



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session



HOUSE BILL NO. 7192

Introduced by Representative Sharon S. Garin

EXPLANATORY NOTE

Section 14, Article XIV of the 1987 Philippine Constitution provides:

"Section 14. The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle of unity in diversity in a climate of free artistic and intellectual expression."

The film industry is one of the most vibrant, prosperous, and sustainable creative sectors. It is a valuable contributor to the country's cultural and economic development and a purveyor of culture and the arts. While it is a non-essential business sector, it nevertheless plays an important role in our daily lives because it helps us appreciate and preserve culture, heritage, and the arts.

The film industry, including the audio-visual industry services for live events and performances, television production, and other audio-visual activities, provides employment to at least 2.8 million workers, mostly freelancers. According to the article, entitled "Sending out an SOS for the PH film and audiovisual industry," published on the Manila Times online portal on June 7, 2020 and penned by Ms. Liza Dino-Seguerra, chairperson of the Film Development Council of the Philippines, "At present, P1.27 trillion is the estimated worth of the total creative industries." The other creative fields or industries include television, heritage and arts, design and architecture, printing and publishing, and science and technology (research and development in manufacturing). In the same article, she added that, "These devastating financial blows have spurred the arts, entertainment, and recreation sector to be No.1 hardest-hit business sector caused by Covid-19, according to a

survey of the Department of Finance conducted by the National Economic and Development Authority."

The film industry has lost a significant amount of money due to the temporary closures of cinema theatres nationwide. Prohibition on mass gatherings such as movie screenings and showings were implemented to stem the spread of the coronavirus disease 2019 (COVID-19), hence, audiences have not watched movies in the movie houses, theaters, or cinemas since the community quarantine was implemented. The cancellation of produced cinema programs and films and the long suspension of film production, distribution, and exhibition are among other reasons for the displacement of the film industry's workers. Its revenue losses have inversely led to the catastrophic shoot up of its unemployed population who mainly rely on the film industry to subsist.

Since the dreaded COVID-19 pandemic hit the country, it is not only the audiences of the film industry that have been affected but more so, the filmmakers and their workers. According to the online article, entitled "PH gov't to set up streaming platform 'Sine Lokal Online' to help entertainment industry," by Coconuts Manila dated May 15, 2020, it cited that "... the FDCP was just able to help 5,000 people when as many as 150,000 in the film business have lost their jobs. In the events industry, as many as 200,000 people have been displaced."

Given this scenario, an economic stimulus package designed for the film industry in the form of subsidies, especially to the most vulnerable workers, is necessary. Without augmentation of the funding for the film industry, the danger of the industry's collapse is inevitable.

This bill seeks to provide for COVID-19 response and recovery interventions by accelerating recovery and improving the economic performance of the film companies and the vulnerable workers' quality of life. Further, it will produce more viable film culture and healthy film communities and audiences in both domestic and global markets. These interventions include online platform creation, financial assistance, subsidies, unemployment or separation financial assistance, guaranteed loans and training, and waiver or discounted rating fees and permits.

In view of the foregoing, immediate approval of this bill is earnestly sought.



SHARON S. GARIN
AAMBIS-Owa Party-list



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AN ACT
PROVIDING FOR RESPONSE AND RECOVERY INTERVENTIONS TO
COMPANIES AND WORKERS OF THE FILM INDUSTRY AND
APPROPRIATING FUNDS THEREFOR

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

SECTION 1. ***Declaration of Policy.*** – The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle of unity in diversity in a climate of free artistic and intellectual expression.

Towards this end, and in cognizance of the adverse effects of the coronavirus disease 2019 (COVID-19) to the local film industry, the State shall provide for COVID-19 response and recovery interventions to affected film companies and workers to help them transition swiftly to the new normal amidst the COVID-19 pandemic.

SEC. 2. ***COVID-19 Response and Recovery Interventions.*** – In order to help the film industry recover from the effects of the COVID-19 pandemic, the following interventions shall be implemented:

(a) Grant financial support to affected workers by their respective local government units to help them defray the costs related to COVID-19 prevention, detection, and rapid response measures such as rapid test kits, personal protective equipment, and sanitary tools and materials;

(b) Conduct mass testing and provide rapid test kits, personal protective equipment, sanitary tools, and materials for film companies by the Film Development and Council of the Philippines (FDCP), in coordination with the Department of Health (DOH);

(c) Create a pay-per-view online streaming platform of local films by the FDCP to help Filipino film companies showcase their quality films intended for commercial and entertainment purposes, both domestic and world markets, that focus more on the enhancement of the quality of life, the human and social conditions, and the dignity and nobility of the human spirit;

(d) Provide a subsidy by the FDCP to affected film workers whose areas are still placed under community quarantine: *Provided, That the subsidy shall be computed based on the prevailing regional minimum wage rates: Provided, further, That the displaced film industry workers who previously received assistance under Republic Act No. 11469, otherwise known as the "Bayanihan to Heal as One Act," are excluded from receiving the subsidy provided in this Act;*

(e) Provide unemployment or involuntary separation assistance amounting to Twenty thousand pesos (P20,000.00) to displaced workers in the film industry by the FDCP: *Provided, That, any form of unemployment or involuntary separation assistance or subsidies previously received by the displaced workers under the*

Bayanihan to Heal as One Act shall preclude the displaced workers from receiving any unemployment or involuntary separation assistance provided in this Act;

(f) Provide support and access to modern information and communications technology equipment and facilities by granting subsidies or loans to the film companies by the FDCP, in coordination with the Department of Information and Communications Technology (DITC), needed in shifting to online platforms;

(g) Grant loan guarantees to affected film companies by the FDCP, in coordination with the Department of Trade and Industry (DTI), to augment their capitals to bankroll projects or produce more quality content;

(h) Provide relevant training programs by the FDCP, in coordination with the DTI, to affected film workers for their upskilling, re-skilling, and retooling to micro, small, and medium enterprises; and

(i) Waive or give discounts to rating fees imposed by the Movie and Television Review and Classification Board (MTRCB) and the processing fees for permits and amusement tax for the operation of film companies collected by local government units.

SEC. 3. Appropriations. – To support the implementation of this Act, the amount of Five hundred million pesos (P500,000,000.00) is appropriated out of the available funds in the National Treasury not otherwise appropriated. Thereafter, the amount necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 4. Implementing Rules and Regulations. – Within ninety (90) days from the approval of this Act, the chairperson of the FDCP shall, in coordination with

the Secretary of the Interior and Local Government, Secretary of Health, Secretary of Information and Communications Technology, Secretary of Trade and Industry, and the chairperson of the MTRCB, promulgate the necessary rules and regulations for the effective implementation of this Act. |

SEC. 5. **Effectivity.** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or a newspaper of general circulation.

Approved,