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THE HOTEL INDUSTRY

More rooms, facilities for tourists

One of the greatest beneficiaries of the tourist boom is the fledgling hotel industry. Dozens of first class hotels — more are under construction — are now catering to hordes of tourists and businessmen in search of new scenic, trade frontiers.

A decade ago, there were only five first class non-deluxe hotels with 1,060 rooms; today there are 13 — three luxury and 10 first class non-deluxe hotels with an aggregate of 4,311 rooms.

The establishment of the "Big Three" luxury hotels, a few years back — the 420-room Hotel Intercontinental in Makati, the 265-room Hyatt Regency on Roxas Boulevard, and the 432-room Manila Hilton in Ermita — prompted local hoteliers to renovate, expand and improve their establishments and services. Nine new first class hotels with a total investment of P340 million are in the process of construction throughout the country. These are Chris-Lee in Dinaga, Cotabato; Calatagan Hotel of Calatagan Resort, Inc.; a P20-million 100-hectare resort hotel complex on Corregidor Island to be put up by Resort Hotels Corp.; the P48-million, 300-room Philippine Village Hotel of the Sulo Hotel chain; the P10-million Apo View Hotel in Davao City; a 24-storey, P200-million Japanese hotel-shopping complex in Ermita to be established by Japan Air Lines and the Manila Midtown Corporation; a P.5-million youth hotel atop the Chocolate Hills in Bohol to be set up by the Department of Tourism; and a floating hotel in Zamboanga City to

be established by the Bayot Hotel chain. Hotel Enrica in Ermita is expanding its facilities to add more rooms while others like the Ambassador, Royal, Bayview and Filipinas are also preparing for expansion. Other foreign hoteliers like Holiday Inns, Inc., owner of the world's largest chain of hotels, motels and transients' lodgings, and the Oberoi Hotels, owner of a chain of luxury hotels in Asia, have indicated their intention to establish their hotels here.

Progress of the hotel industry is attributed to the spectacular increase in the volume of tourist traffic. Over the past decade, there has been an average of 14.4 percent yearly increase of tourist coming to the Philippines.

In 1969, for instance, the Philippines had 123,268 foreign visitors as against 1968's 112,713. Of these, 69.54 percent stayed in hotels. By 1970, this rose to 144,071 foreign visitors, or a 16.8 percent increase over that of 1969. While there were proportionately more professionals than businessmen who visited the RP, only 69.36 percent stayed in metropolitan Manila's hotels. In 1971, 144,321 tourists came representing a .38 percent increase from the previous year. Despite the low rate of increase, 74.53 percent resided in hotels.

Last year was the most fruitful year for local hotels and the tourist industry. Visitor traffic spurted from 144,321 to 166,431, or an increase of 15.32 percent. A total of 101,788 persons or 67.72 percent stayed in hotels. Most of the hotel occupants were Americans, with the Japanese ranking

second. Since the start of 1970 more and more multinational tourists, professionals, businessmen and pleasure-seekers streamed in from Australia, the United Kingdom, Germany, Canada, China, Italy, India and France. Significantly, while American tourists retained the number one position, their number has been decreasing progressively. What is remarkable, however, is that most tourists opted to stay longer — from an average of 2.5 days to 7.8 days per tourist — in the country this year.

Several factors have contributed to the increase in the tourist's length of stay. Foremost of these were the restoration of peace and order, intensification of tourism campaign at home and abroad, the abolition of hotel room taxes, the "open skies" policy for international airlines, the open-door policy for more multinational investors and the other benefits and privileges accorded to tourists.

Likewise, favorable contributions to the growth of the industry came from the improvement of inter-island transportation facilities, infrastructure, hotel manpower training and education, and development of more tourist resorts and facilities. Very recently, a four-year highway construction program providing access roads to tourist-spots-off-the-beaten-track was launched by the Bureau of Public Highways. Roads will link seaports, airports and main trunklines to tourist havens, resorts and nature spas.

From January to June this year, occupancy rates of first class hotel rooms in the Greater Manila area rose

by 13 percent over that of last year. A recent survey of first class hotels by the newly created Department of Tourism revealed the following: Hotel Intercontinental registered 85 percent compared to last year's 75.44 percent; Manila Hilton, 62 percent or 12 percent higher than last year; Hyatt Regency, 77 percent compared to last year's 64 percent; Hotel Filipinas (first class, non-deluxe) 73.8 percent as against last year's 60 percent; Hotel Enrica, 55.2 percent compared to last year's 46 percent. Occupancy rates are expected to rise more steeply during the months of October to December, tourism's peak season.

The Department of Tourism estimates that 1,507,136 beds in all types of hotels throughout the country will be occupied this year against the 1,255,947 potential rooms available. This means that 3,441 new rooms are needed for tourists coming in during the tail-end months. Next year, some 1,654,383 beds or 3,777 additional rooms are expected to be occupied. This demand for more hotel rooms is being adequately met by the steady rise of hotels of various types: residential, transient, resort, youth hostel.

Existing hotels, meanwhile, continue to improve their services. Training programs, seminars and workshops are being undertaken by the University of the Philippines School of Hotel Management and Administration and the Hotel and Restaurant Association of the Philippines. These include general management and operations of the hotel, food services, modern housekeeping techniques, restaurant and waiting services, personalized room and chamber services, kitchen management, hotel advertising, sales promotion, marketing, public relations, tour and travel procedures and tourism economics.

Ranking as the sixth biggest dollar earner in the national economy, the hotel industry pumps back into the national coffers a big portion of the tourist's dollar in terms of salaries, purchases of local products, materials, foodstuffs, dry goods and taxes. Last year, a foreign tourist spent an average sum of US\$220.50 inside the country compared to \$180 to \$200 in the past.

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