

Republic of the Philippines

SANGGUNIANG PANLUNGSOD

City Government of Naga

ORDINANCE NO.2023-053

AN ORDINANCE PROVIDING FOR STRICTER IMPLEMENTATION OF THE PRICE TAG LAW AMONG BUSINESS ESTABLISHMENTS AND TRADERS INVOLVED IN THE SELLING AND RETAILING OF BASIC NECESSITIES AND PRIME COMMODITIES AND SERVICES IN THE CITY OF NAGA AND PROVIDING PENALTIES THEREOF:

Sponsored by: Hon. Jose B. Perez

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EXPLANATORY NOTES

It is the policy of the State, through the Consumer Act or R.A. 7394, to protect the interests of the consumer, promote his general welfare, and to establish standards of conduct for business and industry, including related Department Orders by concerned agencies, such as the Department of Trade Industry, Department of Agriculture, Department of Health and the Food and Drug Administration, and other concerned offices.

The Price Act, otherwise known as R.A. 7581, also seeks to provide protection to consumers by stabilizing the prices of basic necessities and prime commodities and prescribing measures against undue price increases during emergency situations like typhoons, calamities and epidemics.

Specifically, Articles 81 and 83 of the Consumer Act require every retailer or vendor of basic products and commodities to display price tags to indicate the price of each consumer product being sold.

It has been observed that despite the above laws, implementing rules and related Orders, and continuous monitoring of prices by the Naga City Price Coordinating Council and related agencies, several retailers in the City of Naga, particularly those in the Naga City People's Mall (NCPM) and satellite markets (talipapa) situated in the barangays, as well as certain grocery stores and supermarkets, have been reported or complained about to be violating the specific provisions on overpricing and the proper display of price tags on products being offered for sale even during times of a State of Calamity.

In view hereof, for more effective implementation of both the Consumer Act and the Price Act by our local enforcers, there is need to pass an Ordinance providing for stricter implementation of such laws for the protection and welfare of consumers which, as a result, shall also work for the better interest of the traders and the convenience of everyone.

Be it ordained by the Sangguniang Panglunsod of Naga that:

SECTION 1. Short Title. This Ordinance shall be known as the Price Tag Ordinance of the City of Naga.

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SECTION 2. Declaration of Basic Policy. This Ordinance is meant to accord well with the policy of the State to protect the interests of the consumer, promote his general welfare and to establish standards of conduct for business and industry. It is likewise the intent of this Ordinance to promote the State policy of ensuring the availability of necessities and prime commodities

Page - 2 -

at reasonable prices at all times without denying legitimate business a fair return of investment. Likewise, it is also the policy of this ordinance to provide effective and sufficient protection to consumers against hoarding and profiteering with respect to the supply, distribution, marketing and pricing of said goods, especially during periods of calamity, typhoon, and epidemic and similar critical situations.

SECTION 3. Definition of Terms. For purposes of this Ordinance, the term -

- (1) "Basic necessities" shall include the following:
 - Rice
 - Corn
 - bread
 - fresh, dried and canned fish and other marine products
 - · fresh pork, beef and poultry meal
 - fresh eggs
 - fresh and processed milk
 - · fresh vegetables
 - · root crops
 - coffee
 - · cooking oil
 - salt
 - · laundry soap and detergents
 - firewood
 - charcoal
 - candles
 - drugs classified as essential by the Department of Health;
- (2) "Prime commodities" are goods not considered as basic necessities but are essential to consumers in times of any of the cases provided under Section 7 of the Price Act. These include the following:
 - · fresh fruits
 - flour
 - · dried processed and canned pork, beef and poultry meat
 - · dairy products not falling under basic commodities
 - noodles
 - · onions
 - garlic
 - vinegar
 - · patis, soy sauce
 - · toilet soap
 - fertilizer
 - · pesticides and herbicides
 - poultry swine and cattle feeds
 - · veterinary products for poultry, swine and cattle
 - paper and school supplies
 - nipa shingles, sawali
 - cement
 - clinker
 - GI sheets







Page - 3 -

- hollow blocks
- plywood and plyboard
- · construction nails
- batteries
- electrical supplies
- light bulbs
- · steel wire
- all drugs not classified as essential drugs by the Department of Health;
- (3) "Panic-buying" is the abnormal phenomenon where consumers buy basic necessities and prime commodities grossly in excess of their normal requirement resulting in undue shortages of such goods to the prejudice of the less privileged consumers.
- (4) "Prevailing price" means the average price at which any basic necessity has been sold in a given time within a month from the occurrence of a state calamity or crisis.
- (5) "Price ceiling" the maximum price at which any basic necessity or primo commodity may be sold to the public (RA 7581).

