

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)



Senate
Office of the Secretary

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SENATE
P. S. R. No. 1094

RECEIVED BY: *ji*

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION ON THE REPORTED UNCONSCIONABLE COMMERCIAL PRACTICE OF OVERBOOKING FLIGHTS BY CEBU PACIFIC AIR DURING THE HOLIDAY SEASON AND ITS LACK OF PREPARATION IN ACCOMMODATING ITS CUSTOMERS THAT RESULTED IN THOUSANDS OF STRANDED PASSENGERS FROM 24 TO 26 DECEMBER 2014

WHEREAS, the Constitution, Article 2, Section 5 provides: "The maintenance of peace and order, the protection of life, liberty, and property, and promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy";

WHEREAS, Republic Act No. 7151, which grants a franchise to Cebu Pacific Air (Cebu Pacific), Section 3 provides: "Excepting cases of force majeure and whenever weather conditions permit, the grantee shall maintain scheduled and/or non-scheduled and/or charter air transport services between any and all points and places throughout the Philippines and other countries at such frequencies as traffic needs may require with Cebu as its base: provided, however, that at least twenty-five percent (25%) of all its frequencies shall be for the domestic market";

WHEREAS, various media reported that during the holiday season Cebu Pacific Air had cancelled and delayed flights resulting in thousands of stranded passengers;

WHEREAS, according to data submitted by Cebu Pacific to the government, the airline had 20 cancelled flights and 288 delayed flights at the Ninoy Aquino International Airport Terminal 3 from December 24 to 26;

WHEREAS, the cancellation and delay of flights were not due to force majeure or bad weather condition, but due to the lack of foresight and preparation by the airline company, and also allegedly due to a large number overbooked seating;

WHEREAS, according to various news reports, the airline company was also undermanned on December 26, resulting in passengers missing their flights and becoming stranded in the airport;

WHEREAS, due to the cancelled and delayed flights, thousands of passengers were stranded and unable to celebrate their holidays with their families;

WHEREAS, Department of Transportation and Communications (DOTC) Secretary Joseph Emilio Abaya reportedly said that Cebu Pacific will face sanctions, such as fines, suspension, and even franchise revocation from the Civil Aeronautics Board (CAB) after it was found responsible for delayed and cancelled flights during the height of the holiday rush;

WHEREAS, due to the incident, the DOTC is reportedly mulling about prohibiting airlines from overbooking their flights during peak travel seasons;

WHEREAS, it was reported that Cebu Pacific offered their stranded passengers a choice if they want to get a refund, rebook their flights, or put them in a travel fund for future bookings;


WHEREAS, where there is a need to balance corporate practice and public convenience, the latter should take precedence over the former;

WHEREAS, social media has been replete with complaints by dissatisfied passengers saying that a refund is not sufficient compensation for the inconvenience caused by Cebu Pacific's lack of preparedness and foresight;

WHEREAS, despite the sanctions imposed by the DOTC and the CAB, it is still imperative for the legislature to review the business practices of airline companies to prevent having thousands of passengers stranded during the holiday rush or peak seasons;

WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct the proper Senate committee to conduct an inquiry, in aid of legislation, on the reported unconscionable commercial practice of overbooking flights by Cebu Pacific Air during the holiday season and its lack of preparation in accommodating its customers that resulted in thousands of stranded passengers from 24 to 26 December 2014.

Adopted,


MIRIAM DEFENSOR SANTIAGO
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