

MANILA ELECTRIC COMPANY, APPLICANT AND APPELLEE, VS. PASAY TRANSPORTATION CO., INC., OPPOSITOR AND APPELLANT.

G.R. No. 45239. July 28, 1938

Ponente: ABAD SANTOS, J.

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ABAD SANTOS, J.:

Appellee is a common carrier which operates a street railway line between the City of Manila and the town of Pasig, Province of Rizal. It applied to the Public Service Commission for authority to operate a shuttle bus service to connect two points on said railway line. The route of the proposed bus service was to pass through certain streets in the municipality of San Pedro Macati, Province of Rizal.

Appellant, another common carrier, opposed the application on the ground that the operation of the proposed shuttle bus service was unnecessary; that it would result in a ruinous competition with the business of the appellant; and that the appellant was ready and willing to put up the same service should the commission find that the public convenience and necessity demanded it.

After proper hearing, the commission rendered a decision granting the application. Against this decision the present appeal was interposed.

Counsel for the appellant have raised several points to justify a reversal of the decision in question. As the jurisdiction of the commission to pass upon the application is not, however, in question, our power over the decision is by law limited to the inquiry of whether or not it is reasonably supported by the evidence.

The commission found that the operation of a shuttle bus service by the appellee would serve the convenience of its patrons who live along the route of the proposed bus service and who would have to walk from their homes to the appellee's railway stations, if the service were not established. We are satisfied that this finding of the commission is reasonably supported by the evidence. The number of persons to be benefited by the proposed service was immaterial. The important consideration was whether it would promote the public convenience, and that is what, we believe, motivated the decision of the commission.

The contention that the operation of the proposed bus service would result in a ruinous competition with the appellant's business is not justified by the evidence. While it is true that a certain small portion of the autobus lines operated by the appellant was to be affected by the proposed service, there is absolutely no showing that the appellant would be deprived of fair profits on the capital invested in its business. The mere possibility of reduction in the earnings of a business is not sufficient to prove ruinous competition. It must be shown that the business would not have sufficient grains to pay a fair rate of interest on its capital investment.

The fact that a portion of the proposed route of the shuttle bus service runs over a private road did not deprive the commission of its authority to pass upon the appellee's application. The commission acted within its authority in granting the application with the understanding that the applicant would secure the consent of the owners for the use of the road.

The decision appealed from is affirmed, with costs against the appellant. So ordered.

Avanceña, C. J., Villa-Real, Imperial, Diaz, Laurel, and Concepcion, JJ., concur.

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