

SENATE



Senate
Office of the Secretary

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Introduced by Senator Ralph G. Recto

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RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON PHILIPPINE OFFSHORE GAMING OPERATIONS (POGOs), WITH THE END IN VIEW OF ENSURING THAT THE SAID OPERATIONS ABIDE BY THE COUNTRY'S RULES AND REGULATIONS ON SECURITY, IMMIGRATION, LABOR AND GAMING OPERATIONS, AND TAX COLLECTION, AMONG OTHERS

1 WHEREAS, in 2018, reports from local media outfits noted the growing number
2 of Chinese nationals in Metro Manila employed in Philippine Offshore Gaming
3 Operations (POGOs) or the online casino industry that cater mainly to Chinese gamers;

4 WHEREAS, as of June 2019, the Philippine Amusement and Gaming Corporation
5 (PAGCOR) reported a total of 56 licensed POGO's contributing around 11% to PAGCOR's
6 income and employing around 100,000 to 250,000 Chinese nationals;

7 WHEREAS, there were also reported illegal POGO's without a PAGCOR license and
8 are also employing Chinese workers;

9 WHEREAS, another report from a local news outfit Manila Times estimated the
10 total number of Chinese nationals employed in POGO's at 450,000 and the said number
11 is expected to reach about 2 million in the next five years;

12 WHEREAS, since last year, Filipinos were complaining about the reported unruly
13 behavior of some Chinese workers which has allegedly persisted up to the present;

14 WHEREAS, in response to this, the PAGCOR announced that POGO's will be
15 transferred to confined hubs located in the provinces of Cavite and Pampanga;

16 WHEREAS, even with the planned transfer, there are more concerns that need to
17 be looked into;

18 WHEREAS, no less than the Department of National Defense (DND) raised a
19 concern on the proposed locations of the confined hubs citing that Chinese presence on
20 these strategic areas poses security threats to national defense;

1 WHEREAS, there are also claims that the influx of Chinese workers do not
2 conform with the country's immigration and labor laws;

3 WHEREAS, it is also unclear if PAGCOR has an existing regulatory framework to
4 govern the POGOs;

5 WHEREAS, there are issues concerning foregone revenues due to uncollected
6 income taxes from Chinese workers who have been staying in the country for more
7 than 180 days;

8 WHEREAS, it is imperative for Congress to determine if there are policy
9 interventions needed to provide the legal framework for POGOs henceforth;

10 WHEREAS, it is also necessary for Congress to determine if the planned transfer
11 of POGOs to confined hubs is a sound plan considering the aforementioned issues;

12 WHEREAS, it is also important for Congress to seek clarifications and
13 explanations from the national government agencies concerned on how they plan to
14 address the issues at hand: Now, therefore, be it

15 RESOLVED BY THE SENATE, as it is hereby resolved, To direct the appropriate
16 Senate Committee to conduct an inquiry, in aid of legislation, on POGOs, with the end in
17 view of ensuring that the said operations abide by the country's rules and regulations
18 on security, immigration, labor and gaming operations, and tax collection, among
19 others.

20 Adopted,



RALPH G. RECTO

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