

**CITIZENS’ ALLIANCE FOR CONSUMER PROTECTION,
PETITIONER, VS. ENERGY REGULATORY BOARD, CALTEX
PHILIPPINES, INC., PILIPINAS SHELL PETROLEUM CORPORATION,
AND PETROPHIL CORPORATION, ...**

G.R. Nos. 78888-90. June 23, 1988

Ponente: FELICIANO, J.

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FELICIANO, J.:

A. ERB Cases Nos. 87-01, 87-02 and 87-03

On 19 June 1987, private respondent Caltex Philippines, Inc. filed with the public respondent Energy Regulatory Board (ERB) an Application[1] (ERB Case No. 87-01) formally seeking a provisional increase in the prices of its petroleum products. Similar applications for provisional price increases were submitted on 22 June 1987 by private respondents Petrophil Corporation[2](ERB Case No. 87-02) and Pilipinas Shell Petroleum Corporation[3] (ERB Case No. 87-03).

In an Order[4] dated 22 June 1987, public respondent Board scheduled ERB Cases Nos. 87-01, 87-02 and 87-03 for hearing on 1 and 2 July 1987. The three (3) oil companies-applicants were directed accordingly to publish, at their own expense, a Notice of Public Hearing[5] at least twice in two (2) newspapers of general circulation, the last date of publication to be at least five (5) days before the date of initial hearing, i.e., 1 July 1987.

At the hearing on 1 July 1987, parties-oppositors in the aforementioned cases, among them petitioners Citizens' Alliance for Consumer Protection (CACP) and Kilusang Mayo Uno Labor Center (KMU), moved that they be given an additional thirty (30) days within which to submit formal oppositions/answers to the disputed applications. This motion was partially granted by public respondent Board, which gave all oppositors until[6] July 1987 to submit their written oppositions. In the same Order, 6 public respondent Board reset the hearing scheduled for the following day to 6 July 1987 after having denied oppositors' motions requesting that the cases be heard at a later date.

B. G.R. Nos. 78888-90

On 6 July 1987, petitioner CACP filed with this Court a Petition for Certiorari with Preliminary Injunction and/or Restraining Order (G.R. Nos. 78888-90) seeking to enjoin public respondent Board from hearing ERB Cases Nos. 87-01, 87-02 and 87-03, primarily on the ground of denial of due process. In this respect, petitioner CACP alleged that oppositors in the three (3) ERB cases had not been promptly served with copies of the applications for price increases filed by the private respondent oil companies; that oppositors had not been afforded sufficient time to submit their respective oppositions/answers; that public respondent Board "acted arbitrarily, whimsically and despotically in refusing petitioner's repeated requests for deferment" of the hearing scheduled on 6 July 1987; and that public respondent Board had been "acting with indecent haste" on matters regarding the disputed applications. Further, petitioner CACP contended that public respondent Board "[was] not a free, disinterested and

impartial tribunal and [was] therefore legally incompetent to hear the applications of the respondent Oil Companies." In a Supplemental Petition[7] filed two days later, petitioner CACP additionally alleged that public respondent Board, in violation of its own rules of procedure, failed to conduct a pre-hearing conference before proceeding formally to hear ERB Cases Nos. 87-01, 87-02 and 87-03; and that said agency was "continuing with its unlawful haste" in its handling of said cases.

On 9 July 1987, we issued the following resolution[8] in G.R. Nos. 78888-09:

"Acting on the special civil action for certiorari with writ of preliminary injunction and/or temporary restraining order as well as the supplemental petition thereto, the Court Resolved, with out giving due course to the petition, to require the respondents to COMMENT thereon within a NON-EXTENDIBLE period often (10) days from notice".

The Court further Resolved to ENJOIN the respondent Energy Regulatory Board to give full opportunity to the petitioner to substantiate its opposition to the increase of petroleum prices before finally acting on the applications of the respondent oil companies to increase the prices of their petroleum products." (Italics supplied)

Comments on CACPs Petition for Certiorari were filed by the three (3) private respondents and public respondent Board. Petitioner CACP in turn filed a Consolidated Reply to the respondents' comments.

