CASTILLO, on the other (hand), went ahead with the construction of the reservoir and the dike.

Consequently, on May 23, 1995, x x x TOLENTINO filed a complaint for dispossession with a prayer for Preliminary Injunction and Temporary Restraining Order (TRO) against x x x CASTILLO before the Office of the Provincial Agrarian Reform Adjudicator, Calapan, Oriental Mindoro.[4]

In his complaint, x x x TOLENTINO averred that x x x CASTILLO's action against (his) express wishes and against the order of the PARO constitute nothing less than usurpation of x x x TOLENTINO's property and is

an obvious conversion of the 2,000 square meter portion of the landholding for a purpose other than what had been previously agreed upon.

x x x x

Moreover, x x x TOLENTINO alleged that x x x CASTILLO owned 10.5084 hectares of agricultural land in Malvar, Naujan, Oriental Mindoro which was covered by TCT No. T-35182, thus, disqualifying lessee CASTILLO from being a beneficiary under the Comprehensive Agrarian Reform Program (CARP).

In his Reply, x x x CASTILLO alleged, as special and affirmative defenses, that (he) acted in good faith in the construction of the water reservoir since he firmly believed that such facilities will improve and increase productivity of the land. Lessee CASTILLO asserted that Section 26(1) of R.A. No. 3844 empowered and made it the obligation of the lessee to cultivate and take care of the farm, to grow crops and make other improvements thereon and perform all the necessary works therein in accordance with proven farm practice. Finally, x x x CASTILLO asserted that (he) cannot be dispossessed of the landholding except upon authorization by the court and with just cause pursuant to Sec. 31 of R.A. No. 3844, thus, he is entitled to be secure in his tenure.

On June 1, 1995, the Adjudication Board issued a temporary restraining order against x x x CASTILLO ordering him or any other person acting under his authority to desist from continuing with the construction of the water reservoir and dike on the subject landholding.

On January 22, 1999, the Presiding Adjudicator rendered a Decision ordering the ejectment of x x x CASTILLO and directing (him) to remove the concrete reservoir and dike.

Upon receipt of the decision, x x x CASTILLO filed on February 25, 1999 a Motion for Reconsideration of the decision and a Supplemental Motion for Reconsideration on March 24, 1999, all of which (were) denied. Hence, on September 27, 1999, x x x CASTILLO filed a Notice of Appeal (to the Department of Agrarian Reform Adjudication Board, or DARAB).

In a Decision[5] dated February 7, 2001, x x x DARAB dismissed x x x CASTILLO's appeal and declared the January 22, 1999 Decision final and executory.

x x x x

Upon Motion for Reconsideration, however, the DARAB reversed its February 7, 2001 decision and issued the assailed Resolution dated August 28, 2002, the dispositive portion of which states:

"WHEREFORE, premises considered, the Motion for Reconsideration is hereby GRANTED. The Decision of the Adjudicator a quo dated 22 January 1999 is hereby SET ASIDE and new one is ENTERED ordering (TOLENTINO) to maintain (CASTILLO) in his peaceful possession and cultivation of the subject landholding including the 400 square meters home lot assigned to him.

SO ORDERED."

Aggrieved, x x x TOLENTINO filed a Motion for Reconsideration which was denied in an Order dated December 29, 2004 for lack of merit.[6] (Words in italics supplied)

TOLENTINO filed a petition for review with the Court of Appeals, which rendered the assailed September 28, 2007 Decision, the dispositive portion of which reads:

WHEREFORE, premises considered, petition is hereby GRANTED and the assailed August 28, 2002 Resolution of the Department of Agrarian Reform Adjudication Board is hereby REVERSED and SET ASIDE and a new one entered DECLARING as FINAL and EXECUTORY the January 22, 1999 decision of the Presiding Adjudicator (since notice of appeal having been filed out of time) and ORDERING the ejectment of herein private respondent lessee Pablo Carlo Castillo and directing Pablo Carlo Castillo to remove the concrete

reservoir and dike, otherwise, petitioner landlord TOLENTINO may cause the removal of the reservoir and dike and bill private respondent lessee CASTILLO for reasonable expenses of removal.

