



*Republic of the Philippines  
House of Representatives  
Quezon City*

SEVENTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 5882

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Introduced by HONORABLE LUCY TORRES-GOMEZ

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#### EXPLANATORY NOTE

This bill, also to be known as "Tourism Training and Manpower Act," is introduced with the intention of improving on the effectiveness of the Tourism Industry as an engine for poverty alleviation. The amendments presented are aimed at (a) enabling Filipinos in the bottom 20% of national economic strata to participate in the Tourism Industry, and (b) raising the quality of tourism services nationwide to approximate global standards. These initiatives are expected to boost inclusive growth across the country, especially in underdeveloped areas.

The Tourism Industry is one of the major contributors to the national economy, bringing in 8.2% of the Gross Domestic Product (GDP) in 2015. However, the country's sustained and robust GDP growth rate in recent years has done little to reduce the overall poverty incidence rate, which has persistently hovered above 20% for the past decades. This indicates that economic prosperity has not trickled down to the poorest of the poor. It is therefore imperative that Filipinos of this economic strata be capacitated to become participants of the growing economic sectors, such as Tourism.

On the other hand, the industry is still far from reaching its full potential in terms of attracting foreign tourists. To address this challenge, one of the key areas for improvement is service quality. The industry must strive to upgrade the general standard of direct tourism services, especially among countryside tourism enterprises.

As currently mandated by RA 9593, the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) remits 40% of its earnings from the collection of travel tax to the Commission on Higher Education (CHED). This significant amount was originally intended to bolster tourism education, particularly for tourism - related educational programs and courses. Unfortunately, the specific use of these funds has not been fully accounted for. Hence, this bill proposes to


redirect the use of these funds, and channel them to an alternative program that brings relevant tourism training to poor Filipinos throughout the country.

The National Tourism Training and Manpower Program (NTTMP), as proposed in this bill, is not intended to replace mainstream tourism education. The NTTMP shall not offer degrees, but instead an officially documented roster of skills acquired and practiced, according to service standards set by the Department of Tourism. This is a skills training program consisting of short courses, grounded on practical knowledge and application. The target skills will focus on non-managerial skills such as, frontline services, tour guiding, customer service, as well as backend services. Tourism workers performing these jobs are the face of Philippine Tourism.

Aside from this, the physical infrastructure needed as support facilities for the NTTMP shall also be established all over the country, so that the learning environment shall be conducive and appropriate for its worthy objectives. It is significant to note that this shall be distributed to various areas which has tourism value and those which can provide the supply chain of services to these tourist destinations.

With the establishment of the NTTMP, the industry will come closer to its full potential as a major driver for economic and inclusive growth in the Philippines.

With this purpose in mind, the immediate approval of this bill is earnestly requested.



LUCY TORRES GOMEZ  
Representative  
Fourth District, Leyte

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AN ACT AMENDING REPUBLIC ACT 9593, KNOWN AS THE "TOURISM ACT OF 2009," REDIRECTING TIEZA'S FISCAL CONTRIBUTION TO CHED TO CREATE THE NATIONAL TOURISM TRAINING AND MANPOWER PROGRAM

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

**PART I**

**SECTION 1. *Short Title.*** – This Act shall be known as the "Tourism Training and Manpower Act."

**SEC. 2. *Declaration of Policy.*** – The principle and theme of Inclusive Growth addresses and pursues the realization of a number of principles and state policies laid out in Article II of the 1987 Constitution of the Republic of the Philippines. Among these are Secs. 9, 10, 11, 16, 19 and 21.

The fundamental direction of the Department of Tourism (DOT) and consequently, the Tourism Industry, is guided by the principle of Inclusive Growth. For this reason, the industry is one of the major drivers of welfare for the Filipino people. In the past decade, it has been a significant contributor to the national economy. The industry is therefore an engine for both (a) economic growth and (b) poverty alleviation.

For the industry to succeed as an engine for economic growth, supporting its fundamental performance indicators is essential. These indicators include the number of foreign and local visitors, earnings from foreign expenditure, product development, capital expenditure, among others.

On the other hand, for the industry to succeed as an engine for country development, promoting geographic and socio-economic equity is critical. This must translate into local jobs to ensure the industry's contribution to inclusive growth in the country.

**SEC. 3. *Definition of Terms.*** – As used in this Act, the following terms should be understood to mean:

*CHED* – Commission on Higher Education, the governing body covering both public and private higher education institutions as well as degree-granting programs in all tertiary educational institutions in the country.

*DOT* – Department of Tourism

*Direct Tourism Economy* – The set of business enterprises, from micro to conglomerates, of which the products and services are directly consumed by both local and foreign visitors within the bounds of a specific location. For example, hotels, resorts, restaurants and transportation enterprises.

*Direct Tourism Enterprises* – Business enterprises, from micro to conglomerates, which engage in the creation of products or rendition of services the products and services that are directly consumed by both local and foreign visitors.

