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SO ORDERED.

Melencio-Herrera (Chairperson), Paras, and *Padilla, JJ.*, concur.

Sarmiento, J., on leave.

EN BANC

[G.R. Nos. 95237-38. September 13, 1991]

DAVAO CITY WATER DISTRICT, CAGAYAN DE ORO CITY WATER DISTRICT, METRO CEBU WATER DISTRICT, ZAMBOANGA CITY WATER DISTRICT, LEYTE METRO WATER DISTRICT, BUTUAN CITY WATER DISTRICT, CAMARINES NORTE WATER DISTRICT, LAGUNA WATER DISTRICT, DUMAGUETE CITY WATER DISTRICT, LA UNION WATER DISTRICT, BAYBAY WATER DISTRICT, METRO LINGAYEN WATER DISTRICT, URDANETA WATER DISTRICT, COTABATO CITY WATER DISTRICT, MARAWI WATER DISTRICT, TAGUM WATER DISTRICT, DIGOS WATER DISTRICT, BISLIG WATER DISTRICT, and MEYCAUAYAN WATER DISTRICT, *petitioners*, *vs.* **CIVIL SERVICE COMMISSION, and COMMISSION ON AUDIT,** *respondents*.

SYLLABUS

1. **POLITICAL LAW; PUBLIC CORPORATIONS; PROVINCIAL WATER UTILITIES ACT OF 1973 (P.D. NO. 198); RESOLUTION OF SANGUNIAN; CONSTITUTES THE OPERATIVE ACT OF FORMING AND MAINTAINING A LOCAL WATER DISTRICT.** — P.D. 198 is a general legislation which authorizes the formation of water districts. However, the operative act which creates a water district is not said decree but the resolution of the Sanggunian concerned forming and maintaining a local water district. It is apparent

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that insofar as the formation of local water districts are concerned, P.D. 198 is not an original charter but a general act authorizing the formation of water districts on local option basis (Sec. 2, P.D. 198) similar to the Corporation Code.

2. ID.; ID.; GIVES THE WATER DISTRICT JURIDICAL PERSONALITY. — Local water districts are formed by resolutions of the respective Provincial, City and Municipal councils (Sec. 7, P.D. 198) filed with the Local Water Utilities Administration, a government corporation chartered under Section 49, P.D. 198 and attached to the Office of the President. Consequently, without the requisite resolution of the Sanggunian concerned forming the water district having been filed with the Local Water Utility Administration, no water district is formed. What gives the water districts juridical personality is the resolution of the respective Sanggunian forming the district and filed with the local Water Utilities Administration. Once formed, the water district is subject to the provisions of P.D. 198 and no longer under the jurisdiction of any political administration which shall thereafter lose ownership supervision and control over the district (Sec. 7, P.D. 198).

BIDIN, *J., dissenting:*

POLITICAL LAW; PUBLIC CORPORATIONS; OFFICERS AND EMPLOYEES OF WATER DISTRICTS; NOT COVERED BY THE CIVIL SERVICE LAW. — Justice Bidin votes to Grant the petition and to declare petitioners as quasi-public corporations performing public service without original charters and therefore not embraced by the Civil Service.

APPEARANCES OF COUNSEL

Rodolfo S. De Jesus for petitioners.

Evalyn H. Itaas-Fetalino, Rogelio C. Limare and *Daisy B. Garcia-Tingzon* for CSC.

DECISION

MEDIALDEA, *J.*:

Whether or not the Local Water Districts formed and created pursuant to the provisions of Presidential Decree No. 198, as

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amended, are government-owned or controlled corporations with original charter falling under the Civil Service Law and/or covered by the visitorial power of the Commission on Audit is the issue which the petitioners entreat this Court, *en banc*, to shed light on.

Petitioners are among the more than five hundred (500) water districts existing throughout the country formed pursuant to the provisions of Presidential Decree No. 198, as amended by Presidential Decrees Nos. 768 and 1479, otherwise known as the "Provincial Water Utilities Act of 1973."

Presidential Decree No. 198 was issued by the then President Ferdinand E. Marcos by virtue of his legislative power under Proclamation No. 1081. It authorized the different local legislative bodies to form and create their respective water districts through a resolution they will pass subject to the guidelines, rules and regulations therein laid down. The decree further created and formed the "Local Water Utilities Administration" (LWUA), a national agency attached to the National Economic and Development Authority (NEDA), and granted with regulatory power necessary to optimize public service from water utilities operations.

