

# Potentials Development of the Sub – Regional Growth Area (Roxas-Dumaran-Taytay) in Tourism Industry of Northern Mainland Palawan

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**Abstract** Majority of the tourism industry in Palawan are located in northern mainland part of the province. El Nido and Puerto Princesa city act as tourism growth poles by ranking as the most visited tourist areas in Palawan. The municipalities between the growth poles are considered as sub – regional growth area (Roxas, Dumaran and Taytay) since they serve as transition areas from one growth pole to another. The study intended to explore the tourism potentials of the sub – regional growth area through the use of potentials analysis. By looking into the cases of Roxas, Dumaran and Taytay, various potentials were identified that could contribute to the development of the island region. Characterization resulted to the determination of competitive advantages of each municipality to one another which were used in developing strategic regional directions to complement and assure a sustainable growth of the sub – regional growth area along with the tourism growth poles in terms of tourism development

**Keywords:** tourism growth poles, tourism development, potentials analysis, tourism spatial strategy

## 1. Introduction

Palawan is one of the island provinces in the Philippines that have tourism and agriculture as factors that serve as the driver of economy. Based on the data of Palawan Tourism Promotions and Development Office (PTPDO), there is a total of 870, 478 tourist visitors in 2013 higher by 67.48% (587, 441) than that in 2008. Majority of the tourism industry in Palawan are located in northern mainland part of the province in which the municipality of El Nido and Puerto Princesa city are located. In the 2013 ranking, Puerto Princesa and El Nido placed the top and the third (3rd) in the most visited sites in Palawan (Salcedo, 2015). These municipalities offer different tourism – related activities such as accommodation, leisure, food, tours, and sightseeing and among others.

Due to that fact, Puerto Princesa City and El Nido were considered as the primary tourism growth centers. This case was based on the growth pole theory formulated by by Francois Perroux in the early 1950's which emphasizes on the economic growth of a region by having a key industry

that have interconnections with different industrial activities and affects the area by promoting economic development (e.g. increase in employment, high labor force, expansion of existing industries, etc.) (Wheeler *et al.*, 1998).

However, presence of tourism growth poles also connote disparity through the phenomenon called polarization in which majority of the economic activities happen in the center region thus promoting regional disparity on the peripheral regions (Balisacan, 2006). In the case of northern mainland Palawan, the municipalities of Roxas, Dumaran and Taytay were considered as the sub – regional area. This area is characterized by having lower development capacity than the growth poles.

Development of tourism potentials of the sub – regional growth area (Roxas, Dumaran and Taytay) could lead to the determination of the strategies to complement the tourism development of the northern mainland, Palawan. This could result to even growth of tourism sector of the province.text

## 2. Methodology

The study conducted covered four (4) municipalities and a city. At such regional scope, the utilization of available data provides a practical opportunity for the researcher who have inadequate amount of time and resources (Jhonston, 2014). Primary and secondary data gathering were done wherein various information were gathered from the different local government offices of each municipalities and city involved as well as from the data base of provincial and national government unit. Validations of the gathered secondary data were supported through Key Informant Interview (KII).

In terms of role clarification and assignment for the sub - regional growth area, identifying its competitive advantages of the sub - region in relation to the growth poles through the industry key success factors were used. This emphasized the importance of competitive factors such as natural environment, infrastructure, social services, etc. which affect the survival of the industry in the market (Thompson, *et al.*, 2012). By doing so, the ability of the



**Table 1. Historical Population Growth of the Sub – Regional Growth Area and Tourism Growth Poles.**

Municipality	Population					AAGR (%)
	1990	1995	2000	2007	2010	
<b>Roxas</b>	36,604	44,370	47, 242	51, 084	61, 058	2.59
<b>Dumaran</b>	12,624	13,980	16, 616	18, 737	21, 397	2.67
<b>Taytay</b>	38,435	47,095	53,657	61, 991	70, 837	3.10
<b>El Nido</b>	18,832	21,948	27, 029	30, 249	36, 191	3.32
<b>Puerto Princesa</b>	92,147	129,577	161, 912	210, 508	222, 673	4.51

sub - region to produce a unique industry that has the potential to emerge towards regional development was highlighted. In addition, determination of strengths and weaknesses as assets of the sub - region unveils different potentials that contribute to the determination of competitive advantage (Blackwell and Eppler, 2014).