SECTION 4. Scope and Coverage. This Ordinance shall apply to all retailers, vendors, and businesses involved in the selling and trading of basic necessities and prime commodities as enumerated above within the City of Naga, including but not limited to Naga City People's Mall, private shopping malls, groceries and supermarkets, convenient stores, and satellite markets or Talipapas.

SECTION 5. Price Tag Requirement. Every retailer is required to display a price tag to indicate clearly the price of all (1) basic necessities and (2) prime commodities (please see enumeration of products, respectively, on Section 3 of this Ordinance), being sold or offered for sale, including products in the wet market, such as fish and livestock and fruits, crops and vegetables, as required by Articles 81 and 83 of the Consumer Act and Section 5(2) of the Price Act.

It is, therefore, unlawful to offer any consumer product, particularly those defined under "basic necessities" and "prime commodities" for retail sale to the public without an appropriate price tag, label or marking publicly displayed to indicate the price of each article and said products shall not be sold at a price higher than that stated therein.

In the wet market, for reason of space and convenience, a black board or white board, wood panel or tarpaulin may be used to indicate all the products or goods being sold with their corresponding prices within the stall of a particular seller or vendor.

SECTION 5. Automatic Price Control. Unless otherwise declared by the President of the Republic, prices of basic necessities shall automatically be frozen at their prevailing prices or placed under automatic price control whenever the City of Naga is proclaimed or declared a disaster area, or under a state of calamity by either

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ORDINANCE NO. 2023-053 Series of 2023

Page - 4 -

Malacañang or the Sangguniang Panglunsod of Naga.

Unless sooner lifted by the President, price control of basic necessities under this Section shall remain effective for the duration of the condition that brought it about, but not for more than sixty (60) days, in which case price freeze or control shall automatically lapse.

Under this condition, effectivity of the Price Tag requirement under this Ordinance shall remain in force with necessary price adjustments in products, if any.

SECTION 6. Law Enforcement. Aside from the Department of Trade and Industry, the Department of Agriculture and all other line agencies mandated by the government to carry out the enforcement of the Price Tag Law, the City Mayor through the Public Safety Office (PSO) or by himself shall see to it that the provisions of this local ordinance are strictly enforced. And if it becomes imperative, the City Mayor may be authorized to secure the assistance or cooperation of the PNP, CIDG, and NBI in the stricter implementation of this Ordinance.

SECTION 7. Penalties. Penalties and fines without prejudice to administrative sanctions as provided for by the Consumer Act and the Price Act shall apply, depending on the specific violations committed thereof.

Specifically, Article 95 (b) of the Consumer Act states that "any person who violates the provisions of Article 81 and 83 for the first time shall be subject to a fine of not less than Two Hundred Pesos \$\bar{P}\$200.00 but not more than Five Thousand Pesos (₱5,000) or by imprisonment of less than one (1) month but not more than six (6) months, or both, at the discretion of the court. A second conviction thereunder shall carry with it the penalty of revocation of business permit and license."

SECTION 8. Repealing Clause. All ordinances, local issuances or rules inconsistent with the provisions of this Ordinance are hereby repealed or modified accordingly.

SECTION 9. Effectivity. This Ordinance shall take effect upon publication in a newspaper of local circulation.

ENACTED: June 6, 2022.

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WE HEREBY CERTIFY to the correctness of the foregoing ordinance.

GIL A. DE LA TORRE

Secretary to the Sangguniang Panlungsod

JESSTE R. ALBEUS Acting City Vice Mayor

& Presiding Officer

APPROVED: