

Title: The People of the Philippines vs. Remigio B. Chan

Facts: Remigio B. Chan, the manager of Capitol Theatre, a first-run cinematograph in Manila, was charged in a municipal court with violating a municipal ordinance by selling tickets beyond the theatre's seating capacity. He was sentenced to pay a fine. Chan appealed this decision to the Court of First Instance of Manila, asserting that the ordinance in question was unconstitutional because it was discriminatory, only applying to first-run cinemas. This appeal was grounded on the principle that there is no reasonable or natural basis for imposing a restriction solely on first-run theatres while exempting others. The municipal ordinance (No. 2347) in dispute, approved on April 17, 1935, required first-run theatres to register their seating capacity and prohibited the sale of tickets exceeding that capacity. This ordinance followed another ordinance (No. 2188) that categorized cinemas into three classes based on location and the novelty of the movies they showed. The appellate court dismissed the charge against Chan by accepting the demurrer, considering the ordinance unconstitutional for being discriminatory. The fiscal then appealed this decision to the Supreme Court.

Issues:

1. Whether the municipal ordinance prohibiting first-run cinematographs from selling tickets in excess of their seating capacity is discriminatory and thus unconstitutional.
2. If classification based on substantial distinctions in legislation is permissible without being considered discriminatory.

Court's Decision: The Supreme Court reversed the appellate court's order, holding that the ordinance was not discriminatory and was a constitutional exercise of the city's police power. The Court argued that a reasonable basis for differentiation exists between first-run cinemas and others due to the former's propensity to attract larger audiences and the increased risk of overcrowding. The Court emphasized the principles of lawful classification in legislation, which must be based on substantial distinctions relevant to the law's purpose, should apply to all members of the classified group, and is not limited to existing conditions. By these standards, the ordinance was deemed reasonable and not arbitrary.

Doctrine: The decision reiterates the doctrine that not all classifications in legislation amount to discrimination, provided the classification is reasonable, serves a legitimate governmental objective, and applies equally to all members of the defined class.

Class Notes:

- Legal Principle: Equal Protection Clause allows for classification in legislation if it meets the following criteria: rests on substantial distinctions; is germane to the purposes of the law; is not limited to existing conditions only; and applies equally to all members of the class.
- Key Concept: Police power of a local government unit to regulate for the public welfare, including managing cinema ticket sales to prevent overcrowding, is valid if exercised within constitutional bounds.
- Citation: "Class legislation discriminating against some and favoring others is prohibited. But classification on a reasonable basis, and not made arbitrarily or capriciously, is permitted." - Philippine Constitutional Law, 2nd ed., Malcolm, p. 343.

Historical Background: The case highlights the exercise of municipal police powers in early 20th century Manila, aiming to address urban concerns such as overcrowding in cinemas. It also illustrates the judicial scrutiny applied to local ordinances to ensure they comply with constitutional mandates, including the equal protection clause. This decision occurs within a broader context of evolving jurisprudence around issues of public welfare regulation and the limits of local authority.