*NTTMP* – *National Tourism Training and Manpower Program*

*NTSS*– National Tourism Service Standards– A system of standards and criteria that shall serve as benchmark to determine the success and effectiveness of NTTMP training courses, instruction and implementation methods.

*OTTM*– Office of Tourism Training and Manpower – Office reporting directly to the Office of Secretary, primarily tasked to plan, administer and over the implementation of the National Tourism Training and Manpower Program.

*PP&P* – *Plans, Programs and Projects*– Implementation tools used by national or local management to achieve Tourism-related organizational results.



*RA 9593 – Tourism Act of 2009*

*TIEZA – Tourism Infrastructure and Enterprise Zone Authority*

*TDA – Tourism Development Area – A specific location, recognized by the DOT, as containing natural or developed resources that possess touristic value, whether potential or realized.*

*Tourism Receipts – Total revenues of direct and indirect tourism enterprises pertaining to a specific location and time frame.*

*Tourism Service Index – A mechanism to measure a location's level of service quality according to specific standards outlined by the DOT. This would enable comparability of tourism service quality across various locations. This shall be defined and crafted in the Implementing Rules and Regulations, Sec. 15.*

*TW– Tourism Worker—A person employed in the Direct Tourism Economy.*

**SEC. 4. Objectives.** –The main goals of this Act are: (a) to redirect TIEZA's financial contribution to CHED, amounting to 40% of TIEZA's earnings from travel tax collections, (b) to extend tourism training to Filipinos in the bottom 20% of the economic strata by implementing a widely dispersed training program, and (c) to raise the overall quality of tourism service in the country to meet global standards through a skills-based training program.

#### **PART II: National Tourism Training and Manpower Program**

**SEC. 5. Program Definition.** –The National Tourism Training and Manpower Program (NTTMP) shall be a joint program between the Department of Tourism (DOT) and the Tourism Infrastructure and Enterprise Zone Authority (TIEZA). It shall be a skills-based program, using short courses developed and sanctioned by both the DOT and the TIEZA.

**SEC. 6.** Section 73 of Republic Act No. 9593 is hereby amended to read as follows:

Section 73. Collection and Allocation of Travel Taxes. - For purposes of this Act, the TIEZA shall be the principal agency responsible for the timely collection of travel taxes.

Amounts to be collected by the TIEZA shall be distributed in the manner provided for under this Act: Provided, That the national government shall look for alternative funding sources for programs funded by the travel tax in the event of a phase out of travel tax collection following international agreements.

Pursuant to Section 72 of this Act, fifty percent (50%) of the proceeds from travel tax collections shall accrue to the TIEZA.

The government's contribution to the Higher Education Development Fund, equivalent to forty percent (40%) from the total gross collections of the travel tax, **SHALL BE REDIRECTED AND UTILIZED IN FULL FOR THE ADMINISTRATION, OPERATION AND IMPLEMENTATION OF THE NTTMP. TIEZA SHALL BE MANDATED TO REMIT 40% OF ITS EARNINGS FROM THE COLLECTION OF TRAVEL TAX TO FUND THE NTTMP.** The ten percent (10%) share of the National Commission for Culture and the Arts from the total gross collections of the travel tax shall be retained.

**Sec. 7. Allocation of Funds.** – The travel tax collection remitted by TIEZA to the NTTMP shall be utilized in the following manner:

- a. Fifty percent (50%) for the implementation and administration of the NTTMP;
- b. Twenty-five percent (25%) for the construction of the training centers and all other facilities necessary for the implementation of this Act; and
- c. Twenty five percent (25%) for all other projects and programs of the Department of Tourism necessary for the implementation and administration of the NTTMP such as but not limited to the rehabilitation of the Department of Tourism Regional Offices for upgrading and for inclusion of training facilities as operational support to the NTTMP.

**SEC. 8. Skills-based Tourism Courses.** –The NTTMP shall focus on developing relevant tourism skills. The selection of courses shall be determined with the following general criteria in mind:

- (a) The NTTMP shall offer courses at various skill levels, with particular focus on entry level skills that do not require previous educational attainment or tourism work experience.
- (b) The NTTMP shall offer courses that put emphasis on practical know how, as opposed to theoretical knowledge.
- (c) The NTTMP shall offer courses that imbue values of global quality service and pride of the Filipino culture.

The specific criteria and mechanics of the courses shall be determined by the Office of Tourism Training and Manpower, referred to in Sec. 11 and shall be contained in the Implementing Rules and Regulations (Sec. 16).

**SEC. 9. Development of NTTMP Courses.** – The NTTMP courses shall be developed under the direction, supervision and administration of the Office of Tourism Training and Manpower, referred to in Sec. 11. The TIEZA shall be reserved the following rights as regards to course development:

- (a) Propose Tourism skill courses at the conceptual level, and
- (b) Due representation in approval of course offerings.

