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First Regular Session

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SENATE
PSR No. 25

RECEIVED BY: _____

Introduced by Senator Aquilino Q. Pimentel, Jr.

**A RESOLUTION
URGING THE APPROPRIATE SENATE COMMITTEE TO LOOK INTO, IN
AID OF LEGISLATION, THE ADMINISTRATION BY THE DEPARTMENT OF
TRANSPORTATION AND COMMUNICATION AND REGULATION BY THE
LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD OF
THE COUNTRY'S TRANSPORTATION INDUSTRY**

Whereas, under the Administration Code of 1987 the Department of Transportation and Communication "shall be the primary policy planning, programming, coordinating, implementing, regulating and administrative agency of the Executive Branch of the Government in the promotion, development and regulation of dependable and coordinated networks of transportation and communications systems as well as in the fast, safe, efficient and reliable postal, transportation and communications services";

Whereas, pursuant to Executive Order No. 202, the Land Transportation Franchising and Regulatory Board is the franchising and regulatory agency under the administrative supervision and control of the DOTC for land transport services;

Whereas, there are 7,216 franchised passenger buses and 232,712 franchised passenger jeepneys nationwide, thereby comprising the bulk of the country's public land transport networks;

Whereas, the DOTC by its neglect and indifference to the problems confronting land transport operators has aggravated these serious problems to the detriment of the riding public;

Whereas, the DOTC has likewise failed to effectively exercise its mandated responsibility of the administrative supervision and control over the LTFRB to the detriment of transport operators in particular and the riding public in general;

Whereas, the LTFRB under its present Chairperson Elena Bautista has transformed the regulatory character of the agency into a revenue generating entity by assessing and collecting fees for fare matrixes at P50 per passenger jeepney and P100 per passenger bus before they can lawfully charge the recently authorized fare increases, which matrixes were issued free of charge from 1987 when the LTFRB was created to year 2000 which was the last fare increase before the present LTFRE Chair assumed her position;

Whereas, the assessment and collection of fees for fare matrixes has no legal anchor since it is not pursuant to any law, Department Order of the DOTC or even a Memorandum Circular of the LTFRB;

Whereas, the LTFRB has likewise imposed illegal and arbitrary fines on supposedly erring bus operator allegedly operating outside their authorized routes as in the case of a bus firm that was fined P39.4 million for loading and unloading its passenger at the Makati City common terminal from 1995 to 2003, eight years prior to the incumbent LTFRB Chair's assumption of office;

Whereas, the LTFRB has announced that it is revoking the 12-year old "Flexibility Rule" on bus operations allowing operators latitude by shifting their franchised route to meet the demands and exigencies of fluctuating seasonal passenger volumes;

Whereas, without prior DOTC sanction as the policy-making body for transport services, the incumbent LTFRB Chair has verbally ruled that the deregulation of aircon bus fares, first imposed in 1986 and continuously maintained by the DOTC and LTFRB is no longer in effect, warning aircon bus operators that their franchises will be cancelled if they raise their fares without LTFRB approval;


Whereas, the implication of this verbal ruling of the incumbent LTFRB Chair is that with aircon fares not adjusted, this will even be lower than the fares for ordinary buses which the LTFRB increased by its Consolidated Decision dated May 25, 2004 increased jeepney and ordinary bus fares;

Whereas, the incumbent LTFRB Chair has announced that the "Modernization of Public Transport Service" banning the registration of more than 15-year old buses, first issued under DOTC Department Order No. 96-963 on July 31, 1996 but whose implementation has been deferred until the present, will now be implemented without a transition program;

Whereas, the announced implementation of the bus modernization program, without proper safeguards to insure adequacy of continued bus services in Metro Manila, will greatly prejudice daily commuters in the metropolis resulting in a transport crisis;

Whereas, the DOTC by not exercising its mandate of being policy-making body for land transport services and its administrative supervision and control over the LTFRB has fomented the irregularities and abuses committed by the LTFRB under its incumbent Chair to the great prejudice of transport operators in particular and the riding public in general.

Now therefore, be it resolved, as it is hereby resolved, That the appropriate Senate Committee look into, in aid of legislation, the administration by the Department of Transportation and Communication and regulation by the Land Transportation Franchising and Regulatory Board of the country's transportation industry.


AQUILINO Q. PIMENTEL, JR.