



HOUSE OF REPRESENTATIVES

Quezon City

Eighthteenth Congress

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HOUSE RESOLUTION NO. 136

Introduced by Rep. Bernadette Herrera-Dy

**A RESOLUTION DIRECTING THE APPROPRIATE HOUSE COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION ON THE INFLUX OF FOREIGN WORKERS IN THE PHILIPPINES AND FOR CONCERNED AGENCIES TO EXPEDITE THEIR JOINT MEMORANDUM THAT IMPOSES ADDITIONAL WORKING VISA REQUIREMENTS ON FOREIGN WORKERS**

**WHEREAS**, it was reported that the Department of Labor and Employment (DOLE) issued 169,893 alien working permits from 2015 to 2018, half of which went to Chinese Nationals. DOLE Secretary Silvestre Bello III said 35.9% of the Chinese workers with AEP work under administrative support, offshore gaming operations, and business process outsourcing.

**WHEREAS**, during the budget deliberations for DOLE in 2018, DOLE Secretary Silvestre Bello III said that 40,000 foreigners were given alien employment permits (AEPs) in the last 18 months. Of the 40,000, 25,000 of them are Chinese Nationals. However, Senator Drilon argued that there are 400,000 foreign workers and some 100,000 foreigners are employed at Entertainment City in Pasay City.

**WHEREAS**, DOLE maintained that their figures are correct but admitted to the possibility that some foreign nationals work illegally in the country.

**WHEREAS**, it must be recalled that President Duterte issued Executive Order (EO) No. 13 in 2016, which transfers the responsibility of regulating Philippine Offshore Gaming Operators (POGO) to the Philippine Amusement and Gaming Corporation (Pagcor). This was done to strengthen the fight against illegal online gambling as it clarifies jurisdictions of government agencies.

**WHEREAS**, following the EO, in 2016, the Union for National Development and Good Governance-Philippines (UNLAD-Philippines) asked the Supreme Court (SC) to nullify the policy that allows Pagcor to issue offshore gaming licenses to Philippine or foreign operators.

**WHEREAS**, Pagcor issued a statement and "asserted its authority" over the offshore online gaming sector and that its directive to grant a new type of license called the Philippine Online Gaming Operation (Pogo) is "within the bounds of its charter" as it mandates that agency to "operate, authorize and license games of chance, games of cards, and games of numbers" in the Philippines.

1 **WHEREAS**, at present, Pagcor has authorized 57 POGOs to operate in the Philippines. However,  
2 as of June 2018, 170 POGO establishments were raided and discovered to be operating without  
3 proper licenses.

4 **WHEREAS**, it was estimated there are around 100,000 to 250,000 Chinese workers that are  
5 employed in POGOs. However, Pagcor cannot provide any data on the employees of POGOs  
6 since they do not regulate the employees of POGOs. The agency argued that it only focused on  
7 regulating operations when offshore operations were put under their jurisdiction in 2016.

8 **WHEREAS**, as an effect of the influx of foreign nationals, it was reported that many companies  
9 have been scouting and renting lodging areas for their foreign workers. Due to this, properties  
10 have surged its prices and have affected many Filipino nationals. A property firm, Santos Knight  
11 Frank, stated that residential rental rates in the Bay Area surged by a whopping 62.2% during the  
12 2nd quarter of 2018 compared to the same period in 2017. Further, the rate of increase is said to  
13 be faster compared to the other central business districts in Metro Manila.

14 **WHEREAS**, Article 12, Section 12 of the 1987 Constitution of the Republic of the Philippines  
15 mandates that the state shall promote the preferential use of Filipino labor, domestic materials  
16 and locally produced goods, and adopt measures that help make them competitive. Thus, a  
17 general rule of a "Filipino first" policy was adopted.

18 **WHEREAS**, Article 40 of Presidential Decree No. 442 or the Labor Code of the Philippines  
19 mandates that any alien seeking admission to the Philippines for employment purposes and any  
20 domestic or foreign employer who desires to engage an alien for employment in the Philippines  
21 shall obtain an employment permit from the Department of Labor; given that employment permit  
22 will be issued to a non-resident alien or to the applicant employer after a determination of the  
23 non-availability of a person in the Philippines who is competent, able and willing at the time of  
24 application to perform the services for which the alien is desired.

25 **WHEREAS**, foreigners who intend to engage in gainful employment in the Philippines must  
26 secure an Alien Employment Permit (AEP) from the Bureau of Local Employment (BLE) as one  
27 of the requirements for the issuance of a work visa. The permit is valid for a year or for the  
28 complete duration of the employment contract but not exceeding three years. However, the issued  
29 AEP is valid only for the position and company that it was secured for.