C. ERB Order of 14 August 1987

More than a month later, on 14 August 1987, public respondent Board issued an Order[9] in ERB Cases Nos. 87-01, 87-02 and 87-03 the dispositive portion of which reads in part:

"WHEREFORE, the herein applicants are hereby directed to REDUCE their netback by POINT FIVE (P.005) CENTAVOS average per liter, and authorized to provisionally INCREASE the wholesale posted prices of their petroleum products by an average of FORTY-EIGHT POINT SEVEN (P0.487) CENTAVOS per liter, plus THIRTY-ONE POINT ONE (P.311) CENTAVOS per liter which applicants are hereby directed to pay to the OPSF. To this total amount of SEVENTY-NINE POINT THREE (P0.793) CENTAVOS shall be added the resultant increase of P.007 per liter average on the Ad Valorem tax adverted to above.

Of this total increase of EIGHTY (P0.80) CENTAVOS per liter which shall be reflected in the retail prices, 48.7 centavos have previously been allocated among the various petroleum products under BOE Resolutions Nos. 87-02 and 87-03 for purposes of reimbursement from the OPSF although not reflected in the retail prices. This Order, therefore, allocates only THIRTY-ONE POINT ONE (P0.311) CENTAVOS per liter and POINT FIVE (P.005) CENTAVOS per liter netback reduction among all petroleum products marketed locally in the following manner:

OIL PRICE

NETBACK

STABILIZATION FUND

Premium Gasoline

.02

.4373

Regular Gasoline

.01

.8366

Avturbo

(.078)

Kerosene

(.13)

.5843

Diesel Oil

.08

.5499

Fuel oil

(.067)

Feedstock

(.067)

LPG

.06

.6018

Asphalts

(.07)

.5296

Average

(.005)

.311

The amount of P.007 representing the ad valorem tax effect 'allocates itself among the petroleum products upon the application of the ad valorem tax rates.

The amount of increase as above allocated shall be correspondingly reflected as an upward adjustment in the retail price of each product sold anywhere in the country, without prejudice to the issuance by this Board of a resolution fixing/rationalizing the retail prices throughout the Philippines of all petroleum products covered by these applications.

xxx xxx xxx

This Order shall take effect at 12:01 a.m. on August 15, 1987.

SO ORDERED."

On 17 August 1987, petitioner CACP filed an Urgent Motion to Cite Respondents in Contempt of Court^[10] alleging that this last mentioned order of public respondent Board granting provisional increases in the prices of petroleum products was null and void, having been issued in contravention of this Court's resolution dated 9 July 1987 (quoted *supra*). Petitioner CACP alleged once more that it had been denied due process in that the Board issued its order of 14 August 1987 before the private respondent oil companies had completed presentation of their evidence, and before the oppositors had been given the opportunity to commence presentation of their own evidence. In a Very Urgent Motion^[11] filed on the same date, petitioner CACP insisted further that public respondent Board had violated its "commitment to this Honorable Court not to grant any provisional relief to the respondent oil companies until after petitioner shall have been given full opportunity to substantiate its opposition."

Both the public and private respondents later filed their Comments on and Rejoinders to petitioner CACP's twin motions and Consolidated Reply to said comments, respectively.

D. G.R. Nos. 79501-03

On 24 August 1987, petitioner Ricardo C. Valmonte, suing in his capacity as taxpayer and citizen of the Republic, filed with this Court a Petition with Preliminary Injunction (G.R. Nos. 79501-03) seeking to enjoin enforcement of that portion of public respondent Board's order directing the private respondent oil companies to pay the amount of thirty-one point one centavos (P0.311) per liter out of the price increases granted to the Oil Price Stabilization Fund (OPSF). Petitioner Valmonte in essence assailed as unconstitutional both the OPSF and the laws establishing said Fund — i.e., Presidential Decree No. 156 dated 10 October 1984, as amended by Executive Order No. 137 dated 27 February 1987 — and moved that private respondents be ordered to remit back to the government amounts withdrawn therefrom since January of 1987.

