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**Working Paper**

## Tourism Fuels an Emerging City: The Case of Tagbilaran City, Bohol

PIDS Discussion Paper Series, No. 2004-53

**Provided in Cooperation with:**

Philippine Institute for Development Studies (PIDS), Philippines

*Suggested Citation:* del Prado, Fatima; Acejo, Iris L.; Remolino, Darlyne (2004) : Tourism Fuels an Emerging City: The Case of Tagbilaran City, Bohol, PIDS Discussion Paper Series, No. 2004-53, Philippine Institute for Development Studies (PIDS), Makati City

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Philippine Institute for Development Studies  
*Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas*

## Tourism Fuels an Emerging City: The Case of Tagbilaran City, Bohol

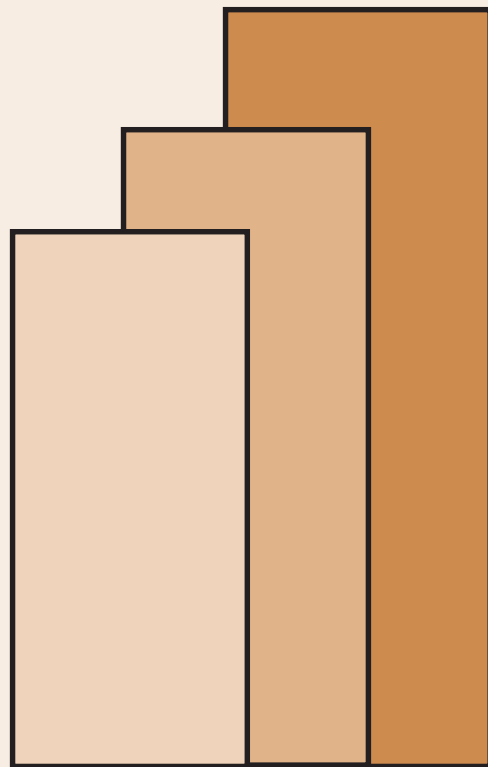
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December 2004

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## **Abstract**

This paper traces the urbanization experience of Tagbilaran City, Bohol taking into account the demographic development that took place, as well as the perceived contribution of tourism in the city's quest to firmly establish and improve its urban status. It also looks into the nature and magnitude of government responses to the demands of increasing urbanization, at the same time examines the city's attempts to benefit from the influx of tourists as Bohol Province attains national and international distinction of being one of the country's top tourist destinations.

Key words: urbanization, local governance, Tagbilaran City, emerging city

**Tourism Fuels An Emerging City:  
The Case of Tagbilaran City, Bohol**  
**By Acejo, Iris; del Prado, Fatima and Darlyne Remolino\***

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## **1. Introduction**

It is a common perception that anything urban has an added attraction.<sup>1</sup> This may indeed be the case of Tagbilaran City, Bohol, Philippines where the rewards of tourism are setting the flames for the engines of growth, economically and socially.

Tourism is seen by many developing countries including the Philippines, as an impetus for economic growth. In Bohol, Central Philippines, tourism has been identified as one of the pillars of economic development. Economic policies and government efforts in support of tourism have been emphasized especially in the last decade, shortly after the Philippine Local Government Code was implemented.

As the capital city of Bohol, the role of Tagbilaran City in the province's eco-tourism development strategy cannot be overemphasized.<sup>2</sup> The identification of the islands of Bohol and Panglao as major tourists attractions in the Central Visayas region had tremendous impact on Bohol as well as on Tagbilaran City. This concretizes the rationale for the development of tourism in Tagbilaran City. Not necessarily as a tourist destination but as a major stopover to tourist destinations in Bohol.<sup>3</sup>

## **2. Background**

Bohol is the tenth largest island in the Philippines, located at the heart of Central Visayas. Bohol is a first class province covering 47 municipalities and 1 city. It has an approximate area of 4, 117.2 square kilometers or 411, 726 hectares. Bohol accounts for 28% of the entire Central Visayas Region. It has a rich wellspring of ecology, history, culture and natural heritage sites that have earned worldwide interest<sup>4</sup>. It is known for the Philippine tarsier, the chocolate hills and lately its white sand beaches were also featured. As early as 1973, the national government already recognized the province's tourism potentials and issued guidelines in identifying areas for tourism-related investments and development thru Letter of Instructions No. 75. Proclamation No. 1801 meanwhile proclaims certain areas in Bohol as tourist zones, namely, the Islands of Cabilao, Balicasag and Panglao. Moreover, the creation of Panglao Island Tourism Estate Development Project had helped boost Bohol attain national prominence as a tourist destination. Bohol's Medium-Term Development Plan has identified 'ecotourism' as one of its three priority growth areas, the other two being agri-industrialization and light manufacturing.<sup>5</sup>

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<sup>1</sup> 'Urbanization in a decentralized framework: the Lure of the City,' DRN 2000 Vol. XVIII No. 2-b

<sup>2</sup> Tagbilaran City, Comprehensive Land Use Plan, 1999-2004

<sup>3</sup> *ibid*

<sup>4</sup> *ibid*

<sup>5</sup> *ibid*

Tourism is becoming a fast growing industry in Bohol.<sup>6</sup> Its natural attractions cater to a wide variety of people with diverging interests, and with it come an increasing expectation for the local tourism industry to deliver better and broader value services.<sup>7</sup> Consequently, this calls for renewed and radical changes in the role of business and industry, the community and the government.<sup>8</sup>

As the gateway and the province's show window for tourism investment, how Tagbilaran choose to respond to this expectation is indeed very critical. The Medium Term Development Plan of Bohol manifests that the City of Tagbilaran plays a crucial role in setting the pace of development in the province. Its perceived importance to province is viewed in at least three areas: it is the gateway to the province, and is the province's center of governance and trade 'entrepot'.

As in most cities, the significance of the city of Tagbilaran lies in the fact that, it is and will remain to be the crossroads for the province's trade, finance and commerce, as well as the island's center of learning and seat of political power. But above all, Tagbilaran is most significant simply because it is the gateway to the island province of Bohol—envisioned to become one of the country's prime eco-tourism destination and agro-industrial province.

With this as a backdrop, this paper aims to explore how the city of Tagbilaran fares and flourishes as Bohol attains national distinction of being among the country's top tourists' destinations. At the same time, it traces the urbanization process that seems to grapple the city, in its effort to profit from the influx of visitors to the province. It also looks into the nature and magnitude of government responses to the demands of urbanization in terms of social service delivery and revenue generation. However, given the multitude of issues and economic sectors involved in the tourism studies and given the different classifications that exist to differentiate forms of leisure tourism, the review of tourism impacts here are not comprehensive but are limited to a few practical and easily discernible indicators. The benefits of tourism is viewed here in terms of its impact on the city's infrastructure, the level of employment and the type of industries that thrived in the city and the improvements in the household and individual income of residents' and other socio-economic outcomes and indicators of well-being.

In the final analysis, the paper hopes to verify and ascertain if the perceived growth is indeed attributable to tourism activities in the area. Some valuable and practical lessons based on the urbanization experience of Tagbilaran City are also provided for the benefit of policymakers and researchers.

### **3. Profile of Tagbilaran City<sup>9</sup>**

#### **3.1 Location and geographical boundaries**

The City of Tagbilaran lies at 9 39' 20.6" North Longitude and 123 51' 55.05" East Latitude in the world map. It is situated 630 kilometers southeast of Manila and 72 kilometers south of Cebu City, the regional capital of the Central Visayas Region. Tagbilaran lies on the southwestern part of the Island Province of Bohol. It is bounded on the North by the towns of Cortes and Corella, on the East by the towns of Baclayon and Corella, on the South by the Tagbilaran Strait and West by the Maribojoc Bay.

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<sup>6</sup> *ibid*

<sup>7</sup> Interview with Mr. Pedro Young, Director of Tourism Services, Marsman Tours and Travel Corporation

<sup>8</sup> Relampagos, Rene. n.d. Ecotourism in the Bohol Province: The Philippines

<sup>9</sup> Drawn from Tagbilaran City: City Land Use Plan and Medium-Term Development Plan

### **3.2 Land Area and Political Subdivision**

Tagbilaran City has a total land area of 32.7 square kilometers, covering a total of 15 barangays with almost identical/similar land features. Four of these barangays, which account for 11.35% of the land area, comprise the city's urban and central business district.

Presently, the city's most recent land use plan allocates approximately 10 percent of the city's total land area to agriculture, 2.64 percent for industrial uses, 6.36 as commercial lands and almost 70 percent for settlement or residential purposes.

Aside from sporadic settlements scattered all over the city, majority of residential developments are actually located in eight (8) coastal barangays with the heaviest concentration found in four urban barangays. Forty one percent of the city population are situated in these urban areas namely Poblacion I, Poblacion II, Poblacion III and Cogon. However, the city planners see an emerging alternative urban growth area in Barangay Dampas, the largest of the 15 barangays in terms of land area and where the satellite Central Business District is located.

### **3.3 History**

For 112 years, Tagbilaran was already an independent town before Bohol became a separate politico-militar province from Cebu on 1854. The towns of Baclayon, Loboc and Pilar were established much earlier than Tagbilaran, but Tagbilaran has been the undisputed political seat of the provincial government of Bohol, ever since the province seceded from Cebu in 18<sup>th</sup> century.

Although historical accounts are not clear as to how Tagbilaran earned the distinction of being the capital of Bohol, some local historians attribute it to the early and advanced settlement/community in the area, as illustrated by stories of its formal trade relations with some Asian countries even before the Spaniards set foot in the island.<sup>10</sup>

Tagbilaran City became the chartered city of Bohol in 1966 by virtue of Republic Act 4660, but it has yet to attain the type and level of economic growth enjoyed by most cities in the region. It is said that the slow economic development of the city is due to two major factors—the city's substandard water and power systems; and its proximity to Metro Cebu.<sup>11</sup> The situation was further aggravated by the occurrence of two major fires between 1974 and 1975 that burned down the Agora Public Market, which caused a sharp decline in the government's resources due to loss of market rentals estimated at P40, 000 a month.<sup>12</sup>

The city is also a resource poor area. Unlike most cities in the region, it is wanting in prime agricultural lands such that it must look for other supportive horizons.<sup>13</sup> Not like the predominantly agricultural and resource-rich Bohol, only 32% or 1, 046.6 hectares of the city's total land area were classified as agricultural, and only 352.2 hectares or 33.6 percent of which were actually devoted to crop farming. Majority of those 3.5 percent involved in agriculture were into subsistence farming. Hence, agricultural activity in Tagbilaran even then was very marginal and was not sufficient to be an economic support base for its people. Fishing is likewise limited in Tagbilaran because of its limited fishing grounds. The seawaters of Tagbilaran are practically

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<sup>10</sup> Tagbilaran City, Comprehensive Land Use Plan, 1999-2004

<sup>11</sup> Campron, Jeryllee. Tagbilaran City: Analysis of its Performance and Roles in Area Development. (MA Thesis) 1982. UPSE

<sup>12</sup> Tagbilaran City, Comprehensive Land Use Plan, 1999-2004

<sup>13</sup> Campron, Jeryllee. Tagbilaran City: Analysis of its Performance and Roles in Area Development. (MA Thesis) 1982. UPSE

obstructed by Panglao Island. Only one half of Tagbilaran's coast is embraced by open sea allowing a 15-km delineation of municipal waters.<sup>14</sup>

### **3.4 Significance of Tagbilaran to the Province of Bohol<sup>15</sup>**

Despite these seemingly daunting and challenging conditions, Tagbilaran managed to resolve and reconcile its role and position in the functioning of tourism in Bohol. And thus, what it lacked in natural resource was more than compensated by the city's strategic position as the island's center of education, trade and commerce, seat of political power and province's primary gateway.