SO ORDERED.[7]

In holding that CASTILLO's September 27, 1999 notice of appeal was filed out of time, the appellate court found that:

As records indicate, x x x CASTILLO received a copy of the January 22, 1999 decision of the Provincial Adjudicator on February 12, 1999. Lessee CASTILLO filed a Motion for Reconsideration of the decision on February 25, 1999 or after the lapse of thirteen (13) days from receipt thereof. Lessee CASTILLO's Motion for Reconsideration was denied in a Resolution dated August 26, 1999 which he received on September 23, 1999. From lessee CASTILLO's receipt thereof, lessee CASTILLO has only two (2) days within which to file an appeal or until September 25, 1999 in accordance with the provisions of the Section 11 and paragraph 2 of Section 12 of Rule VIII of the DARAB New Rules of Procedure which provides as follows:

Section 11. Finality of Judgment. Unless appealed, the decision, order or ruling disposing of the case on the merits shall be final after the lapse of fifteen (15) days from receipt of a copy thereof by counsel or representative on record, or by the party himself who is appearing on his own behalf. In all cases, the parties themselves shall be furnished with a copy of the final decision.

x x x x

Section 12, paragraph 2. The filing of a motion for reconsideration shall suspend the running of the period within which the appeal must be perfected. If a motion for reconsideration is denied, the movant shall have the right to perfect the appeal during the remainder of the period for appeal, reckoned from the receipt of the resolution of the denial. If the decision is reversed on reconsideration, the aggrieved party shall have fifteen (15) days from receipt of the resolution of reversal within which to perfect his appeal.

Since private respondent lessee CASTILLO filed the appeal only on September 27, 1999, such appeal was therefore filed not within the reglementary period.[8]

CASTILLO moved for reconsideration but it was denied. Hence, the instant petition raising the following issues:

[A]

WHETHER OR NOT THE FINDING OF THE HONORABLE COURT OF APPEALS DECLARING THAT PETITIONER HAS ONLY UNTIL SEPTEMBER 25, 1999, WHICH HAPPENS TO BE A SATURDAY, WITHIN WHICH TO FILE HIS SUBJECT NOTICE OF APPEAL IS IN ACCORDANCE WITH SECTION 1 OF RULE 22 OF THE 1997 REVISED RULES OF CIVIL PROCEDURE.

[B]

WHETHER OR NOT THE PROVISIONS OF THE 2003 DARAB NEW RULES OF PROCEDURE WHICH NOW AFFORDS AN AGGRIEVED PARTY A PERIOD OF NOT LESS THAN FIVE (5) DAYS AND NOT ONLY THE REMAINING PERIOD WITHIN WHICH TO PERFECT HIS APPEAL IN THE EVENT HIS MOTION FOR RECONSIDERATION IS DENIED, CAN BE GIVEN RETROACTIVE EFFECT TO ACTIONS PENDING AND UNDETERMINED AT THE TIME OF ITS PASSAGE.

[C]

WHETHER OR NOT DISMISSING THE CASE ON MERE TECHNICALITY SHOULD BE FAVORED OVER THE MERITS OF THE CASE.

The issues for resolution are: 1) Whether Castillo's appeal before the DARAB was timely filed; and, 2) Whether Castillo's construction of a water reservoir in the subject leasehold is proper.

CASTILLO claims that the Court of Appeals erred in finding that he had only until September 25, 1999, within which to perfect his appeal. He claims that since September 25, 1999 is a Saturday, then the last day to file his appeal falls on September 27, 1999. As such, his appeal was not belatedly filed.

TOLENTINO, on the other hand, argues that per Certification[9] issued by the clerk of the DARAB, CASTILLO received a copy of the Provincial Agrarian Reform Adjudicator's January 22, 1999 decision on February 4, 1999 and he filed his motion for reconsideration only on February 26, 1999, or beyond the fifteen-day period allowed under the 1994 DARAB Rules of Procedure[10] then applicable. As such, CASTILLO's motion for reconsideration - and consequently his appeal - should be deemed filed out of time. TOLENTINO argues further that, assuming ex gratia argumenti that CASTILLO filed his motion for reconsideration on time (or on February 26, 1999, using as basis the certification issued by the clerk of the DARAB, and not the date established by the Court of Appeals, which is February 25, 1999), he had just one (1) day to perfect his appeal - or up to September 24, 1999 (a Friday) - from September 23, 1999, which is the date he received the Resolution denying his motion for reconsideration.

We sustain CASTILLO in this respect. Indeed, the Court of Appeals erred in failing to take into account that September 25, 1999 was a Saturday. In computing any period of time prescribed or allowed by any applicable statute, the day of the act or event from which the designated period of time begins to run is to be excluded and the date of performance included; if the last day of the period, as thus computed, falls on a Saturday, a Sunday, or a legal holiday, the time shall not run until the next working day.[11]

In this regard, it must be stated that a certain degree of circumspection is required of the lower courts in computing periods, bearing in mind not only to conduct a perfunctory or mechanical counting of days, but more importantly a mindful determination as to what specific days the ends of these periods fall on.

As to the second issue for resolution whether Castillo's construction of a water reservoir in the subject leasehold is proper, CASTILLO argues that there is no written prohibition against construction of a water reservoir and dike; that said construction did not result in material conversion of TOLENTINO's landholding; as such the same should be allowed to complement the free-flowing artesian wells already existing on the leasehold.