E. ERB Order of 25 August 1987

On 25 August 1987, public respondent Board, in view of the President's announcement on the same date (1) ordering a reduction in the rate of customs duties levied on crude oil importations, and (2) directing the Philippine Amusement and Gaming Corporation (PAGCOR) to release P300,000,000.00 partially to offset all existing deficit in the Oil Price Stabilization Fund (OPSF), issued another Order,^[12] the dispositive portion of which reads in part:

"WHEREFORE, considering the foregoing, and conformably with the recommendation of the President, this Board hereby Orders a reduction in the wholesale posted prices (WPP) of petroleum products authorized herein applicants in the Order of August 14, 1987, by an average amount of TWENTY SIX POINT EIGHTY FIVE CENTAVOS (P0.2685) per liter, consisting of TWELVE CENTAVOS (P0.12) per liter from their cost recovery/netback, another EIGHT POINT TWENTY-FOUR CENTAVOS (P0.0824) per liter from the OPSF and an average amount of SIX POINT SIXTY-ONE CENTAVOS (P-0.0661) per liter, effect of the reduction in the ad valorem taxes. This resultant reduction in the ad valorem taxes imposed on petroleum products 'allocates itself among the petroleum product upon the application of the ad valorem tax rates thereon.

The said reductions in costs recovery and OPSF shall be allocated among the various petroleum products in accordance with the following schedule:

In Peso Per Liter

Oil Price

Netback

Stabilization Fund

Premium Gasoline

(0.1366)

(0.4373)

Regular Gasoline

(0.12)

(0.4692)

Avturbo

(0.4364)

0.8392

Kerosene

(0.12)

(0.2321)

Diesel Oil

(0.20)

(0.1268)

Fuel Oil

—

—

Feedstock

—

—

LPG

(0.12)

(0.1521)

Asphalts

(0.12)

(0.1579)

Thinner/Solvents

(0.12)

(0.2308)

Average

(0.12)

(0.0824)

The respective amount of decreases as above allocated shall be correspondingly reflected as a downward adjustment in the retail price of each affected product sold anywhere in the country, subject to the issuance of a Resolution fixing/rationalizing the wholesale and retail prices of petroleum products throughout the country.

As shown in the above allocation, the effect of the reduction in customs duties and the P-300 million replenishment of the OPSF were rationalized in favor of, and translated as decreases in the wholesale posted prices of premium and regular gasoline, diesel oil, kerosene and liquefied petroleum gas (LPG), thereby effectively reducing the current retail prices of these products by an average of FORTY-EIGHT CENTAVOS (P0.43) per liter. The prices of the other petroleum products shall remain undisturbed.

xxx xxx xxx

This Order shall take effect at 12:01 A.M. on August 26, 1987.

SO ORDERED."

F. G.R. Nos. 79590-92

On 2 September 1987, petitioner KMU filed with this Court a Petition for Certiorari and Prohibition with Preliminary Injunction and/or Restraining Order (G.R. Nos. 79590-92) assailing the validity of the 14 August 1987 Order of public respondent Board, reiterating in essence the arguments of petitioner CACP in the latter's own Petition for Certiorari. Petitioner KMU additionally alleged, among other things, that the order granting the applications for provisional price increases was not supported by the evidence and was based merely on the results of "secret studies" conducted by public respondent Board; that the issues in ERB Cases Nos. 87-01, 87-02 and 8703 had not yet been joined at the time of issuance of said order by respondent Board, which "kept its arbitrary action in complete secrecy"; that there was no basis for respondent Board's "imagined fear" that the oil companies would cease business operations in the Philippines in the event that their applications for price increases would not be favorably acted upon; and that public respondent Board's finding that the OPSF had then already been depleted was erroneous. Finally, petitioner KMU questioned the constitutionality of (1) the laws establishing and creating the OPSF, and (2) the President's August 1987 directive ordering a partial cut-back in the prices of petroleum products and "appropriating" (i.e., releasing) the amount of P300,000.000.00 from PAGCOR revenues to replenish the OPSF.

