

[**PRESIDENTIAL DECREE NO. 1066, December 31, 1976**]

EXEMPTING FROM LAND REFORM ALL UNTENANTED SUGAR LANDS CONVERTED FROM SUGARCANE PRODUCTION TO THE PRODUCTION OF PRIORITY CROPS SUCH AS RICE, CORN, FEED, GRAINS, COTTON, FRUITS AND VEGETABLES, AND LIVESTOCK PRODUCTION

WHEREAS, the sugar industry is one of the most important contributors to the national economy, accounting for more than twenty per cent of the country's foreign exchange earnings;

WHEREAS, the industry employs an estimated 450,000 workers, who in turn support around two million dependents;

WHEREAS, because of the sudden downturn of sugar prices in the world market, it has now become unprofitable for many sugarcane planters to grow sugarcane in their areas, market prices having dropped to a level below production cost;

WHEREAS, due to the market situation, it has now become more profitable in some areas to shift from sugarcane production to the production of other crops such as rice, corn, feed, grains, cotton, fruits and vegetables, and to livestock production;

WHEREAS, there is an underlying fear on the part of these sugarcane planters that the land shifted temporarily or permanently to rice, corn, feed, grains and other aforementioned crops will be subject to land reform under Presidential Decree No. 27;

WHEREAS, because of this fear, any attempt at crop diversification is encountering stiff resistance and lack of interest on the part of the sugar planters;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution do hereby decree and order the following:

SECTION 1. All lands which were previously devoted to sugarcane production and which shall be shifted to the production of rice, corn, feed, grains, cotton, fruits and vegetables, livestock and such other crops as may be designated hereafter by the Department of Agriculture with the approval of the President of the Philippines shall be exempted from the Land Reform Program as embodied in Presidential Decree No. 27 as amended, Provided, that these lands are not worked by tenant farmers under a system of sharecrop or lease-tenancy as defined in Presidential Decree No. 27.

SECTION 2. For purposes of implementing this decree, the Department of Agriculture shall certify as to the previous planting of all affected lands to sugar and its shift to the here-in-above designated crops.

SECTION 3. This Decree shall take effect immediately.

DONE in the City of Manila, this 31st day of December, in the year of Our Lord, Nineteen Hundred and Seventy-Six.