The respondents, on the other hand, are the Civil Service Commission (CSC) and the Commission on Audit (COA), both government agencies and represented in this case by the Solicitor General.

On April 17, 1989, this Court ruled in the case of *Tanjay Water District v. Gabaton, et al.* (G.R. No. 63742, 172 SCRA 253):

"Significantly, Article IX(B), Section 2(1) of the 1987 Constitution provides that the Civil Service embraces all branches, subdivisions, instrumentalities, and agencies of the government, including government-owned and controlled corporations with original charters.' Inasmuch as PD No. 198, as amended, is the original charter of the petitioner, Tanjay Water District, and respondent Tarlac Water District and all water districts in the country, they come under the coverage of the Civil Service Law, rules and regulations. (Sec. 35, Art. VIII

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and Sec. 37, Art. IX of PD No. 807)."

As an offshoot of the immediately cited ruling, the CSC issued Resolution No. 90-575, the dispositive portion of which reads:

"NOW THEREFORE, in view of all the foregoing, the Commission resolved, as it hereby resolves to rule that Local Water Districts, being quasi-public corporations created by law to perform public services and supply public wants, the matter of hiring and firing of its officers and employees should be governed by the Civil Service Law, rules and regulations. Henceforth, all appointments of personnel of the different local water districts in the country shall be submitted to the Commission for appropriate action." (*Rollo*, p. 22).

However, on May 16, 1990, in G.R. No. 85760, entitled "*Metro Iloilo Water District v. National Labor Relations Commission, et al.*," the Third Division of this Court ruled in a minute resolution:

"x x x x x x x x x.

"Considering that PD 198 is a general legislation empowering and or authorizing government agencies and entities to create water districts, said PD 198 cannot be considered as the charter itself creating the Water District. Public respondent NLRC did not commit any grave abuse of discretion in holding that the operative act, that created the Metro Ilo-ilo Water District was the resolution of the Sangguniang Panglunsod of Iloilo City. Hence, the employees of Water Districts are not covered by Civil Service Laws as the latter do (sic) not have original charters.

In adherence to the just cited ruling, the CSC suspended the implementation of Resolution No. 90-575 by issuing Resolution No. 90-770 which reads:

"x x x x x x x x x.

"NOW, THEREFORE, in view of all the foregoing, the Commission resolved to rule, as it hereby rules, that the implementation of CSC Resolution No. 575 dated June 27, 1990 be deferred in the meantime pending clarification from the Supreme Court as regards its conflicting decisions in the cases of *Tanjay Water District v. Gabaton and Metro Iloilo Water District v. National Labor Relations Commission.*" (p. 26, *Rollo*).

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In the meanwhile, there exists a divergence of opinions between COA on one hand, and the LWUA on the other hand, with respect to the authority of COA to audit the different water districts.

COA opined that the audit of the water districts is simply an act of discharging the visitorial power vested in them by law (letter of COA to LWUA, dated August 13, 1985, pp. 29-30, *Rollo*).

On the other hand, LWUA maintained that only those water districts with subsidies from the government fall within the COA's jurisdiction and only to the extent of the amount of such subsidies, pursuant to the provision of the Government Auditing Code of the Phils.

It is to be observed that just like the question of whether the employees of the water districts falls under the coverage of the Civil Service Law, the conflict between the water districts and the COA is also dependent on the final determination of whether or not water districts are government-owned or controlled corporations with original charter. The reason behind this is Sec. 2(1), Article IX-D of the 1987 Constitution which reads:

"Sec. 2(1) The Commission on Audit shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to the Government, or any of its subdivisions, agencies or instrumentalities, *including government-owned or controlled corporations with original charters*, and on a post audit basis." (italics supplied)

Petitioners' main argument is that they are private corporations without original charter, hence they are outside the jurisdiction of respondents CSC and COA. Reliance is made on the Metro Iloilo case which declared petitioners as quasi-public corporations created by virtue of PD 198, a general legislation which cannot be considered as the charter itself creating the water districts. Holding on to this ruling, petitioners contend that they are private corporations which are only regarded as quasi-public or semi-public because they serve public interest and convenience and

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that since PD 198 is a general legislation, the operative act which created a water district is not the said decree but the resolution of the sanggunian concerned.

