

**\*\*Title:\*\***

Jelbert B. Galicto vs. President Benigno Simeon C. Aquino III

**\*\*Facts:\*\***

1. **\*\*State of the Nation Address (July 26, 2010)\*\***

- President Benigno Simeon C. Aquino III exposed excessive allowances, bonuses, and other benefits of officers of certain Government-Owned and Controlled Corporations (GOCCs), particularly mentioning the Manila Waterworks and Sewerage System (MWSS), which was struggling financially.

2. **\*\*Senate Inquiry and Resolution (Post-July 26, 2010)\*\***

- Following the revelations, the Senate, through the Committee on Government Corporations and Public Enterprises, conducted an inquiry which concluded that several GOCCs and Government Financial Institutions (GFIs) were engaging in abusive practices concerning compensation.

- The Senate issued Resolution No. 17 urging the President to suspend such excessive compensation practices.

3. **\*\*Issuance of Executive Order No. 7 (September 8, 2010)\*\***

- In response to the Senate Resolution, President Aquino issued EO 7 to rationalize the compensation system in GOCCs and GFIs.

- EO 7 imposed a moratorium on salary and compensation increases and suspended all bonuses and allowances of board members until December 31, 2010.

4. **\*\*Action by Jelbert B. Galicto\*\***

- Jelbert B. Galicto, a Court Attorney IV at PhilHealth, filed a Petition for Certiorari and Prohibition with an Application for Writ of Preliminary Injunction and/or Temporary Restraining Order, claiming that EO 7 exceeds presidential powers and is unconstitutional.

- The petition argued that EO 7 violated existing laws that allowed GOCCs to set their own compensation and asserted that it lacked legal basis and due standards.

5. **\*\*Procedural Background\*\***

- The petition was filed directly with the Supreme Court.

- Respondents (President Aquino, Executive Secretary Ochoa, and DBM Secretary Abad) argued that Galicto failed to meet procedural requirements, lacked standing, and that the proper remedy was declaratory relief, not certiorari.

- The case was affected by supervening events, particularly the enactment of Republic Act (RA) No. 10149, which authorized the President to fix the compensation framework for GOCCs and GFIs, rendering the petition moot.

**\*\*Issues:\*\***

1. Whether certiorari and prohibition are the proper remedies to challenge the issuance of EO 7.
2. Whether petitioner Galicto has the legal standing to file the petition.
3. Whether EO 7 violates the Constitution by exceeding the President's power and infringing on legislative prerogative.
4. Whether EO 7 is void for lack of legal basis and sufficient standards.

**\*\*Court's Decision:\*\***

1. **\*\*Proper Remedy:\*\***

- The Court ruled that certiorari and prohibition are not the correct remedies since EO 7 is neither a judicial nor a quasi-judicial act. The appropriate remedy should be a petition for declaratory relief under Rule 63.

2. **\*\*Locus Standi:\*\***

- Galicto was found to lack legal standing as his claims regarding future salary increases were deemed speculative and not a direct personal injury. The Court stated that mere expectations do not equate to a vested right.

3. **\*\*Mootness:\*\***

- The petition was rendered moot by the subsequent passage of RA 10149, which authorized the President to establish compensation frameworks for GOCCs, effectively addressing the issues raised against EO 7.

4. **\*\*Formal and Procedural Defects:\*\***

- The Court also identified several procedural defects in the petition, such as the absence of a board resolution authorizing Galicto to act on behalf of PhilHealth, and deficiencies in the petition's jurat and compliance with procedural rules.

**\*\*Doctrine:\*\***

- Certiorari and prohibition are improper remedies against administrative acts where declaratory relief should be sought.

- Locus standi requires a direct and substantial personal interest, not based on speculative or contingent events.
- The enactment of a subsequent law that addresses the issues in controversy renders the case moot.
- Procedural defects can impede the acceptance and consideration of a petition.

**\*\*Class Notes:\*\***

- **\*\*Legal Standing (Locus Standi):\*\*** Petitioner must show a direct personal injury or interest in the resolution of a legal issue.
- **\*\*Mootness Doctrine:\*\*** A case becomes moot when supervening events remove the practical controversy.
- **\*\*Appropriate Remedies:\*\*** Certiorari and prohibition are used for judicial or quasi-judicial functions; declaratory relief is appropriate for administrative acts.
- **\*\*Procedural Compliance:\*\*** Proper procedural steps and documentation are crucial for the acceptance of petitions.

**\*\*Historical Background:\*\***

- This case occurred within the period of governance reform in the Philippines, aiming to curb bureaucratic excesses and promote transparency and fiscal responsibility in GOCCs. It highlights the President's efforts to assert control and rectify financial misconduct within public corporations following public exposure of fiscal mismanagement. The enactment of RA 10149 was a significant legislative move to enhance the oversight and governance of GOCCs, underscoring shifting priorities towards greater accountability in public office.