

Republic of the Philippines
City of Davao
OFFICE OF THE CITY COUNCIL

RESOLUTION NO. _____
Series of 2008

A RESOLUTION REQUESTING THE CONGRESS OF THE PHILIPPINES TO CONSIDER THE ABOLITION OF THE OIL DEREGULATION LAW FOR IT HAS NOT SERVED THE PURPOSE FOR WHICH IT WAS ENACTED AND HAS ONLY SERVED THE BIG OIL PLAYERS' MONOPOLY AND MANIPULATION OF OIL PRICE AND SUPPLY IN THE COUNTRY

WHEREAS, the Oil Deregulation Law has been around for about a decade, yet everyone knows that it has not achieved the purpose for which it was enacted;

WHEREAS, When removal of government control on gasoline, diesel fuel and other petroleum products was under consideration in Congress in the late 1990s, the nationwide sentiments at that time was for more industry players to come in under a climate of free enterprise in the oil industry;

WHEREAS, the rule of thumb in free enterprise is that more players in a particular industry the greater is the competition which usually results in the lowering of price;

WHEREAS, at that time, the oil industry in the Philippines was controlled by the big three – Petron, Shell and Caltex – which operated like a cartel;

WHEREAS, as expected more players came in following the passage of the Oil Deregulation Law but instead of pulling the price of gasoline and related products down, the reverse was experienced by all – the price went up, up, up . . . and away;

WHEREAS admittedly the major cause of price of gasoline from 7 pesos per liter in 1996 to 50 pesos a liter at present has been the soaring cost of crude oil in the world market;

WHEREAS, even so, the common belief is that oil price increase can be put to the minimum under a regulated climate;

WHEREAS, the cry of the hour everywhere in the country is the abolition of the Oil Deregulation Law for it has only served the pockets of the big oil players' monopoly and manipulation of oil price and supply in the country;

THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED that this Body request the Congress of the Philippines to consider the abolition of the Oil Deregulation Law for it has not served the purpose for which it was enacted and has only served the big oil players' monopoly and manipulation of oil price and supply in the country;

RESOLVED FURTHER, that copies of this resolution be furnished the Speaker of the House of Representatives, Congressman Prospero Nograles and the two other Congressmen of Davao City, Congressman Vincent Garcia and Congressman Isidro Ungab for their information.

PILAR C. BRAGA, PhD
Proponent