

**ANTONIO DE LEON, PETITIONER, VS. HEIRS OF GREGORIO REYES,
OFFICE OF THE PRESIDENTIAL ASSISTANT FOR LEGAL AFFAIRS,
THRU MANUEL LAZARO, (NOW OFFICE OF THE EXECUTIVE
SECRETARY, RES...***G.R. No. 74687. November 12, 1987*

Ponente: CRUZ, J.

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The land in dispute is located in Sta. Quiteria, Caloocan City, and has an area of 13,956 square meters. It is the subject of two separate applications, one for sale filed by the late Gregorio Reyes on December 21, 1967, and the other for free patent filed by petitioner Antonio de Leon on September 23, 1968. Both are based on the claim of actual possession. To resolve the conflict, the Bureau of Lands conducted an investigation and after hearing ruled against Gregorio Reyes,[1] who appealed to the Ministry of Natural Resources. The decision of the Bureau of Lands was there set aside by the assistant secretary for legal affairs,[2] but he was himself, on motion for reconsideration, reversed by the Minister.[3] The private respondents* then elevated the case to the Office of the President, where they were sustained.[4] The subsequent motion for reconsideration of the petitioner was denied.[5]

This petition for certiorari under Rule 65 of the Rules of Court was originally dismissed, and the first motion for reconsideration was denied. We held that the issues raised were mainly factual and there was no showing that the findings thereon were not supported by substantial evidence. Upon the filing with leave of a second motion for reconsideration, the Court decided to take a harder look at the case, set aside the earlier dismissal of the petition and gave due course thereto, requiring the parties to file memoranda.[6]

As a matter of law and policy, this Court does not review the factual findings of administrative bodies as long as there is substantial evidence to support them. Only in exceptional cases do we deviate from this discipline, which is based on a proper respect for the decisions of a coordinate department and a just recognition of its expertise on matters coming under its direct jurisdiction. After the thorough study of the pleadings filed by the parties, and of the antecedent proceedings, we find that this is one occasion for such deviation. The Court feels that there is justification to review the decision here questioned on the challenge that it was issued with grave abuse of discretion by the public respondent.

The reversal was made by then Presidential Assistant of Legal Affairs Manuel M. Lazaro on December 19, 1985. The petitioner's motion for reconsideration was subsequently denied on April 29, 1986, on the ground that there was "no strong and cogent reason to warrant the reversal or modification of the decision."

The questioned decision was based on the reports made by Land Investigator Pablo Bautista on November 7, 1967, and December 21, 1967, as corroborated by Land Surveyor Medardo Habal after his survey of the disputed land on November 29, 1967. Bautista found that the private respondent had been in possession of the land in question since 1950, had planted it to fruit trees and seasonal crops, and that no other person was occupying it.[7]

Habal, for his part, said that no one else was claiming the land, nobody had protested his survey, and that there was no house on the said property.[8]

The public respondent also noted that it was only on December 3, 1968, that the petitioner had declared the said land for taxation purposes, retroactive to 1965. This was deemed an indication that the petitioner was not really in possession thereof as he claimed and had filed the declaration only to support his free patent application.[9]

To bolster these findings, the private respondents submit that the land in dispute was part of the lot from the Piedad Estate which had been sold on July 16, 1931, to the Bartolome spouses and that this portion had merely been inadvertently omitted in the technical description of the said lot. Even so, it was occupied by the Bartolomes (including Gregorio Reyes and his wife, who was a daughter of the Bartolomes) along with the rest of the lot since its purchase in the aforesaid year.[10]

Conversely, the petitioner points to the finding of the Bureau of Lands, as affirmed by the Ministry of Natural Resources, that his father, Simeon de Leon, had been in possession of the disputed land since 1925 and until his death in 1950. His possession was then continued by the petitioner. According to Land Investigator Jose B. Isidro, who inspected the land on October 30, 1968, it was planted by the petitioner and his father to fruit-bearing trees, and there were two nipa huts thereon, one belonging to the petitioner and the other to his daughter, Catalina.[11] Another report, filed this time by Land Investigator Romeo Salvado, found that the petitioner's possession was discontinued only in 1969 when Gregorio Reyes forced himself into the land in dispute and with the aid of armed men bulldozed the trees and plants thereon. The petitioner complained to the Bureau of Lands, which issued a status quo order on May 4, 1970. Nevertheless, Reyes ignored the same and in violation of the order and the Public Land Act, leased the land to Hi-Protein Corporation, which introduced its own improvements on the property.[12]

While there is no disputing the authority of administrative superiors to reverse the findings of their subordinates, this power must be exercised sparingly and only upon a clear showing of error. Lacking such flaw, the decision of the lower administrative officials should be sustained, if only because they have closer access to the problem sought to be resolved and have the direct opportunity to question the parties and their witnesses and to assess the evidence first-hand.