After a fair consideration of the parties' arguments coupled with a careful study of the applicable laws as well as the constitutional provisions involved, We rule against the petitioners and reiterate Our ruling in Tanjay case declaring water districts government-owned or controlled corporations with original charter.

As early as *Baguio Water District v. Trajano, et al.*, (G.R. No. 65428, February 20, 1984, 127 SCRA 730), We already ruled that a water district is a corporation created pursuant to a special law — P.D. No. 198, as amended, and as such its officers and employees are covered by the Civil Service Law.

In another case (*Hagonoy Water District v. NLRC*, G.R. No. 81490, August 31, 1988, 165 SCRA 272), We ruled once again that local water districts are quasi-public corporations whose employees belong to the Civil Service. The Court's pronouncement in this case, as extensively quoted in the Tanjay case, *supra*, partly reads:

"'The only question here is whether or not local water districts are government owned or controlled corporations whose employees are subject to the provisions of the Civil Service Law. The Labor Arbiter asserted Jurisdiction over the alleged illegal dismissal of private respondent Villanueva by relying on Section 25 of Presidential Decree No. 198, known as the Provincial Water Utilities Act of 1973' which went onto effect in 25 May 1973, and which provides as follows:

> '*Exemption from Civil Service.* — The district and its employees, being engaged in a proprietary function, are hereby exempt from the provisions of the Civil Service Law. Collective Bargaining shall be available only to personnel below supervisory levels: Provided, however, That the total of all salaries, wages, emoluments, benefits or other compensation paid to all employees in any month shall not exceed fifty percent (50%) of average net monthly revenue. Said net revenue representing income from water sales and sewerage service charges, less pro-rata share of debt service and expenses for fuel or energy for pumping during the preceding fiscal year.'

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"The Labor Arbiter failed to take into account the provisions of Presidential Decree No. 1479, which went into effect on 11 June 1978, P.D. No. 1479 wiped away Section 25 of PD 198 quoted above, and Section 26 of PD 198 was renumbered as Section 25 in the following manner:

"'Section 26 of the same decree PD 198 is hereby amended to read as Section 25 as follows:

> 'Section 25. *Authorization.* — The district may exercise all the powers which are expressly granted by this Title or which are necessarily implied from or incidental to the powers and purposes herein stated. For the purpose of carrying out the objectives of this Act, a district is hereby granted the power of eminent domain, the exercise thereof shall, however, be subject to review by the Administration.

Thus, Section 25 of PD 198 exempting the employees of water districts from the application of the Civil Service Law was removed from the statute books:

"x x x x x x x x x.

"We grant the petition for the following reasons:

"1. Section 25 of PD No. 198 was repealed by Section 3 of PD No. 1479; Section 26 of PD No. 198 was amended to read as Sec. 25 by Sec. 4 of PD No. 1479. The amendatory decree took effect on June 11, 1978.

"x x x x x x x x x.

"3. The BWD is a corporation created pursuant to a special law — PD No. 198, as amended. As such its officers and employees are part of the Civil Service (Sec. 1, Art. XII-B, [1973] Constitution; PD No. 868)."

Ascertained from a consideration of the whole statute, PD 198 is a special law applicable only to the different water districts created pursuant thereto. In all its essential terms, it is obvious that it pertains to a special purpose which is intended to meet a particular set of conditions and circumstances. The fact that said decree generally applies to all water districts throughout the country does not change the fact that PD 198 is a special

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law. Accordingly, this Court's resolution in Metro Iloilo case declaring PD 198 as a general legislation is hereby abandoned.

By "government-owned or controlled corporation with original charter," We mean government owned or controlled corporation created by a special law and not under the Corporation Code of the Philippines. Thus, in the case of *Lumanta v. NLRC* (G.R. No. 82819, February 8, 1989, 170 SCRA 79, 82), We held:

"The Court, in *National Service Corporation (NASECO) v. National Labor Relations Commission*, G.R. No. 69870, promulgated on 29 November 1988, quoting extensively from the deliberations of the 1986 Constitutional Commission in respect of the intent and meaning of the new phrase 'with original charter,' in effect held that *government-owned and controlled corporations with original charter refer to corporations chartered by special law as distinguished from corporations organized under our general incorporation statute — the Corporation Code.* In NASECO, the company involved had been organized under the general incorporation statute and was a subsidiary of the National Investment Development Corporation (NIDC) which in turn was a subsidiary of the Philippine National Bank, a bank chartered by a special statute. Thus, government-owned or controlled corporations like NASECO are effectively, excluded from the scope of the Civil Service." (italics supplied)

From the foregoing pronouncement, it is clear that what has been excluded from the coverage of the CSC are those corporations created pursuant to the Corporation Code. Significantly, petitioners are not created under the said code, but on the contrary, they were created pursuant to a special law and are governed primarily by its provision.