On the other hand, TOLENTINO insists that CASTILLO's act of unilaterally constructing the reservoir and dike constitutes a valid ground for dispossession under Section 36 of Republic Act No. 3844, as amended by Republic Act No. 6389 (R.A. No. 3844),[12] for the following specific reasons:

- 1) CASTILLO failed to comply with the provisions of R.A. No. 3844, as amended, in regard to obtaining consent of the agricultural lessor;
- 2) By constructing the reservoir and dike, CASTILLO used the landholding for a purpose other than what had been previously agreed upon in the lease contract;
- 3) CASTILLO failed to show that the construction and use of the reservoir and dike constitutes a "proven farm practice";
- 4) The reservoir and dike, apart from being expensive to build, are unnecessary and did not increase the yield of his rice land;
- 5) There is already an existing irrigation system in the form of two free-flowing artesian wells;
- 6) The construction violates the leasehold agreement which provides that "the free-flow artesian wells shall stay and be part of and shall service the landholding of 2.8 hectares";[13]
- 7) CASTILLO's ownership of a ten-hectare farm land disqualifies him as tenant on TOLENTINO's land;

8) CASTILLO had been previously convicted by final judgment of the crime of less serious physical injuries by the Regional Trial Court of Calapan, Oriental Mindoro, Branch 40 in Criminal Case No. C-2933 entitled "People v. Pablo Carlo Castillo" for his attempt upon the life of TOLENTINO's son, George C. Tolentino; and,

9) CASTILLO's construction of the reservoir and dike despite being ordered by the PARO to discontinue constitutes usurpation and illegal conversion of the landholding for a purpose other than what had been agreed upon.

The petition lacks merit.

Section 32 of R.A. No. 3844^[14] specifically requires notice to and consent of the agricultural lessor before the agricultural lessee may embark upon the construction of a permanent irrigation system. It is only when the former refuses to bear the expenses of construction that the latter may choose to shoulder the same. More importantly, any change in the use of tillable land in the leasehold, e.g. through the construction of a sizeable water reservoir, impacts upon the agricultural lessor's share in the harvest, which is the only consideration he receives under the agrarian law. This being the case, before the agricultural lessee may use the leasehold for a purpose other than what had been agreed upon, the consent of the agricultural lessor must be obtained, lest he be dispossessed of his leasehold.^[15]

In the instant case, records show that on April 25, 1995, CASTILLO wrote the PARO, informing it of his intention to construct the reservoir and dike.^[16] TOLENTINO was not an addressee of the letter; he was merely furnished with a copy thereof. On April 28, 1995, TOLENTINO registered his objection to CASTILLO's plan, through a letter sent to the PARO. CASTILLO, in the meantime and without awaiting the landowner's reply nor consulting with the latter, began construction of the reservoir. The PARO, in a reply-letter,^[17] advised CASTILLO to desist; by then, construction of the reservoir was already 75% complete.^[18]

Moreover, CASTILLO's proposed reservoir involved the conversion of a considerable area (2,000 square meters) of the landholding which certainly affects TOLENTINO's share in the harvest. Although the actual area involved (for the reservoir) was reduced from 2,000 square meters to only 750 square meters, still CASTILLO's letter was clear as to the fact that he was going to construct on 2,000 square meters. This being so, TOLENTINO had every right to be informed of the proposed project and his consent to the construction thereof was necessary before CASTILLO may validly embark upon the same in case the former refused, because the tillable area of the leasehold would be reduced significantly and his corresponding share in the harvest could be reduced as well.

The record also shows that there is an existing irrigation system in the form of two free-flowing artesian wells, which supply water to the leasehold. The necessity of constructing CASTILLO's proposed reservoir was thus placed in question, owing to its apparent superfluity. It has not been shown that, prior to its construction, CASTILLO discussed with TOLENTINO the necessity of erecting a reservoir. Naturally, where there is an existing irrigation system that supplies needed water to the leasehold, the construction of another that requires a substantial area of land that should otherwise be used to plant rice is superfluous and unnecessary.^[19] The law (Sec. 32 of R.A. No. 3844) does not give blanket authority to the agricultural lessee to construct an irrigation system at anytime and for any reason; instead, it presupposes primarily that the same is necessary.

The existence of the free-flowing artesian wells debunks the necessity of building an expensive reservoir that takes away a sizeable area of tilled land. Besides, there are other irrigation systems cheaper to construct and which require less space than a water reservoir. CASTILLO could have dug another artesian well anywhere within the leasehold; it certainly would have cost just a fraction of what he spent for in the construction of the concrete reservoir. Besides, the necessity of a ground storage reservoir that would hold water from an underground source is not exactly an efficient way of dispensing irrigation water, if not a completely redundant one; the underground

source of water - the aquifer - is itself a water reservoir. One does not need to take water from an underground reservoir and store it in a ground reservoir; it is impractical, as the water will only be subjected to evaporation and seepage, which defeats the very purpose of the reservoir, which is to store water efficiently. Underground water reservoirs are by themselves efficient, because water stored in them are not at risk of evaporation and seepage; not to mention that they could supply an unlimited amount of irrigation water to the farmer so long as the hydrologic cycle^[20] remains uninterrupted and the underground aquifer does not run dry. Ground storage reservoirs are mainly for areas where there is very little or no underground water source; in such case, water from the rains and from rivers or creeks are caught and trapped in them for future use, although the water stored therein runs the risk of evaporating into the atmosphere and seeping into the ground.