The hearing officer of the Bureau of Lands, who made the initial investigation in the case at bar, had such an opportunity. It was Jose B. Isidro who conducted the hearings to resolve the conflicting claims of possession of the petitioner and Gregorio Reyes, examined them and their witnesses and inspected the disputed property. His report of December 5, 1968, was in favor of the petitioners. Notably, not even the private respondents impugn his integrity and impartiality and in fact even cite him to support their own position that de Leon had abandoned the property by selling it in 1968 and 1969.[13]

By contrast, the motives of both Bautista and Habal have been questioned by the petitioner, and for good reason. The record shows that it was Bautista who advised Gregorio Reyes to file his sales application,[14] and by some happenstance, it was also Bautista who was assigned to investigate the same. It is also not denied that Habal was retained by Reyes to conduct the survey of the land in dispute, presumably for a corresponding compensation.[15] Given such circumstances, we find it not unreasonable to suppose, and even expect, that the reports of these two individuals would be, as in fact they were, favorable to Reyes.

It is worth noting that in his decision reversing the Ministry of Natural Resources, the public respondent merely rejected the report of Isidro and opted in favor of the reports of Bautista and Habal, but without saying why except to note that Bautista's report was earlier. No effort was made to explain away their apparent bias as directly challenged by the petitioner. The reports were simply and completely accepted to sustain the private respondents'

stand. There was also no mention of Land Investigator Salvado, who reported on August 12, 1983, that Reyes had violated the status quo order of the Bureau of Lands and recommended that he be held civilly and criminally liable. His report was totally ignored.

Besides invoking the reports of Isidro and Salvado, the petitioner presented two witnesses who both testified that he and his father had been in continuous possession of the land in dispute, raising fruit-bearing trees there. Pastor Buenaventura swore he was born in Sta. Quiteria in 1917 and Ricardo Javier claimed he transferred to the place in 1938, and both were positive that the de Leon father and son were occupying the disputed property until it was bulldozed in 1969.[16] Giving credence to this evidence, the Bureau of Lands in its decision declared:

"Evidence for the protestant (herein petitioner) bears heavily upon the facts that he has been in actual and physical control of the property since 1925 through his predecessor-in-interest Simeon de Leon. The preliminary investigation report submitted by Land Investigator Jose Isidro relative to his free patent application as to the fact of possession confirmed the testimonies of his witnesses, who are long time residents and native-born of the barrio where the land is situated. The final investigation report on the application stated, among others, that the cultivation and occupation of the land in question by Antonio de Leon has been continuous, notorious and exclusive since 1925, and the improvements on the land as ascertained by the investigator during his ocular inspection on October 30, 1968 were clearly indicated on the sketch drawn at the back thereof consisting of ten guava trees, two guyabano trees, fifty atis trees, two star apple trees, three tieza trees, several bamboo grooves, patola, camote patch, a nipa house owned by the applicant's daughter Catalina de Leon. In a desperate bid to obliterate traces of improvements by Antonio de Leon, respondent bulldozed and destroyed them, and in their stead replaced them with his improvements, to give it a semblance that it was he who is in actual possession of the land. Forthwith, Antonio de Leon lodged a complaint before the barrio captain and wrote this office to inform that on June 30, 1969, Gregorio Reyes, in company with a number of armed men and with a bulldozer forcibly entered the land covered by his Free Patent Application No. (III-1) 4649. Once inside the premises his (Gregorio Reyes) men destroyed many of his (Antonio de Leon) improvements." [17]

The private respondents' allegation that the petitioner had sold the land in question was never established. Their counsel tried hard enough to draw an admission to this effect but all he got from the petitioner was a consistent denial.[18] It was never proved that the alleged deeds of sale were authentic and had been signed by the petitioner, who said he could never manage to write his full name, which was the signature on the instruments. The alleged vendees were never presented at the hearing. The private respondents also did not offer the testimony of a handwriting expert to prove the genuineness of the signature on the challenged deeds of sale. There was also a supposed affidavit of de Leon's daughter Catalina affirming that her hut had not been bulldozed by Gregorio Reyes but had been destroyed during a typhoon, but this too has no evidentiary value. As the alleged affiant was never presented and could not be examined on the said sworn statement, it must be rejected as hearsay.

The Minister also found that the tax declarations made by Gregorio Reyes referred not to the land in dispute but to the lot purchased from the Piedad Estate by the Bartolome spouses, his parents-in-law.[19] The private respondents' argument that the disputed land was part of the said lot is weakened by the fact that Reyes filed a sales application therefor and so impliedly admitted it was public land. Then there is Reyes' assertion that the Bartolomes had merely allowed or tolerated de Leon's occupation of the land because he was their relative. This claim, if true at all, would only disprove the reports made by Bautista and Habal that no one but Reyes was at the time of their inspection occupying the land.