No consideration may thus be given to petitioners' contention that the operative act which created the water districts are the resolutions of the respective local *sanggunians* and that consequently, PD 198, as amended, cannot be considered as their charter.

It is to be noted that PD 198, as amended is the source of authorization and power to form and maintain a district. Section 6 of said decree provides:

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"Sec. 6. *Formation of District.* — This Act is the source of authorization and power to form and maintain a district. Once formed, a district is subject to the provisions of this Act and not under the jurisdiction of any political subdivision. x x x."

Moreover, it must be observed that PD 198, contains all the essential terms necessary to constitute a charter creating a juridical person. For example, Section 6(a) provides for the name that will be used by a water district, thus:

"Section 6. x x x. To form a district, the legislative body of any city, municipality or province shall enact a resolution containing the following:

"a) The name of the local water district, which shall include the name of the city, municipality, or province, or region thereof, served by said system, followed by the words 'Water District.'

It also prescribes for the numbers and qualifications of the members of the Board of Directors:

"Sec. 8. *Number and Qualifications.* — The Board of Directors of a district shall be composed of five citizens of the Philippines who are of voting age and residents within the district. One member shall be a representative of civic-oriented service clubs, one member of representative of professional associations, one member a representative of business, commercial or financial organizations, one member a representative of educational institutions and one member a representative of women's organization. No public official shall serve as director. Provided, however, that if the district has availed of the financial assistance of the Administration, the Administration may appoint any of its personnel to sit in the board of directors with all the rights and privileges appertaining to a regular member for such period as the indebtedness remains unpaid in which case the board shall be composed of six members"; (as amended by PDs Nos. 768 and 1479).

the manner of their appointment and nominations;

"Section 9. *Appointment.* — Board members shall be appointed by the appointing authority. Said appointments shall be made from a list of nominees, if any, submitted pursuant to Section 10. If no nominations are submitted, the appointing authority shall appoint any qualified person of the category to the vacant position;

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"Section 10. *Nominations.* — On or before October 1 of each even-numbered year, the secretary of the district shall contact each known organization, association, or institution being represented by the director whose term will expire on December 31 and solicit nominations from these organizations to fill the position for the ensuing term. One nomination may be submitted in writing by each such organization to the Secretary of the district on or before November 1 of such year: This list of nominees shall be transmitted by the Secretary of the district to the office of the appointing authority on or before November 15 of such year and he shall make his appointment from the list submitted on or before December 15. In the event the appointing authority fails to make his appointments on or before December 15, selection shall be made from said list of nominees by majority vote of the seated directors of the district constituting a quorum. Initial nominations for all five seats of the board shall be solicited by the legislative body or bodies at the time of adoption of the resolution forming the district. Thirty days thereafter, a list of nominees shall be submitted to the provincial governor in the event the resolution forming the district is by a provincial board, or the mayor of the city or municipality in the event the resolution forming the adoption of the district is by the city or municipal board of councilors, who shall select the initial directors therefrom within 15 days after receipt of such nominations";

their terms of office:

"Section 11. *Term of Office.* — Of the five initial directors of each newly formed district, two shall be appointed for a maximum term of two years, two for a maximum term of four years, and one for a maximum term of six years. Terms of office of all directors in a given district shall be such that the term of at least one director, but not more than two, shall expire on December 31 of each even-numbered year. Regular terms of office after the initial terms shall be for six years commencing on January 1 of odd-numbered years. Directors may be removed for cause only, subject to review and approval of the Administration"; (as amended by PD 768).

the manner of filling up vacancies;

"Section 12. Vacancies. — In the event of a vacancy in the board of directors occurring more than six months before expiration of any director's term, the remaining directors shall within 30 days, serve notice to or request the secretary of the district for nominations and

