

FIRST DIVISION

[G.R. No. 144817, March 07, 2002]

JOSE OCA, ISABELO OCA, RODOLFO O. GUTLAY, AND JOSE ABRAZALDO, PETITIONERS, VS. COURT OF APPEALS AND SERGIO O. ABALOS, RESPONDENTS.

DECISION

PUNO, J.:

This case arose from a dispute concerning tenancy relations over four parcels of fishpond property located in the province of Pangasinan. Petitioners Jose Oca and Isabelo Oca are the co-owners of a fishpond known in the locality as the "Purong" property, situated in Bolosan, Dagupan City. The four petitioners are the civil law lessees of another called the "Salayog" property also located at Bolosan. Petitioner Jose Oca, on the other hand, is the sole and exclusive owner of two fishponds commonly called the "Perew" and the "Fabian" properties, which are located at Bolosan and Angaldan, Pangasinan, respectively.

Respondent Sergio O. Abalos claims to be the "share-tenant-caretaker" of the above fishponds. He allegedly has been performing all the phases of farm work needed for the production of *bangus*. The only contribution of petitioners Jose and Isabelo Oca are their lands. Pursuant to the sharing agreement imposed by the petitioners, all the *bangus* produced from the above fishponds belong to them, while he gets the *sari-sari* fishes as his share. He then asserts that he has been in peaceful possession, cultivation and care of the aforesaid fishponds from the time he received those from the petitioners Oca brothers until the first week of May 1992, when he requested from them his share of the harvest. Instead of acceding to his request, petitioners demanded that he vacate the ponds.

A Complaint for Peaceful Possession, Leasehold and Damages, with Motion for the Issuance of Interlocutory Order,^[1] was filed by the respondent against petitioners on July 9, 1999 with the Office of the Provincial Adjudicator, Department of Agrarian Reform Adjudication Board (DARAB), Region I, Lingayen, Pangasinan. It prayed for, among other things, the Adjudicator to "order the (petitioners) to fix with the (respondent) the lease rental of the parcels of fishpond, subject of this case, in the amount representing 25% of the average net normal harvest of Bangus annually."^[2]

In their Answer (with Counterclaim) filed on July 23, 1992, petitioners denied that respondent is a tenant-caretaker of the fishponds subject of the present controversy. They asserted that as owners or civil law lessees of the fishponds, they themselves are the cultivators and have not engaged any caretaker or tenant thereon. From time to time, though, they would hire workers or laborers paid either on a daily or "piece-work" basis.

Petitioners acknowledged that in 1985, respondent became their industrial partner

over the Salayog property. They insisted, however, that he had already waived his right as such, in consideration of the sum of P140,000.00. To conclude, they argued that since respondent is not their tenant or caretaker, the case is not within the jurisdiction of the Provincial Adjudicator. They prayed for the dismissal of the Complaint and payment of damages.

On September 25, 1992, the Office of the Provincial Adjudicator issued a Decision in favor of the respondent, the dispositive portion of which reads:

“WHEREFORE, judgment is hereby rendered:

1. Declaring the Plaintiff (herein Respondent) as *bona fide* tenant of the parcels of fishpond in question.
2. Making permanent the restraining order for the Defendants (herein Petitioners) not to disturbed (sic) plaintiff’s peaceful possession, work and care of the fishpond in question.
3. Enforcing the right of the plaintiff to become the agricultural lessee in the fishpond in question; and
4. Ordering the Municipal Agrarian Officer of Mangaldan, Pangasinan to assist the plaintiff and defendants, Jose Oca and Isabelo Oca, to determine and fix the lease rentals of the fishpond in question.

SO ORDERED.”^[3]

The above Decision was appealed by the petitioners to the Department of Agrarian Reform Adjudication Board. The Board on April 18, 1996 affirmed *in toto* the Decision of the Provincial Adjudicator.^[4]

Petitioners then sought relief with the Court of Appeals. They filed a Petition for Review on Certiorari, “pursuant to Section 54 of the Comprehensive Agrarian Reform Law in relation to Section 1, Rule XIV of the Revised Rules of Procedure of the DARAB.”^[5] They grounded the petition on the alleged errors in the Board’s finding of facts and conclusion of law, which caused them grave and irreparable damages. On August 18, 2000, the Court of Appeals promulgated the presently assailed Decision, the pertinent portion of which reads:

“However, the Court takes exception to the finding of public respondent (DARAB) that private respondent (herein respondent) is a tenant with regard to the “Salayog” property. As per “Agreement” dated October 5, 1985, petitioners (herein petitioners) and private respondent became civil law co-lessees with respect to said properties... And having sold his share and interest on the “Salayog” property, private respondent consequently waived any interests he had thereon.

WHEREFORE, premises considered, the Decision appealed from is MODIFIED. Consequently, private respondent is declared as bonafide tenant only with regard to the parcels of fishpond property exclusively owned by petitioner Jose Oca, and that co-owned by petitioners Jose Oca

and Isabelo Oca. In all other respects, the Decision appealed from is hereby MODIFIED.”^[6]

Petitioners elevated the case before us and filed the instant petition. They advanced a new argument assailing the supposed lack of jurisdiction of the Provincial Adjudicator over the subject matter of the action. They raised the following issues:

- “1. Are fishponds, like the subject matter of this case, covered by the Comprehensive Agrarian Reform Law, such that controversies relative to production or tillage therein come under the jurisdiction of the Department of Agrarian Reform Adjudication Board?
2. Does the Department of Agrarian Reform Adjudication Board have jurisdiction over cases involving fishponds?
3. Did the Honorable Court of Appeals err in upholding or affirming the Decision of the DARAB in this case?
4. Could the issue of jurisdiction be raised for the first time on Appeal in the Supreme Court, when the same has not been raised in the DARAB, nor in the Court of Appeals?”^[7]

The petition is bereft of merit.

We begin where petitioners ended. The jugular issue is can they be permitted to impugn for the first time the jurisdiction of the Provincial Adjudicator at this stage of the case.

The well-entrenched rule is that jurisdiction over the subject matter is determined exclusively by the Constitution and the law.^[8] It cannot be conferred by the voluntary act or agreement of the parties; it cannot be acquired through, or waived or enlarged or diminished by, their act or omission; neither is it conferred by acquiescence of the court.^[9] Well to emphasize, it is neither for the courts nor the parties to violate or disregard the rule, this matter being legislative in character.^[10]

An error in jurisdiction over the subject matter can be objected to at any instance,^[11] as the lack of it affects the very authority of the court to take cognizance of the action.^[12] This kind of defense can be invoked even for the first time on appeal^[13] or after final judgment.^[14] Such is understandable as this kind of jurisdiction, to stress, is statutorily determined.^[15]

This rule on timing, however, is not absolute. In highly meritorious and exceptional circumstances, estoppel or waiver may operate as a shield to prevent a party from belatedly resorting to this form of defense. Thus, we have held in the leading case of **Tijam v. Sibonghanoy**^[16] that a party may be barred by **estoppel by laches** from invoking this plea for the first time on appeal for the purpose of annulling everything done in the case with the active participation of said party invoking the plea.^[17] We defined laches as “failure or neglect for an unreasonable and unexplained length of time, to do that which, by exercising due diligence, could or should have been done earlier. It is negligence or omission to assert a right within a