**Center of education.** Tagbilaran City is home to 5 collegiate level institutions, 11 high schools, 22 elementary schools, and 31 day care centers or preparatory schools. Students from neighboring towns and provinces like Leyte, Siquijor and Surigao are known to take and finish their degrees in the city. Popular courses include Law, Engineering, Accountancy, Economics and Marine courses. And recently due to the increase in demand for computer courses, the computer schools like AMA Computer Learning Center (ACLC), Systems Technology Institute (STI) and Informatics Computer Institute (ICI) have sprouted in the city.

**Hub of trade and commerce.** Tagbilaran is the hub of trade and commerce in Bohol. It serves as the show window of the province for investment promotions.

Aside from the Class "AA" Abatoir and the Central Public Market, which serves as the trading post of agricultural, and meat products from the different municipalities of Bohol, the city is also home to sixteen (16) major banks and lending institutions (33). Department stores like Plaza Marcela and Bohol Quality are also found in the city.

To date, Tagbilaran City accounts for 32 percent of the province's total business establishments and employing about 47 percent of the province's 13,915 persons employed in the business sector, further establishing Tagbilaran as the primary business center of Bohol.

**Seat of political power.** Except for a few field offices, most agencies of national government operating in the province are located in the city. It is also houses the provincial government of Bohol.

**Major Provider of Services and Facilities.** Tagbilaran offers adequate accommodation facilities to tourists and other island visitors. The most recent of the city's hotels can already be considered as world class. Easily, Tagbilaran could accommodate more or less three thousand visitors at one time.<sup>16</sup> To date, there are 32 hotels, resorts and pension houses, the biggest of which has 61 rooms of varying standards that can accommodate at least 122 persons, and 2 dormitories and/or retreat/training centers located within the city.

Three telephone companies providing local and international calls to local residents have their offices in Tagbilaran. These are the Philippine Long Distance Telephone Company (PLDT), Cruz Telephone Company (CRUZTELCO) and the Isla Communication (ISLACOM).

**Gateway to the Province.** Even if tourists do not manage to stay in Tagbilaran, since most of the popular tourist attractions lie outside the city perimeters, visitors will still have to pass through the city as it houses the only domestic commercial airport and base port in the province.

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<sup>14</sup> Tagbilaran City, Comprehensive Land Use Plan, 1999-2004

<sup>15</sup> Ibid

<sup>16</sup> Tagbilaran City: Medium Term Development Plan



The city is accessible by air and water transport. It can be reached by test crafts from Cebu in one hour and 20 minutes, and 45 minutes by plane from Manila. Currently, there are five (5) flight carriers bound for Tagbilaran that carry out 2-4 flights daily from Manila. Philippine Airlines (PAL), Cebu Pacific, Air Philippines and Asian Spirit Airlines are servicing Tagbilaran with Cebu and Manila routes, while Laoag Airlines conduct direct flights to Tagbilaran from Laoag City.

The port of Tagbilaran is the major seaport of Bohol having the largest berthing capacity compared to two other ports – municipal wharf and fish landing in other districts. There are 14 shipping companies that regularly call the port of Tagbilaran making an average of 20 ship calls daily. Seven (7) fast water crafts ferry off an average of 4, 500 passengers en route to Cebu, Cagayan de Oro, Plaridel and Dumaguete City, daily.

The city also serves as the station or base for most land motor vehicles that tour within and outside the city limits.

#### **4. Urbanization Process**

##### **4.1 Account of Population Movement**

From a relatively small community of 16,051 inhabitants in 1948, (the earliest population data available) in a span of 22 years the total population of Tagbilaran doubled to 33,005. It doubled up for the second time in 1995 with 66, 683 residents. Over the 50-year period (1948 to 1998), the city of Tagbilaran grew by 58, 267 with an average annual growth rate of 3.07 percent.<sup>17</sup> From 33, 005 in 1970 to 77,700 in 2000, the city's total population accounts for a little over 6 percent of the entire Bohol population of 1.13 million (2000 CPH figure). Bohol was then the second most populous province in the region, a position that it has retained up to this day.

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<sup>17</sup> Tagbilaran City, Comprehensive Land Use Plan, 1999-2004

**Table 1. Population Count and Population Growth Rate Between Intercensal Years, Tagbilaran 1948-1990**

Year	Population	Average Annual (Growth Year)
1903	10,108	-
1918	12,305	1.32
1939	15,617	1.14
1948	16,051	0.31
1960	20,250	2.20
1970	33,005	6.30
1975	37,335	2.60
1980	42,683	2.80
1985	49,523	3.10
1990	56,363	3.57
1995	66,683	2.80
2000	77,700	3.26

**Source:**

CLUP

1903-1948 figures were from NSO

#### 4. 1.1 Components of Population Growth

##### *Natural increase vs. Migration*

##### *The early years (Prior to 1980s)*

It has been said that Tagbilaran City's substandard water and power system and its proximity to the regional center of Metro Cebu, contributed much to the city's slow economic development. A cursory examination of the data obtained for this exercise, limited as they are, somehow point and confirm this widely held perception regarding the city's unimpressive economic performance from early 1980s to mid-1990s. The sluggish economic performance undeniably has some important bearing on the city's early demographic landscape. Taking note of the observations in many demographic literatures, the lack of economic activities in one area is usually associated with a wave or stream of out-migrants from that area. This is not at all very different from Tagbilaran of decades past.

**Table 2. Migration estimates for Tagbilaran city and select urban centers, 1948-1990**

Region	Actual Population (in thousands)					Number of Migrants (in thousands)				Migration as a percentage of population change			
	1948	1960	1970	1980	1990	1948-1960	1960-1970	1970-1980	1980-1990	1948-1960	1960-1970	1970-1980	1980-1990
<i>A. Regional Centers</i>													
Metro Manila	1569	2462	3967	5926	7928	252	633	725	326	28.3	42.0	37.0	16.3
Cebu	224	329	475	700	936	14	29	77	38	12.9	20.2	34.3	16.1
<i>B. Secondary Cities</i>													
Dumaguete	25	35	52	63	80	0	5	-5	-1	-2.1	27.1	-47.1	-4.8
Tagbilaran	16	20	33	43	56	-3	6	0	1	-63.3	45.5	-2.7	6.4
<i>C. Tertiary Cities</i>													
Toledo	39	64	68	92	120	9	-19	3	2	36.3	-466.9	11.8	7.1
Danao	26	33	48	57	73	-4	3	-6	0	-51.7	22.1	-65.9	-0.8
Bais	15	27	40	49	60	6	3	-3	-3	49	26.4	-38.3	-26.0
Canlaon	16	23	24	29	37	0	-7	-2	0	6.7	-714.9	-49.3	-2.5

Source: Pernia and Israel (1994). *Spatial Development, Urbanization and Migration Patterns in the Philippines*. Integrated Population and Development Project, NEDA

The data obtained for this study suggest that much of the historical growth in the city's urban population can be explained by the city population's natural increase rather than migration except for the sudden increase in 1970 when many Boholano migrants returned from Mindanao and sought refuge in Tagbilaran City. This phenomenon caused the city's population growth rate to soar to almost 6.3% in 1970. A closer inspection of the estimates done by Pernia (1994) further reinforced our decision to rule out migration as a significant contributing factor to the city's historical population growth (Table 2).

It appears that the years prior to the early 1980s, Tagbilaran City's demographic scenario seemed to run along the same course as that of the province of Bohol which was then largely considered as an out migration area.<sup>18</sup> Tagbilaran was more like on the 'sending' rather than on the 'receiving' end of migrants. The findings of Pernia (1994) support to this scenario and gave an accurate or definite demographic picture of Tagbilaran during the said years. It calculated the city's net migration to be about -63% for the years 1948-1960.

Although very little is known about population mobility in Bohol or even in Tagbilaran during said period, the negative net migration estimate implies that Tagbilaran was not in the list of preferred destination points of most Bohol migrants. Tagbilaran's economic and social conditions must have been so bleak that even its native residents were forced to leave the city. It was not until hostilities broke out in Mindanao in 1970s and Boholano migrants there were forced to go back to their home province that Tagbilaran City suddenly seemed an ideal place to live in.

Apart from the temporary influx of student migrants and the noted upsurge in 1970, Tagbilaran did not have a history of substantially large number of in-migrants, in direct contrast with its neighboring urban areas like for instance Metro Cebu and its other core urban centers. From as early as 1948, Metro Cebu has been attracting a sizeable number of migrants and although it cannot be determined where majority of these migrants originated, the picture being depicted by the above figures (Table 2) is one of Metro Cebu acting as a 'pull factor' that is slowly drawing out or pulling out people from the neighboring island cities in the region including Tagbilaran.

Metro Cebu's net migration figures from 1948-1990, although they may not be consistently significant especially when plugged in as a component of total population, Cebu's migration statistics did not at least reach rock bottom.<sup>19</sup> It must also be noted however, that it was also roughly at this same time (early to mid-1970s up to 1980s) that the Central Visayas Region was almost 32 percent urban<sup>20</sup>, and Metro Cebu's population was expanding so rapidly, higher than Metro Manila at least, whose growth reached its peak a decade earlier. Metro Cebu's growth seemed to have spilled over to the adjacent cities of Talisay, Lapu-Lapu and Mandaue, which were then registering an average annual population growth rate of 5.56, 4.97 and 8.85 percent, respectively.<sup>21</sup> Even at the peak of its growth, Tagbilaran City apparently still lagged behind its neighboring cities in the region in terms of urban population growth.

Although there are no available statistics that would accurately determine the level or rate of natural increase in the area, the final report on 'The Bohol Project' puts the average crude birth

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<sup>18</sup> Reynes, J. (1980) . The Determinants of Changes in Contraceptive Status: The Case of Bohol, Philippines. Doctoral Dissertation, Brown University.

<sup>19</sup> Pernia, E. and R. Israel. Spatial Development, Urbanization and Migration Patterns in the Philippines.

<sup>20</sup> Reynes, J. (1980). The Determinants of Changes in Contraceptive Status: The Case of Bohol, Philippines. Doctoral Dissertation, Brown University.

<sup>21</sup> Carino, L. A Comparative Study of Five Current and Emerging Metropolitan Areas

rate in Tagbilaran for 1975 to approximately 28 births per 1,000 population. The report also places the average crude birth rate in four Bohol project areas (including Tagbilaran) to be around 38 births per 1,000 population. Given that there was already a reported decline in the birth rates prior to the project implementation in 1979, the city's average crude birth rates in the earlier or the years prior to 1975 must be higher than the stated 1975 crude birth rate figure. This somehow gives credence to the earlier argument/assumption of natural increase as a major contributor to the city's expanding population size.