Since the underground aquifer is itself a water reservoir accessible through a portable water pump, then there is no need to construct a ground storage reservoir that only eats up precious land otherwise used for planting rice. In other words, as it is, with the underground aquifer below which serves as the reservoir of precious water, and the area above it devoted wholly to planting rice, operation of the leasehold is already at its optimal level; no part or area thereof is put to unnecessary waste, unlike what CASTILLO proposes via his superfluous ground storage reservoir.

It appears that CASTILLO consciously made a unilateral decision to build the reservoir to the exclusion of his agricultural lessor, who happens to be the owner, as well, of the property which he, as mere agricultural lessee, tills. This does not speak well of him, considering that he is just a steward of TOLENTINO's land. While R.A. No. 3844 favors - to a very large extent, indeed - agricultural lessees and farmworkers, they should appreciate and accept their position with gratitude and humility at the very least. Having benefited greatly from decades of tilling the land, CASTILLO owes much to TOLENTINO, and the least he could do is to treat the latter with respect and proper regard for his position as the owner of the leasehold.

CASTILLO has been convicted by final judgment of the crime of less serious physical injuries committed against TOLENTINO's son, George,^[21] which constitutes evidence of CASTILLO's presumptuousness and lack of respect for his lessor. His actions alone in regard to the construction of the reservoir speaks much of how he has conducted himself with TOLENTINO, and how he regards the owner of the land which he tills. Indeed, he does not hide his animosity and disdain for the landowner. It is not difficult to arrive at the conclusion that CASTILLO deliberately intended to exhibit this contempt by specifically addressing his April 25, 1995 letter to the PARO alone, while merely furnishing TOLENTINO with a copy thereof, instead of the other way around, or at least making both parties addressees to the letter. It is thus not difficult to imagine that CASTILLO purposely embarked upon the irrigation project without obtaining TOLENTINO's consent on account of his presumptuousness.

An examination of the record reveals that the foregoing observation is shared as well by the Provincial Adjudicator who decided the case in the first instance, thus:

But the crucial issue at bar is not whether or not the challenged water reservoir will increase the productivity of the land in question, rather whether or not defendant (CASTILLO) can unilaterally construct the same even against the will of and timely objection of the landowner. To the mind of this Board, a tenant cannot unilaterally construct such kind of permanent structure without the consent, much more against the timely objection of the landowner.

The foregoing circumstances considered, it is very clear that defendant violated the trust and confidence of plaintiff (TOLENTINO) by proceeding with the said construction, an act too presumptuous and overbearing to say the least, bordering on defiance and abuse of tenancy rights by hiding under the protective cloak of the agrarian reform law, which this Board cannot condone.^[22]

Agrarian laws were enacted to help small farmers uplift their economic status by providing them with a modest standard of living sufficient to meet their needs for food, clothing, shelter and other basic necessities.[23] It provides the answer to the urgent need to alleviate the lives of the vast number of poor farmers in our country. Yet, despite such laws, the majority of these farmers still live on a hand-to-mouth existence. This can be attributed to the fact that these agrarian laws have never really been effectively implemented. Certain individuals have continued to prey on the disadvantaged, and as a result, the farmers who are intended to be protected and uplifted by the said laws find themselves back in their previous plight or even in a more distressing situation.[24]

R.A. No. 3844, or the Agricultural Land Reform Code, was enacted by Congress to institute land reforms in the Philippines. It was passed to establish owner-cultivatorship and the family size farm as the basis of Philippine agriculture; to achieve a dignified existence for the small farmers free from pernicious industrial restraints and practices; as well as to make the small farmers more independent, self-reliant and responsible citizens and a source of genuine strength in our democratic society.[25]

Yet, while the foregoing holds true, agrarian laws were established in light of the social justice precept of the Constitution and in the exercise of the police power of the state to promote the common weal.[26] While the Constitution is committed to the policy of social justice and the protection of the working class, it should not be supposed that every labor dispute would automatically be decided in favor of labor.[27] The policy of social justice is not intended to countenance wrongdoing simply because it is committed by the underprivileged. Compassion for the poor is an imperative of every humane society but only when the recipient is not a rascal claiming an undeserved privilege.[28] R.A. 3844 and R.A. 6389, being social legislations, are designed to promote economic and social stability and must be interpreted liberally to give full force and effect to their clear intent, not only in favor of the tenant-farmers but also of landowners.[29]

While our agrarian laws give much leeway - by way of rights, benefits and privileges - to the landless and those who merely till lands belonging to others, lack of deference, disrespect, ingratitude, an unbecoming behavior toward the lessors and landowners, as well as a blatant abuse of their rights, are never free adjuncts. These cannot find favor with the Court.

