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SENATE

P. S. Res. No. 123

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INTRODUCED BY SENATOR VILLAR

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**RESOLUTION**

**URGING THE SENATE COMMITTEES ON ECONOMIC AFFAIRS, AND TRADE AND COMMERCE, TO CONDUCT AN INQUIRY ON SO-CALLED MONOPOLIES AND CARTELS THAT POSE UNDUE ADVANTAGE OVER OUR MICRO, SMALL AND MEDIUM ENTERPRISES WITH THE END IN VIEW OF ENCOURAGING FAIR MARKET AND HEALTHY COMPETITION AMONG ALL INDUSTRIES**

*Whereas*, as espoused in Article XII, Section 19 of the Philippine Constitution, the state is mandated to "regulate or prohibit monopolies when public interest so requires" and disallows "combinations in restraint of trade or unfair competition."

*Whereas*, Section 22 of the same Article provides that:

"Sec. 22. Acts which circumvent or negate any of the provisions of this Article shall be considered inimical to the national interest and subject to criminal and civil sanctions, as may be provided by law."

*Whereas*, although the Constitution prohibits anti-competitive practices, it provides no imposable sanctions for violations of these provisions;

*Whereas*, although the Philippines does not have a comprehensive competition law, elements of antitrust and competition promotion exist in our fundamental laws like the Penal Code, the Civil Code and the Corporation Code to somehow address anticompetitive practices;

*Whereas*, in recent years, there were already a number of laws passed by Congress and various Executive Orders were issued previously to strengthen the country's competition policy framework, such as The Consumer Act and the Price Act which prohibit price manipulation and deceptive sales practices to protect the consumers, who are recognized to be the ultimate beneficiaries of a competitive and efficient market;

*Whereas*, monopolies exist when one major company has enough power to dictate the prices, quality, and selection of products and services, thereby becoming very powerful because competitions are not big enough to threaten them;

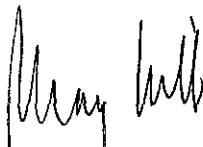
*Whereas*, by introducing competition in the Philippine market, monopolies become lax in providing a wide range and continuously improved products for Filipino consumers. In addition, because consumers have no other product choices, monopolies can increase or decrease prices at will. In the end, the people who suffer big price increases are those who have low-paying jobs or are minimum wage earners;

*Whereas*, to date, the Philippines does not have a comprehensive and developed legislation relating to anti-trust and monopoly activities;

*Whereas*, we need a comprehensive law that will give meaning to the principles of fair market and discourage monopolies, to afford our micro, small and medium-scale enterprises the opportunity to participate in the growth of our economy: Now therefore be it

RESOLVED, as it is hereby resolved, to urge the Senate Committees on Economic Affairs, and Trade and Commerce, to conduct an inquiry on so-called monopolies and cartels that pose undue advantage over our micro, small and medium enterprises with the end in view of encouraging fair market and healthy competition among all industries.

Adopted,

  
**MANNY VILLAR**  
Senator