**Table 3. Population, No. of Births, Deaths and Migration, Tagbilaran City: 1984-2003**

Year	Population	Births		Deaths		Net Migration Total	Infant Deaths		Stillbirths		Maternal Deaths	
		Total	% Share	Total	% Share		Total	% Share	Total	% Share	Total	% Share
1984	46700	1,365	29.20	262	5.60		34	24.90	5	3.70	1	0.70
1985	47877	1,335	27.90	262	5.50	1,207	28	21.00	3	2.30	0	0.00
1986	49083	1,097	22.30	166	3.40	1,348	19	17.30	5	4.60	1	0.90
1987	46809	1,042	22.30	148	3.20	(2,237)	20	19.20	2	1.90	1	1.00
1988	49487	1,099	22.20	200	4.00	2,673	14	12.70	2	1.80	0	0.00
1989	50385	1,517	30.10	258	5.10	538	27	17.80	1	0.70	1	0.70
1990	56363	1,198	21.30	215	3.80	6,254	18	15.00	2	1.70	0	0.00
1991	57952	1,416	24.40	241	4.20	1,397	13	9.20	2	1.40	1	0.70
1992	59587	1,416	23.80	355	6.00	1,749	20	14.10	3	2.10	1	0.70
1993	61267	1,488	24.30	289	4.70	1,542	16	10.80	12	8.10	0	0.00
1994	62995	1,315	20.90	369	5.90	1,981	18	13.70	10	7.60	1	0.76
1995	64771	1,444	22.30	412	6.40	1,690	29	20.10	13	9.00	0	0.00
1996	69084	1,531	23.00	334	5.00	4,148	31	20.20	4	2.60	0	0.00
1997	71571	1,641	22.90	369	5.20	2,412	24	14.60	6	3.66	1	0.61
1998	74318	1,678	22.60	350	4.70	2,691	27	16.10	4	2.38	0	0.00
1999	77053	1,638	21.30	354	4.60	2,779	15	14.10	6	3.30	0	0.00
2000	79888	1,844	23.10	317	4.00	2,592	26	14.10	6	3.30	0	0.00
2001	82828	1,807	21.80	317	3.80	2,977	24	13.30	7	3.90	0	0.00
2002	85876	1,824	21.20	347	4.00	3,061	16	8.80	2	1.10	0	0.00
2003	89037	1,677	18.80	336	3.80	3,297	11	6.60	4	2.40	0	0.00

Source: City Population Office, Tagbilaran

**Table 4. Household population 5 years old and over by sex, place of residence 5 years ago, Tagbilaran City: 1980, 1990 and 2000**

Sex and City/Municipality of Present Residence	Household population 5 years old and over	Place of Residence 5 Years Ago				
		Same City/ Municipality	Other City/Municipality Same Province	Other province	Foreign Country	Unknown
<b>1980</b>						
Both sexes	37,161	32,689	2,789	1,581	102	-
Male	17,839	15,947	1,010	821	61	-
Female	19,322	16,742	1,779	760	41	-
<b>1990</b>						
Both sexes	49,160	44,036	2,430	1,966	123	605
Male	23,897	21,639	931	939	79	309
Female	25,263	22,397	1,499	1,027	44	296
<b>2000</b>						
Both sexes	68,525	61,818	2,360	1,823	316	2,208
Male	33,387	30,346	906	843	185	1,107
Female	35,138	31,472	1,454	980	131	1,101

Source:

1980, 1990, 2000 Census of Population and Housing, National Statistics Office

#### *Recent demographic trends (mid-1980s—present)*

Looking at the city's vital demographic statistics for the past two decades (Table 3), it seems that there is growing tendency to reverse the city's demographic trends. The rate of natural increase for Tagbilaran has been on the decline owing perhaps to the decrease in the number of births, which have been dropping steadily for the last two decades. However, compared with the

province of Bohol, which has a crude birth rate of 19.99<sup>22</sup> per 1,000 births, Tagbilaran was still in excess of 1.21 births for the year 2002. Given that two years before, in 2000, the province has 26.38 crude birth rate or 3.28 births higher than Tagbilaran's 23.1 figure. It seems that Tagbilaran City has not been able to significantly reduce or bring down its birth rate, at least not in the same pace as Bohol.

The number of births continues to outnumber the number of deaths as indicated by the city's declining crude death rate. From 4 persons in 1,000 population in 1998, it went down to 3.35 in 1999 but by 2000 it climbed up a little to 4.06, only to drop down again to 3.93 the following year. By contrast, Bohol's crude death rate since 1999 was always on the 4.55 scale, which is slightly higher than the regional estimates of 4.31 in 1999, 4.32 in 2000 and 3.78 in 2001.

Calculating for net migration and net migration rate using the same demographic statistics (Table 3), reveals that from mid to late 1980s, net migration in the city has been increasing steadily except for some years like 1988, 1990 and 1996, where there were sudden fluctuations from the trend, as indicated by the increases in the number of in-migrants in 1988, 1990, 1996 and of course, the negative migration estimate in 1987.

However, using the NSO's official data on 'residency 5 years ago' (Table 4) in the published censuses would indicate a completely different migration trend. The data on 'residency 5-years ago' would allow us to compute for the magnitude of intra-provincial/city, inter-provincial/city and foreign in-migration of persons, who five years earlier had lived elsewhere.

From 1980 to 2000 (Table 4), it can be observed that there was a marginal decline in the absolute number of internal migrants. In all three censuses, the proportion of internal migrants 5 years old and above has been decreasing and they consist less than fifteen (15) percent of the city's total population. Based on these, it would seem that there was not much movement or mobility or changes in the composition of city residents in terms of place of origin. Although there appears to be new entrants/residents in the city in the recent population count as indicated by the arrival of residents that might be considered as migrants, these however do not constitute a sizeable portion of the city population. Migration trend based on the three-census appeared to be female-dominated, as there were more women in-migrants than men.

**Table 5. Total and Urban Population, Bohol and Tagbilaran: 1970-2000**

	1970	1975	1980	1990	2000
<b>Bohol</b>					
<b>Total Population</b>	<b>683,297</b>	<b>759,370</b>	<b>806,013</b>	<b>947,098</b>	<b>1,137,268</b>
Total Urban Population	96,654	107,447	122,914	239,617	275,128
% Share of Urban Population to Total Population	14.15	14.15	15.25	25.30	24.19
<b>Tagbilaran</b>					
<b>Total Population</b>	<b>33,005</b>	<b>37,335</b>	<b>42,683</b>	<b>56,363</b>	<b>77,700</b>
% Share to Total Urban Population	34.15	34.75	34.73	23.52	28.24
% Share to Total Population	4.83	4.92	5.30	5.95	6.83

Source: 1980, 1990 and 2000 Census of Population and Housing

<sup>22</sup> [http://www.poorfirstpovertycafe.org.ph/factsFigures/Bohol\\_facts\\_and\\_figures.htm](http://www.poorfirstpovertycafe.org.ph/factsFigures/Bohol_facts_and_figures.htm)

### ***Urban-Rural Continuum***

As early as the 1980 Census, Tagbilaran was already considered 100 percent urban. The city's population is growing at an average maximum rate of 3.26<sup>23</sup> percent annually from 1990-2000. Although it remains consistently to be among the highest in the province (0.34 points higher than the provincial estimate)<sup>24</sup> and in the region, the city's urban population is relatively small when compared to the province's total urban population. From 34.7 percent in 1980, Tagbilaran's share in the province's aggregate urban population went down to 23.22% in 1990 and increased slightly to 28.24 in the 2000 Census. The decline was accompanied by significant increases/growth in most of Bohol's prime municipalities and growth centers like Ubay, Talibon<sup>25</sup>, Carmen and Jagna<sup>26</sup>. Nevertheless, it appears that a great number of Boholanos (75%) still opt to reside in rural areas as the province's total urban population made very modest increases in the past thirty years.

## **4.2 Economic Structure**

### **4.2.1 *Dependency Ratio and Employment***

If the high crude birth rates previously discussed were indicative of Tagbilaran's past birth rate performance, it is not surprising then why the city has a young population (refer to Table 5). In 1980, a significant portion of the population, more than 65 percent (67.15%) were middle aged or under the age of 30, while those 30-59 years accounted for almost 30 percent and 6.5 percent were above 59 years. In the 1990 and 2000 Census, the number of those below 30 years old slightly went down to 64.44 percent and 61.41 percent, respectively. This is so because a good portion of those teen-agers ten years ago has now joined the ranks of middle age group just as those who were middle aged then are now in their 60s.

If population pyramids will be constructed for all three (3) censuses, all three pyramids will have wide bases, but there will be a slight contraction or thinning in the sizes of the pyramids that generally denote a somewhat maturing population. Even so, these wide bases suggest that the city will still retain its young population for some time but at a declining rate or pace, as illustrated by the slight tapering/narrowing of the bases across three censuses. It must also be noted that women outnumbered the male population in almost all age brackets, except for the recent 2000 Census where it can be seen that there are more men belonging to the 14 years and below age group. In all three censuses, the largest group is composed of those people with age 15-19 years (Table 6).

Consequently, Tagbilaran's working age population has been increasing. From almost 60 percent or 59.28% in 1980, it increased to 61.27 percent in the 1990 Census. This likewise translates to a dependency ratio of 68.68 percent in 1980, lower relative/compared to the provincial estimate for the year. This means that of 100 working age population in 1980, there were 68 dependents. The figure went down to 63.20 in 1990 and slid even further to 56.93 percent in the 2000 CPH. These records are at least 15-percent points lower than the provincial estimates of 89.36% (1980), 80.72% (1990) and 73% for 2000.

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<sup>23</sup><http://www.cvis.net.ph/nso7/statistics/populations/population%20by%20municipality%20and%20growth%20rate.XLS>

<sup>24</sup><http://www.cvis.net.ph/nso7/statistics/populations/population%20by%20municipality%20and%20growth%20rate.XLS>

<sup>25</sup> NSO website

<sup>26</sup> [http://www.boholweb.com/about\\_bohol/trade.htm](http://www.boholweb.com/about_bohol/trade.htm)

**Table 6. Population by Age Group, Sex, Tagbilaran City: 1980, 1990, 2000**

Age Group	1980			1990			2000		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
All ages	<b>42,683</b>	20,663	22,020	<b>55,654</b>	27,322	28,332	<b>77,700</b>	38,145	39,555
Under 1 year	<b>1,177</b>	598	579	<b>1,334</b>	694	640	<b>1,812</b>	913	899
1-4	<b>3,978</b>	2,023	1,955	<b>5,160</b>	2,731	2,429	<b>6,844</b>	3,450	3,394
5-9	<b>5,164</b>	2,738	2,426	<b>6,586</b>	3,460	3,126	<b>8,167</b>	4,169	3,998
10-14	<b>5,255</b>	2,511	2,744	<b>6,002</b>	2,944	3,058	<b>7,838</b>	4,058	3,780
15-19	<b>5,503</b>	2,548	2,955	<b>6,527</b>	3,097	3,430	<b>8,871</b>	4,184	4,687
20-24	<b>4,448</b>	2,039	2,409	<b>5,657</b>	2,677	2,980	<b>7,686</b>	3,618	4,068
25-29	<b>3,135</b>	1,474	1,661	<b>4,597</b>	2,169	2,428	<b>6,499</b>	3,210	3,289
30-34	<b>2,505</b>	1,192	1,313	<b>4,090</b>	1,965	2,125	<b>5,960</b>	2,901	3,059
35-39	<b>2,378</b>	1,103	1,275	<b>3,360</b>	1,657	1,703	<b>5,313</b>	2,641	2,672
40-44	<b>1,989</b>	1,008	981	<b>2,768</b>	1,398	1,370	<b>4,677</b>	2,331	2,346
45-49	<b>1,796</b>	817	979	<b>2,368</b>	1,135	1,233	<b>3,627</b>	1,820	1,807
50-54	<b>1,533</b>	764	769	<b>2,005</b>	982	1,023	<b>2,820</b>	1,404	1,416
55-59	<b>1,060</b>	512	548	<b>1,526</b>	753	773	<b>2,246</b>	1,077	1,169
60-64	<b>957</b>	469	488	<b>1,203</b>	562	641	<b>1,813</b>	864	949
65-69	<b>710</b>	320	390	<b>896</b>	415	481	<b>1,323</b>	604	719
70-74	<b>485</b>	240	245	<b>631</b>	285	346	<b>928</b>	403	525
75 and over	<b>610</b>	307	303	<b>944</b>	398	546	<b>1,276</b>	498	778

Source:

1980, 1990, 2000 Census of Population and Housing, National Statistics Office

**Table 7. Dependency Ratio, Tagbilaran and Bohol: 1980-2000**

	1980		1990		2000	
	Total	% Share	Total	% Share	Total	% Share
<b>Bohol (Total Population)</b>	806,013	100.00	948,403	100.00	1,137,775	100.00
Working Age Population (15-64 years old)	425,659	52.81	524,467	55.30	659,080	57.93
Dependent Population (0-14 years old & 65 above)	380,354	47.19	423,367	44.64	478,695	42.07
<b>Dependency Ratio</b>	<b>89.36</b>		<b>80.72</b>		<b>72.63</b>	
<b>Tagbilaran (Total Population)</b>	42,683	100.00	55,654	100.00	77,700	100.00
Working Age Population (15-64 years old)	25,304	59.28	34,101	61.27	49,512	63.72
Dependent Population (0-14 years old & 65 above)	17,379	40.72	21,553	38.73	28,188	36.28
<b>Dependency Ratio</b>	<b>68.68</b>		<b>63.20</b>		<b>56.93</b>	

Source:

1980, 1990, 2000 Census of Population and Housing, National Statistics Office

Due to the lack of data referring to the number of people in Tagbilaran City with gainful employment, we used the provincial data in the published 1980 Census. However, if one looks at

the 1980 census and assuming that the urban population refers to Tagbilaran (Table 8), it would seem that of the total urban workforce which comprise a meager 16%<sup>27</sup> of the total workforce in the province only less than half were gainfully employed. On the other hand, more than half of the rural working population had gainful employment. And in both cases, urban and rural, men were more economically active than women.

