



# Committee Daily Bulletin

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Third Regular Session

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## COMMITTEE MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
<b>Creative Industry and Performing Arts</b> (Special Committee)	HR 1801	Rep. De Venecia	Inquiry into the state of the Philippine fashion and textile industries and other related industries	<p>The Committee, chaired by Rep. Christopher de Venecia (4<sup>th</sup> District, Pangasinan), will deliberate further on House Resolution 1801 in another meeting.</p> <p>In his opening statement, Rep. De Venecia spoke of the need to promote the Philippine fashion and textile industry because of its potential to contribute more to the country's economy especially during this time of pandemic. In attaining this, he emphasized the important role of indigenous peoples (IPs), particularly in weaving local textile, which can be used by the local fashion designers. Such economic activity is expected to provide the much-needed employment for IPs nationwide, the Chair further said.</p> <p>In today's meeting, representatives from various government agencies and private organizations gave their respective presentations on the development of the country's fashion and textile industry. These include the Center for International Trade Expositions and Missions (CITEM), Philippine Council for Industry, Energy and Emerging Technology Research and Development (PCIEERD), Philippine Textile Research Institute (PTRI), Philippine Fiber Industry Development Authority (PhilFIDA), and Philippine Fashion Coalition (PFC).</p> <p>CITEM Executive Director Pauline Suaco-Juan highlighted the programs of CITEM on the promotion of the fashion and textile industry abroad, which include participation in trade fairs. She added that CITEM's major concern right now is marketing local design and fashion-related products for export. According to Suaco-Juan, CITEM – the export promotion arm of the Department of Trade and Industry (DTI) – lacks the funds to sustain its programs and subsidize the participation of Filipino delegates in overseas trade fairs.</p> <p>PCIEERD Industrial Technology Development Division Chief Niñaliza Escorial presented the Science and Technology Roadmap for Textile (2016-2020). The roadmap aims for a Philippine textile industry that is culture-sensitive, sustainable, robust, and profitable based on Filipino knowledge using locally available raw materials. According to Escorial, the roadmap helped the local textile industry regain its stature in the international market through research and development.</p> <p>Escorial further said that in 2019, the DTI Bureau of Investments launched the Textile-Garment Industry Roadmap 2020-2029 that envisions a competitive,</p>