Such data were combined and used in a tool called Potentials Analysis. This determines various potentials of a certain region resulting to a context – based planning which will not depend on external sources. This tool, utilizes different characteristics of an area such as existing human resources and infrastructure to reveal different potentials of the region. Comprised with simple potentials (e.g. mountains, rivers, etc.), this could go up to a more complex idea by combining two simple potentials that could result to first level potentials (e.g. mountain + river as source of water = timber production), and combining simple potential to first level potential could result to second level potential (e.g. human as workers + timber production = timber exportation). This method was done in the sub – regional growth area resulting to the development of unique potentials that could be used for the enhanced regional development.

### 3. Highlights of the Result

#### Analyzing the Exiting Roles of the Sub – Regional Growth Center

Population Character. Having an annual population growth rate of 4.51% and 3.32%, for Puerto Princesa city and El Nido respectively, it clearly shows that these municipalities are the growth centers of northern mainland Palawan wherein majority of the economic activity especially tourism and other industries are situated (Table 1). Unlike Roxas (2.59%) and Dumaran (2.67%), Taytay has a higher growth rate (3.10%) for a reason that this municipality has more established economic characteristics as it was once the provincial capital of Palawan. Clearly, El Nido and Puerto Princesa lead in population growth in the last two decades (1990s), similar decade when tourism in Palawan started rolling.

Population Density. Population distribution of the municipalities under the sub – regional growth area shows that there are a few places which have dense population that affects the level of productivity (Parr, 2008). Taytay has a total population density of 55 persons/km<sup>2</sup> with the

largest land area (1,265.24 km<sup>2</sup>) and population (70,837). The trend is then followed by Roxas with a population density of 49 persons/km<sup>2</sup> in a 1,225.50 km<sup>2</sup>. Comparatively, there is only a slight difference between the characteristics of Roxas and Taytay. Lastly, Dumaran has the lowest population density among the municipalities with a total 38 persons/km<sup>2</sup>, lower compared to Roxas and Taytay but considering the land area of the municipality (553.27 km<sup>2</sup>) Dumaran has a higher population density than the two municipalities (ERMP, 2015).

Socio-economic Character. Puerto Princesa city and El Nido having higher annual population growth rates than that of the sub – region, result to the agglomeration of economies. This leads to the availability of social services geared towards the center to accommodate larger population groups and the influx of tourists as well. Also, being the center of tourism (Puerto Princesa city and El Nido), economic investment that increases that further attracts increase in the density of the population (Syez, 2013). For instance, records of unemployment for Roxas and Taytay in 2010 are 56.97% and 73.28%, respectively (SEP, 2010) is very high.

Spatial Stratification. Based on the Provincial Development and Physical Framework Plan (PDPP 2014-2023), municipalities under the sub – region are designated to an agriculture - based economy which act as producers of major crops, livestock, poultry and fisheries. On the other hand, given the potential for agriculture-based economy, majority of the role of growth poles are areas for tourism and urban growth. This is an example of spatial discrimination in which there is a selective process on the potential role of a certain region in providing such economic activity (Parr, 1999).

Market Orientation. Agricultural production of sub – regional growth area primarily goes to tourism centers of the province. Roxas' and Dumaran's cashew production directly go to Puerto Princesa to provide for the booming cashew souvenir goods. Dumaran's livestock and Taytay's fish products, respectively, move primarily to Puerto Princesa city to assume for the increasing hotel and restaurant demands. This is also true with some High Value Commercial Crops (HVCCs) and other vegetables produced only for the tourism industry.

These municipalities, by virtue of the growth pole strategy, are inevitable recipients of the "spill over" economic benefits (and possible negative effects) and services found

in the growth centres since the growth centres have the services and investments for further development.

### **Implications of the Tourism Growth Poles**

Vibrant employment generation in the growth poles. Man power coming from the sub region is directly employed in Puerto Princesa city. Manual labor and efforts at the municipality level is not reaped by the municipality but the growth poles as the demand is there. As for the case of Dumarán, all the vocational school graduates in their program supported by the national government landed a job in either Puerto Princesa city or El Nido (MSWD, 2015). Struggling business and industry formation is felt due to lack of effective manpower, financial resources and investments as taken primarily to areas more profitable (Puerto Princesa city and El Nido), this unfavourable socio-economic context may also explain the shape that entrepreneurship can place in an area (Chouinard, Desjardins and Forgues, 2002).