The absence of employment prospects in the formal sector could have provided the impetus for rural residents to engage in home based, handicraft/cottage industries.

**Table 8. Population 15 years old and over by gainful occupation and non-gainful occupation, by sex, urban-rural, Bohol: 1980**

	Total		Urban		Rural	
	Total	% Share	Total	% Share	Total	% Share
<b>Bohol</b>						
Both Sexes	475,389	100.00	75,890	15.96	399,499	84.04
Male	229,153	48.20	35,759	7.52	193,394	40.68
Female	246,236	51.80	40,131	8.44	206,105	43.36
<b>Gainful occupation</b>						
Both Sexes	244,970	51.53	37,391	49.27	207,579	51.96
Male	188,404	39.63	25,646	33.79	162,758	40.74
Female	56,566	11.90	11,745	15.48	44,821	11.22
<b>Non-gainful occupation</b>						
Both Sexes	230,419	48.47	38,499	50.73	191,920	48.04
Male	40,749	8.57	10,113	13.33	30,636	7.67
Female	189,670	39.90	28,386	37.40	161,284	40.37

Source:

1980 Census of Population and Housing

#### **4. 2. 2 Rise of Micro-level industries and the burgeoning tourism industry**

##### **Handicraft industries**

The earliest handicraft industry in the province dates back to as early as 1920, and since then it has grown steadily up to a point that it has become a leading source of income for most people in Tagbilaran and in Bohol, next to agriculture.<sup>28</sup> Loom weaving as well as mat and basket weaving and the manufacture of other novelty items—a small subsector of the handicraft industry, appeared to be ideally suited to a tourism province like Bohol, as sales from these produce have reached a total sales volume of P63.64 from 1989-1992 and benefited some 1, 800 to 3, 278 families in the area.<sup>29</sup> More and more people were getting lured into entrepreneurial activities such that by 1997, more than 80<sup>30</sup> percent of households in the province, and 70 percent of city households derived their annual income from entrepreneurial activities.

<sup>27</sup> Tagbilaran by this time had a total work force of 25, 304 or 6% of Bohol's total working age population. But because there is no data on Tagbilaran's labor force participation in the 1980 Census, the province's urban component will be treated and assumed to refer to Tagbilaran.

<sup>28</sup> <http://www.cvis.net.ph/bohol/major.html>

<sup>29</sup> <http://www.cvis.net.ph/bohol/major.html>

<sup>30</sup> data derived from FIES 1997, using STATA



Records from the Department of Trade and Industry likewise indicate a fairly good performance of the handicraft/cottage industries. Total capitalization during this year amounted to P4.066 million in Tagbilaran alone. The growing popularity of these micro-level industries as source of income to the locals went side by side with the increase in tourist arrivals in the region, as noted by UP Asian Institute of Tourism in their 1997 study on regional travel in the Philippines.<sup>31</sup> Handicrafts and souvenir items like clothes, footwear and other native products were found to be very popular among tourists. Collectively, these make up 75% of tourists' domestic or local purchases.

The findings of the study pointed out that except for NCR, Region VII ranked first among the regions in terms of total tourist arrival volume with a share of 15.6%. The region also received the most number of foreign tourists with a 40.6% share of the total foreign tourist arrival volume excluding NCR. And of all the provinces in the region, Bohol was second to Cebu in terms of the biggest volume of tourist arrivals. It even **beat** Cebu in the third quarter of 1997.

**Table 9. Handicraft industries, Tagbilaran City, 1997-2002**

Year	No. of Establishments	No. of persons employed	Capitalization (in millions)
1997	19	119	4.06
1998	18	54	1.66
1999	11	398	51.12
2000	13	52	1.83
2001	18	49	2.91
2002	23	61	6.17

Source: DTI, Tagbilaran City

**Table 9a. Number of DTI-registered establishments by sector, Tagbilaran City: 1998-2002**

Sector	1998		1999		2000		2001		2002	
	No. of Firms	%	No. of Firms	%	No. of Firms	%	No. of Firms	%	No. of Firms	%
Manufacturing	52	5.2	63	4.8	76	4.4	89	4.3	90	4.0
Services	494	49.7	667	50.6	860	50.3	1045	50.4	1107	49.7
Trade/Trading	446	44.9	585	44.4	767	44.9	933	45.0	1023	45.9
Agriculture	1	0.1	2	0.2	6	0.4	6	0.3	9	0.4
Total	993	100.0	1317	100.0	1709	100.0	2073	100.0	2229	100.0

Source: DTI, Tagbilaran City

### **Retail and small-scale enterprises**

Apart from the expansion of the manufacturing sector, which was largely dominated by handicraft industries—a recognized indicator of tourism boom in the area, tourism contribution/impact is believed to be manifested in the growth of other industries like retail, accommodation and transport. These understandably make up the core sectors of the tourism industry in the locality.

Although there are other businesses that sprouted in the city like banks, (which totaled to 16 as of 1998 and 33 lending institutions) majority of the business investments in the city are channeled in

<sup>31</sup> UP Asian Institute of Tourism. (1998). Study on Regional Tour in the Philippines: Region VII, 1997.

small businesses like sari-sari stores and other related establishments, which collectively employ an estimated number of 3, 264 people.

As of 1997, these enterprises account for 79 % of the total establishments and have an aggregate business capital of 38.9 million pesos. And based on the same survey by the CPDO, only 7 business establishments can be categorized as macro enterprises or industries having a capital of more than P 500 million.

Table 10. Top seven business establishments by the number of permits, Tagbilaran City, 1994 - 2002

1994		1995		1996		1997		1998	
Sari-sari	26.3	Sari-sari	26.5	Sari-sari	24.2	Sari-sari	25.2	Sari-sari	21.4
Miscellaneous	8.2	Miscellaneous	7.7	Miscellaneous	7.4	Miscellaneous	7.0	Rice and corn retail	15.8
Boarding house	5.8	Boarding house	6.8	Boarding house	6.0	Boarding house	5.3	Miscellaneous	6.0
Vegetable vendor (Agora)	4.1	Carenderia	4.1	General Merchandise	4.6	Real Estate Lessor	4.3	General Merchandise	5.5
Carenderia	3.9	General Merchandise	3.5	Carenderia	4.6	General Merchandise	4.3	Real Estate Lessor	5.4
General Merchandise	3.6	Real Estate Lessor	3.4	Real Estate Lessor	4.1	Carenderia	4.2	Boarding house	4.6
Fresh fish vendor (Agora)	3.0	Vegetable vendor (Agora)	3.0	Vegetable vendor (Agora)	3.6	Vegetable vendor (Agora)	3.2	Carenderia	3.3
Total	3379		3448		3685		3672		3571
1999		2000		2001		2002			
Sari-sari	22.0	Sari-sari	21.6	Sari-sari	23.6	Sari-sari	23.3		
Miscellaneous	10.4	Miscellaneous	11.4	Miscellaneous	10.9	Miscellaneous	11.4		
Real Estate Lessor	5.4	Real Estate Lessor	8.0	Real Estate Lessor	8.4	Real Estate Lessor	7.8		
Boarding house	5.3	Boarding house	5.9	Boarding house	5.6	Boarding house	5.1		
General Merchandise	5.0	General Merchandise	5.2	Carenderia	4.2	Carenderia	4.4		
Lending Investor	4.1	Carenderia	3.9	General Merchandise	3.6	General Merchandise	3.8		
Carenderia	3.8	Repair shop	3.2	Repair shop	2.4	Repair shop	2.5		
Total	3666		3805		4024		4201		

Source: Treasurer's Office, Tagbilaran City

Presently, the top seven business establishments as of 2002, are the sari-sari stores, miscellaneous, real estate lessors, boarding houses, carinderias, general merchandise stores and repair shops. Again, sari-sari stores have the highest number of registered businesses totaling 980. Businesses classified as miscellaneous follows with 478 establishments. Together, these two make up 34.7% of the total. Collectively, these businesses constantly thriving in Tagbilaran account for 58.3% of the 4,201 total number of business establishments.

Further inspection of the number of business permits revealed that most of the establishments could be found under the service sector category. On the other hand, the number of businesses under the agriculture and industry sectors is relatively small.

Though majority are micro industries, large and medium industries are also present in Tagbilaran. The city recognizes the importance of these industries in supporting local employment. However, it is prudent in the kind of industries it allows. Industrial expansion is limited due to a higher weight placed on environment/ecological preservation. Bottling plant, ice plant, manufacturer of compressed and liquid gases, meat processing and three (3) automotive machine shops are the only large-scale industries in Tagbilaran. Fuel depots can also be found in the city. Most of the industries are centered on the service sector.

The benefits of tourism growth and its corresponding cost to the community are taken into account in the type of investments it permits to operate. Investments on preferred processing and manufacturing are currently encouraged by the city since these are potential sources of employment. In fact, the development of an Investment Code as guide for investor in the industry is underway.

### **Hotels and tourist accommodations**

The city claims that it has the best facilities and accommodations for visiting tourists in the area. As of 1998, there were a total of 32 lodging houses that could accommodate more or less 3, 000

visitors at one time.<sup>32</sup> Unfortunately, there are no data currently available that would describe the occupancy rates in any of these establishments.

