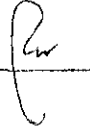


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S E N A T E

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INTRODUCED BY SENATOR VILLAR

RESOLUTION
URGING THE COMMITTEES ON TRADE AND COMMERCE AND ECONOMIC
AFFAIRS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE IMPACT
OF THE JAPAN SITUATION TO THE PHILIPPINE MARKET AND TO FILIPINO
WORKFORCE

Whereas, the first paragraph of Section 1 Article XII of the 1987 Constitution states that, “The goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged.”;

Whereas, in the early part of March, Japan was struck by an earthquake and tsunami which caused the massive destruction of life and property;

Whereas, according to reports, most of Japan’s auto industry shut down after the said natural disasters devastated the country causing rolling blackouts and infrastructure problems¹;

Whereas, because of the rolling blackouts, power is cut off causing factories to lose an incredible amount of efficiency;

Whereas, the problems in Japan have affected production in other countries too;

Whereas, the Philippines would be among the “more vulnerable” countries affected by the Japanese fallout given its significant economic relations with said nation;

Whereas, Japan was the country’s single-biggest export destination at 15.4 percent of the total in 2010, the biggest source of imports at 12.1 percent and the biggest source of foreign direct investment at 28.7 percent²;

Whereas, they are likewise a place of work for nearly a quarter of a million Filipinos accounting for about 5 percent of total remittances to the Philippines;

Whereas, Japan also contributed the most in terms of official development assistance (ODA) at 36 percent of the total ODA commitments last year³;

¹ “Automakers feeling pinch of Japan quake,” Associated Press, Philippine Daily Inquirer, March 23, 2011

² Global Source commentary by Romeo Bernarndo and Margarita Gonzales, March 20, 2011

Whereas, the Philippine gross domestic product (GDP) has also been highly correlated with that of Japan at 0.78 from the early 1980s until the present;

Whereas, there has been a lot of concern over a possible decline in trade, slowdowns in production of semi-conductors and electronics, which are the Philippines' top exports, due to a breakdown of the supply chain;

Whereas, the State, should prepare for Japan's possible economic slow-down which may affect the nation's economy by providing for mechanisms and policies which may soften its impact to the country; **NOW THEREFORE BE IT**

RESOLVED, as it is hereby resolved, to urge the Committees on Trade and Commerce and Economic Affairs to conduct an inquiry, in aid of legislation, on the impact of the Japan situation to the Philippine market and to Filipino workforce.

Adopted,


MANNY VILLAR
Senator

³ *ibid.*