

Title: People of the Philippine Islands vs. Teofilo Gabriel

Facts: The city of Manila enacted Ordinance No. 938 under Section 749, revising the permissible use of bells, criers, or other attention-grabbing methods at auctions to specified hours and locations. Specifically, the ordinance restricted the use of bells, criers, megaphones, magnavox, or other means to attract bidders within certain streets and plazas of Manila, including Calles Escolta, Rosario, Echague, Plaza Santa Cruz, and Plaza Goiti, with the aim of regulating noise and maintaining public order. Teofilo Gabriel violated this ordinance by employing an auction crier in a prohibited area (Rosario Street) and time, as witnessed by a policeman. Initially, the Municipal Court found Gabriel guilty, imposing a fine of P10 and costs. Gabriel appealed to the Court of First Instance, which affirmed the Municipal Court's decision. Unsatisfied, Gabriel further appealed to the Supreme Court, challenging the ordinance's validity and the sentence passed.

Procedural Posture: After the Municipal Court's decision was upheld by the Court of First Instance, Gabriel took his case to the Supreme Court, arguing the ordinance was unconstitutional and discriminatory, and challenging his conviction and the penalty imposed.

Issues:

1. Whether the ordinance discriminates against certain businesses or areas within the city limits.
2. Whether the city council of Manila has the authority under its police power to regulate and control public auctions, including restricting methods of attracting bidders.

Court's Decision:

The Supreme Court affirmed the lower court's decision, emphasizing that:

1. The ordinance does not discriminate as it applies uniformly to all individuals and businesses operating within the specified streets and plazas. As such, there is no violation of equality under the law.
2. The City Council of Manila possesses the authority under its police power to enact regulations concerning the conduct of business within its boundaries, including the conduct of auctions. The ordinance was considered a valid exercise of this power.

Doctrine:

This case affirms the doctrine that local government units (LGUs), under their police power, are entitled to enact ordinances aimed at regulating businesses within their jurisdiction to

maintain public order and welfare, provided these ordinances apply uniformly to all affected and do not discriminate unjustly among individuals or businesses.

Class Notes:

- Police Power: The inherent authority of a state or its subdivisions to enact laws and regulations to promote public health, safety, morals, and general welfare.
- Non-discrimination Principle: Laws and regulations must apply uniformly and not unfairly discriminate against or favor particular individuals or groups.
- LGU Authority: Local Government Units (LGUs) have the authority to enact ordinances for regulating local affairs and businesses, in accordance with national laws and subject to the principles of non-discrimination and proportionality.

Historical Background:

The regulatory ordinance in question reflects an era in which the Philippine government was actively involved in structuring urban environments to address nuisances and maintain order in busy commercial areas. This case serves as a demonstration of the government's broad police powers to regulate commerce and business practices for the public good, balancing individual commercial freedoms with the need to manage public spaces effectively.