

S. No. 142

H. No. 1638

[REPUBLIC ACT No. 1267]

AN ACT CREATING THE COURT OF AGRARIAN
RELATIONS, PRESCRIBING ITS JURISDICTION,
AND ESTABLISHING ITS RULES OF PRO-
CEDURE.

*Be it enacted by the Senate and House of Representatives
of the Philippines in Congress assembled:*

SECTION 1. *Creation.*—For the enforcement of all laws,
and regulations governing the relation of capital and labor
on all agricultural lands under any system of cultivation,
there is hereby created a Court of Agrarian Relations.

SEC. 2. *The Court: its Composition.*—The Court shall consist of an Executive Judge and eight Associate Judges with the rank of Judges of the Court of First Instance, who shall be appointed by the President of the Philippines with the consent of the Commission on Appointments of the Congress. There shall be no seniority in rank among the Associate Judges by reason of service or otherwise.

The Judges may be suspended or removed in the same manner and upon the same grounds as the Judges of the Court of First Instance.

The Court shall keep a record of its procedure and its orders or decisions shall, on questions of law, be appealable directly to the Supreme Court.

SEC. 3. *Qualifications of Judges: their Tenure of Office: Compensation: Oath of Office: and Vacation Period.*—The Executive Judge and the Associate Judges shall have the same qualifications as Judges of the Court of First Instance and in addition, shall have engaged in the actual practice of law for at least ten years immediately prior to their appointments. They shall hold office during good behavior until they reach the age of seventy years or become incapacitated to discharge the duties of their office.

The Executive Judge shall receive an annual compensation of eleven thousand pesos and the Associate Judges ten thousand pesos each. They shall be entitled to traveling expenses and per diems when performing their duties outside of their official stations.

Before entering upon the discharge of the duties of their office, the Judges shall take and subscribe to an oath of office wherein they declare, in addition to the matters prescribed in Section twenty-three of the Administrative Code and in the Constitution of the Philippines, that they shall faithfully and impartially perform the duties of their office, and that, except in the discharge of their functions, they will not disclose to any person any evidence or other matter brought before the Court.

The yearly vacation of the Court shall begin on the first day of April and close on the thirty-first day of May of each year, and four of the Judges may be allowed simul-

taneously to be on vacation. Before March fifteenth of each year, the Executive Judge shall designate by rotation of that year and, consistently with the requirements of the judicial service, the assignments shall be so made that no Judge shall be allowed to be on vacation, unless upon his own request, more frequent than once every two years.

SEC. 4. *Vacancy in the Office of the Executive Judge.*—In case of a vacancy in the office of the Executive Judge of the Court, or in the event of his inability to perform the duties and powers of his office, the Associate Judges shall among themselves designate one to assume the duties of the Office until such disability is removed or another Executive Judge is appointed and qualified.

SEC. 5. *Judge's Certificate as to Work Completed.*—The Executive Judge and the Associate Judges of the Agrarian Court shall certify on their applications for leave, and upon salary vouchers presented by them for payment, or upon payrolls upon which their salaries are paid, that all petitions, motions and agrarian cases which have been under submission for decision or determination for a period of fifteen days exclusive of Sundays and holidays have been determined and decided on or before the date of the making of the certificate, and no leave shall be granted and no salary shall be paid without such certificate.

SEC. 6. *The Court: its Seat.*—The Court of Agrarian Relations, except for the Executive Judge who shall sit in Manila and the adjacent provinces and perform the administrative functions of the Court, shall have its seat in the capital of the province where each Judge is assigned. The Executive Judge shall assign at least one Judge to any province who shall hear and decide matters and/or cases brought before the Court under the provision of this Act.

Whenever necessary in the interest of the public service, a Judge may hold court in the municipality where the landholding subject matter of the dispute is located, utiliz-

ing the sala of the local Justice of the Peace Court for this purpose.

SEC. 7. *Jurisdiction of the Court.*—The Court shall have original and exclusive jurisdiction over the entire Philippines, to consider, investigate, decide, and settle all questions, matters, controversies or disputes involving all those relationships established by law which determine the varying rights of persons in the cultivation and use of agricultural land where one of the parties works the land, and shall have concurrent jurisdiction with the Court of First Instance over employer and farm employee or labor under Republic Act Numbered Six hundred two and over landlord and tenant involving violations of the Usury Law (Act No. 2655, as amended) and of inflicting the penalties provided therefor.

SEC. 8. *The Power to Issue Subpoena; to Punish for Direct and Indirect Contempts, etc.*—The Court or any Judge thereof shall have the power to administer oath in matters connected with the business of the Court; summon the parties to a controversy before the Court, issue subpoena, require the attendance and testimony of witnesses and the production of such books, papers, contracts, records, statements of accounts, agreements and statements as may be material to a just determination of the matter under investigation.