The fact that CASTILLO was convicted by final judgment of an offense against TOLENTINO's son, George, demonstrates how relations between the two have deteriorated. While R.A. No. 3844 authorizes termination by the agricultural lessee of the lease for a crime committed by the agricultural lessor against the former or any member of his immediate farm household,[30] the same privilege is not granted to the agricultural lessor. Yet, this does not mean that the courts should not take into account the circumstance that the agricultural lessee committed a crime against the agricultural lessor or any member of his immediate family. By committing a crime against TOLENTINO's son, CASTILLO violated his obligation to his lessor to act with justice, give everyone his due, and observe honesty and good faith,[31] an obligation that is deemed included in his leasehold agreement. Provisions of existing laws form part of and are read into every contract without need for the parties expressly making reference to them.[32]

With respect to TOLENTINO's claim that CASTILLO owns a ten-hectare agricultural land, it appears from the evidence[33] that the latter has sold the same entirely, without availing of the retention limits allowed by law.[34] CASTILLO declares openly that he has no more property, other than the homelot on the subject leasehold. Thus, while TOLENTINO is being deprived of full enjoyment of his land owing to the existence of the leasehold tenancy in CASTILLO's favor, the latter has been selling his own left and right, until nothing remains of it, not even the authorized retention area. An examination of the cancelled TCT No. T-35182 in CASTILLO's name reveals that in 1988, 20,000 square meters of the ten-hectare property were sold to spouses Tranquilino and Maria Garbin and Maria Hernandez; thereafter, another 20,000 square meters were donated to Primitivo, Enrique and

Evangeline, all surnamed Echanova, and to Roy, Rosanna, Ritarose, Sheila and Reagan, all surnamed Castillo; in 1989, a deed of voluntary transfer in favor of Victoria Castillo was executed with respect to 15,087 square meters; in 1989, another deed of voluntary transfer in favor of Felicidad Regala of 25,000 square meters was executed. At present, CASTILLO claims that nothing is left of the property as he was constrained to dispose of it due to financial difficulties.[35]

We are here confronted with a situation where an agricultural lessee insists on his right to maintain himself in the leasehold, yet has sold - even donated - his own land which he could have very well maintained and from which he could have generated livelihood for himself and his family alone, thus freeing himself from the bondage and hardship of having to till someone else's land and pay rent to the owner of the land. CASTILLO supplicates upon this Court to favor him, alleging that he has no other means of livelihood; yet the evidence is glaring that he once had his own land - which is even larger in area than his leasehold - but opted to sell and donate it all, leaving nothing for himself and his family, in complete defeat of the agrarian laws' aim to provide land to the landless. In other words, while CASTILLO had finally achieved the ultimate goal of having his own land, he chose to return to the very pitiful situation that our agrarian laws precisely seek to eradicate.

The law recognizes and condones that a leasehold tenant may have his own land while he tills that of another,[36] but certainly we cannot see any justification why a tenant should give away for free and sell his own agricultural land until nothing is left, and then insist himself on someone else's - without giving the landowner the proper respect and regard that is due him, acting presumptuously and beyond his stature as mere agricultural lessee.

We do not believe that CASTILLO is the needy and pitiful tenant that he paints himself to be. He was the owner of a large tract of agricultural land, and he was very well able to embark upon a relatively costly irrigation project without availing of the benefits given him under Section 32[37] of R.A. No. 3844 - that is, instead of TOLENTINO footing the cost of the irrigation system, he chose to undertake construction at his own expense. An examination of the photographs[38] of the irrigation project shows that the whole 750-square meter area of the reservoir was fenced off with concrete hollow blocks to more than a meter high, with a thick and sturdy concrete foundation and adequately reinforced cement posts, as well as solid outer concrete supports, and finished off with a smooth coating of cement on the inside to prevent seepage. This certainly entailed considerable expense,[39] more than the average farmer could accommodate on his own.

We cannot allow a situation where - despite the one-sided nature of the law governing agricultural leasehold tenancy (R.A. No. 3844), which exceedingly favors the agricultural lessee/tenant and farmworker - the agricultural lessee has shown lack of courtesy to the landowner and, instead, abused his rights under said law, at the same time neglecting or willfully refusing to take advantage of his rights under the comprehensive agrarian reform law which would have otherwise fulfilled its mandate to provide land for the landless. The primary purpose, precisely, of agrarian reform is the redistribution of lands to farmers and regular farmworkers who are landless, irrespective of tenurial arrangement.[40] Yet by the manner CASTILLO conducted himself, he has gone completely against the very essence of agrarian reform. Instead of ending up as a farmer with his own land to till, he deliberately chose to dispose of the same and remain a mere agricultural tenant.

