


THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
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SENATE
P.S. Res. No. 510

RECEIVED BY: 

Introduced by Senator Juan M. Flavier

RESOLUTION

DIRECTING THE SENATE COMMITTEES ON TRADE AND COMMERCE AND ON URBAN PLANNING, HOUSING AND RESETTLEMENT TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE REPORTED OVERPRICING OF FACTORY PRICES OF CEMENT BY CEMENT MANUFACTURERS TO THE DETRIMENT OF THE CEMENT RETAILERS, THE CONSTRUCTION SECTOR, AND THE CONSUMING PUBLIC AS A WHOLE

WHEREAS, infrastructure construction such as the building of bridges, roads, irrigation facilities, ports, warehouses, etc., and the construction of residential houses and facilities, especially for the dominantly middle-class and economically disadvantaged Filipino populace, are essentials in a progressing economy;

WHEREAS, cement is an important ingredient in infrastructure and residential construction;

WHEREAS, reports and complaints from various sectors in society state that the price of a bag of cement coming out from factories is highly bloated, compared to the total cost of inputs cement factories actually spend for each bag of cement, resulting in financial difficulties among retailers and consumers in selling and procuring the necessary quantity of cement in their business and construction needs;

WHEREAS, this pricing system has resulted, among others, in weak sales of cement by retailers, scrimping on the necessary quantity of cement by construction entities in their infrastructure and residential works, minimal construction activities among infrastructure and residential builders alike, and the overall weakening of construction activities badly needed in a developing economy;

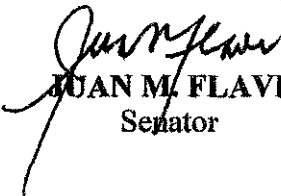
WHEREAS, this pricing system has placed the price of local cement way higher than prices of imported cement;

WHEREAS, to add problems to this pricing system, cement factories prefer to supply the foreign market rather than first satisfy the local needs at reasonable and affordable prices;

WHEREAS, there is a need to further look into this situation hoping to come up with remedial measures for the benefit of every sector in society and for the development of the country in general;

RESOLVED, as it is hereby resolved, to direct the Senate Committees on Trade and Commerce and on Urban Planning, Housing and Resettlement to conduct an inquiry, in aid of legislation, into the reported overpricing of factory prices of cement by cement manufacturers to the detriment of the cement retailers, the construction sector, and the consuming public as a whole.

Adopted,


JUAN M. FLAVIER
Senator 