

Title

Seng Kee & Co. vs. Tomas Earnshaw, Mayor of the City of Manila, and C. E. Piatt, Chief of Police of Said City

Facts

Seng Kee & Co., a general commercial partnership, established a toyo (soy sauce) factory in Manila in 1920 with an initial capital of P6,000, which later grew to P100,000. The factory thrived under then-current ordinances. However, Manila's Revised Ordinances Nos. 120, 121, and 122 divided the city into zones and declared certain industries, including toyo making, as noxious, limiting them to industrial zones. By 1925, toyo manufacturing was officially deemed a noxious industry through Ordinance No. 1287, later incorporated into the Revised Ordinances Nos. 1067 and 1068. After a 4-year grace period, Seng Kee was denied a license to continue operations in its current location and faced charges for violating municipal ordinances. Seng Kee challenged these ordinances' validity and constitutionality, leading to a lawsuit that was dismissed by the Court of First Instance of Manila. Seng Kee then appealed to the Supreme Court.

Issues

1. Whether the City of Manila exceeded its authority by enacting the contested zoning and business operation ordinances.
2. Whether these ordinances are unconstitutional as they allegedly deprive property owners of just compensation.
3. Whether the categorization of toyo manufacturing as a noxious trade is arbitrary and unsupported by evidence.

Court's Decision

The Supreme Court affirmed the trial court's judgment, holding that the City of Manila acted within its powers granted by the Administrative Code when it enacted zoning ordinances to segregate residential and industrial areas and regulated noxious trades. The court determined these actions did not constitute an unconstitutional taking of property without just compensation, as the ordinances did not strip property owners of ownership or possession but merely restricted certain uses in specific zones for public welfare. The classifications of trades and the delegation of regulatory authority to the city by legislative enactments were upheld as valid exercises of police power for public health and safety, dismissing Seng Kee's appeal with costs.

Doctrine

This case reiterates the doctrine that municipal corporations, under their police power delegated by the legislature, can enact zoning ordinances and regulate trades and industries within their jurisdiction to promote public health, safety, and welfare, without such actions being deemed an unconstitutional deprivation of property without just compensation.

Class Notes

- **Police Power**: The inherent authority of the state to regulate and restrict property use for public welfare, health, and safety.
- **Zoning Ordinances**: Laws defining how certain lands and properties within a municipality can be used, designating zones for residential, industrial, etc., purposes.
- **Constitutional Law**: Even under the protection of property rights, the state can enact regulations affecting these rights if it benefits the public interest.
- **Relevant Statutes**: Sections 1019 and 1020 of the Administrative Code granting Manila authority to enact health and zoning ordinances.

Historical Background

Seng Kee & Co. vs. Tomas Earnshaw occurs within the context of early 20th century Philippine urban development, showcasing tensions between property rights and communal health needs. As Manila faced industrial growth, the necessity for zoning to protect residential areas from industrial pollutants became apparent, demonstrating an evolving approach to urban planning and public health in the Philippines.