

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

7 DEC 11 2011

SENATE

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P.S. Res. No. 244

INTRODUCED BY THE HONORABLE MAR ROXAS

A RESOLUTION

DIRECTING THE COMMITTEE ON TRADE AND COMMERCE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STABILIZATION OF PRICES OF COMMODITIES IN RELATION TO HIGHER CONSUMER SPENDING DURING THE CHRISTMAS SEASON, THE PHILIPPINE PESO APPRECIATION VIS-À-VIS THE US DOLLAR, AND HIGHER OIL PRICES WITH THE END IN VIEW OF ENSURING CONSUMER PROTECTION AND INSTALLING SAFETY NETS IN THE MARKETING OF COMMODITIES.

WHEREAS, under Section 1, Article XIII of the 1987 Philippine Constitution, it is the duty of the Congress to “give highest priority to the enactment of measures that protect and enhance the right of all people to human dignity and reduce social and economic inequalities;”

WHEREAS, under Section 13, Article XII of the 1987 Philippine Constitution, the State “shall pursue a trade policy that serves the general welfare and utilizes all forms and arrangements of exchange on the basis of equality and reciprocity;”

WHEREAS, the diminishing capacity of the purchasing power of Filipino families inevitably has an impact in the control and stabilization of market prices of basic commodities with chicken already at Php120 per kilo, beef brisket at Php180 per kilo, pork liempo at Php140 per kilo, and *bangus* and *tilapia* at Php80 per kilo, all of which have increased by an average of Php10 compared to last year’s prices;

WHEREAS, an increase in consumer spending due to the holiday season is reasonably expected and will certainly exert inflationary pressures that would lead to a higher inflationary rate;

WHEREAS, by reason of the continuing depreciation of the US Dollar, coupled with the country’s macro-economic fundamentals resulting to a resilient economy, the high dollar remittances from Filipino Overseas Filipino Workers (OFW), and increased foreign direct investments and export receipts, the Philippine Peso has hit a seven-year high at Php41.658=US\$1 compared to its 2006 average of Php51=US\$1, even as newspaper reports and financial analysts predict that the exchange rate will further drop to as low as Php40=US\$1 by year’s end, with some speculating a Php25=US\$1 exchange rate;

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WHEREAS, the strengthening of the Philippine Peso has not necessarily resulted to an increase in the purchasing power of Filipinos in light of higher consumer spending during the Christmas season as prices of basic commodities have started to rise;

WHEREAS, the continuing rise in oil prices have only further weakened the purchasing power of Filipinos given the recent spate of price hikes brought about by the continuing rise of world crude oil and finished petroleum products prices, with Dubai crude already breaching US\$90 per barrel and both gasoline and diesel surpassing the US\$100 per barrel, which has resulted to an increase in the pump prices of petroleum products to roughly Php44.45 for gasoline, Php38.45 for diesel, Php39.99 for kerosene, and Php603 for Liquefied Petroleum Gas (LPG);

WHEREAS, there is an urgent and compelling need to ensure consumer protection and for the installation of safety nets in the marketing of commodities that would guarantee price stability in the market for both petroleum and non-petroleum products, all in keeping with the constitutional guarantee of economic equality and a trade policy that serves the general welfare;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the Senate direct the Committee on Trade and Commerce to conduct an inquiry, in aid of legislation, on the stabilization of prices of commodities in relation to higher consumer spending during the Christmas season, the Philippine Peso appreciation vis-à-vis the US Dollar, and higher oil prices with the end in view of ensuring consumer protection and installing safety nets in the marketing of commodities.

Adopted,


M A R Roxas
Senator