We required both the public and private respondents to submit their respective Comments on this third petition; petitioner KMU subsequently filed a Consolidated Reply to said comments.

The Petitions must fail.

1. Petitioners CACP and KMU were not denied the right to due process. First of all, the mentioned Notice of Public Hearing, which appeared in the 24 and 25 June 1987 issues of the newspaper publications "Manila Bulletin" and "The Philippine Star,"[13] specifically stated:

xxx xxx xxx

The Board has set the applications for hearing on July 1 and 2, 1987 at 2:00 o'clock in the afternoon at the ERB Hearing Room. 8th Floor, Philcomcen Bldg., Ortigas Avenue, Pasig, Metro Manila. All interested parties who may wish to comment on or oppose these applications, should file their comments and/or oppositions on or before July 1, 1987. Such parties who might wish to have the details of the applications and manifest their desire and intention to participate actively in the proceedings, may request that before the date of the hearing, they be furnished with copies of the applications by the applicants which, in this connection, are hereby directed to furnish the parties making such requests with copies of said applications.

xxx xxx xxx" (Italics supplied)

Petitioners were duly notified and informed beforehand of (1) the date of initial hearing of ERB Cases Nos. 87-01, 87-02 and 87-03, (2) the due date of submission of formal oppositions to the applications filed by private respondents, and (3) the entities — i.e., private respondent oil companies — from which copies of said applications could be secured. Moreover, petitioners' requests for postponement were accommodated, albeit partially, by public respondent Board, which moved back to 6 July 1987 both the second scheduled day of hearing and the final day of submission of written oppositions. Second, in connection with ERB Cases Nos. 87-01, 87-02 and 87-03, no less than eleven (1) formal hearings and three (3) informal conferences had been conducted by public respondent Board prior to issuance of its assailed order of 14 August 1987. The Court notes that at each of those hearings and conferences, petitioners and other oppositors in the three (3) ERB cases were either present or duly represented. The foregoing circumstances thus indicate that petitioners as well as the other oppositors were not deprived of opportunity either initially to raise formal objections to the applications for price increases filed by the private respondents or actively to participate in the proceedings in ERB Cases Nos. 87-01, 87-02 and 87-03.

2. The record shows that prior to commencement of formal proceedings, the scope of the subject matter to be covered at the hearings had already been delimited by public respondent Board: parties were directed to address themselves and limit the presentation of evidence to matters concerning (a) fluctuations in landed costs of imported crude oil, and (b) the rate of exchange of the Philippine peso vis-a-vis the U.S. dollar. Consequently, the objective of a pre-hearing conference, although one was not actually conducted, had been achieved here.

3. Further on the matter of due process, Section 8 of Executive Order No. 172, dated 8 May 1987, expressly provides:

"Sec. 8. Authority to Grant Provisional Relief. — The Board may, upon the filing of an application, petition or complaint or at any stage thereafter and without prior hearing, on the basis of supporting papers duly verified or authenticated, grant provisional relief on motion of a party in the case or on its own initiative, without prejudice to a final decision after hearing, should the Board find that the pleadings, together with such affidavits, documents and other evidence which may be submitted in support of the motion, substantially support the provisional order: Provided, That the Board shall immediately schedule and conduct a hearing thereon within thirty (30) days thereafter, upon publication and notice to all affected parties." (Italics supplied)

To summarize: public respondent Board is authorized in appropriate cases to grant provisional relief, whether on its own initiative or on motion of a party, either (1) upon filing of an application, petition or complaint; or (2) at any state thereafter and without need of prior hearing, subject, however, to conducting a hearing thereon within thirty (30) days thereafter. Issuance of an order granting such provisional relief must rest upon substantial evidence and is without prejudice, however, to rendition of a final decision after hearing.

