

**REPUBLIC OF THE PHILIPPINES (REPRESENTED BY THE LAND
TENURE ADMINISTRATION), PLAINTIFF AND APPELLANT, VS.
MANOTOK REALTY, INC., DEFENDANT AND APPELLEE; DULONG
GAGALAÑGIN TENANTS...**

G.R. No. 20204. July 31, 1964

Ponente: BENGZON, C.J.

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BENGZON, C.J.:

On June 20, 1959, Republic Act No. 2342 amended Republic Act No. 1162 so that the pertinent section thereof shall read as follows:

"Section 1. The expropriation of landed estates or haciendas, or land which formerly farmed part thereof, or any piece of land in the City of Manila, Quezon City and suburb;, which have been and are actually being leased to tenants for at least ten years, is Hereby authorized: Provided, That such lands shall have at least fifty Houses of tenants erected thereon."

Acting under the authority of the above law, the Land Tenure Administration on May 30, 1960, filed a complaint to expropriate several contiguous parcels of land (about seven hectares) belonging to the corporation Manotok Realty, Inc. for the purpose of subdividing the same into smaller lots for sale to the tenants and/or occupants thereof, allegedly for the sake of promoting social justice and the peace and security of all concerned.

Opposing the petition the defendant moved for dismissal thereof, contending that as the aggregate area of the parcels of land in question was merely about seven (7) hectares, they may not be legally expropriated under the provisions of the Constitution and laws implementing it, considering the doctrines already enunciated by this Supreme Court in the cases cited in the margin of this decision.[1]

In reply, the Republic argued that said decisions were hot controlling because the subsequent laws passed by Congress specially Republic Act 2342 dealt specifically with the situation obtaining in Manila, Quezon City and suburbs; and that the owners of the land (the stock-holders) can not object because they have other landed properties with which they could live at ease.

After hearing, the Hon. Manuel Barcelona, Judge, dismissed the case saying

"This Court is impressed by the argument of plaintiff and intervenors, hut until the Supreme Court could restudy and reverse or qualify its stand in the long line of decisions, this Court is bound by the rule of stare decisis. In the following cases: Guido (involving 22,655 sq. m.), Borja (1,565 sq. m.) Arellano (7,270 sq. m.), Lee Tay (900 sq. m.). Gabriel (41, 671 sq. m.) Manotok (4 Ha.) and Montesa (5 Ha.), the area involved is smaller than the seven (7) hectares subject of the present litigation. But as noted in the Guido case and subsequent cases, the power to exporprate lands for resale to tenants must conform to Section 4, Art. XIII of the Constitution, which is limited to landed estate or haciendas which cover town or towns or a greater part of it, the maintenance of which is inimical to public interest and promotive of social unrest. This statement is all inclusive-broad enough to cover both rural and urban lands. Moreover, the original estate of 28 hectares has

long been sub-divided, the several lots adjudicated and donated to the predecessor of present owners, numbering nine being about 7 hectares; each of them owns only seven-ninths of a hectares as such) is sub-divided into parcels of reasonable areas, the resulting parcels are no longer subject to expropriation. (Caloocan vs. Manotok, supra; Rep. vs. Baylosis, supra; Rizal vs. San Diego, supra; Narra vs. Francisco, supra; and Guido vs. RPA, supra)."

The Government appealed. The intervenor also.

We do not see any reason to depart from the views already expressed concerning the right of the Government to expropriate "estates" or landed properties, in relation to small urban lands such as a five-hectare lot. And we do not see any reason to exclude a seven-hectare lot from the purview of said decisions.

We note that section 1 of Republic Act 2342 authorizes the expropriation of "lands which formerly formed part" of landed estates or haciendas, and that the lots in question were formerly part of a 28-hectare property. However, supposing that such 28-hectare land was expropriated because it constituted a landed estate, it does not follow that years after it has been partitioned, a seven-hectare part thereof is still a landed estate, within the meaning of the Constitution permitting expropriation of land for resale to tenants. Surely the Legislature cannot validly of legislative intent, declare a one-hectare land to be landed estate simply because at some time in the past it had formed part of a landed estate.

Neither may the Legislature validly declare such land to be an estate simply because it is in the City of Manila and is occupied by fifty tenants. For the purpose of determining whether a piece of land is landed estate within the meaning of the Constitution, its area or extension must be taken into account. Not necessarily the number of tenants.

The appealed judgment is affirmed, and the case is dismissed. No costs.

Padilla, Bautista Angelo, Concepcion, Reyes, J. B. L., Paredes, Regala and Makalintal, JJ., concur.

[1]Guido vs. Rural Progress Administration, 84 Phil., 847; 47 vs. Arellano Law School. 85 Phil., 663; 47 Off. Gaz. 4107; Lee Tay and Lee Chay vs. Choco, 87 Phil., 814; Urban Estate Inc. vs. Montesa Realty Inc., 83 Phil., 318; Municipality of Caloocan vs. Manotok Realty Inc. 94 Phil., 1003; Municipal Government of Caloocan vs. Chuan Huat & Co. 50 Off. Gaz., 5309; and Republic vs. Baylosis 96 Phil., 461; 51 Off. Gaz. 722.

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