**Table 11. Hotels, Pension Houses and Billet Houses, 1998  
City of Tagbilaran**

<b>Name</b>	<b>Capacity</b>	<b>Name</b>	<b>Capacity</b>
Bohol Hotel La Roca	61 Rooms	LTS Lodge	17 Rooms
Bohol Tropics Resort Club	25 Rooms	Traveler's Inn	14 Rooms
Gie Gardens Hotel	19 Rooms	Sea Breese Inn	15 Rooms
Meridian Hotel	22 Rooms	Slim Pension House	18 Rooms
Metro Center Hotel	45 Rooms	Uptown Lodge	16 Rooms
Island Leisure Inn and Restaurant	30 Rooms	Tamblot Pension House I	6 Rooms
BSAT Hometel	5 Rooms	Tamblot Pension House II	3 Rooms
Captians Manor Pension House	5 Rooms	Villa Camilla Pension House	13 Rooms
Casa Juana	10 Rooms	Vista Lodge	17 Rooms
Charisma Lodge	17 Rooms	Coralandia Resort	14 Rooms
Chriscent Ville Pension Haouse	24 Rooms	APC Dorm	Dormitory
City Lodge I	34 Rooms	Arnolus Retreat House	Dormitory
City Lodge II	36 Rooms	Boy Scout Center	Dormitory
City Lodge III	22 Rooms	Girl Scout Cenet	Dormitory
Dumadag Farms	5 Rooms	Wregent Pension House	Dormitory
Everglory Lodge & Restaurant	18 Rooms	Sky High Pension House	Dormitory
Executive Inn	21 Rooms		

Source: CLUP

**Table 12. Income sources, IRA and Local Revenue, Tagbilaran City: 1987-1991  
Before the Implementation of RA 7160**

<b>Year</b>	<b>Local</b>		<b>IRA</b>		<b>Total</b>	
	<b>Amount</b>	<b>Increment</b>	<b>Amount</b>	<b>Increment</b>	<b>Amount</b>	<b>Increment</b>
1987	11,781,512.95	-	1,054,551.31	-	12,846,064.26	-
1988	12,542,323.72	6.4	3,243,127.71	203.0	15,784,451.43	23.0
1989	15,501,645.57	23.6	4,697,555.36	41.7	20,199,100.93	28.0
1990	23,252,504.94	6.3	7,172,623.00	50.6	30,425,227.94	51.0
1991	26,162,797.14	12.5	10,594,153.00	20.8	36,756,950.14	21.0
<b>Total</b>	<b>89,240,784</b>	<b>12.2</b>	<b>26,762,010.38</b>	<b>79.0</b>	<b>116,011,794.70</b>	<b>30.75</b>

Source: CLUP

<sup>32</sup> Tagbilaran City, Comprehensive Land Use Plan: 1999-2004

**Table 13. Government Income Per Capita,  
Tagbilaran City: 1987-1991**

Year	Population	Government Income Per Capita	
		Nominal	Real*
1987	52,153	246.31	
1988	53,520	294.92	245.09
1989	54,923	367.77	272.91
1990	56,363	539.81	359.99
1991	58,291	630.58	357.63

\*Based on 1985 constant prices

#### **4. 2. 3 Household, Per Capita Income and Poverty Incidence**

It seems that the reported increases in the cottage industry especially during the 1980-1990 period did very little in curbing and bringing down the number of poor people in the province, as the statistics remained virtually unchanged from 1985 to 1991. Head count indices for these years almost remained constant, never leaving the 60-percent mark. In the case of Tagbilaran, the proportion of poor to total city population was not as great as that of Bohol province. From forty percent in 1985, it rose to a little over 60 percent in 1991 but it went down again to 48 percent in 1994, and finally in 1997 it slid even further to just 40% of the total population. These figures however, are still the highest in the region during said periods<sup>33</sup>. In like manner, average household income by around this time (1985) was P 17,668<sup>34</sup> for Bohol. Assuming once again that the urban component in the data generated constitutes and refers solely to Tagbilaran City, average household income was almost 50% higher in the city with P 32,776. While per capita income for people in the urban area, pegged at P 5,954 was twice as those of people living in rural areas with only P 3,416 annually. The urban areas' annual per capita income (P 5,954) was even higher than that of the provincial level, which was estimated at P 3,777, the lowest in the region.

On a wider scale, from the late 1980s to early 1990s, the city's resources or revenues followed an upward trend although it was not a smooth, steady climb, but still keeping up with the pace and growth of population. From 1987 to 1991, the principal source of income for the city was locally generated revenues. The city's IRA share accounted a yearly average of 23.3% only compared to the locally generated revenues with 76.6%. Government real per capita likewise grew from P 245 in 1988 it went up to P435 in 1990 only to decline by half in the following year (1991). This coincided with the over 60% increase in poverty incidence in the city and somehow reflects the economic gloom that was widely experienced then due to a number of natural calamities that rocked the country like the Mt. Pinatubo eruption.

The structural and political changes introduced in the early 1990s, particularly the implementation of the Local Government Code in 1992, had grave significance to local government units in the country because for once, they are given the chance to chart their own development goals. For Bohol and Tagbilaran, the obvious and most practical decision was to pursue a tourism-oriented development strategy.

<sup>33</sup>

<sup>34</sup> Generated from 1985 FIES using STATA

## **5. Recent Trends, Consequences and Responses**

### **5.1. Tourism as development strategy**

Despite the declaration of Panglao Island Tourism Estate in 1973, and the subsequent government circulars that aim to identify and set apart areas in Bohol with tourism potentials, there were no evidence obtained that would suggest that tourism figured in so strongly in the local development agenda of both Tagbilaran and Bohol.

Tourism or eco-tourism as it is now called, entered local policy development agenda only in 1988. Perhaps owing to the fact that eco-tourism, as a government policy is a relatively new phenomenon. It has its roots in the 20-year Tourism Master Plan that was developed by the DOT, UNESCO and World Tourism Organization in 1991.<sup>35</sup> And as with most government services/functions, tourism management and planning became part of local development planning with the advent of the 1991 Local Government Code.

Moreover, the identification of Bohol and Panglao Islands in the Philippine Tourism Master Plan as major tourists' attractions in the Visayas Tourism Cluster had grave significance and serious implications for Tagbilaran. This concretizes the rationale for the development of tourism in Tagbilaran City. Not necessarily as a tourist destination but as a major stopover to tourist destinations in Bohol.<sup>36</sup>

Hence, tourism officially found its way to local government planning in 1998, when the city of Tagbilaran and the province of Bohol almost simultaneously, with the help of the city planning experts/team from the DILG-AusAID PRMDP Project, drafted their Medium Term Development Plan and City Land Use Plan. This happened during the time of Bohol Governor Enrico Augmentado and Tagbilaran City Mayor Jose Torralba.<sup>37</sup> The subsequent years saw the formulation at the local level of landmark legislations on tourism such as Bohol Agenda 21, Bohol Environmental Code of 1998, and the setting up of "Environment Management System."<sup>38</sup> And in order to give meaning to these laws, the Provincial Tourism Office (an extension of the Office of the Provincial Governor), Bohol Tourism Council and City Tourism Council were established.

The creation of the City Tourism Council was one indication of Tagbilaran's significance to the province's overall development plan<sup>39</sup>. For its part, the City of Tagbilaran vowed to pursue the development of the necessary infrastructure, services and facilities, including the creation of the right atmosphere/environment favorable to tourists both foreign and local.

### **5.2. Improvements in Tagbilaran Airport**

First in the agenda was the improvement of the Tagbilaran City Domestic Airport and the installation of safety measures that the DOTC has required. Prior to the year 1995, the sole air service airline which is Philippine Airlines serviced Cebu-Tagbilaran and Manila-Tagbilaran routes with a frequency of 2 to 3 flights per day. With the coming of fastferry boats operating between Tagbilaran and Cebu City the Cebu flights have to be cancelled leaving only the Manila flight using smaller Fokker 50's which has limited passenger capacity. But because Fokker 50

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<sup>35</sup> <http://www.unescap.org/tctd/gt/files/philipp.pdf>

<sup>36</sup> Tagbilaran City, Comprehensive Land Use Plan: 1999-2004

<sup>37</sup> Interview with Provincial Tourism Officer

<sup>38</sup> Relampagos, Rene. (2002)

<sup>39</sup> Tagbilaran City, Comprehensive Land Use Plan: 1999-2004

flights are not economically viable, PAL phased them out and promised to service Tagbilaran with bigger 707s.<sup>40</sup>

In May 2002, PAL resumed its Manila-Tagbilaran route using 737s. The local Air Traffic Office has complied with PAL's measures including the extension of the runway. The resumption of PAL flights has brought the number of Manila-Tagbilaran flights to 17 times a week.<sup>41</sup>

On the other hand, Asian Spirit, a domestic airline company, also services the Tagbilaran-Cebu and Tagbilaran-Manila routes, and vice-versa, six days a week. PAL and Air Philippines (also a domestic airline company) have local booking offices to accommodate reservations and booking for international and domestic flights.<sup>42</sup>

A new airline company, Laoag International Airlines, a domestic airline, started its 4 times-a-week Manila-Tagbilaran-Manila flight last October 8, 2001.<sup>43</sup>

The new airport has modern facilities like the control tower, passenger terminal, crash, fire and rescue unit equipment, a 60 KVA power plant and a precision approach path indicator.<sup>44</sup>

### **5. 3. Upgrading of Tagbilaran Port**

The Tagbilaran City Wharf, now called the Tagbilaran City Tourist Pier, has been improved and now new port facilities such as: 265.8 meters - berth length and 2 dedicated berths for fast boats; 2 ro-ro ramps, 1,820 square m. storage area; and average cargo handling capacity of 49,000 tons accommodating 10 to 20 footer vans; container traffic of 5,142 TEUs.

There are currently 9 daily ship calls to Cebu City, 5 being fastcraft trips. Daily passenger traffic is pegged at approximately 4,000.

Other regular destinations are Manila (four times a week), Cagayan de Oro City, Dumaguete, Dipolog, Iligan, Larena, Plaridel and Ozamiz City. There are four other port terminals, which cater to Cebu and Northern Mindanao routes

A port expansion project costing P85 million is being pursued for the construction of additional berthing space for fastcraft ferries.

### **5. 4. Recent rise in Tourist Arrivals**

The aggressive tourism campaign of the Province and the improved accessibility to Tagbilaran had paid off with the growing recognition of Bohol as an eco-tourism spot and a cultural heritage town.

Except for Cebu province, which is already a recognized melting pot of the region, Bohol, surpasses Negros Oriental and Siquijor in terms of domestic and international visitors.<sup>45</sup>

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<sup>40</sup> <http://www.tagbilaran.gov.ph/infrastructure.html>

<sup>41</sup> [Ibid](#)

<sup>42</sup> [Ibid](#)

<sup>43</sup> [Ibid](#)

<sup>44</sup> [Ibid](#)

<sup>45</sup> Tagbilaran City, Comprehensive Land Use Plan: 1999-2004

**Table 14. Tourist Arrivals by Province, 1998 and 2003**

Province	(January to June) 1998 <sup>1</sup>						2003 <sup>2</sup>					
	Local Tourists		Foreign Tourists		Total		Local Tourists		Foreign Tourists		Total	
	Volume	(%)	Volume	(%)	Volume	(%)	Volume	(%)	Volume	(%)	Volume	(%)
<b>Bohol</b>	28,958	11.1	11,329	7.4	40,287	9.7	110,514	13.3	18,385	5.6	128,899	11.1
<b>Cebu</b>	196,890	75.2	133,293	87.1	330,183	79.6	591,441	71.2	295,674	90.4	887,115	76.6
<b>Negros Oriental</b>	26,567	10.2	4,947	3.2	31,514	7.6	95,466	11.5	9,880	3.0	105,346	9.1
<b>Siquijor</b>	9,271	3.5	3,420	2.2	12,691	3.1	33,318	4.0	2,987	0.9	36,305	3.1
<b>Total</b>	261,686	100.0	152,989	100.0	414,675	100.0	830,739	100.0	326,926	100.0	1,157,665	100.0

Source:

<sup>1</sup> CLUP, Tagbilaran City

<sup>2</sup> Department of Tourism, Region VII

The tourist arrival statistics collated by the City Planning and Development Office reveal that from January to June 1998 (Table 14), the estimated total volume of local and international visitors to Bohol was 40,287 or 9.7% of the total tourist arrivals in Central Visayas. For 2003, the Provincial Tourism Office reported an estimated total tourist arrival of 128, 899. This accounts for only 11.13% of tourist arrivals in the entire Central Visayas. While Bohol may be the second most favorite tourist destination in Central Visayas, its share in the tourism market is still very small when compared with Cebu, although it did beat Cebu by 18.1% as top tourists' destination in the 2003 Travel Mart competition.<sup>46</sup>

**Table 15. Distribution of Regional Travelers in Bohol 1999-2003**

Year	Foreign Travelers	Overseas Filipinos	Domestic Travelers	Total	Increase/Decrease
1998 <sup>1</sup>	11,329	-	28,958	40,287	42,511
1999	22,518	171	60,109	82,798	(14,462)
2000	15,468	138	52,730	68,336	12,704
2001	14,536	16	66,488	81,040	11,712
2002	17,243	113	75,396	92,752	36,147
2003	18,219	166	110,514	128,899	
<b>Total</b>	<b>99,313</b>	<b>604</b>	<b>394,195</b>	<b>494,112</b>	

Source of Data:

<sup>1</sup> CLUP, Tagbilaran City

Department of Tourism Regional Office VII

Moreover, based on the tourist arrival statistics of DOT Region VII, majority of visitors to Bohol are domestic travelers. They account for more than 70 percent of the total visitors to the island. Unfortunately, for the statistics above, there are no data available that would describe the average length of stay of these visitors in the island. But in a small survey (304 respondents) conducted by Bohol Tourism Office from January to March 2004, it appears that a great number of visitors (57%) to the island stay for about 2-7 days, 10.5 percent says two weeks, 11 percent were for an overnight stay, and the rest were on a day tour. The first bout of kidnappings by Abu Sayaff and the government's war against the Moro Islamic Liberation Front (MILF) in Mindanao could be responsible for the sharp decline in tourist arrivals in the year 2000. However, tourism industry in the Philippines vastly recovered after SARS hit several countries in Asia.