As we have stated earlier, while our agrarian reform laws significantly favor tenants, farmworkers and other beneficiaries, we cannot allow pernicious practices that result in the oppression of ordinary landowners as to deprive them of their land, especially when these practices are committed by the very beneficiaries of these laws. Social justice was not meant to perpetrate an injustice against the landowner.[41]

An appreciation of the circumstances of the case brings us to the conclusion that CASTILLO has gone against the very grain and purpose of our agrarian laws.

The social justice program of the government to ensure the dignity, welfare and security of all the people (New Constitution, Art. I, Sec. 6) by improving the economic condition of the poor and providing land for the landless would be an idle and meaningless policy were we to allow the privileged and the rich to grow richer and the landed gentry to amass more land holdings at the expense of the less fortunate and the less privileged. A fairer and more equitable distribution of the country's land resources to a greater number of tillers of the soil as farmer-owners and not as mere agricultural tenants will go a long way in effectively achieving the agrarian or land reform program in our country today.[42]

R.A. No. 3844 does not operate to take away completely every landowner's rights to his land. Nor does it authorize the agricultural lessee to act in an abusive or excessive manner in derogation of the landowner's rights. After all, he is just an agricultural lessee. Although the agrarian laws afford the opportunity for the landless to break away from the vicious cycle of having to perpetually rely on the kindness of others,[43] a becoming modesty demands that this kindness should at least be reciprocated, in whatever small way, by those benefited by them.

In sum, we hold that the construction of the reservoir constitutes a violation of Section 36 of R.A. No. 3844,[44] an unauthorized use of the landholding for a purpose other than what had been agreed upon, and a violation of the leasehold contract between CASTILLO and TOLENTINO, for which the former is hereby penalized with permanent dispossession of his leasehold.

WHEREFORE, the Petition for Review on Certiorari is DENIED. The assailed September 28, 2007 Decision of the Court of Appeals in CA-G.R. SP No. 88738, with respect to the portion thereof which orders the ejectment of petitioner P'Carlo A. Castillo, as well as the removal of the concrete reservoir and dike, as well as the January 23, 2008 Resolution denying the motion for reconsideration, are AFFIRMED.

Petitioner is hereby PERMANENTLY DISPOSSESSED of the subject leasehold and ordered to VACATE and SURRENDER the same immediately to respondent Manuel Tolentino. The leasehold agreement between the parties is hereby deemed TERMINATED and the tenancy relationship between the parties ENDED.

With respect to standing crops thereon, however, they shall be harvested and shared one final time in accordance with what has been stipulated in the terminated leasehold agreement.

Furnish a copy of this Decision to the Provincial Agrarian Reform Office (PARO) at Calapan, Oriental Mindoro, in order that it may be notified and that it may act in accordance with procedure involving proceedings of this nature.

Costs against petitioner.

SO ORDERED.

Carpio,[*] Chico-Nazario, Nachura, and Peralta, JJ., concur.

* In lieu of Associate Justice Ma. Alicia Austria-Martinez, per Special Order No. 568 dated February 12, 2009.

[1] Rollo, pp. 33-44; penned by Associate Justice Vicente Q. Roxas and concurred in by Associate Justices Josefina Guevara-Salonga and Ramon R. Garcia.

[2] Entitled "Manuel Tolentino v. Department of Agrarian Reform Adjudication Board and Pablo Carlo Castillo."

[3] Rollo, p. 32.

[4] Docketed as DARAB Case No. IV-ORM-0064-95.

[5] In DARAB Case No. 9076.

[6] Rollo, pp. 36-39.

[7] Id. at 43-44.

[8] Id. at 40.

[9] Id. at 145.

[10] Rule VIII, Sections 11 and 12 thereof, provides:

SECTION 11. Finality of Judgment. Unless appealed, the decision, order or ruling disposing of the case on the merits shall be final after the lapse of fifteen (15) days from receipt of a copy thereof by the counsel or representative on record, or by the party himself who is appearing on his own behalf. In all cases, the parties themselves shall be furnished with a copy of the final decision.

SECTION 12. Motion for Reconsideration. Within fifteen (15) days from receipt of notice of the order, resolution or decision of the Board or Adjudicator, a party may file a motion for reconsideration of such order or decision, together with the proof of service of one (1) copy thereof upon the adverse party. Only one (1) motion for reconsideration shall be allowed a party which shall be and based on the ground that: (a) the findings of facts in the said decision, order or resolution are not supported by substantial evidence, or (b) the conclusions stated therein are against the law and jurisprudence.

