

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

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SENATE

P.S. Res. No. 180

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 GOVERNMENT'S CONTINGENCY PLAN TO MITIGATE THE IMPACT OF FURTHER INCREASES IN THE COST OF PETROLEUM IN THE WORLD MARKET, ON PRICES OF BASIC GOODS AND PUBLIC TRANSPORTATION, AND FOR OTHER PURPOSES

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, it could be gleaned from the above that the policy and task of the State is to ensure market stability of basic commodities, to strengthen every Filipino's purchasing power and to protect them from unbearable price spikes and unjust trading practices;

WHEREAS, on 20 October 2007, pump prices of petroleum products have increased to roughly Php42.45 for gasoline, Php36.95 for diesel, Php37.99 for kerosene, and Php529.14 for Liquefied Petroleum gas (LPG);

WHEREAS, the prices of the same petroleum products this month has become higher than the prices in end-October of 2006 by 11% for gasoline, 9.4% for diesel, 6.2% for kerosene, and 1.25% for LPG;

WHEREAS, this latest round of increases is already the 14th this year for gasoline, 11th for diesel and kerosene, and 13th for LPG, with a net price increase of Php5.20/liter for gasoline, Php3.70/liter for diesel, Php3.20/liter for kerosene, and Php3.30/liter of LPG;

WHEREAS, this recent spate of price hikes was brought about by the continuing rise of world crude oil and finished petroleum products prices, with crude oil prices hitting a record high of US\$90 per barrel (US\$78.81 per barrel of Dubai crude), and international contract prices of LPG going up to US\$652.50 per metric ton this month;

WHEREAS, petroleum products are widely used in, and very essential to, almost every facet of human activity in the Philippines, hence, increases in petroleum prices have far-reaching and resonating effects across the economy, which consequently translate into increases in the prices of basic commodities and public transportation;

WHEREAS, the continuing, and seemingly endless, increase in the prices of petroleum products are likely to have adverse effects on the stability of market prices as basic commodities become unaffordable, with the net effect of constricting the consuming power of Filipinos and upsetting the country's present economic gains;

WHEREAS, the Senate, on behalf of the people, has a duty to inquire into contingency plans of government, if any, to mitigate negative effects of higher costs of petroleum products on the household budgets and incomes of ordinary citizens, especially the poor;

WHEREAS, there is a compelling need to be prepared for external shocks to the economy caused by spiraling prices of crude oil in the world market and further weakening of the US dollar considering the country's dependency on oil for its energy, fuel, and household needs;

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 government's contingency plans to mitigate the impact of further increases in the cost of petroleum in the world market, on prices of basic goods and public transportation, and for other purposes.

Adopted,


M A R Roxas
Senator "