In the light of Section 8 quoted above, public respondent Board need not even have conducted formal hearings in these cases prior to issuance of its Order of 14 August 1987 granting a provisional increase of prices. The Board, upon its own discretion and on the basis of documents and evidence submitted by private respondents, could have

issued an order granting provisional relief immediately upon filing by private respondents of their respective applications. In this respect, the Court considers the evidence presented by private respondents in support of their applications — i.e., evidence showing that importation costs of petroleum products had gone up; that the peso had depreciated in value; and that the Oil Price Stabilization Fund (OPSF) had by then been depleted — as substantial and hence constitutive of at least prima facie basis for issuance by the Board of a provisional relief order granting an increase in the prices of petroleum products.[14]

4. Contrary to the allegations of petitioners, the assailed order of 14 August 1987 in ERB Cases Nos. 87-01, 87-02 and 87-03 by its terms provided merely for provisional, not final relief; public respondent Board in fact continued to conduct hearings in those cases beyond 14 August 1987. The relief granted by the Board was provisional and well within the lawful scope of its authority to grant. Consequently, there was no violation of this Court's directive on 9 July 1987 requiring the Board "to give full opportunity to the petitioner [CACP] to substantiate its Opposition xxx before finally acting on the applications of the respondent oil companies to increase the prices of petroleum products." The Court does not consider that public respondent Board acted here with grave abuse of discretion or in excess of jurisdiction, or in such a manner as would qualify as contempt of court, in issuing its order of 14 August 1987.

5. Petitioner CACP alleges that public respondent Board, being a "mere creation" of the President, is subservient to the latter's will and incapable of rendering a just decision in these cases. The Court notes that the record is entirely bereft of evidence to support this extravagant allegation. Executive Order No. 172, the enabling act of public respondent Board, expressly said: "there is hereby created an independent Energy Regulatory Board — ." The Board is composed of a Chairman and four (4) members appointed by the President with the consent of the Commission on Appointments. To suppose that an administrative agency the members of which are appointed by the President thereby becomes ipso facto a creature beholden to the President is well nigh absurd constitutionally. It is well to note that even the Chairman and members of the Constitutional Commissions (the Commission on Elections, the Commission on Audit and the Civil Service Commission) are appointed by the President with the consent of the Commission on Appointments. It is also relevant to note, in this connection, that the Office of the President exercises only "administrative supervision" over public respondent Board[15] and that the decisions of the Board are reviewable not by the Office of the President, but rather by the Supreme Court by petition for review or petition for certiorari in appropriate cases.[16]

6. Petitioner Valmonte in G.R. Nos. 79501-03 argues that the Oil Price Stabilization Fund (OPSF) is a tax imposed on consumers which is "not intended for public purpose or for government operations but to answer for the losses of oil companies." Petitioner Valmonte not only condemns the OPSF as "arbitrary and oppressive" but claims also that through said Fund, "oil consumers are being made to pay not only for their present oil consumption but also for a portion of future consumption which may or may not come." Finally, it is alleged that the OPSF provides "a fertile ground for unchecked graft and corruption" and "triggers the rise not only [of] the prices of petroleum products but also [of] the prime commodities [sic]"

The foregoing arguments suggest the presence of misconceptions about the nature and functions of the OPSF. The OPSF is a "Trust Account" which was established "for the purpose of minimizing frequent price changes brought about by exchange rate adjustment and/or changes in World market prices of crude oil and imported petroleum products." [17] Under P.D. No. 1956, as amended by Executive Order No. 137 dated 27 February 1987, this Trust Account may be funded from any of the following sources:

"a)

