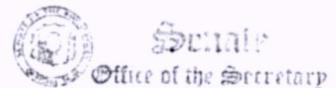


EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE
P.S. RES. No. 4

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Introduced by Senator SONNY ANGARA

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE FORMULATION AND SUSTAINED IMPLEMENTATION OF A "TATAK PINOY (MADE IN THE PHILIPPINES)" INDUSTRIALIZATION CAMPAIGN AND POLICY, AIMED AT HIGHLIGHTING THE INGENUITY, CREATIVITY AND INNOVATIVENESS OF PHILIPPINE WORKERS, CRAFTSMEN, LABORERS, AND PROFESSIONALS; CREATING GLOBAL DEMAND FOR PHILIPPINE PRODUCTS AND SERVICES; ENHANCING THE COUNTRY'S ECONOMIC PRODUCTIVITY AND GLOBAL COMPETITIVENESS; GENERATING MORE DECENT JOBS, ESPECIALLY IN THE COUNTRYSIDE; REVERSING THE PHENOMENON OF BRAIN DRAIN; AND ULTIMATELY, ERADICATING CHRONIC POVERTY AND INEQUALITY IN THE PHILIPPINES

1 WHEREAS, the Philippines has registered significant economic growth in recent
2 years, more than doubling in output within a ten-year period, from a Gross Domestic
3 Product (GDP) of US\$149.36 billion¹ in 2007 to US\$313.595 billion in 2017;

4 WHEREAS, favorable demographics and stable macroeconomics has helped the
5 country earn consecutive credit rating upgrades from agencies like Moody's, Standard
6 & Poor's, and Fitch Ratings—all of whom currently rate the Philippines a notch above
7 investment grade;

8 WHEREAS, despite these positive developments, chronic poverty continues to
9 hobble the country with a nationwide poverty incidence rate of 21 percent in the first
10 half of 2018, according to the Philippine Statistics Authority (PSA)². Though this
11 represents a significant drop form the 27.6 percent poverty incidence rate measured

¹ In current US\$, as of June 29, 2019, according to World Bank data

² <https://www.philstar.com/headlines/2019/04/11/1909111/poverty-incidence-drops-21>

1 in the first half of 2015, such official data demonstrates that up to 23.1 million Filipinos
2 live below the poverty threshold;

3 WHEREAS, according to the *2016 Philippine Labor Market Review* by the World
4 Bank, many households in the Philippines are poor because they earn little, not
5 because they do not work or are idle. Seldom are poor households jobless. But while
6 majority of Filipinos have work, they are employed in so-called “bad” jobs—low-
7 paying, low-skilled, casual, and hence highly vulnerable forms of employment. In fact,
8 roughly three-quarters of all jobs, and up to two-thirds of urban jobs in the Philippines
9 are informal.

10 WHEREAS, the prevalence of Filipinos employed in “bad jobs” is as much a
11 reflection of relatively low educational attainment of the workforce, as it is of the
12 scarcity of so-called “good jobs”—high-paying, high-skilled, regular, and secure forms
13 of employment or livelihood. Such “good jobs” are in fact so scarce that up to 30
14 percent of workers with secondary education hold unskilled jobs³, while those with
15 higher education often look to other countries to earn a decent living;

16 WHEREAS, a 2015 Organisation for Economic Co-operation and Development
17 (OECD) report⁴ on the global diaspora identified the Philippines as the second top
18 country of origin—next only to India—of highly educated immigrants to OECD
19 countries, sending up to 1.54 million Filipinos between 2010 and 2011. A 2017 Asian
20 Development Bank (ADB) report⁵ echoed this, finding that up to 64 percent of the
21 Philippine’s highly skilled (tertiary-educated) workforce left the country in 2010,
22 marking the largest brain drain among ASEAN members that year.

23 WHEREAS, reversing such dismal situation demands that all sectors of society—
24 including government agencies, the private sector, and civil society organizations—
25 jointly establish, roll-out and sustain a comprehensive jobs-generation or
26 industrialization strategy, with timescales on the short, medium and long term and
27 marked emphasis on promoting the positive traits of Filipino workers and
28 professionals;

³ <http://documents.worldbank.org/curated/en/561291468294345143/Philippines-Labor-Market-Review-Employment-and-Poverty>

⁴ <https://www.oecd.org/publications/connecting-with-emigrants-9789264239845-en.htm>

⁵ <https://www.adb.org/publications/regional-brain-networks-asean>

1 WHEREAS, such initiative demands an “all-of-government” approach, and
2 should be taken upon by agencies that include but are not limited to the Departments
3 of Trade and Industry; Agriculture; Tourism; Labor and Employment; Science and
4 Technology; Education; Budget and Management; Finance; Social Welfare and
5 Development; the National Economic Development Authority; the National Anti-
6 Poverty Commission; the Commission on Higher Education; the Technical Education
7 and Skills Development Authority; the Bureau of Investments; the Philippine Economic
8 Zone Authority; and the respective governing bodies of the country’s different
9 economic zones;

10 WHEREAS, such national strategy should be formulated through a transparent,
11 well-documented process that includes consultations with stakeholders from across
12 the country.

13 WHEREAS, this strategy’s formulation could be guided by the academic work
14 of Professor Ricardo Hausmann of the Kennedy School of Government Professor Cesar
15 A. Hidalgo of the Massachusetts Institute of Technology on the concept of “economic
16 complexity”⁶ being a significant determinant and predictor to the growth and
17 prosperity of any country;

18 WHEREAS, according to Hausmann and Hidalgo’s 2017 Atlas of Economic
19 Complexity⁷, the Philippines is currently ranked as the 33rd most economically complex
20 out of 133 countries measured, making us fourth among the nine ASEAN countries
21 included. This ranking is some 16 places higher than what the Philippines registered
22 in 2007 and puts us among the fastest-growing in terms of economic complexity;

23 WHEREAS, this strategy should aim to promote a heightened sense of
24 nationalism and pride over products and services that are homegrown or were
25 produced by Filipino workers, laborers, craftsmen or professionals;

⁶ This concept, expounded upon by Hausmann and Hidalgo, refers to the web of productive capabilities that a country possesses based on its inputs, technologies, human capabilities (also known as “personbytes”), and ideas. Since this is difficult to quantify, Hausmann and Hidalgo instead measure economic complexity indirectly, as a function of the mix of products and the ubiquity and sophistication of these products that countries export. They argue that because a country becomes prosperous when it produces and trades a diverse array of goods and services that are complex, uncommon (i.e. not produced by many countries), yet ubiquitous, economic complexity is a better predictor of future economic growth and development.

⁷ <http://atlas.cid.harvard.edu/rankings/growth-projections/>

1 NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the
2 Senate of the Philippines, to direct the appropriate Senate committees to conduct an
3 inquiry, in aid of legislation, on the formulation and sustained implementation of a
4 "Tatak Pinoy (Made in the Philippines)" industrialization campaign and policy aimed at
5 highlighting the ingenuity, creativity, and innovativeness of Philippine workers,
6 craftsmen, laborers and professionals; creating global demand for Philippine products
7 and services; improving the country's economic productivity and competitiveness;
8 generating more decent jobs, especially in the countryside; and ultimately, eradicating
9 chronic poverty and inequality in the Philippines.

Adopted,



SONNY ANGARA