Any violation of any order or decision of the Court of Agrarian Relations shall, after such order or decision has become final, conclusive and executory, constitute contempt of court. The proceedings for contempt shall be without prejudice to the criminal liability of the offender should his act or acts constitute a violation of any other law.

The Court or any Judge thereof shall have, furthermore, all the inherent powers of a Court of Justice provided in paragraph 5 of Rule 124 of the Rules of Court, as well as the power to punish direct and indirect contempts as provided in Rule 64 of the same Rules of Court, under the same procedure and penalties provided therein.

SEC. 9. *Court Authorized to Seek Help from Other Offices.*—The Court shall have the power to require the

services of any government official or employee to help it in the performance of its duties without additional compensation.

All writs and processes issued by the Court shall be served and executed free of charge by provincial or city sheriffs, or by any person authorized by the Court, in the same manner as writs and processes of Courts of First Instance.

SEC. 10. *Rules of Procedure.*—The Court of Agrarian Relations shall adopt its rules of procedure and shall have such other powers as generally pertain to a Court of Justice: *Provided, however,* That in the hearing, investigation and determination of any question or controversy not criminal in nature and in exercising any duty and power under this Act, the Court shall act according to justice and equity and substantial merits of the case without regard to technicalities or legal forms and shall not be bound by any technical rule of evidence but may inform its mind in such manner as it may deem just and equitable. Criminal proceedings should be prosecuted as in ordinary cases.

Immediately after the defendant has filed his answer to the complaint or immediately after the expiration of the time limit for the filing of an answer, the Court shall set the case for hearing and not more than two postponements, not exceeding a week each, shall be allowed for any party: *Provided, however,* That subsequent postponements shall be granted only upon any of the following special or similar reasons:

1. When a party involves twenty or more persons and there is no common cause of action or community of defense;
2. When it appears upon affidavit that the presence of a party or witness at the trial is indispensable and the character of his illness is such as to render his non-attendance excusable;
3. When upon affidavit the materiality of evidence expected to be obtained from a party or witness is shown, and that due diligence has been used to procure it.

The hearing of a case shall be completed within a period of thirty days, unless otherwise extended as hereinabove provided, and an order or decision on the same issued by the Court within a period of fifteen days from the date of its submission.

SEC. 11. *Character of Order or Decision.*—In issuing an order or decision, the Court shall not be restricted to the specific relief claimed or demands made by the parties to the dispute, but may include in the order or decision any matter or determination which may be deemed necessary and expedient for the purpose of settling the dispute or of preventing further disputes, provided that said matter for determination has been established by competent evidence during the hearing.

SEC. 12. *Execution of Orders or Decision.*—At the expiration of ten days from the date of the order or decision, judgment shall be entered in accordance therewith, unless during said ten days an aggrieved party shall move for a reconsideration of the order or decision or appeal therefrom to an Appellate Court by certiorari. The institution of an appeal shall not stay the execution of the order or decision sought to be reviewed, unless for a special reason, the Court shall order that execution be stayed, in which even the Court, in its discretion, may require the appellant to deposit with the Clerk of Court such amount as would answer for the sum involved in the order or decision or require him to give bond in such form and of such amount as to insure compliance with the order or decision in case the same is confirmed; *Provided, however,* That an order or decision ejecting a tenant from his landholding shall not be executed until after the decision has become final and conclusive.

Any order or decision of the Court of Agrarian Relations after it has become executory may be enforced by a writ of execution or any other remedy provided by law in respect to enforcement and execution of orders, decisions, or judgments of the Courts of First Instance.

SEC. 13. *Review by the Supreme Court.*—The Supreme Court, in any civil case involving questions of law, upon

petition of the party aggrieved by an order or decision of the Court of Agrarian Relations, and under the rules and conditions that it may prescribe, may require by *certiorari* that said case be certified to it for review and determination. Upon the final determination and decision by the Supreme Court of the questions or issues raised in the appeal, the Clerk of the Supreme Court shall immediately transmit to the Clerk of the Court of Agrarian Relations a certified copy of the decision or judgment which, upon receipt, shall immediately become conclusive, final and executory.

SEC. 14. *Criminal and Civil Liability*.—Any person violating any of the provisions of this Act, or, of any order or decision of the Court of Agrarian Relations, shall be punished with a fine not exceeding two thousand pesos or imprisonment not exceeding one year, or both, in the discretion of the Court and shall indemnify the aggrieved party for the actual damages he may suffer.

Any person who in bad faith shall induce or cause anybody to violate any provision of this Act or any order or decision of the Court shall be punished with a fine not exceeding four thousand pesos or imprisonment not exceeding two years, or both, at the discretion of the Court.

In case of juridical persons, the manager or the person who has charge of the management or administration of the property or, in their default, the person acting in their stead, shall be liable under this section.

The right to appeal to corresponding Appellate Court shall be available as in ordinary cases.