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within 30 days, thereafter a list of nominees shall be submitted to the appointing authority for his appointment of a replacement director from the list of nominees. In the absence of such nominations, the appointing authority shall make such appointment. If within 30 days after submission to him of a list of nominees the appointing authority fails to make an appointment, the vacancy shall be filled from such list by a majority vote of the remaining members of the Board of Directors constituting a quorum. Vacancies occurring within the last six months of an unexpired term shall also be filled by the Board in the above manner. The director thus appointed shall serve the unexpired term only"; (as amended by PD 768).

and the compensation and personal liability of the members of the Board of Directors:

"Section 13. *Compensation.* — Each director shall receive a per diem, to be determined by the board, for each meeting of the board actually attended by him, but no director shall receive per diems in any given month in excess of the equivalent of the total per diems of four meetings in any given month. No director shall receive other compensation for services to the district.

"Any per diem in excess of ₱50.00 shall be subject to approval of the Administration (as amended by PD 768).

"Section 14. *Personal Liability.* No director may be held to be personally liable for any action of the district."

Noteworthy, the above quoted provisions of PD 198, as amended, are similar to those which are actually contained in other corporate charters. The conclusion is inescapable that the said decree is in truth and in fact the charter of the different water districts for it clearly defines the latter's primary purpose and its basic organizational set-up. In other words, PD 198, as amended, is the very law which gives a water district juridical personality. While it is true that a resolution of a local *sanggunian* is still necessary for the final creation of a district, this Court is of the opinion that said resolution cannot be considered as its charter, the same being intended only to implement the provisions of said decree. In passing a resolution forming a water district, the local *sanggunian* is entrusted with no authority or discretion to grant a charter for the creation of a private corporation. It is merely given the authority for the formation

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of a water district, on a local option basis, to be exercised under and in pursuance of PD 198.

More than the aforequoted provisions, what is of important interest in the case at bar is Section 3, par. (b) of the same decree which reads:

"Section 3(b). *Appointing of authority.* — The person empowered to appoint the members of the Board of Directors of a local water district, depending upon the geographic coverage and population make-up of the particular district. In the event that more than seventy-five percent of the total active water service connections of a local water districts are within the boundary of any city or municipality, the appointing authority shall be the mayor of that city or municipality, as the cage may be; otherwise, the appointing authority shall be the governor of the province within which the district is located: Provided, That if the existing waterworks system in the city or municipality established as a water district under this Decree is operated and managed by the province, initial appointment shall be extended by the governor of the province. Subsequent appointments shall be as specified herein.

If portions of more than one province are included within the boundary of the district, and the appointing authority is to be the governors then the power to appoint shall rotate between the governors involved with the initial appointments made by the governor in whose province the greatest number of service connections exists (as amended by PD 768).

The above-quoted section definitely sets to naught petitioner's contention that they are private corporations. It is clear therefrom that the power to appoint the members who will comprise the Board of Directors belongs to the local executives of the local subdivision units where such districts are located. In contrast, the members of the Board of Directors or trustees of a private corporation are elected from among the members and stockholders thereof. It would not be amiss to emphasize at this point that a private corporation is created for the private purpose, benefit, aim and end of its members or stockholders. Necessarily, said members or stockholders should be given a free hand to choose those who will compose the governing body of their corporation. But this is not the case here and this

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clearly indicates that petitioners are definitely not private corporations.

The foregoing disquisition notwithstanding, We are, however, not unaware of the serious repercussion this may bring to the thousands of water districts' employees throughout the country who stand to be affected because they do not have the necessary civil service eligibilities. As these employees are equally protected by the constitutional guarantee to security of tenure, We find it necessary to rule for the protection of such right which cannot be impaired by a subsequent ruling of this Court. Thus, those employees who have already acquired their permanent employment status at the time of the promulgation of this decision cannot be removed by the mere reason that they lack the necessary civil service eligibilities.

ACCORDINGLY, the petition is hereby DISMISSED. Petitioners are declared "government-owned or controlled corporations with original charter" which fall under the jurisdiction of the public respondents CSC and COA.

SO ORDERED.

Fernan, C.J., Narvasa, Melencio-Herrera, Cruz, Paras, Padilla, Griño-Aquino, Regalado, and *Davide, Jr., JJ.*, concur.

