

SENATE OF THE PHILIPPINES
OFFICE OF THE SECRETARY
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Republic of the Philippines)
Second Regular Session)

S E N A T E *1021*
Senate Bill No. *1021*

Introduced by Senator Teofisto T. Guingona, Jr.

EXPLANATORY NOTE

This Bill proposes to vest the President of the Philippines with the authority to exercise emergency powers during periods of calamities and other emergency situations to enable the Government to adequately meet any unreasonable increase in the price and artificial shortage of essential prime commodities, goods or products.

The President can only exercise the power with the concurrence of the Senate President and the Speaker of the House of Representatives.

The lifetime of the power granted, when exercised, is limited to the period of the calamity or emergency situation sought to be remedied which in no case, shall exceed the period of eight (8) months from the date of the issuance of the executive order imposing price control and other measures adopted to cushion the adverse effects of the emergency situation.

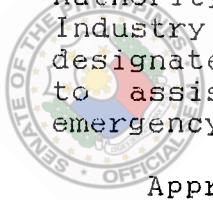
If in the meantime, the situation has stabilized, the President is mandated to order the termination of the measures taken.

Penalties are provided for any violation of the executive order imposing price control and other stabilization measures.

A Price Stabilization Council composed of the Secretary of the National Economic Development Authority, as Chairman, the Secretary of Trade and Industry and the Secretary of Agriculture, or their designated representatives, as members, is constituted to assist the President in the task of meeting an emergency situation.

Approval of the attached bill is earnestly recommended.

Teofisto T. Guingona, Jr.
TEOFISTO T. GUINGONA JR.
Senator



SENATE OF THE PHILIPPINES
 OFFICE OF THE SECRETARY
 DATE: **MAR 22 1989**
 TIME: 12:48 PM

Republic of the Philippines)
 Second Regular Session)

S E N A T E

Senate Bill No. 1021

 Introduced by Senator Teofisto T. Guingona, Jr.

AN ACT
 VESTING THE PRESIDENT OF THE PHILIPPINES EMERGENCY
 POWERS TO IMPOSE PRICE CONTROL AND OTHER NECESSARY
 MEASURES TO ENABLE THE GOVERNMENT TO ADEQUATELY MEET
 ANY UNREASONABLE INCREASE IN THE PRICE OF ESSENTIAL
 PRIME COMMODITIES, GOODS OR PRODUCTS DURING A CALAMITY
 OR AN EMERGENCY SITUATION; IMPOSING PENALTIES FOR
 THEIR VIOLATION; AND FOR OTHER PURPOSES.

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

SECTION 1. This Act shall be known and cited as
 "The Calamity and other Emergency Situations Power Act
 of 1989."

SEC. 2. To enable the Government to adequately
 meet the problems spawned by a calamity or any other
 form of emergency situation, particularly in situations
 where the market is purposely manipulated in order to
 bring about an artificial shortage and unreasonable
 rise in the prices of essential prime commodities,
 goods or products during such period, the President of
 the Philippines, with the advice and concurrence of the
 President of the Senate and the Speaker of the House of
 Representatives may, by executive order, impose price



control and other measures to stabilize prices and supply of such commodities, goods and products and protect the segment of the population adversely affected by the calamity or emergency situation.

SEC. 3. The executive order imposing price control and other stabilization measures shall be coterminous with the period of the calamity or emergency situation sought to be cushioned by the order but in no case shall such order exceed a period of eight (8) months from the date of its issuance: PROVIDED, That if the emergency situation has stabilized in the meantime, the President shall immediately order the termination of the measures adopted.

SEC. 4. The hoarding or monopolization of goods, commodities or products subject to price control and other stabilization measures and the selling of such goods, commodities or products in excess of the maximum selling price fixed by the President are hereby declared unlawful.

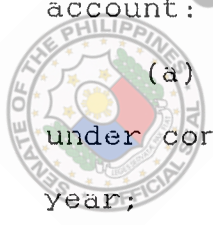


SEC. 5. To avoid shortage in the supply of essential prime commodities, goods or products during the period of such calamity or emergency situation, the President shall order the seizure of commodities, goods or products being hoarded and the transfer and sale of such commodities, goods or products in the affected

areas. In addition, he shall order the arrest and prosecution of the person or entity violating the provisions of this Act, or the executive order, rule or regulation promulgated by him to stabilize prices and supply and order the government agency concerned to immediately cancel the license to do business of such person or entity.

SEC. 6. In order to minimize any possible disastrous effects of the measures taken and guard against needless intervention, the executive order shall clearly define the nature, structure, scope and duration of the price regulation order. It shall specify the essential prime commodities, goods or products that has been placed under price control and other stabilization measures and the maximum selling price of such goods, commodities or products to end-users.