We are satisfied from an examination of the evidence of record that the petitioner, as his father before him, was in continuous possession of the disputed land from 1925 and raised fruit-bearing trees therein. In 1969, Reyes forcibly ousted de Leon from the said property and destroyed the trees and structures on the said property.

Thereafter, despite the order of the Bureau of Lands requiring the parties to maintain the status quo pending the resolution of their dispute, Reyes leased the property to the Hi-Protein Corporation, which itself introduced improvements on the land.

While, as previously remarked, the decisions of administrative officials are subject to review by their superiors, such review, to be valid, must not be whimsical or arbitrary or devoid of substantial basis. There is no question that the public respondent, acting on behalf of the President, can reverse the decisions of a department head although the former is lower in rank than the Cabinet member. But that is not the point. The point is that, although the power is conceded, it must be exercised, like all powers, within the limits of the law, if substantive rights are to be protected and justice is to be upheld.

Our finding is that such power was not properly exercised in this case, to the prejudice of the petitioner. The basis of the reversal, to wit, the reports of Bautista and Habal, have been discredited for partiality and refuted by the private respondents themselves when they argued that the petitioner's possession of the land was only tolerated. This was an implicit admission that the petitioner was actually occupying the land at the time they said they had no possession of it. Moreover, the public respondent did not consider the other official reports submitted by Isidro and Salvado and just dismissed them out of hand notwithstanding that these were the very bases used by the Bureau of Lands in deciding for the petitioner.

The public respondent, in setting aside the decision of the Bureau of Lands, as affirmed by the Ministry of Natural Resources, disregarded the long line of decisions holding that the findings and conclusions of the Director of the Bureau of Lands and approved by the Secretary of Agriculture upon a question of fact are conclusive and not subject to review, in the absence of showing that such decision was rendered in consequence of fraud, imposition, or mistake.[20]

The writ of certiorari is available in this case. If all administrative decisions were conclusive upon us in any event, there would have been no reason at all to offer this extraordinary remedy to litigants who otherwise would have been deprived of this only and last resort to the courts of justice. This remedy applies to administrative decisions up to the highest level and includes the decision at bar even if rendered "by authority of the President." The sacramental phrase does not remove these decisions from the certiorari jurisdiction of the Court or inhibit us from reversing them when warranted by a clear showing of a grave abuse of discretion.

The petition is granted. The writ must issue.

It bears emphasis that whereas the petitioner is a humble farmer applying for a free patent over the only land he and his father before him have tilled all these many years, the private respondents are subdivision owners who really do not need the disputed property as much as the petitioner. We are elated that the facts and the law of this case have tilted in favor of the party with "less privileges in life" and thus given meaning to the constitutional ideal of a more equitable distribution among our people of the bounties of the earth.

WHEREFORE, the decision of the Presidential Assistant for Legal Affairs dated December 19, 1985, and the Order of the Deputy Executive Secretary dated April 29, 1986, are SET ASIDE and the Order of the Minister of Natural Resources dated March 8, 1985, is REINSTATED, with costs against the private respondents. It is so ordered.

Teehankee, C.J., Yap, Fernan, Narvasa, Melencio-Herrera, Gutierrez, Jr., Paras, Feliciano, Gancayco, Padilla, and Bidin, JJ., concur.

[1] Rollo, pp. 33-37.

[2] Ibid., pp. 188-200.

[3] Id., pp. 38-61.

* Gregorio Reyes died during the pendency of his appeal to the Ministry and was then substituted by his heirs, the herein private respondents.

[4] Id., pp. 62-65.

[5] Id., p. 66.

[6] Id., p. 316.

[7] Id., p. 64.

[8] Id.

[9] Id., pp. 64-65

[10] Private Respondents' Memorandum, pp. 7-12; Rollo, pp. 349-354.

[11] Petition, p. 15; Rollo, p. 22.

[12] Rollo, pp. 47-51.

[13] Private Respondents' Comment, pp. 2-6; Rollo, pp. 145-150.

[14] Rollo, p. 41.

[15] Id., p. 40.

[16] Petitioner's Supplemental Memorandum, pp. 11-12.

[17] Rollo, p. 36.

[18] Ibid., pp. 272-288.

[19] Id., p. 53.

[20] Aggabao v. de Guzman, 116 SCRA 280 citing Jamisola v. Ballesteros, 122, Phil. 442, 446, Julian v. Apostol, 52 Phil. 422; Ortua v. Singson Encarnacion, 59 Phil. 440; Eusebio v. Sociedad Agricola de Balarin, 16 SCRA 569; Ramirez v. CA, 30 SCRA 297; Pindangan Agricultural Co., Inc. v. Dans, 4 SCRA 1035; Alejo v. Garchitorena, 83 Phil. 924; de Guzman v. de Guzman, 104 Phil. 24; de los Santos v. Rodriguez, 22 SCRA 451.

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