Bidin, J., see dissenting opinion.

Gutierrez Jr., Feliciano, and *Sarmiento, JJ.*, on leave.

DISSENTING OPINION

BIDIN, *J.*:

I regret I have to register my dissent in this case. I agree with the main *ponencia* that P.D. 198, as amended, authorizes the different local legislative bodies (*Sanggunian*) to form and create their respective water districts through a Resolution which they will pass subject to the guidelines, rules and regulations therein laid down. The issue, therefore, to be resolved is whether the local water districts so created are government-owned or controlled corporations with original charters embraced by the

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Civil Service as contemplated by Art. IX-B, Sec. 2[1] of the 1987 Constitution.

P.D. 198 is a general legislation which authorizes the formation of water districts. However, the operative act which creates a water district is not said decree but the resolution of the *Sanggunian* concerned forming and maintaining a local water district. Thus, Section 2 of P.D. 198, among others, provides:

"Sec. 2. Declaration of Policy — x x x To encourage the formulation of such local water districts and the transfer thereto of existing water supply and waste water disposal facilities, *this Decree provides by general act the authority for the formation thereof, on a local option basis.* x x x" (Italics supplied)

Implementing the above policy, Title II of P.D. 198 provides:

"TITLE II. — LOCAL WATER DISTRICT LAW
CHAPTER I. — Title

Sec. 4. Title. — The provisions of this Title shall be known and referred to as the 'Local Water District Law.'

CHAPTER II. — Purpose and Formation

Sec. 5. Purpose. — *Local water districts may be formed pursuant to this Title* for the purposes of (a) acquiring, installing, improving maintaining and operating water supply and distribution systems for domestic, industrial, municipal and agricultural uses for residents and lands within the boundaries of such districts, (b) providing, maintaining and operating waste water collection, treatment and disposal facilities, and (c) conducting such other functions and operations incidental to water resource development, utilization and disposal within such districts, as are necessary or incidental to said purpose.

Sec. 6. Formation of District. — *This Act is the source of authorization and power to form and maintain a district.* For purposes of this Act, a district shall be *considered as a quasi-public corporation* performing public service and supplying public wants. As such, a district shall *exercise the powers, rights and privileges given to private corporations under existing laws*, in addition to the powers granted in, and subject to such restrictions imposed, under this Act.

x x x x x x x x x

Sec. 7. Filing of Resolution. — *A certified copy of the resolution or resolutions forming a district shall be forwarded to the office*

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of the Secretary of the Administration. If found by the Administration to conform to the requirements of Section 6 and the policy objectives in Section 2, the resolution shall be duly filed. *The district shall be deemed duly formed and existing upon the date of such filing.* A certified copy of said resolution showing the filing stamp of the Administration shall be maintained in the office of the district. Upon such filing, the local government or governments concerned shall lose ownership, supervision and control or any right whatsoever over the district except as provided herein." (Italics supplied)

It is apparent that insofar as the formation of local water districts are concerned, P.D. 198 is not an original charter but a general act authorizing the formation of water districts on local option basis (Sec. 2, P.D. 198) similar to the Corporation Code. What is chartered, formed and created under P.D. 198 as a government corporation is the "Local Water Utilities Administration" attached to the Office of the President as follows:

"Sec. 49. Charter. — There is hereby chartered, created and formed a *government corporation* to be known as the 'Local Water Utilities Administration' which is hereby attached to the *Office of the President.* The provisions of this Title shall be and constitute the charter of the Administration."

On the other hand, local water districts are formed by resolutions of the respective Provincial, City and Municipal councils (Sec. 7, P.D. 198) filed with the Local Water Utilities Administration, a government corporation chartered under Section 49, P.D. 198 and attached to the Office of the President. Consequently, without the requisite resolution of the *Sanggunian* concerned forming the water district having been filed with the Local Water Utility Administration, no water district is formed. What gives the water districts juridical personality is the resolution of the respective *Sanggunian* forming the district and filed with the local Water Utilities Administration. Once formed, the water district is subject to the provisions of P.D. 198 and no longer under the jurisdiction of any political administration which shall thereafter lose ownership supervision and control over the district (Sec. 7, P.D. 198).

In view of the foregoing, I vote to Grant the petition and to Declare petitioners as quasi-public corporations performing public service without original charters and therefore not embraced by the Civil Service.