The filing of a motion for reconsideration shall suspend the running of the period within which the appeal must be perfected. If a motion for reconsideration is denied, the movants shall have the right to perfect his appeal during the remainder of the period for appeal, reckoned from receipt of the resolution of denial. If the decision is reversed on reconsideration, the aggrieved party shall have fifteen (15) days from receipt of the resolution of reversal within which to perfect his appeal.

[11] Rules of Court, Rule 22, Sec. 1; Republic v. Court of Appeals, G.R. No. 116463, June 10, 2003, 403 SCRA 403; Herbosa v. Court of Appeals, G.R. No. 119087, January 25, 2002, 374 SCRA 578.

[12] "An Act to Ordain the Agricultural Land Reform Code and to Institute Land Reforms in the Philippines, Including the Abolition of Tenancy and the Channeling of Capital into Industry, Provide for the Necessary Implementing Agencies, Appropriate Funds therefor and for Other Purposes." It was amended by Republic Act No. 6389, and its title was changed to "Code of Agrarian Reforms of the Philippines."

Section 36 of the law provides that:

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 landholding is declared by the department head upon recommendation of the National Planning Commission to be suited for residential, commercial, industrial or some other urban purposes: Provided, That the agricultural lessee shall be entitled to disturbance compensation equivalent to five times the average of the gross harvests on his landholding during the last five preceding calendar years;

(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 nonpayment 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 nonpayment 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 sublessee on his landholding in violation of the terms of paragraph 2 of Section twenty-seven.

[13] Rollo, pp. 126 and 164.

[14] Section 32. Cost of Irrigation System. - The cost of construction of a permanent irrigation system, including distributory canals, may be borne exclusively by the agricultural lessor who shall be entitled to an increase in rental proportionate to the resultant increase in production: Provided, That if the agricultural lessor refuses to bear the expenses of construction the agricultural lessee or lessees may shoulder the same, in which case the former shall not be entitled to an increase in rental and shall, upon the termination of the relationship, pay the lessee or his heir the reasonable value of the improvement at the time of the termination: Provided, further, That if the irrigation system constructed does not work, it shall not be considered as an improvement within the meaning of this Section; Provided, furthermore, That the lessees, either as individuals or as groups, shall undertake the management and control of irrigation systems within their respective jurisdiction. However, those constructed and operated by the government may be given to the lessees either as individuals or as groups at their option with the right to maintain, manage and operate such irrigation systems and to collect and receive rentals therefrom; Provided, still further, that the lessees, either as individuals or as groups, shall allocate not more than twenty-five percent of their collection for rentals to the government if the irrigation system has obligations to meet until paid, otherwise such irrigation system will be maintained, managed and operated solely by the lessees either as individuals or as groups, subject to such rules on water rights and water use promulgated by the National Irrigation Administration or such other government agencies authorized by law: Provided, finally, That if the irrigation system is installed and/or constructed at the expense of the landowner or agricultural lessor, the Department of Agrarian Reform shall initiate, while the Land Bank shall finance, the acquisition of such irrigation system at its current fair market value so that the ownership thereof may be vested in the lessees as individuals or groups.

[15] See footnote 12.

[16]

Sta. Isabel, Calapan
Or. Mindoro
April 25, 1995

Provincial Agrarian Reform Office
DEPARTMENT OF AGRARIAN REFORM
NIA Compound, Bayanan II
Calapan, Or. Mindoro

Mga Ginoo:

Sa pamamagitan po nito ay gusto kong paratingin sa inyo, bilang ahensya ng pamahalaang nangangasiwa sa pagbabagong pansakahan ang aking planong magtayo ng imbakang ng tubig sa aking sinasakang lupa na pag-aari ni Dr. Manuel Tolentino at matatagpuan dito sa Sta. Isabel, Calapan, Or. Mindoro.

Ang tubig pong iimbakin sa binabalak na gawing imbakang ay manggagaling sa aking poso artesyano (free flowing artesian well). Ang imbakang po na binabalak kong simulang gawin bago matapos ang buwang ito (Abril) ay magkakaroon ng kabuuang luwang na 2,000 metro kuwadrado at ang dike na yari sa semento ay isang metro ang taas.

Inaasahan ko pong sa pamamagitan ng imbakang ito ay malulutas na ang palagiang suliranin ko sa patubig sa aking palayan na nagbibigay ng aning lubhang mababa kaysa dapat asahan at paminsan-minsang pagkalugi.

Lubos na gumagalang,

(Signed)

P'CARLO A. CASTILLO

Nangungupahang Magsasaka

Pinadalhan ng Sipi:

Dr. Manuel Tolentino

Elbo St., San Vicente West

Calapan, Or. Mindoro

[17] Rollo, pp. 52-53.

[18] Id. at 60.

[19] Photographs of the reservoir will show that the same was built right in the middle of the ricefield. Rollo, pp. 192-194.