Population Composition. Tourism pulls much of the local population to the growth poles for employment purposes, with this, locals from the sub region also choose to reside near their place of work. Other aspects of this sub - regional population out-migration account for the services that only Puerto Princesa city provides.

Agricultural Productivity. Attraction is evident since this growth poles offers a larger market. Also, some areas in the sub - region, especially in the case of Dumarán, acts as exclusive supplier of livestock and vegetables for Puerto Princesa in lieu of its booming tourism industry (MAO, 2015) even if there is a demand for similar products in the same municipality. Agriculture also forms the majority of the economies of Dumarán, Roxas and Taytay with 70%, 70%, and 72.36% respectively (SEP, 2010). This implies the strong dependence of the sub - region in agriculture. In addition, these agricultural produce of the sub - region accounts for the raw material goods devoid of value addition, which the primate city of Puerto Princesa profits.

Poverty Threshold. Since tourism has caught the attention of industries in the northern mainland Palawan, the incidence of poverty is evident in the sub - regional growth area by pulling out its man power. These are further catalyzed by privatization and deregulation of public areas such as islands, forestland, and agricultural land and among others have abolished the stability of jobs in the locals (Gant, 2006). Majority (68.07%) of the households in the sub - regional growth area belong to the classification *below poverty threshold* with a total magnitude of 29, 918 (ERMP, 2015). Taytay has the highest number of households that belong to this classification with 13, 264 (76.54%), followed by Roxas with 12, 993 (66.49%) and Dumarán with 3, 661 (43.02%). On the other hand, households which belong to the classification of poverty below food threshold were also evident in Taytay, Roxas and Dumarán with 60.87%, 52.69% and 27.40% respectively.

Critical Ecosystem Disruption. In the case of the sub - regional growth area, there is a conflicting scenario between the relationship of environmental conservation and economic development. Resources from marine ecosystem such as fish products are decreasing, coral reef specifically in Dumarán are already not in good shape due to unsustainable practice, privately owned pearl farms

limits the use of coastal waters, the conversion of mangrove and forest lands to residential area, unsustainable practice of *Kaingin system* (slash and burn) which is evident in Taytay and Dumarán. These mentioned activities were centered mostly on production of goods that are benefited by the growth centers due to the fact that the product flow gear towards them.

### **4. Conclusion**

The municipalities of Dumarán, Roxas, and Taytay significantly show the characteristics of the peripheral areas as manifestations of the existence of tourism growth poles in the northern mainland Palawan. Indicators such as: population growth, population density, socio- economic character, spatial stratification and market orientation prove that the municipalities of Roxas, Dumarán and Taytay belong to sub - regional growth area since these indicators show that the growth of these municipalities under the sub - regional growth area are lower than that of the growth poles. Acting as a sub - region, all these three municipalities showed highlights (e.g. pull of employment from the sub region to the growth poles, migration, over exportation of primary products, presence of poverty, and ecosystem disruption) of the implications of being a transition and peripheral municipalities supporting the continuous growth of the tourism centers. Such implications include the positive economic gains for Puerto Princesa city and El Nido in terms of their vibrant tourism industries but more significantly, on the inevitable negative impacts of the established relationship to the sub - regional area (Dumarán-Roxas-Taytay) which experiences economic losses in employment, population and investments. While continuously providing agricultural and other primary products supply to Puerto Princesa city and El Nido, the sub - region (Dumarán-Roxas-Taytay) suffers from critical ecosystem function losses due to demand driven conversion and use of natural resources to augment the increasing demand for ecotourism services.

### **5. Recommendations**

The creation of multiple tourism growth poles will definitely provide the promotion of rural development as explained in the growth pole strategy (Parr, 1999). The multiple tourism growth poles will keep up with the increasing needs of the existing tourism growth poles (Puerto Princesa city and El Nido) in terms of agricultural production while simultaneously creating complementary tourism centers for the municipalities of Dumarán, Roxas and Taytay. The multiple tourism growth poles for the sub - region will be mimicking the "One town on product" approach. The One Town, One Product (OTOP-Philippines) is a priority program of the government to promote entrepreneurship and create jobs (DTI, 2011). However, this strategy will be more radical in its approach to make the primacy of tourism service in the municipality exemplary and well-coordinated for the sub - regional tourism to work. One such setting involved a case where regional development was based on the expansion of recreational or tourist activity (Harper *et al.*, 1966).