30 **WHEREAS**, the 9(G) visa, also known as the Pre-arranged Employment Visa, allows employers  
31 in the country to employ foreign nationals with skills, qualifications, and experience that may be  
32 in short supply in the country.

33 **WHEREAS**, foreigners can still opt to work in the country even if their work visa has not yet been  
34 issued. This can be done through a Provisionary Work Permit (PWP) or a Special Work Permit.  
35 A PWP is valid up six months and issued to foreigners who already have their Alien Employment  
36 Permit (AEP) and whose work visa application is pending approval. However, there are cases  
37 where the duration of the contract are less than six months. Thus, applicants are only required to  
38 apply for a Special Work Permit (SWP) with the Bureau of Immigration (BI) as they are assumed  
39 to only provide temporary services in the country.



1 **WHEREAS**, the Bureau of Immigration (BI) stated that it issued 185,000 special work permits  
2 (SWP) from January to November 2018. Currently, 64,087 of the 72,010 valid SWPs were given  
3 to Chinese nationals.

4 **WHEREAS**, there are gaps in the country's entry system for foreign workers. Visas and permits  
5 seem to override one another as foreigners can still apply for permits despite not having a valid  
6 visa. The general principle of hiring foreign workers, only if Filipino Nationals do not fit work  
7 requirements, is being hampered due to the loopholes of the system.

8 **WHEREAS**, on June 10, 2019, a joint memorandum circular is being sought to be implemented  
9 by Department of Foreign Affairs, Department of Finance, Department of Justice, Bureau of  
10 Internal Revenue (BIR), Department of Environment and Natural Resources, Professional  
11 Regulation Commission, Bureau of Immigration, and National Intelligence Coordinating Agency.  
12 This would require foreign nationals to first secure an alien employment permit, a working visa,  
13 and a tax identification number (TIN) before they can work in the Philippines. Essentially, this will  
14 impose more requirements on foreign workers.

15 **WHEREAS**, foreigners that want to work in the Philippines must secure a working visa from their  
16 countries of origin aside from the special working permit. They can apply for working visas at the  
17 Philippine consulate or the Philippine Overseas Labor Office in their home countries.

18 **WHEREAS**, the proposed policy is seen to harmonize policy guidelines for foreign nationals  
19 intending to work in the Philippines, specifically on the issuance of documents to prospective  
20 workers. At the same time, this will ensure that foreign workers are paying the proper taxes.

21 **WHEREAS**, a database of foreigners is being developed by the Bureau of Internal Revenue (BIR)  
22 and the Department of Labor and Employment (DOLE) to monitor if foreign workers are paying  
23 the right taxes. Specifically, the accurate data on foreigners working in the Philippines is needed  
24 to tax foreign workers. BIR claimed that they had no data on whether the POGO operators are  
25 withholding taxes from their employees.

26 **WHEREAS**, the Bureau of Internal Revenue (BIR) also sent out 29 notices to several POGO  
27 service providers asking them to remit taxes amounting to P4.44 billion.

28 **WHEREAS**, the rising number of foreign workers in the Philippines and the problems they cause  
29 on labor, lodging, and taxation serve to be detrimental to Filipino Nationals as they are in danger  
30 of being left out in their own country. Additionally, the appropriate agencies that oversee this  
31 matter are not unified in terms of policies and mandates.

32 **NOW, THEREFORE, BE IT RESOLVED**, by the House of Representatives, directing the  
33 appropriate House Committee to conduct an investigation, in aid of legislation on the influx of  
34 foreign workers in the Philippines and for concerned agencies to expedite their joint memorandum  
35 that imposes additional working visa requirements on foreign workers. As mandated by the 1987  
36 Philippine Constitution and other related polices, is the duty of the state to prioritize its citizens in  
37 all aspects of labor and production. As a general principle, Filipinos should always come first.  
38 However, the gaps in policies and guidelines in approving working visa requirements hinder the  
39 appropriate agencies to monitor the surge of foreign workers and to remedy the implications to  
40 labor and production in the Philippines. Due to this issue, work opportunities for Filipino citizens

1 are affected. While the country pushes for a non-discriminatory policy for foreign workers, there  
2 is a need to ascertain that their work cannot be done by a Filipino national. The proposed  
3 memorandum circular must be adopted and implemented as soon as possible by the appropriate  
4 agencies. To ensure that the citizens is the government's top priority, the House of  
5 Representatives shall monitor developments of this concern and continuously direct all its efforts  
6 towards this end.

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8 *Adopted,*

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