[20] The hydrologic cycle is a constant movement of water above, on, and below the earth's surface. It is a cycle that replenishes ground water supplies. It begins as water vaporizes into the atmosphere from vegetation, soil, lakes, rivers, snowfields and oceans - a process called evapotranspiration.

As the water vapor rises it condenses to form clouds that return water to the land through precipitation: rain, snow, or hail. Precipitation falls on the earth and either percolates into the soil or flows across the ground. Usually it does both. When precipitation percolates into the soil it is called infiltration; when it flows across the ground it is called surface runoff. The amount of precipitation that infiltrates, versus the amount that flows across the surface, varies depending on factors such as the amount of water already in the soil, soil composition, vegetation cover and degree of slope.

Surface runoff eventually reaches a stream or other surface water body where it is again evaporated into the atmosphere. Infiltration, however, moves under the force of gravity through the soil. If soils are dry, water is absorbed by the soil until it is thoroughly wetted. Then excess infiltration begins to move slowly downward to the water table. Once it reaches the water table, it is called ground water. Ground water continues to move downward and laterally through the subsurface. Eventually it discharges through hillside springs or seeps into streams, lakes, and the ocean where it is again evaporated to perpetuate the cycle. (BASIC GROUND WATER HYDROLOGY, <http://www.issaquah.org/comorg/gwac/Hydro.htm>. This overview of the science necessary to understand groundwater issues is taken from Chapter 2 of the Washington State, Department of Ecology, Ground Water Resource Protection Handbook, Published December 1986)

[21] Rollo, p. 64.

- [22] Rollo, p. 64.
- [23] *Bautista v. Mag-isa*, G.R. No. 152564, September 13, 2004, 438 SCRA 259.
- [24] *Gonzales v. Court of Appeals*, G.R. No. 110335, June 18, 2001, 358 SCRA 598.
- [25] *De Jesus v. Intermediate Appellate Court*, G.R. No. 72282, July 24, 1989, 175 SCRA 559.
- [26] *Salen v. Dinglasan*, G.R. No. L-59082, June 28, 1991, 198 SCRA 623.
- [27] *Philemploy Services and Resources, Inc. v. Rodriguez*, G.R. No. 152616, March 31, 2006, 486 SCRA 302.
- [28] *Cecilleville Realty and Service Corp. v. Court of Appeals*, G.R. No. 120363, September 5, 1997, 278 SCRA 819.
- [29] *Santiago v. Court of Appeals*, G.R. No. 48518, November 8, 1989, 179 SCRA 188.
- [30] Section 28. Termination of Leasehold by Agricultural Lessee During Agricultural Year. - The agricultural lessee may terminate the leasehold during the agricultural year for any of the following causes:
- (1) Cruel, inhuman or offensive, treatment of the agricultural lessee or any member of his immediate farm household by the agricultural lessor or his representative with the knowledge and consent of the lessor;
 - (2) Non-compliance on the part of the agricultural lessor with any of the obligations imposed upon him by the provisions of this Code or by his contract with the agricultural lessee;
 - (3) Compulsion of the agricultural lessee or any member of his immediate farm household by the agricultural lessor to do any work or render any service not in any way connected with farm work or even without compulsion if no compensation is paid;
 - (4) Commission of a crime by the agricultural lessor or his representative against the agricultural lessee or any member of his immediate farm household; or
 - (5) Voluntary surrender due to circumstances more advantageous to him and his family.
- [31] Civil Code, Article 19.
- [32] *Republic v. Rosemoor Mining and Development Corp.*, G.R. No. 149927, March 30, 2004, 426 SCRA 517.
- [33] Transfer Certificate of Title (TCT) No. T-35182, consisting of 10.5 hectares, in the name of CASTILLO. It appears that title was placed in CASTILLO's name in 1986. It has since been cancelled.
- [34] Republic Act No. 6657
- [35] Rollo, p. 179.
- [36] R.A. No. 3844, Section 27.
- [37] See footnote 14.
- [38] Attached to CASTILLO's Reply to TOLENTINO's Comment, at pp. 192-194 of the rollo.
- [39] CASTILLO claims the project cost him P61,000.00. This amount does not as yet include provisions for the concrete flooring of the whole reservoir. Rollo, pp. 195-205.
- [40] Republic Act No. 6657 (Comprehensive Agrarian Reform Law), Section 3.
- [41] *Danan v. Court of Appeals*, G.R. No. 132759, October 25, 2005, 474 SCRA 113.

[42] Republic v. Heirs of Caballero, G.R. No. L-27473, September 30, 1977, 79 SCRA 177.

[43] Hospicio de San Jose de Barili, Cebu City v. Department of Agrarian Reform, G.R. No. 140847, September 23, 2005, 470 SCRA 609.

[44] See footnote 12.

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