

TAN TIONG ENG ALIAS KUONG LEONG, ET AL., PLAINTIFFS AND APPELLANTS, VS. THE HON. CITY MAYOR, PASAY CITY, ET AL., DEFENDANTS-APPELLEES.

G.R. No. 20209, May 19, 1966

Ponente: BENGZON, C.J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-20209/>

BENGZON, C.J.:

The appellants seek to reverse the decision of Hon. Emilio Rilloraza, Judge of the Rizal Court of First Instance, dismissing their amended complaint in which they prayed for an order requiring defendants to allow them to work as laborers in the Pasay City Market. They alleged that

- (a) they were Chinese citizens honorably discharged veterans of World War II;
- (b) they were laborers in the public market of Pasay;
- (c) defendants ordered them to stop working there banning May 1962, because of Republic Act No. 37 and the Department of Finance Circular No. 32;
- (d) this Act and Circular are inapplicable to them; and
- (e) anyway, both violate their constitutional rights, and are void.

The defendants, who are officers of the City of Pasay cited in addition to the above-mentioned legal provisions, the Municipal Ordinance No. 33, series of 1948, which partly provides:

"Section 23, Lessee to personally administer his stall. Any person who had been awarded the light to lease a market stall in accordance with the provisions hereof shall occupy, administer and be present personally at this stall or stalls, booth or booths; Provided, That upon application filed with and duly approved by the City Treasurer, any stallholder leasing stalls under this Ordinance may be authorized to employ helpers; Provided, however. That the granting of authority to employ not more than two (.2) helpers for every stallholder shall be subject to the express condition that the helpers shall be citizens of the Philippines or of the United States." (Italics ours.)

Both sides agreed that a decision be rendered on the pleadings, and Judge Demetrio Encarnacion rendered judgment for plaintiffs.

However, defendants requested for a new trial and or reconsideration. And then thirty-two Filipino stallholders of Pasay market moved to intervene, in an effort to bolster the stand of the city officials. And asserting that they "had reasons to believe that the plaintiffs in this case (Chinese) are, in truth, not helpers but capitalists of the Filipino stallholders employing them", they—the intervenors—seconded the petition for new trial.

In due course, the motions to reconsider and to intervene were granted. Thereafter, Judge Rilloraza denied the petition, intimating that these Chinese instead of being mere laborers in the stalls, were Chinese capitalists employing Filipinos who posed as stallholders, and upholding the validity of the law and rules under which the

defendant city officials had allegedly acted.

The plaintiffs brought the matter to the Court of Appeals, but that Court, by resolution, forwarded the record to Us because,

"Appellants, assign four errors allegedly committed by the lower court but they may be boiled down to the sole question of whether Section 23 of said Ordinance No. 33 of the Municipal Board of Pasay is legal or not. The Section reads in part:

(already copied here before)

Appellants contend that this Section of the Ordinance is unconstitutional and therefore null and void (1) because it is discriminatory against the aliens concerned who would be deprived of their opportunity to earn a livelihood and violates the constitutional guarantees against denial to any person of the equal protection, of the law and deprivation of life, liberty and property without due process of law; and (2) because it was beyond the power of the Municipal Board of Pasay City to enact the ordinance in so far as it prohibits aliens to work as helpers of public market stallholders."

Republic Act No. 37 decreed that citizens of the Philippines shall have preference in the lease of public market-stalls. There is now no question about the validity of this law (Co Chiong vs. Cuaderno, 83 Phil., 242; 46 Off. Gaz. 4833; Desalgado vs. Fuente, 48 Off. Gaz. 94.) Its policy is to nationalize public markets and to restrict the intervention of aliens therein. Having this in mind, and the lower court's finding that petitioners herein, while claiming to be mere helpers or salesmen of Filipino stallholders in the Pasay market "in truth and in fact, are the capitalists of those Filipino stallholders" [p. 72, Record on Appeal] [1], it is our impression at a glance that said court made no mistake in refusing to interfere with the city officials' stand, which precisely aligned with the policies of Republic Act No. 37 [2]. Plaintiffs through the injunction, would be "enjoying" the "preference" for Filipino stallholders notwithstanding their condition of aliens. Hence the protest of the intervenors.

Indeed, after the passage of Republic Act No. 1180 in June 1954, nationalizing retail trade in the Philippines, and reserving to Filipino citizens the right to engage therein [3]—market stallholders are usually retailers—herein Chinese petitioners may no longer claim the right to operate market-stalls in the Pasay market in the guise of laborers or salesmen therein.[4]

Wherefore, the judgment will be affirmed, and the writ of preliminary injunction heretofore issued (by the Court of Appeals) is hereby dissolved. Costs against plaintiffs.

Bautista Angelo, Concepcion, Reyes, J.B.L., Barrera, Dizon, Regala, Makalintal, Bengzon, J.P., Zaldivar and Sanchez, JJ., concur.

Judgment affirmed.

[1] The petitioners made no attempt to dispute this factual finding. They chose to concentrate their arguments on the allegedly oppressive and discriminatory character of the Pasay ordinance.

[2] And impeded violations of the Anti-Dummy Law (Republic Act 134).

[3] This law is constitutional and valid. (Chiong vs. Hernandez, 101 Phil., 1155; People vs. Yu Bao, 55 Off. Gaz., 3298.)

[4] They may not claim the privilege reserved for those "actually engaged" in retail trade in May 1954 (sec. 1, Republic Act No. 1180) because they asserted they were mere "laborers".

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.