<p>Continuation... Creative Industry and Performing Arts (Special Committee)</p>				<p>integrated, and sustainable Philippine textile-garment industry.</p> <p>PTRI Director Celia Elumba discussed Republic Act 9242, or the Philippine Tropical Fabric Law, which prescribes the use of Philippine tropical fabrics for official uniforms of government officials and employees. She mentioned that the Philippine Tropical Fabric Roadmap, which was formulated to implement RA 9242, will serve as the blueprint for the country's textile industry.</p> <p>Noting that there are different roadmaps for the textile industry, Rep. De Venecia inquired if PCIEERD is aligning its roadmapping activities with those of the other agencies.</p> <p>Escorial clarified that PCIEERD focuses only on the science and technology aspect of the roadmapping. However, PCIEERD's roadmap for textile is being pursued in coordination with other agencies like the DTI, PTRI, and PhilFIDA, the academe, and private sector stakeholders.</p> <p>PhilFIDA Executive Director Kennedy Costales discussed the agency's business development plan for the country's available local materials, such as abaca, jute, silk, and cotton. He said several processing centers have already been established to help augment the production of these fiber materials.</p> <p>On the part of the private sector, members of the PFC presented their recommendations, among which are the following:</p> <ul style="list-style-type: none"> <li>• Provide access to capital for entrepreneurs in the fashion and textile industry;</li> <li>• Maximize the use of social media in advertising local fashion and textile products especially during this pandemic;</li> <li>• Improve information technology infrastructure; and</li> <li>• Review related laws to provide tax incentives to the fashion and textile industry.</li> </ul> <p>Deputy Speaker Loren Legarda (Antique) recognizes the need to allocate more funds to CITEM. She made the commitment to help CITEM lobby in Congress for additional funds that will help sustain its programs that are geared towards the promotion of the fashion and textile industry. CITEM was requested to submit an inventory of all the trade fairs and exhibits that it participated in and the cost of participating in these events.</p> <p>Rep. Sharon Garin (Party-List, AAMBIS-OWA) commented that the presentations of the resource persons lack a description of the demand side. She said that farmers will not plant fiber crops if there is no demand for fiber for use in the textile industry.</p> <p>PFC-Textiles, Arts and Crafts Chairman Michael Claparols pointed out that local commercial textile manufacturers import yarns. However, he said that if the domestic fiber industry can produce enough</p>
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Continuation... Creative Industry and Performing Arts (Special Committee)				<p>for large scale production, the textile manufacturers will be expected to source their yarn locally. Claparols also suggested the amendment of RA 9242 to allow the use of other local fibers for the uniforms of government personnel on top of those already mentioned in the law. He said this will create more demand for locally-produced fibers.</p> <p>On the proposed tax incentives for the fashion and textile industry, Rep. Garin said that RA 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE), already provides incentives for creative industries, which include the fashion and textile industry.</p> <p>Rep. De Venecia also inquired on the benefits of winning international awards in trade fairs and exhibitions.</p> <p>Suaco-Juan replied that the awards received by local fashion designers generally validate Filipino talent and give the designer higher level of credibility in his or her field.</p> <p>Elumba added that local designers are being encouraged to join international competitions. She said that such awards give the local designers the leverage to create a niche in the international market.</p> <p>PFC member Esme Palaganas agreed with Elumba. Awards open up opportunities and it is up to the designer to take advantage of those opportunities, she said.</p> <p>The resource persons were requested to submit their reports presented during the meeting as well as their position paper on the resolution.</p>
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TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Transportation (Technical Working Group)	Draft Substitute Bill to HBs 13, 37, 565, 1409, 1894, 2219, 2618, 3446, 3569, 3996, 4141, 4571, 4615, 4652, 5352, 5965, 5967, 6089 & 6438	Reps. Del Mar (dec.), Biazon, Abellanos, Vargas, Campos, Barba, Albano (A.), Deputy Speakers Santos-Recto and Hernandez, Reps. Agabas, Chatto, Deputy Speaker Rodriguez, Reps. Peña, Villafuerte, Castelo, Yap (E.), Tambunting, Bagatsing, and Cabatbat	Regulating the use of motorcycles as public utility vehicles	<p>The technical working group (TWG), chaired by Navotas City Rep. John Reynald Tiangco, will deliberate further on the draft substitute bill in its next meeting.</p> <p>Rep. Tiangco said that the draft substitute bill was crafted taking into consideration the elements of safety, security, sustainability, and convenience. The comments and suggestions raised by the resource persons during the previous TWG meeting were also incorporated in the draft substitute bill. He said that in today's meeting, he hopes that additional inputs will be gathered that will help further improve the proposed law.</p> <p>Muntinlupa City Rep. Ruffy Biazon, author of House Bill 37, sought clarification on the degree of liability of motorcycle (MC) taxis operating through digital platforms. He further asked if the obligations of common carriers as provided under Section 5 of the substitute bill shall be shouldered by the MC taxis alone or will be extended to the ride-hailing</p>