The specific criteria and mechanics of the courses shall be determined by the DOT and TIEZA and shall be contained in the Implementing Rules and Regulations (Sec. 16).

**SEC.10. *NTTMP Badge Skills Documentation System.*** – The Office of Tourism Training and Manpower (Sec. 11) shall create a system wherein Tourism workers' skills learned through the NTTMP are recognized and documented. The NTTMP Badge Skill Documentation System shall serve as proof of earned qualifications for TWs who successfully complete MTTMP courses. This system shall serve as an alternative vehicle of authentication of qualifications. The specific mechanics of this system shall be determined by the DOT and TIEZA and shall be contained in the Implementing Rules and Regulations (Sec. 16).

### **PART III. *NTTMP Administration and Implementation***

**SEC. 11. *Office of Tourism Training and Manpower.*** – The Office of Tourism Training and Manpower (OTTM) is hereby created, reporting directly to the Office of the Secretary. This office shall be headed by the Undersecretary for Tourism Training and Manpower, and assisted by an Assistant Secretary and other pertinent units and positions identified by this Act's Implementing Rules and Regulations (Sec. 16).

The following shall embody the main functions of the Office of Tourism Training and Manpower. The full extent of the office's functions shall be presented in full detail in this Act's Implementing Rules and Regulations (Sec. 16).

- (1) Determine roster of course offerings. The OTTM shall annually draw a line up of course offering that prove relevant to the requirement of the national and local tourism economies.
- (2) Design each specific course. The OTTM shall design courses to prioritize skills acquisition, practical proficiency, maintenance of service standards, and inculcation of attitudes of excellence and pride in the Filipino culture.
- (3) Hire, train, accredit and manage instructors. The OTTM shall be responsible for hiring primary resource trainers. Criteria for hiring such trainers shall be specified in this Act's Implementing Rules and Regulations. The OTTM shall likewise be responsible for training field DOT trainers, as well as accredit third party field trainers.
- (4) Establish a National Tourism Service Standards (NTSS) system. The OTTM shall establish a systematic benchmark of tourism service quality. The specific mechanics of the NTSS shall be included in this Act's Implementing Rules and Regulations.
- (5) Coordinate with Regional Offices and Tourism Enterprises. The OTTM shall serve as the central coordinating body for the NTTMP administration and implementation. Such



functions shall include: documenting, tracking and monitoring results, specifically on employment and service quality.

- (6) Accredit third party of tourism training suppliers. The OTTM shall establish the criteria, mechanics and procedure for accreditation of thirdparty training organizations. The full mechanics shall be included in this Act's Implementing Rules and Regulations.

**SEC. 12. *Role of TIEZA.*** – The TIEZA shall be a Program Partner of the NTTMP, entitled to strategic and directional approval rights, including: (1) Proposal of specific courses, (2) Approval of the program's annual roster of course offerings, and (3) Approve or veto strategic actions on the NTTMP.

**SEC. 13. *Dispersal of NTTMP to Reach Poor Filipinos in the Countryside.*** – The OTTM shall be responsible for making the NTTMP courses available to families belonging to the lowest economic strata, in all geographic regions of the country. The OTTM may utilize DOT Regional Office and/or accredited third party training organizations, for this purpose.

**SEC. 14. *Role of DOT Regional Offices.*** – The DOT's Regional Offices shall play a critical role in the NTTMP planning and implementation, as follows:

- (1) Matching of tourism training and tourism skills required in the local tourism economies.
- (2) Monitor local tourism training and manpower statistics.
- (3) Coordinate the implementation and operation of NTTMP courses at the local level.

**SEC. 15. *Role of Direct Tourism Enterprises.*** – Direct Tourism Enterprises shall play an essential role in the implementation of the NTTMP, as follows:

- (1) Provide inputs to Regional Offices on the manpower skills required in each Tourism Enterprise.
- (2) Provide inputs in course design and tourism service standards.
- (3) Collaborate with OTTM, Regional Offices and training organizations on the conduct of practical training of NTTMP students.

**SEC. 16. *Implementing Rules and Regulations.*** –The DOT shall promulgate not later than thirty (30) days upon the effectivity of this Act, all the necessary rules and regulations for its effective implementation.

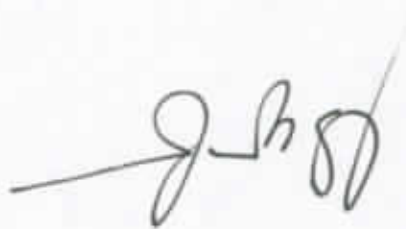
**SEC. 17. *Separability Clause.*** – If any section or part of this Act is held unconstitutional or invalid, the other sections or provisions not otherwise affected shall remain in full force and effect.



**SEC. 18. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations, issuances or any part thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

**SEC. 19. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication either in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved,

A handwritten signature in black ink, appearing to be 'J. B. S.', with a long horizontal line extending to the left from the start of the signature.