Any increase in the tax collection from ad valorem tax or customs duty imposed on petroleum products subject to tax under this Decree arising from exchange rate adjustment, as may be determined by the Minister of

Finance in consultation with the Board of Energy;

b)

Any increase in the tax collection as a result of the lifting of tax exemptions of government corporations, as may be determined by the Minister of Finance in consultation with the Board of Energy;

c)

Any additional amount to be imposed on petroleum products to augment the resources of the Fund through an appropriate Order that may be issued by the Board of Energy requiring payment of persons or companies engaged in the business of importing, manufacturing and/or marketing petroleum products;

d)

Any resulting peso costs differentials in case the actual peso costs paid by oil companies in the importation of crude oil and petroleum products is less than the peso costs computed using the reference foreign exchange rate as fixed by the Board of Energy." (Italics supplied)

Upon the other hand, funds may be drawn from said Trust Account only for the following purposes:

"1)

To reimburse the oil companies for cost increases in crude oil and imported petroleum products resulting from exchange rate adjustment and/or increase in world market prices of crude oil;

2)

To reimburse the oil companies for possible cost underrecovery incurred as a result of the reduction of domestic prices of petroleum products. The magnitude of the underrecovery, if any, shall be determined by the Ministry of Finance. 'Cost underrecovery' shall include the following:

i.

Reduction in oil company take as directed by the Board of Energy without the corresponding reduction in the landed cost of oil inventories in the possession of the oil companies at the time of the price change,

ii.

Reduction in internal ad valorem taxes as a result of foregoing government mandated price reductions,

iii.

Other factors as may be determined by the Ministry of Finance to result in cost underrecovery."

The fact that the world market prices of oil, measured by the spot market in Rotterdam, vary from day to day is of

judicial notice. Freight rates for hauling crude oil and petroleum products from sources of supply to the Philippines may also vary from time to time. The exchange rate of the peso vis-a-vis the U.S. dollar and other convertible foreign currencies also changes from day to day. These fluctuations in world market prices and in tanker rates and foreign exchange rates would in a completely free market translate into corresponding adjustments in domestic prices of oil and petroleum products with sympathetic frequency. But domestic prices which vary from day to day or even only from week to week would result in a chaotic market with unpredictable effects upon the country's economy in general. The OPSF was established precisely to protect local consumers from the adverse consequences that such frequent oil price adjustments may have upon the economy. Thus, OPSF serves as a pocket, as it were, into which a portion of the purchase price of oil and petroleum products paid by consumers as well as some tax revenues are inputted and from which amounts are drawn from time to time to reimburse oil companies, when appropriate situations arise, for increases in, as well as underrecovery of, costs of crude importation. The OPSF is thus a buffer mechanism through which the domestic consumer prices of oil and petroleum products are stabilized, instead of fluctuating every so often, and oil companies are allowed to recover those portions of their costs which they would not otherwise recover given the level of domestic prices existing at any given time. To the extent that some tax revenues are also put into it, the OPSF is in effect a device through which the domestic prices of petroleum products are subsidized in part. It appears to the Court that the establishment and maintenance of the OPSF is well within that pervasive and non-waivable power and responsibility of the government to secure the physical and economic survival and well-being of the community, that comprehensive sovereign authority we designate as the police power of the state. The stabilization and subsidy of domestic prices of petroleum products and fuel oil — clearly critical in importance considering, among other things, the continuing high level of dependence of the country on imported crude oil — are appropriately regarded as public purposes.