<sup>46</sup> <http://www.manilatimes.net/national/2003/oct/17/life/20031017lifl.html>

The dynamic performance of the province's tourism industry has prompted the Philippine Airlines Lines (PAL) to include Tagbilaran City in its 2003 Calendar distributed worldwide at par with San Francisco (California), Melbourne (Australia), Shanghai (China), Tokyo (Japan) and Vancouver (Canada).<sup>47</sup>

One of the reasons cited for the upsurge in Bohol's visitor arrivals is the relatively low accommodation rate offered by most hotel establishments in Tagbilaran as compared with the hotel rates in other tourist destinations, thereby making the Bohol tour packages more saleable and affordable to interested and would-be travelers. One representative of tourism organizations in the country recalled that the city government of Tagbilaran encouraged the lowering of accommodation rates in most hotels and inns in the city.<sup>48</sup>

## **5. 5. Improvements in Social Service Delivery**

This section describes the various responses of the city government of Tagbilaran to the demands of increasing urban population and the challenges posed by/of catering to a growing tourism market.

### **5. 5. 1. Education**

It was only very recently, in third quarter of 2003 that Tagbilaran City was converted into an independent City Schools Division. The Tagbilaran City School District was under the direct supervision of the Division Superintendent of Bohol Province.

But nevertheless, the city government as the law mandates sets apart a portion of its income (more popularly known as Special Education Fund) to assist the DepEd Division in the area. The assistance came in the form of finances for the hiring additional teachers and school personnel, and improvement and operation of school buildings and facilities. They also provide for the operation and maintenance of the Interim City Schools Division Office.

Since 1997, there were a total of 6 regular elementary school teachers being paid out of city funds, most of whom are serving on a contractual basis. There are also those who are serving as casuals and lately, in the 2003-2004 school year, the city hired additional teaching staff or teacher aides that would handle the remedial classes in the elementary.

The city also provided for the conduct of night classes for high school students in Cogon National High School. In addition to that, they also provide scholarships to an indeterminate number of college students.<sup>49</sup>

For 1997, P5.5 million special education fund was appropriated by the City government, a good portion of which, 2.2 million went to MOOE, 1.68 million for capital outlay and 750, 000 for personal services, the rest went to sports-related activities. The 750,000 were expended for the salaries and allowances of the 6 contractual teachers. However, the personal services expenditures soon caught up and became one of the biggest portions of the local budget for education second to MOOE in 1999. In the succeeding years, the share of personal services expenditure rose even higher and ate up majority of the city resources on education. The increase could be attributed to the hiring of 11 administrative staff that would man the Interim City Schools Division Office, overtime pay for teachers in the night classes in Cogon National High School that begun

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<sup>47</sup> Gov. Erico B. Aumentado, State of the Province Address [SOPA] delivered on January 13, 2003 at Plaza Rizal, Tagbilaran City.

<sup>48</sup> Interview with Mr. Paul Young, Vice-President Marsman and Travel Mart

<sup>49</sup> Interview with Dr. Beatriz Luga, Supervisor, Interim City Schools Division, Tagbilaran City



sometime in 2000. Based on the 2004 city schools budget, a total of P 7.2 million were earmarked for the payment of salaries and allowances of 4 contractual and 12 casual teachers, 11 administrative staff, 1 security guard and 1 utility worker. The total budget for 2004 amounted to P 14. 5 million. The City's education budget has been increasing at an average of 1 million per year since 1997.<sup>50</sup>

The Tagbilaran City School District has twenty-two (22) elementary schools where 16 or 72.7 percent are public and 6 or 27.3 percent are private. In the 1996-1997 school year, a total of 10, 693 school children were recorded as enrolled in the elementary schools. The public schools accounted for 8, 203 or 76.3 percent of these enrollees while the private schools recorded an enrollment of 2, 490 or 23.3 percent. This gives a pseudo participation rate of 106.9 percent. This was due mainly to the student transients from other Bohol towns.

In the absence of reliable record on the students' place of origin, it is difficult to determine the real participation rate.<sup>51</sup> However in 2003-2004 school year, the District of Tagbilaran made some attempts of improving their records and reported a participation rate of 60.8 percent for elementary level and 59.56 for the secondary level.

A total of 131 pupils in the 16 public elementary schools dropped out from their classes, these accounted for the 1.89 drop-out rate for the city district in the school year 1996-1997. By 1998, drop out rate increased to 2.72 percent but went down again to 2.31 in the 2003-2004 school year.

According to the Interim City Schools Division, for 1998-1999 school year cost per pupil averaged P 4, 617. 10 but in 2002-2003, this declined to P 2, 859. 27. Perhaps this is due to the increase in number of students per teacher, from 1:29 teacher-pupil ratio in 1998-1999 school year, to 1:41 in 2002-2003 school calendar.

Between the school years 1994-1995 and 1996-1997, the academic achievement test results of elementary students of the City District were not very impressive. Likewise in 1994, the whole Bohol Division, of which Tagbilaran District was a part, ranked 5<sup>th</sup> in the NEAT Regional ranking in both Math and Science, 7<sup>th</sup> in English and 3<sup>rd</sup> in HEKASI. From 1994 to 1996, in the NEAT regional ranking, the Bohol Division did quite well in HEKASI but not so good in Math, Science and English subjects.

However, in the 1997-1998, Bohol was 3<sup>rd</sup> in the NEAT regional ranking for Math and HEKASI and 4<sup>th</sup> in both Science and English subjects. In like manner, the Tagbilaran City showed marked improvement with an average of 70 percent in all levels of 16 public schools. The Grade 1 pupils got the highest average of 75 percent while Grade 3 pupils got the lowest with 63.75 percent.

Inspired with these developments, last year, 2003, the city government employed an undisclosed number of teacher/teaching aides that would assist in the remedial classes for the elementary. This is to attain their goal of being in the same rank/league as Mandaue City, who has attained the top two posts in almost all subjects from 1993 to 1998 in the NEAT Regional Ranking.

The Interim City Schools Division's main priority for now is to improve the quality of basic elementary education. Hence, a major part of the city resources in education are poured into this area. But nevertheless, the city made some appropriations for the night classes in the secondary level, as well as financial assistance to four (4) of the six (6) public high schools in the city.

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<sup>50</sup> Ibid

<sup>51</sup> Tagbilaran City, Comprehensive Land Use Plan: 1999-2004

Only two public secondary schools, Dr. Cecilio Putong High School and Mangga High School, are completely autonomous or independent of the city funds/financial assistance as each has its share in the General Appropriations Act.

### 5. 5. 2. Health

Consistent with the above priority, the City Health Office is monitoring the health and nutritional status of children in the City of Tagbilaran. The City Health Office is directing all major efforts to reduce if not eliminate the incidence of malnutrition in the City. The City Health Office is responsible for the implementation of the Nutrition Program with children 0-6 years as target. In 1998, of the 13, 809 children 6 years and below, only 11, 174 or 80 percent were weighed and of which, 1, 916 (17. 15%) had 1<sup>st</sup> degree malnutrition, 200 were moderately malnourished and 1 was found to be severely malnourished. But by 1999, six (6) children with severe malnutrition were reported; another child was added to the list in 2000 and in 2001, there were a total of nine (9) severely malnourished children in the city.

Likewise for the years 1999 and 2000, Tagbilaran was one of the cities in the region with the least number of mildly malnourished children, out of the nine cities, Tagbilaran ranked 6<sup>th</sup> with 17.23% and 14.59%, respectively.

In terms of number of children with moderate malnutrition, Tagbilaran landed at the bottom list of the nine (9) Central Visayas cities, with only 1.63 and 1.29 percent moderately malnourished children for the said time periods. Unfortunately, in the following year, 2001, the percentage of mildly malnourished children rose to 16.32, 1.73 percent higher from the previous year's 14.59 percent. Similarly, the percent share of children with moderate malnutrition increased slightly to 1.60 percent in 2001.

**Table 16. Hospitals, City of Tagbilaran**

<b>Name of Hospital</b>	<b>Category</b>	<b>Bed Capacity</b>	<b>No. of Personnel</b>
Ramiro Community Hospital	Tertiary	50	96
Bohol St. Jude General Hospital	Secondary	25	31
Tagbilaran Community Hospital	Secondary	36	57
MMG Hospital & Health Service Cooperative	Secondary	37	47
Tagbilaran Puericulture Center and Maternity Hospital	Primary	20	19
Borja Family Hospital	Secondary	40	38
Gov. Celestino Gallares Memorial Hospital	Tertiary (General)	225	363
Englewood Hospital		40	41
<b>Total</b>		<b>473</b>	<b>692</b>

Source: CLUP

The decline in the number of cases of malnourished children in 1999 and 2001 coincided with the City Health Office's aggressive campaign to reduce the cases of malnutrition in the area. Their effort has earned them the CROWN Green Banner awards for 2000, 2001 and 2003.

Table 17. Nutritional Status of Preschool Children by Province and City: 1999-2001

LGU	No. of Preschoolers	Mildly Malnourished Number	Mildly Malnourished Percent	Moderately Malnourished Number	Moderately Malnourished Percent	Severely Malnourished Number	Severely Malnourished Percent	Overweight Number	Overweight Percent
<b>1999</b>									
<b>Central Visayas</b>	<b>903,636</b>	<b>228,712</b>	<b>25.31</b>	<b>54,184</b>	<b>6.00</b>	<b>6,093</b>	<b>0.67</b>	<b>39,725</b>	<b>4.4</b>
Bohol	153,845	41,809	27.18	10,097	6.56	1,067	0.69	4,502	2.93
Tagbilaran	12,109	2,087	17.83	197	1.63	6	0.05	391	3.23
<b>2000</b>									
<b>Central Visayas</b>	<b>921,695</b>	<b>220,166</b>	<b>23.89</b>	<b>49,094</b>	<b>5.33</b>	<b>5,374</b>	<b>0.58</b>	<b>43,029</b>	<b>4.67</b>
Bohol	156,231	41,571	26.61	9,223	5.9	891	0.57	4,840	3.1
Tagbilaran	12,522	1,827	14.59	161	1.29	7	0.06	449	3.58
<b>2001</b>									
<b>Central Visayas</b>	<b>939,668</b>	<b>218,776</b>	<b>23.28</b>	<b>49,083</b>	<b>5.22</b>	<b>5,563</b>	<b>0.59</b>	<b>620,746</b>	<b>66.1</b>
Bohol	155,070	40,284	25.98	8,637	5.57	765	0.49	4,727	3.05
Tagbilaran	12,789	2,087	16.32	205	1.6	9	0.07	536	4.19

Source: Department of Health

To date, there are a total of 8 hospitals and clinics operating in Tagbilaran City with a combined bed capacity of 473 and total hospital workforce of 692 personnel. The Gov. Celestino Gallares Memorial Hospital (GCGMH), formerly the Bohol Provincial Hospital, accounts for 225 bed patients, which is 47.56 percent of the combined bed capacity. Its personnel force of 363 is already 52.45 percent of the combined hospital personnel. About 87.5 percent of the hospitals or 7 out of 8 are located in the urban districts while only 1 is situated in a rural barangay. The Gov. Celestino Gallares Memorial Hospital (GCGMH) which is the only primary hospital in the city, is being maintained by the Provincial Government of Bohol, while the City of Tagbilaran thru its City Health Office is in charge of the operation of 37 Barangay Health Centers scattered all over the city.<sup>52</sup>

### 5. 5. 3. Road Networks

As a primary urban area catering to various establishments and institutions, Tagbilaran City is currently facing a fast-expanding economy simultaneous with the increasing growth in population. The four major barangay districts (Poblacion I, II, III and Cogon) located in City's urban areas make up 46% of the city's population. The major means of transportation within the city are the tricycles, taxis and multicabs. Tricycles are the most common form of transportation to go around the city as they make up 70% of the total number of transportation. Multicabs, on the other hand, are commonly used in travelling to areas outside of the city proper.