SEC. 7. In determining such maximum selling prices, the following factors shall be taken into account:



- (a) The average prevailing price of any commodity under consideration during the preceding quarter of the year;
- (b) The average supply available in the market;
- (c) The cost of production of the commodity or product, if locally produced, or its landed cost, if

imported;

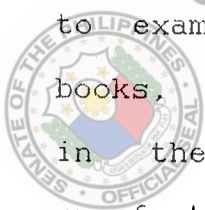
(d) The cost of distribution which shall include the cost of transportation, storing and selling of the commodity or product;

(e) The reasonable margin of profit which should be allowed to ensure a continuous supply of the commodity or product;

(f) The index numbers of prices, production, and importation of prime and essential commodities or products prepared by the Central Bank and/or other appropriate government agencies;

(g) Such other factors that will aid in arriving at a fair maximum selling price of the commodity or product under price control.

SEC. 8. To facilitate the determination of the maximum selling price of any commodity or product and for the purpose of enforcing the authority vested in the President under this Act, the President, directly or through such agencies, officials and employees of the government he may deputize, shall have powers: (a) to examine bills of lading, bills of sales, invoices, books, records and other pertinent documents owned or in the possession of any importer, producer, manufacturer, wholesaler or retailer, and for this purpose they may, by subpoena or subpoena duces tecum, require any person to appear and testify or to appear and produce books, records and other documents, or



both; and (b) upon the issuance of a search warrant, by a competent court, inspect premises, bodegas or storerooms where stocks of controlled commodities or products, or the documents and papers above referred, to are kept; and in case of contumacy by, or refusal to obey a subpoena or subpoena duces tecum issued to any such person, the City Trial Court or the Municipal Trial Court of the city or municipality in which such importer, wholesaler, retailer, manufacturer or producer is found or resides or transacts business, upon application, and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court shall be punished by such court as contempt thereof, with a fine of not more than five thousand pesos and imprisonment of not more than one year.



SEC. 9. The President may grant subsidies to certain sectors in order to hasten production of certain items and thereby assure stable prices and supply for consumers.

SEC. 10. Whenever required by the circumstances, the President may order the importation of essential prime commodities, goods or products in order to stabilize their prices, including the removal or

reduction of tariffs and taxes on such items, the revision of their commodity classification and the authorization of particular agencies of the government to import and re-sell such items at reasonable prices to the public.

SEC. 11. To assist the President in this task, a Price Stabilization Council composed of the Secretary for Economic Planning, as Chairman, the Secretary of Trade and Industry and the Secretary of Agriculture and Food, or their designated representatives as members, is hereby constituted. The Council shall conduct a study of and recommend to the President the appropriate action that will adequately meet a given situation.

SEC. 12. The President shall deputize the Philippine Constabulary, the Integrated National Police, local governments and subdivisions thereof in the enforcement of the price ceilings and other stabilization measures undertaken by him.

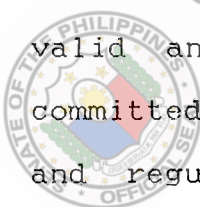
SEC. 13. Any government official or employee, who by neglect or connivance, has in any manner aided or abetted in the violation or circumvention of the provisions of this Act, or the executive order issued by the President under its authority shall be held criminally liable as a co-principal and, in addition to the penalties provided in this Act, shall suffer the penalty of perpetual absolute disqualification to hold



public office.

SEC. 14. Any person who shall violate the provisions of this Act or who sells any commodity in excess of the maximum selling price established by the President in an executive order or any other stabilization measures promulgated by him by virtue of this Act shall, upon conviction, suffer the penalty of imprisonment for a period of not less than one year nor more than five years and a fine of not less than ten thousand pesos nor more than fifty thousand pesos, at the discretion of the court. If the violation is committed by a corporation or any other form of legal entity, the officials responsible for its management shall be held liable. If the violation is committed by an alien, he shall, in addition, be deported without further proceedings.

SEC. 15. Convictions rendered under this Act or under any order, rules, and regulations promulgated or issued by the President pursuant thereto shall remain valid and enforceable, and prosecutions of offenses committed during the effectivity of any order or rules and regulations issued pursuant to the authority granted under this Act shall continue and shall not be barred by reason of the expiration or termination of such order or rules and regulations and shall be terminated only by conviction or acquittal of the



accused of the offense charged.

SEC. 16. All acts, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, modified or superseded, as the case may be.

SEC. 17. This Act shall take effect after fifteen days following its complete publication in the Official Gazette or two daily newspapers of general circulation in the Philippines, whichever comes earlier.

Approved,

Senate Archives (LRAS)