<p>Continuation... Transportation (Technical Working Group)</p>				<p>companies or transport network companies (TNCs).</p> <p>Section 5 (Motorcycle Taxis as Common Carriers) states that “the operation of motorcycles-for-hire is imbued with public interest. As such, the same shall be governed by the applicable provisions of the Civil Code of the Philippines and other pertinent laws, rules and regulations on common carriers, particularly on the required degree of diligence to be observed in the course of transporting passengers or goods, and the presumption of culpability in case of breach of a contract of carriage.”</p> <p>Department of Transportation (DOTr) Assistant Secretaries Alberto Suansing and Mark Steven Pastor believe that the liability should extend to the TNCs.</p> <p>When asked if the TNCs and the transport network vehicle service (TNVS) riders have an employer-employee relationship, Suansing answered in the negative. He, however, said that the parties are bound by their contractual obligations.</p> <p>JoyRide Vice President for Corporate Affairs Jose Emmanuel Eala said that JoyRide, a ride-hailing motorcycle company, has no employer-employee relationship with their MC taxi riders because in the current setup, all of their riders are independent service providers. Nonetheless, JoyRide pays for the insurance for their riders.</p> <p>Aguila Riders Club representative Oliver Corbito suggested that the country adopt the ruling of the Supreme Court of the United Kingdom (UK) which states that the TNCs are the employers of the MC taxi riders.</p> <p>Grab Philippines Public Affairs Manager Nicka Hosaka manifested that the UK’s Supreme Court ruling may not be applicable in the country. She said the Department of Labor and Employment may look into the matter, which has jurisdiction over labor relations.</p> <p>Meanwhile, Land Transportation Franchising and Regulatory Board (LTFRB) Board Member Joel Pernito presented the LTFRB’s comments and recommendations on the substitute bill. He highlighted that the issuance of franchise for MC taxis should be assigned to the local government units (LGUs). He explained that the LGUs can effectively monitor the operations of the MC taxis which usually only run on shorter routes or just within the city.</p> <p>Undersecretary Pastor supported the position of the LTFRB explaining that this is consistent with the government’s plan to fully devolve some of the functions of the national government to the LGUs with the expected huge increase in their internal revenue allotment (IRA) as a result of the Supreme Court’s decision on the Mandanas vs. Ochoa case.</p> <p>Based on the SC ruling on the Mandanas case, the just share of LGUs in the IRA must be computed</p>
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<p>Continuation... Transportation (Technical Working Group)</p>				<p>based on all national taxes, and not just the National Internal Revenue Taxes (NIRT) being collected by the Bureau of Internal Revenue (BIR). This will include other taxes being collected by the Bureau of Customs (BOC) and other agencies.</p> <p>Rep. Tiangco said that LTFRB's recommendation may not be feasible in contiguous areas such as in Metro Manila where MC taxis pass through different cities to service their passengers.</p> <p>Pastor suggested that for Metro Manila, the issuance of franchises may be undertaken by the LTFRB or the Metropolitan Manila Development Authority. While in the provinces, the LGUs can issue the franchise to the MC taxis in their respective jurisdictions.</p> <p>Department of the Interior and Local Government (DILG) Undersecretary Ricojudge Janvier Echiverri objected to the proposal that LGUs will issue the franchise for MC taxis. He said that the LGUs might be overburdened with so many devolved functions that they may eventually have difficulty implementing.</p> <p>Commenting on Section 6 (Standards and Specifications of Motorcycle Taxis), Land Transportation Office (LTO) Assistant Secretary Edgar Galvante suggested that the LTO be made part of the group that will craft the standards and specifications for motorcycles that may be allowed to operate as MC taxis.</p> <p>Galvante also said that the bill should be clear on whether or not MC taxis should be allowed to transport both passengers and goods. He suggested that MC taxis should be limited to just one service, either to transport passengers or transport goods, explaining that motorcycle specifications vary depending on the service that will be offered by the MC taxi.</p> <p>Rep. Tyrone Agabas (6<sup>th</sup> District, Pangasinan), author of HB 3996, agreed that the proposed law should be clear on this matter to ensure the safety of the passengers, more importantly.</p> <p>Resource persons from Angkas, Motorcycle Rights Organization, Kapatiran sa Dalawang Gulong (KAGULONG), Motorcycle Dealers Association of the Philippines, and Motorcycle Philippine Federation gave their respective inputs and comments on the proposed law.</p>
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