There is approximately 136 kilometers of roads in the Tagbilaran City as of June 1997. 47.98% of these roads are city roads. About fifteen (15) National roads make up 13.63% of the total road length. The national roads are under the administrative jurisdiction of the Department of Public Works and Highways.

<sup>52</sup> Ibid

**Table 18. Road lengths by type of administration, Tagbilaran City**

<b>Road Administration</b>	<b>Number</b>	<b>Length Kilometer</b>	<b>Percent Distance</b>
National Roads	15	18.587	13.63
City Roads	d.n.a	65.414	47.98
Barangay Roads	d.n.a	52.35	38.39
<b>Total</b>		<b>136.351</b>	<b>100.00</b>

Source: Tagbilaran City Engineer's Office

Over the past years, the intensity of heavy commercial trucks and transportation buses vis-à-vis tricycles, taxis and multicabs have increased. Hence, traffic management has become one of the city's major concerns. Narrow roads force pedestrians to use the carriageways as walkways. Small and irregular blocks make traffic mobility difficult. Vehicles are fast increasing proportionate to the increasing population. Moreover, the limited number of traffic enforcers stymies traffic flow.

Alongside the various road restrictions imposed to moderate the traffic condition within the city, the city government is directing all major efforts in providing fully developed and efficient infrastructure facilities that will sustain socio-economic development of the city. Apart from discouraging tourists, the city government recognizes how inadequate provision will cause loss of investment opportunities to nearby prime centers located at Cebu. Hence, the city government is a significant investor to urban infrastructures.

On the average, more than 50% of the city's development fund is earmarked for infrastructure improvements. In 2002, there was a sudden jump to 90.3% in the city's outlay for infrastructure owing to the construction of the city hall. Currently, the city is allocating considerable capital resources in opening more urban roads and maintaining major roads that cater to commercial establishments.

**Table 19. Percent share of local government investment priorities by sector, Tagbilaran City**

<b>Sectors</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
Social Development	29.7	52.8	3.1	0.0	6.5
Economic Development	10.8	0.0	6.1	1.0	4.1
Infrastructure Development	54.8	47.2	90.3	20.4	45.4
Development Administration	4.6	0.0	0.5	78.6	43.9

Source: Tagbilaran City, Annual Investment Plans (various years)

#### 5. 5. 4. *Water Supply*

A few years back, potable water was a big problem for Tagbilaran and for most of Bohol. Prior to the renovation/reorganization of the Provincial Waterworks System (PWS) sometime in mid 1990s, Tagbilaran together with the rest of Bohol obtain its water from 2,078 wells (72% were deepwells; 28% shallow wells and 1% pump stations). These however were not sufficient and water was rationed four hours a day. Some areas in the city were not getting any water and residents had to buy water for as high as P50 per cubic meter.

With only 40% of households in having direct water access in 1980 (Table 19a), the water problem indeed became so serious. Tagbilaran was even tagged as the only ‘waterless’ city in the south. The water problem has become one of the major political issues and it even triggered major changes in the province’s political arena. Through a technical study undertaken by foreign groups like the Australian government (AIDAB) in the 1980s, a 5-year water development program requiring a total budget of P174 million was recommended for implementation. In 1995, with funding from the national government and some senators, the Provincial Waterworks System, which was discovered to be suffering from massive losses since its early days, underwent major overhaul. Old pipelines were renewed, new transmission lines were constructed and the drilling for new water source begun.

Mindful of Tagbilaran’s role as the capital and show window for investment promotion, Tagbilaran City was at the forefront of the project and was the first to benefit from all these efforts. The improvements in water service delivery were also seen in the significant increases in the number of households with direct water access. From 40% in 1980, water service access among households rose to 52% and then it rose again to almost 70% in 2000.

Apart from addressing the water scarcity problem of the city, earnings from the supply of water to Tagbilaranons have been generally increasing. Of the four (4) economic enterprises of the city, waterworks generate around 30% of the total income. It remains second to income from the market, which contributes around 50% of the total income.

**Table 20. Comparative income statement of the economic enterprises, Tagbilaran City: 2000-2003**

Year	2000	2001	2002	2003
Waterworks	4,579,730	6,351,407	8,521,340	7,304,917
Market	4,434,451	7,932,809	13,265,167	12,571,317
Slaughterhouse	547,173	807,700	815,191	1,015,496
IBT	3,574,173	5,502,696	5,858,742	6,457,821
Total	13,135,527	20,594,612	28,460,440	27,349,551

Source: Office of the Treasurer, Tagbilaran City

**Table 19a. Sources of drinking water, Tagbilaran City: 1980, 1990 and 2000**

Water Supply	1980		Water Supply	1990		2000			
	HHs	%		HHs	%	Population	%	HHs	%
Total	7312	100.00%	Total	10064	100.00%	8912	100.00%	15585	100.00%
Faucet inside house/yard, community water system	2983	40.80%	OWN-USE-FAUCET	4987	49.55%	4720	52.96%	10553	67.71%
Faucet, public, community water system	1691	23.13%	SHARED-FAUCET	3394	33.72%	2955	33.16%	3700	23.74%
Faucet, other, community water system	784	10.72%	OWNUSE-DEEP-WELL	305	3.03%	231	2.59%	391	2.51%
Tubed/piped deep well, own use	89	1.22%	SHARED-DEEP-WELL	1151	11.44%	827	9.28%	469	3.01%
Tubed/piped deep well, public	986	13.48%	SHALLOW-WELL	89	0.88%	58	0.65%	0	0.00%
Tubed/piped deep well, other	171	2.34%	DUG-WELL	60	0.60%	40	0.45%	125	0.80%
Tubed/piped shallow well, own use	28	0.38%	SPRING-LAKE-RVER	19	0.19%	36	0.40%	0	0.00%
Tubed/piped shallow well, public	25	0.34%	PEDDLER	59	0.59%	45	0.50%	57	0.37%
Tubed/piped shallow well, other	5	0.07%	Bottled water					18	0.12%
Dug well, improved	480	6.56%	Others					272	1.75%
Dug well, other	25	0.34%							
Spring, improved	-	-							
Spring, other	5	0.07%							
Rain	40	0.55%							
Lake, river, stream, irrigation, etc	-	-							

Source: 1980, 1990 and 2000 Census of Population and Housing, NSO

### 5.5.5. Housing

In a span of ten years, there was a 73% increase in the number of households—from 5,823 in 1980 it ballooned to 10,064 in 1990. Most of the Tagbilaranons own their dwelling-units while the rest are rented. Noticeably, as the percent share of household who owns their dwelling units increase, the proportion of those who rents decreases. Similarly, the reported number of household squatters in the two censuses (1980 and 1990) decreased from 225 in 1980 to 3 in 1990, although current estimates by the City Planning Office indicate an alarming 4,000 squatter families scattered all over the city. However, the data generated from the 2000 Census, placed the number of informal settlers in the city to be somewhere around 100-120 households or 0.75 percent of the total households surveyed. Most of these squatters can be found along the foreshore areas. The leniency of the government has been the major cause of this increase. This has alarmed the city government as it might affect the tourism industry.

**Table 21. Percent share of households by tenure, Tagbilaran City**

Type of Tenure	1980	1990	2000
Total No. of Households	5,823	10,064	15,585
Owned	84.2	90.8	70.77
Rented	9.6	5.6	14.32
Legal Tenure	2.3	3.6	10.42
No Tenure	3.9	-	0.75
Not Reported	-	-	3.74

Source of basic data: NSO

To address the housing problems, the city has initiated two socialized housing projects for middle-income families, two housing projects for the lowest 30 percent of the population and two resettlement projects for the urban poor with assistance from other private sectors. Overall, these housing projects were aimed to address the housing gap of 5,517 units as of 1997.

### **5. 5. 6. Waste Management**

The rise in the number of tourists, and tourism related activities and establishments, plus the increase in the number of student migrants, notwithstanding the increase in the city population (sans migrants), has given birth to a number of problems that impinge on the capability and resources of the city government.

One of which is waste management. As of 1990, the solid waste generated citywide was approximately 25,011 kilograms or 24.61 tons daily (Appendix 1). By 1996, this increased by 7.38 tons or an additional 7,500 kilograms daily, and this was most apparent/evident during school seasons.<sup>53</sup>

Using the number or volume of garbage generated or collected within the city district and the 1990 Population Census Record of 3.6% annual population growth rate, the city government projected and computed for the probable waste that will be generated by year 1996. The projected table/figures were used as inputs to the city's medium term development plan.

The bulk of the wastes generated in the city during 1990 were from the homes or residential wastes, which account for almost 45 percent of the waste generated. Second to this were street and market wastes, which comprise 20 and 12 % percent of the garbage collected respectively. Only five percent was classified as commercial waste and the rest were from other sources.

To date, there are seven (7) trucks that collect garbage in the city daily. These are dumped into an open dump site along Barangay Dampa.

## **6. Resource Mobilization**

### **6. 1. Intensification of Tax Collection Campaign**

No major changes in the tax rates occurred after the LGC implementation. So far, the city has undertaken a general revision of the market values only once after the Code's implementation. The City's revenue code took effect last 2001. An ordinance is passed whenever the Sangguniang Panlungsod finds it necessary to increase or add fees.

Although no significant tax changes was undertaken by Tagbilaran, it still managed to take a step further in its collection by improving tax collection forecast. Revenue estimation is collaborated with the Budget and Accounting Officer. Previous collections are the basis for the setting of the target collection of the preceding year. The treasurer makes sure that revenue estimates are met by the following strategies outlined in the Departments' Plans and Programs wherein "Key Result Areas" are accorded weights. This serves as the guide to increasing local revenue generation.

Collection efforts are intensified through the establishment of a one-stop shop center for taxpayers. Interested parties are properly informed of the steps in securing the business permit. In fact, the flow of process is complete with the amount of time it will take for a taxpayer to secure a permit. Securing a business permit only takes around 35 minutes. Similarly, treasury satellite centers for collection of taxes are established within the city for ease of payments.

The overall performance of the Treasurer Visitacion Acero is commendable as manifested by her award as the Best Treasurer in Region 7. At this point, particularly noteworthy is the absence of a certified public accountant in the Treasurer's Department. Despite the lack of professional

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<sup>53</sup> Tagbilaran City: Medium Term Development Plan

accountant in her office, the department managed to perform its collection task exceedingly well. She divulged that revenue collections are daily monitored to be able to continuously check discrepancies. Delinquent taxpayers are sent demand letters and the city tie up inactive business with the new application for business permits by the same owner. Assistance from the barangay officials is utilized in sending these demand letters. In case of non-compliance, the names of delinquents are published in the newspaper annually.

The same treatment applies to assessment of gross receipts. In case of non-tally with the city's expected gross receipts of a firm, the office of the city treasurer doesn't rely on city declaration alone. They directly examine the firm's book of accounts and check the receipts with the BIR.

Promotional programs for taxpayers include 20% discount on real property tax for early taxpayers. Other incentives include tax credits and tax holidays.

