Republic of the Philippines HOUSE OF REPRESENTATIVES Constitution Hills, Quezon City

EIGHTEENTH CONGRESS

First Regular Session

HOUSE RESOLUTION NO. 841



Introduced by MARINO Party-list Representatives
SANDRO L. GONZALEZ
and MACNELL M. LUSOTAN

RESOLUTION

DIRECTING THE COMMITTEE ON TRANSPORTATION AND/OR THE DEFEAT COVID-19 ADHOC COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE IMPACT OF THE "NEW NORMAL" TO THE TRANSPORT SECTOR (LAND, SEA, AND AIR) AS A RESULT OF THE COVID-19 PANDEMIC WITH THE END IN VIEW OF DEVELOPING A NEW ROAD MAP FOR THE TRANSPORTATION INDUSTRY THAT WILL PROVIDE COMPREHENSIVE STIMULUS PACKAGES TO ENABLE THEM TO CARRY OUT THEIR MANDATE TO SERVE THEIR RESPECTIVE CONSTITUENCIES

WHEREAS, President Rodrigo Roa Duterte signed Executive Order No. 112, imposing an Enhanced Community Quarantine (ECQ) in high-risk areas of the Philippines and a General Community Quarantine (GCQ) in the rest of the country to contain the continuous spread of the coronavirus (COVID-19). Following President Duterte's declaration, land, air, and sea travel were restricted. The National Economic and Development Authority (NEDA) estimates that the restriction in passenger traffic from China and its administrative regions (i.e., Hong Kong and Macau) and parts of South Korea will result in a loss of gross value added of Php77.5 to Php156.9 billion, equivalent to 0.4 to 0.8 percent of GDP in 2020. Likewise, the slowdown in economic activities may reduce employment by about 33,800 to 56,600;

WHEREAS, the Covid-19 pandemic has given rise to a new normal that is foreseen to have longer-term impacts to our way of life, the way we work, consume and travel. Under the new normal, physical distancing and travel restrictions in affected areas has had major implications for transport mobility and connectivity, as well as cumulative impacts on the basic infrastructure systems that keep markets and supply chains going. This

magnifies the effects not just on health, but also on education, jobs and economic inclusion as people cease travelling and goods stop circulating;

WHEREAS, the economic impact of the new normal to the land transport sector, including rail, inland navigation and road sectors, and transportation network vehicle services or TNVS (e.g., ride-hailing, ride-pooling, scooter-sharing) is severe. Measures such as the ECQ and GCQ that were introduced to protect public health have made land transport companies to pause operations to support the government's efforts at curbing the spread of the coronavirus. As public transport is directly linked to economic development and dependent on fares and subsidies, loss of revenue is inevitable. Land transport companies are suffering from massive financial losses as a result of the pandemic and will continue to do so even when restrictions ease. This will lead to increasing financial pressure and to risk of unemployment for the hundreds of thousands of workers they employ;

WHEREAS, the maritime sector struggles to maintain critical shipping, transportation, shipbuilding, and ship repair operations as our nation continues to grapple with containing the virus and flattening the curve of infections. The pandemic has caused business and manufacturing to slow, reducing demand for goods and disrupting global supply chains. These disruptions will continue to ripple through industries as the pandemic rages on. The impact of the pandemic on the cruise sector has also been devastating. Cruise liners that employ thousands of Filipino sailors and crew members have halted cruise operations, resulting in massive layoffs. The maritime sector has taken a severe hit due to shipment, travel and shipbuilding restrictions. It is expected that overseas shipments will decline and cruise ships and other forms of transportation will discontinue;

WHEREAS, the aviation sector is one of the hardest hit sectors, with collapsing demand and far-ranging negative effects, even while air travel is critical to safeguard the mobility of medical professionals and essential goods. A sharp decline in the country's passenger traffic is expected in the near term. It is also anticipated that airlines will lose hundreds of millions of pesos of passenger revenues if the pandemic lingers further. This will threaten the financial stability of our local airlines. The immediate impacts of Covid-19 on the aviation industry include layoffs of airline and airport workers, as well as slowdowns in related sectors. Yet, the effects cascade into all sectors of the national economy;

WHEREAS, keeping transport systems running while observing the necessary health protocols must be a crucial part of the response to the pandemic, not just to curb its spread but also to rekindle economic activity and to ensure that the poor are shielded from its immediate and long-term impacts. As the government works on moving from isolation to management of the pandemic, its top priority should be continuing the supply of services

and goods while stopping the spread. This includes ensuring the continued mobility of fish supply in order to support fisherfolks who are significant contributors to employment and food security. With Congressional support, emergency allocations in road construction and maintenance can quickly generate livelihoods for the poor, improve connectivity to health facilities and rural markets and reenergize local economies;

WHEREAS, the crisis has laid bare the vulnerabilities of the transport sector. The government should take this as an opportunity to address some of these to build future resilience. This must include the adoption of a comprehensive stimulus package that will provide significant relief to the transport sector and ensure that no single player is hit harder than any other, as the entire sector moves on from the travel restrictions put in place during the pandemic. The stimulus package should provide relief, from measures that ease the regulatory burden to those that reduce operations costs in order to ensure that no market player must carry more than its fair share of the burden created by the pandemic;

NOW THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the House of Representatives to direct the Committee on Transportation and/or the Defeat Covid-19 Ad-hoc Committee to conduct an inquiry, in aid of legislation, into the impact of the "new normal" to the transport sector (land, sea and air) as a result of the Covid-19 pandemic with the end in view of developing a new roadmap for the transportation industry that will provide comprehensive stimulus packages that will enable them to carry out their mandate to serve their respective constituencies.

Adopted,

SANDRO L. GONZALEZ

Representative
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Representative

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