Presidential Decree No. 1956, as amended by Executive Order No. 137 has, in any case, in its favor the presumption of validity and constitutionality[18] which petitioners Valmonte and the KMU have not overturned. Petitioners have not undertaken to identify the provisions in the Constitution which they claim to have been violated by that statute. This Court, however, is not compelled to speculate and to imagine how the assailed legislation may possibly offend some provision of the Constitution. [19] The Court notes, further, in this respect that petitioners have in the main put in question the wisdom, justice and expediency of the establishment of the OPSF, issues which are not properly addressed to this Court and which this Court may not constitutionally pass upon. Those issues should be addressed rather to the political departments of government: the President and the Congress.[20]

WHEREFORE, the Court Resolved that:

- 1) the Petitions in G.R. Nos. 78888-90, 79501-03 and 79590-92 be DISMISSED- and
- 2) the Urgent Motion to Cite Respondents in Contempt of Court and the Very Urgent Motion filed by petitioner CACP in G.R. Nos. 78888-90 be DENIED for lack of merit.

No pronouncement as to costs.

SO ORDERED

Yap, C. J., Narvasa, Melencio-Herrera, Gutierrez, Jr., Cruz, Paras, Gancayco, Padilla, Bidin, Sarmiento, Cortes, Griño-Aquino, and Medialdea, JJ., concur.

Fernan, 7., took no part formerly counsel for Pilipinas Shell Petroleum Corp., Cebu Office.

[1] Rollo of G.R. Nos. 79590-92, pp. 99-102.

[2] Id., pp. 103-107.

[3] Id., pp. 108-118.

[4] Rollo of G.R. Nos. 78888-90. p. 131.

[5] Id., pp. 132-133.

[6] Id., pp. 17-19.

[7] Id., pp. 25-33.

[8] Id., p. 36.

[9] Id., pp. 182-206.

[10] Id., pp. 168-171.

[11] Id., pp. 173-180.

[12] Id., pp. 338-341.

[13] Affidavit of Publication; Rollo of G.R. Nos. 78888-90, pp. 134-136.

[14] Under Sec. 3 (a) of E.O. 172, the Energy Regulatory Board is authorized "to fix and regulate the prices of petroleum products."

[15] E.O. 172. Section 15. The caption or heading of Section 15 is inept: it reads "Supervision and Control." The phrase "and Control" must be disregarded here, since it is inconsistent with the body of Section 15 which speaks only of "administrative supervision." It is settled that captions and headings cannot control the plain terms of the statute itself; *Kare v. Pluon*, 56 Phil. 248 19311; *Commissioner of Customs v. Relunia*, 105 Phil. 875 (1959); *People v. Yabui*. 58 Phil. 499 (1933).

[16] Id.. Sec. 10.

[17] E.O. No. 137. Sec. 1 (amending Sec. 8 of P.D. 1956).

[18] In *Victoriano v. Etizalde Rope Workers' Union, et al.*, 59 SCRA 54 (1974), the Court, through Mr. Justice Zaldivar, underscored the —

"x x x thoroughly established principles which must be followed in all cases where questions of constitutionality as obtains in the instant case are involved. All presumptions arc indulged in favor of constitutionality; one who attacks a statute, alleging unconstitutionality must prove its invalidity beyond a reasonable doubt; that a !aw may work hardship docs not render it unconstitutional: that if any reasonable basis may be conceived which supports the statute, it will be upheld, and the challenger must negate all possible bases; that the courts are not concerned with the wisdom, justice, policy, or expediency of a statute; and that a liberal interpretation of the constitution in favor of the constitutionality of legislation should be adopted (*Banner v. Mass*, 194 N.W. 2d 534, 539; *Spurbeck v. Station*, 106 N.W. 2d 660, 663) x x x." (59 SCRA at 66) See also, e.g.: *Solas v. Jarencio*, 46 SCRA 734, 749 (1970); *Peraila v. Commission on Elections*, 82 SCRA 30. 55 (1978); and *Heirs oj'Or dona v. Reyes*. 125 SCRA 220,241-242(1983).

[19] See *Tablarin vs. Gutierrez*, 152 SCRA 730 (1987).

[20] *Sec Morfe vs. Mutuc*, 22 SCRA 424 (1968); *Gonzales vs. Commission on Elections*, 21 SCRA 774 (1967); and *Angara vs. Electoral Commission*, 63 Phil. 139(1936).

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