

## THE GOVERNMENT OF THE PHILIPPINE ISLANDS, PETITIONER, VS. THE MANILA RAILROAD COMPANY AND JOSE PAEZ, AS MANAGER OF SAID COMPANY, RESPONDENTS.

*G.R. No. 30646. January 30, 1929*

Ponente: JOHNSON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-30646/>

---

### JOHNSON, J.:

This is a petition in the Supreme Court for the extraordinary legal writ of mandamus presented by the Government of the Philippine Islands, praying that the writ be issued to compel the Manila Railroad Company and Jose Paez, as its manager, to provide and equip the telegraph poles of said company between the municipality of Paniqui, Province of Tarlac, and the municipality of San Fernando, Province of La Union, with crosspieces for six telegraph wires belonging to the Government, which, it is alleged, are necessary for public service between said municipalities.

The only question raised by the petition is whether the defendant company is required to provide and equip its telegraph poles with crosspieces sufficient to carry six telegraph wires of the Government, or whether it is only required to furnish poles with crosspieces sufficient to carry four wires only.

It is admitted that the present poles and crosspieces between said municipalities are sufficient to carry four telegraph wires and that they do now carry four telegraph wires, by virtue of an agreement between the respondents and the Bureau of Posts of the Philippine Government. It is admitted that the poles and crosspieces now existing between said municipalities are not sufficient to carry six telegraph wires.

The petitioner relies upon the provisions of section 84 of Act No. 1459. Act No. 1459 is the general Corporation Law and was adopted by the United States Philippine Commission on March 1, 1906. (Vol. 5, Pub. Laws, pp. 224-268.) Section 84 of said Act provides:

"The railroad corporation shall establish along the whole length of the road a telegraph line for the use of the railroad. The posts of this line may be used for Government wires and shall be of sufficient length and strength and equipped with sufficient crosspieces to carry the number of wires which the Government may consider necessary for the public service. The establishment, protection, and maintenance of the wires and stations necessary for the public service shall be at the cost of the Government." (Vol. 5, P. L., p. 247.)

The plaintiff contends that under said section 84 the defendant company is required to erect and maintain posts for its telegraph wires, of sufficient length and strength, and equipped with sufficient crosspieces to carry the number of wires which the Government may consider necessary for the public service, and that six wires are now necessary for the public service.

The respondents answered by a general and special defense. In their special defense they contend that section 84 of Act No. 1459 has been repealed by section 1, paragraph 8 of Act No. 1510 of the United States Philippine

Commission (vol. 5, P. L., pp. 350-358), and that under the provisions of said Act No. 1510 the Government is entitled to place on the poles of the company<sup>1</sup> four wires only. Act No. 1510 is the charter of the Manila Railroad Company. It was adopted by the United States Philippine Commission on July 7, 1906. Section 1, paragraph 8, of said Act No. 1510 provides:

"8. The grantee (the Manila Railroad Company) shall have the right to construct and operate telegraph, telephone, and electrical transmission lines over said railways for the use of the railways and their business, and also, with the approval of the Secretary of War, for public service and commercial purposes, but these latter privileges shall be subject to the following provisions:

"In the construction of telegraph or telephone lines along the right of way the grantee (the Manila Railroad Company) shall erect and maintain poles with sufficient space thereon to permit the Philippine Government, at the expense of said Government, to place, operate, and maintain four wires for telegraph, telephone, and electrical transmission for any Government purpose between the termini of the lines of railways main or branch; and the Philippine Government reserves to itself the right to construct, maintain, and operate telegraph, telephone, or electrical transmission lines over the right of way of said railways for commercial, military, or governmental purposes, without unreasonably interfering with the construction, maintenance, and operation by the grantee of its railways, telegraph, telephone, and electrical transmission lines."

To answer the question above stated, it becomes necessary to determine whether section 84 of Act No. 1459 is applicable to the Manila Railroad Company, or whether the Manila Railroad Company is governed by section 1, paragraph 8, of Act No. 1510. As has been said, Act No. 1459 is a general law applicable to corporations generally, while Act No. 1510 is the charter of the Manila Railroad Company and constitutes a contract between it and the Government.

Inasmuch as Act No. 1510 is the charter of the Manila Railroad Company and constitutes a contract between it and the Government, it would seem that the company is governed by its contract and not by the provisions of any general law upon questions covered by said contract. From a reading of the said charter or contract it will be seen that there is no indication that the Government intended to impose upon said company any other conditions or obligations not expressly found in said charter or contract. If that is true, then certainly the Government cannot impose upon said company any conditions or obligations found in any general law, which does not expressly modify said contract.

Section 84 of the Corporation Law (Act No. 1459) was intended to apply to all railways in the Philippine Islands which did not have a special charter contract. Act No. 1510 applies only to the Manila Railroad Company, one of the respondents, and being a special charter of said company, its adoption had the effect of superseding the provisions of the general Corporation Law which are applicable to railroads in general. The special charter (Act No. 1510) had the effect of superseding the general Corporation Law upon all matters covered by said special charter. Said Act, inasmuch as it contained a special provision relating to the erection of telegraph and telephone poles, and the number of wires which the Government might place thereon, superseded the general law upon that question.

Act No. 1510 is a special charter of the respondent company. It constitutes a contract between the respondent company and the state; and the state and the grantee of a charter are equally bound by its provisions. For the state to impose an obligation or a duty upon the respondent company, which is not expressly provided for in the charter (Act No. 1510), would amount to a violation of said contract between the state and the respondent company. The provisions of Act No. 1459 relating to the number of wires which the Government may place upon the poles of the company are different and more onerous than the provisions of the charter upon the same question. Therefore, to allow the plaintiff to require of the respondent company a compliance with said section 84 of Act No. 1459,

would be to require of the respondent company the performance of an obligation which is not imposed upon it by its charter. The charter of a corporation is a contract between three parties: (a) It is a contract between the state and the corporation to which the charter is granted; (b) it is a contract between the stockholders and the state and (c) it is also a contract between the corporation and its stock holders. (Cook on Corporations, vol. 2, sec. 494 and cases cited.)

The question is not whether Act No. 1510 repealed Act No. 1459; but, whether, after the adoption of Act No. 1510, the respondents are obliged to comply with the special provision above mentioned, contained in Act No. 1459. We must answer that question in the negative. Both laws are still in force, unless otherwise repealed. Act No. 1510 is applicable to respondents upon the question before us, while Act No. 1459 is not applicable.

The petitioner, in view of all the foregoing facts and the law applicable thereto, has not shown itself entitled to the remedy prayed for. The prayer of the petition must, therefore, be denied. And without any finding as to costs, it is so ordered.

Street, Malcolm, Villamor, Ostrand, Johns, Romualdez, and Villa-Real, JJ., concur.

**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.