SEC. 15. *Personnel of the Court*.—The Executive Judge shall appoint the Commissioners of the Court, Clerks of Court and Deputy Clerks of Court and such other employees as may be required in the interest of the Judicial service, subject to the Civil Service Rules and Regulations.

A. *Commissioners of the Court; their qualifications, duties and compensation*.—The Commissioners of the Court shall be members of the Philippine Bar and must have been engaged for five years in the practice of law or, for the same length of time, employed in the government in

a position requiring the qualifications of a lawyer. They shall be assigned by the Executive Judge to assist the Judge in the hearing and investigation of cases. The Commissioners, upon designation by the Judge under whom they are assigned and subject to the latter's direction and supervision, shall hear the evidence of the parties in a case on any disputed point or issue and it shall be their duty to submit a report, together with the records, of all the cases heard by them within a certain period of time to be prescribed by the Court. The Commissioners, while conducting a hearing, may rule upon questions of pleading and procedure insofar as the same will not affect disposition on the merits of the case. Rules of postponement of hearings and time for decision should be as provided for in section ten hereof.

At least two Commissioners or as many as are required in the interest of the public service shall be assigned to each Judge, and, together with the personnel of the Court, shall hold office in the province of their assignment.

The Commissioners of the Court shall receive an annual compensation as follows: Six Commissioners at Six thousand pesos each; nine Commissioners at Five thousand one hundred pesos each; and nine Commissioners at Four thousand two hundred pesos each.

B. *The Clerk of Court; his Qualifications and his Duties; his Compensation and his Bond*.—There shall be as many Clerks of Court as there are Judges. The Clerk of Court for the sala of the Executive Judge shall receive an annual compensation of Six thousand pesos and the other Clerk of Court four thousand eight hundred pesos each. He shall exercise the same powers and perform the same duties in regard to all matters within the jurisdiction of the Court as exercised and performed by the Clerk of Court of the Court of Appeals insofar as the same may be applicable, and in the exercise of these duties he shall be under the direction of the Court.

A Clerk of Court shall have the same qualifications as that of a Commissioner. Before entering upon the discharge of the duties of his office, he shall file a bond in

the amount of ten thousand pesos in the same manner and form as required of the Clerk of the Supreme Court, such bond to be approved by, and filed with, the Treasurer of the Philippines which shall be subject to inspection by interested parties. The Clerk of Court shall require his deputy to give an adequate bond as security against loss by reason of any wrongdoing or gross negligence on the part of such deputy.

C. Deputy Clerk of Court: his Qualifications and Compensation.—The Executive Judge shall appoint as many Deputy Clerks of Court as there are Clerks of Court. Deputy Clerks of Court shall have the same qualifications as the Clerks of Court, and, except in the sala of the Executive Judge where the Deputy Clerk shall receive a salary of Forty-two hundred pesos *per annum*, all Deputy Clerks of Court shall receive an annual compensation of Three thousand seven hundred twenty pesos each.

SEC. 16. *Expenses of the Court in the Province.*—All expenses incident to the establishment of the Court of Agrarian Relations in the provinces such as the courtroom and court-offices, including all equipments for the Court and its personnel, shall be provided by the provincial government of the place wherein the seat of the Court is located and, whenever possible, in the same building housing the Court of First Instance. All expenses incident to the care, repair and alteration of the said offices, as well as the cost of all supplies for said office including stationary, stamps, rent of telephone, cost of telegrams and costs of light and water shall be borne by the National Government.

SEC. 17. *Abolition of the Tenancy Division of the Court of Industrial Relations.*—The Tenancy Division of the Court of Industrial Relations is hereby abolished and the powers and functions of the Department of Justice under Commonwealth Act Numbered Four hundred sixty-one, as amended by Republic Act Numbered forty-four, together with the appropriations of the Tenancy Division of said Court, its property and equipment, are hereby transferred to the Court of Agrarian Relations.

SEC. 18. *Appropriations.*—In addition to the appropriation mentioned in the preceding section, the sum of four hundred thousand pesos, or so much thereof as may be necessary, is hereby appropriated out of the unappropriated funds in the Philippine Treasury for salaries, per diem, traveling expenses, purchases of materials and equipment and other necessary sundry expenses that may be incurred in the carrying out of the provisions of this Act up to the last day of the fiscal year nineteen hundred and fifty-five. The expenses for the succeeding years shall be provided for in the current appropriations for such years.

SEC. 19. *Applicability of General Laws.*—The provisions of existing laws shall apply to the contracts provided by this Act unless otherwise inconsistent therewith.

SEC. 20. *Partial Invalidity.*—If for any reason, any section or provision of this Act shall be held to be unconstitutional or invalid, no other section or provision of this Act be affected thereby.

SEC. 21. *Effectivity.*—This Act shall take effect upon its approval.

Approved, June 14, 1955.