The city's aggressiveness in tax collection is evident in the increase of the locally sourced revenues from P71.6 million in 1999 to P101.6 million in 2003. Similarly, real property taxes increased. The bulk of the locally sourced revenues rely on "other taxes" which is composed of business taxes, fines and penalties. The figures for Other non-tax which consist of revenues from the city's economic enterprises and miscellaneous and operating income exhibited an erratic pattern from 1999 – 2003.

**Table 22. Percent distribution of locally sourced revenues, Tagbilaran City: 1999-2003**

	1999	2000	2001	2002	2003
Locally Sourced Revenue	71,637,400	77,809,251	85,374,886	96,979,350	101,606,376
Real Property Tax	9.6	9.6	11.8	10.6	11.1
Other Taxes	48.0	48.2	49.3	48.2	48.9
Other Non-Tax	42.3	42.2	38.9	41.2	40.0

Source: Certified Financial Statement, Accounting Office, Tagbilaran City

Further examination of the composition of the Other Taxes and Other Non-Tax categories will show the increasing collections due to business taxes and business economic revenues. Collections from the business taxes rose due to the increasing share of the motor vehicle and franchise taxes. At this point, it is important to note that the City of Tagbilaran first had its Franchise Taxes in 1993 with the amount of P40,000.00. The succeeding years show a steadily increasing amount for Franchise taxes. In fact, the amount rose to as high as P756, 478.00 in 1996. On the average, the city earns P423, 000.00 for its franchise taxes annually.

**Table 23. Percent distribution of other taxes and other non-tax revenues, Tagbilaran City: 1999-2003**

	1999	2000	2001	2002	2003
Other Taxes	100.0	100.0	100.0	100.0	100.0
Business Tax	79.8	84.3	85.8	87.4	90.9
Other Taxes	20.2	15.7	14.2	12.6	9.1
Other Non-Tax	100.0	100.0	100.0	100.0	100.0
Total Oper. & Misc	35.4	34.2	31.1	28.4	33.4
Business Economic Revenue	64.4	65.8	68.9	71.6	66.6

Source: Certified Financial Statement, Accounting Office, Tagbilaran City



Trend of receipts generated from the city's four (4) public enterprises is due to the professional management of the public enterprise. A market supervisor was instated to supervise collections. Almost all enterprises exhibited remarkable increase in collections

## 6. 2. Monitoring of Expenditures

The overall pattern in Tagbilaran City's expenditure is decreasing. This indicates better management of expenses of the city's finances. Expenditures are kept at the minimum. Most of the adjustments are coursed through the Maintenance and Other Operating Expenses (MOOE). On the average, MOOE expenses accounts for 41.6% of the total expenditures for 1996 - 2001. Table 24 lists the major categories of local expenditure for fiscal years 1996 – 2003. Overall, the largest item is MOOE although there is a noticeable decrease in MOOE from P90.1 million in 2002 to P74.3 million in 2003 due to some tightening measures undertaken by the local government.

**Table 24. Expenditures by category of Tagbilaran City, 1996 - 2003  
(in millions) and percent share to total**

Year	Expenditures	PS	MOOE	CO
1996	219.81	68.89	31.50	119.43
		31.3	14.3	54.3
1997	167.72	72.55	72.07	23.10
		43.3	43.0	13.8
1998	173.22	74.23	74.09	24.90
		42.9	42.8	14.4
1999	279.52	74.02	176.72	28.77
		26.5	63.2	10.3
2000	210.22	93.74	91.19	25.29
		44.6	43.4	12.0
2001	212.35	101.89	91.27	19.19
		48.0	43.0	9.0
2002	188.61	88.90	90.13	9.58
		47.1	47.8	5.1
2003	177.00	92.18	74.32	10.50
		52.1	42.0	5.9

Source: Accounting Office (1996 - 2000, 2002 - 2003), Tagbilaran City  
Budget Office (2001), Tagbilaran City

The high MOOE share of 63.2% in 1999 is due mainly to the community development efforts of the city.

The city has managed to keep the expenditure on Personal Services (PS) within the 45-55% cap for years 2000 - 2003. On the average, PS share to total expenditures is 39.4%. It was only in 1999 (26.5%) when PS fall short of the mandated cap.

Another category includes programs for specific sectors of the economy. The following table provides an overview of how expenditures are paralleled out among the nine sectors of the economy. From 1996 – 2001, expenditures for Economic Services capture the top share (47.6%) mainly due to the engineering services and operation of markets and transportation system. Although the data pertaining to 2002 – 2003 are omitted from the table for consistency, the available breakdown of the aforementioned years suggest that salaries, repairs and maintenance

expenses are the city's major expenses for the last three years. Labor and employment had the lowest expenditure share averaging a meager .1% yearly. Housing and community development's share also decreased. Education and Health expenditures ranks second to General and Economic services.

**Table 25. Expenditures by sector of Tagbilaran City, 1996 - 2001 (percent share to total)**

	1996	1997	1998	1999	2000	2001	average
TOTAL EXPENDITURES	100	100	100	100	100	100	100
General Public Services	20.2	28.7	30.5	21.3	34.5	56.5	32.0
Education Expenditures	3.4	3.5	3.0	3.5	4.1	0.0	2.9
Health Expenditures	3.9	5.7	7.5	4.1	6.4	0.0	4.6
Social Welfare Services	1.7	4.4	3.8	2.0	2.6	9.1	3.9
Labor and Employment	0.3	0.1	0.1	0.1	0.0	0.0	0.1
Housing and Community Development	2.4	4.2	0.5	1.0	1.6	0.0	1.6
Economic Services	66.4	48.5	53.1	57.4	40.4	20.0	47.6
Other Purposes	1.7	4.8	1.5	10.8	10.4	14.4	7.3
Economic Enterprises	0	0	0	0	0	0	0

Source: Accounting Office (1996 - 2000, 2002 - 2003), Tagbilaran City  
Budget Office (2001), Tagbilaran City

There is a turnaround from Economic Services as the major “money spender” in 1996 to General Public Services (58.5%) in 2001. The General Public Services category refers to repair and maintenance of government facilities, police services and fire protection services. Police Services posted the major share among the other item expenditures in General Public Services. More or less, its share falls within 80% to 99% of the total expenditures for general public services.

Operation of markets and engineering services have the biggest share under economic services though both shares dwindled in the latter years.. In line with the city's thrust of improving infrastructures, the engineering services have the highest expenditure share of 40.8% on the average. Although, by 2000 engineering expenses grew to as big as 58%. Operation of markets and transport system also take a big chunk totaling an average of 44.9%.

Majority of the expenses for education goes to basic education averaging 75.9% for the years 1996 – 2000. The remaining portion goes to subsidiary services in education, manpower, sports services and other miscellaneous. Tagbilaran currently boasts of having rank third in the NEAT achievement scores in the whole of Region 7.

On health expenditures, basic health (94%) commands the top priority. The remaining 6% goes to miscellaneous health services. Currently, the city does not operate a public hospital.

Community Development and Housing projects, on the average, make up a total of 90% of the total expenses for Housing and Community Development. Sanitary services are not given much attention by the city as reflected in its almost zero share.

### **Conclusion**

The overall thrust of the City of Tagbilaran is the development of its tourism capabilities in enhancing the quality of life of its locals. The city is currently directing its efforts in improving basic foundations of this aspiration mainly through provision of infrastructure facilities that will allow easy access to the various tourism spots surrounding the city. A distinct and discriminating demand of the tourism market serves as a stimulus for improving available amenities and

maintaining unpolluted tourist attractions. Various hotels and inns catering to all kinds of tourists can be found scattered in the city.

As a tourism gateway for the Province of Bohol, Tagbilaran effectively becomes a show window for tourism investments. Maintaining an environment conducive to such investments is a current priority. Together with this, the city is endeavouring a development planning that requires dynamic participation of the various sectors in the city to ensure conservation of the environment and natural resources.

The city is active in improving the delivery of social services such as education, health, road networks, water supply, housing and waste management. It is the city's immediate concerns. Programs and activities have been designed to tackle this current issues.

To sustain growth, the city has recognized the detrimental effects of unchecked population growth. Cognizant of the possible risks it can impose on the City's development efforts, preparations to cushion its effects are underway. Serious incorporation of the population concerns creates a rightful balance between population, resources and environment. Population growth that is not properly monitored might destroy the preparations the city has already started. Worse, it might reverse the favorable trends it is currently experiencing from tourism.

Owing to the perceived seasonality of the tourism industry, the city thought it best to position itself as the next best alternative to Cebu City as a destination of industrial activities and investments. However, it still prudent in the type of industries that it will allow. Investments with reduced environmental risks are given preference.

Although there are countless benefits in being an industrial center, the city must be reminded that the negative ecological consequences far outweighs the economic benefits of industrialization. Knowing that there are also other core centers in the region that expressed similar intent of being the catchment area of Cebu's industrial leftovers, it would be wise for Tagbilaran to remain the gateway and service providers to Bohol tourists.

Appendix 1. Volume of solid waste collected daily from Tagbilaran City, 1990 & 1996

Barangay	1990					1996				
	No.	Population %	Solid Waste Kgs.	% Waste % to Total	% Waste Increase	No.	Population %	Solid Waste Kgs.	% Waste % to Total	% Waste Increase
Urban	27,494	49.4	13,747	55.0	16.9	32,130	46.5	16,065	52.1	16.9
Poblacion 1	3,061	5.5	1,531	6.1	11.5	3,412	4.9	1,706	5.5	11.5
Poblacion 2	5,844	10.5	2,922	11.7	18.6	6,928	10.0	3,464	11.2	18.6
Poblacion 3	5,677	10.2	2,839	11.3	13.0	6,143	9.3	3,207	10.4	13.0
Cogon	12,912	23.2	6,456	25.8	19.1	15,377	22.3	6,456	24.9	19.1
Rural	28,160	50.6	11,264	45.0	31.2	36,954	53.5	7,689	47.9	31.2
Bool	1,892	3.4	757	3.0	17.4	2,221	3.2	888	2.9	17.4
Booy	5,009	9.0	2,004	8.0	17.9	5,907	8.6	2,363	7.7	17.9
Cabawan	445	0.8	178	0.7	35.7	604	0.9	242	0.8	35.7
Dampas	3,117	5.6	1,247	5.0	41.0	4,394	6.4	1,758	5.7	41.0
Dao	3,172	5.7	1,269	5.1	37.7	4,368	6.3	1,747	5.7	37.7
Manga	3,228	5.8	1,291	5.2	24.5	4,019	5.8	1,608	5.2	24.5
Mansasa	3,450	6.2	1,380	5.5	17.7	4,059	5.9	1,624	5.3	17.7
San Isidro	1,280	2.3	512	2.0	57.7	2,019	2.9	807	2.6	57.7
Taloto	2,727	4.9	1,091	4.4	60.7	4,328	6.3	1,753	5.7	60.7
Tiptip	1,892	3.4	757	3.0	8.0	2,044	3.0	818	2.7	8.0
Ubujan	1,948	3.5	779	3.1	50.8	2,937	4.3	1,175	3.8	50.8
Total	55,654	100.0	25,011	100.0	23.3	69,084	100.0	30,847	100.0	23.3

Note: 0.330 kg/cu.m = density of garbage  
 No. of tons = no. in kilograms x 0.000984

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## Persons Interviewed

- Ms. Visitacion Acero, City Treasurer-Tagbilaran City
- P/Supt. Ernesto F. Agas, Chief of Police
- Mr. Glicerio A. Dagdayan Jr., Assistant City Assessor
- Dr. Beatriz Luga, Supervisor, Interim City Schools Division
- Mr. Eduardo C. Macalandag, City Planning & Development Coordinator
- Mrs. Rosemarie P. Palma, City Budget Officer
- Dr. Alberto G. Pancho, City Health Officer
- Mr. Pedro Young, Director of Tourism Services, Marsman Tours and Travel Corporation