The fact that the sub - region has a competitive advantage between the growth poles, an opportunity cost is associated with it. These could further be utilized through division of labor and specialization. Below are the advantages of the sub region in relation to growth poles (Table 2). Since the municipalities under the sub - region focus on agriculture, majority of their competitive advantages also relate to the given sector. However, differences such as endemic species, historical site, and local products were also considered as competitive advantage.

In essence, the emergence of multiple tourism growth poles may lead to a sustained strong economic growth (Lin, 2010). Since the sub - region have a competitive advantage from the growth poles, prioritization and strengthening of potential could further reduce the gap between the developments of the two regions.

Forest and mariculture economic activities will help the municipality of Dumarán to highlight its competitive advantage as a municipality endowed with a rich and diverse forest and marine ecosystem.

Roxas, as a largely agricultural economy must focus on its flourishing agro-industry, promoting agro-ecotourism as its competitive advantage, value addition on agricultural

products and diversification of products from their local produce can be a strategic development measure.

Taytay on the other hand, must continue to provide the fishery resources requirement for the province and also develop it into a fishing village industry. Also, its heritage potential is undoubtedly probable tourism offering. (Figure 2).

These tourism industry formations will only be possible if the analysis of the current state of their ecosystems is done in complementation with proper guidelines for doing the activities as community-based. Also, to integrate this regional ecotourism for Dumarán,

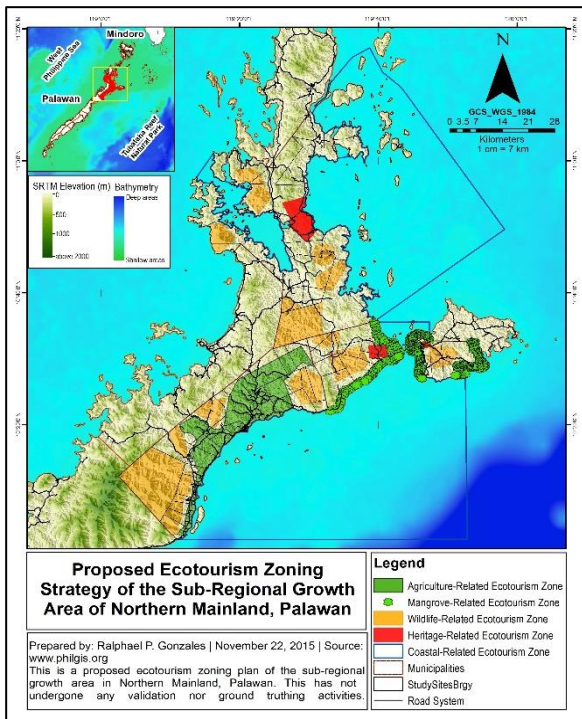
Roxas and Taytay, a specific regional level working group must be formed to coordinate the complementation of these activities in relation also to the existing ecotourism industry of the whole northern Palawan region.

Regional tourism as a strategy is proposed to limit the increasing negative impacts of polarization of tourism brought by Puerto Princesa and El Nido. Such strategy emanates from the context of growth pole as well, but to create multiple ecotourism growth poles including the unique offers of Dumarán, Roxas and Taytay that perfectly complements the already existing tourism industry.

**Table 2. Competitive Advantages of the Municipalities under the Sub – Regional Growth Area (Roxas-Dumarán-Taytay)**

<b>Sub - regional Municipalities</b>	<b>Competitive Advantage</b>	<b>Ecotourism Potential</b>
<b>Dumarán</b>	Philippine Cockatoo (Katala), WW-II Ruins (Shipwrecks), Mangrove Forest, Katala Festival	Forest and mariculture
<b>Roxas</b>	Cashew, Bat Island, Sand Bar, Fresh Water Turtle, Cashew Festival, Falls	Agro-ecotourism
<b>Taytay</b>	Spanish Fort, Malampaya Sound, Irrawaddy Dolphin, Balinsasayaw Cave, Lagoons, Limestone Formations, Island Formations, Spanish Ruins, Spanish Light House, Pasinggatan Festival, White Squirrel, White Sand Beaches, Lake, Coral Reefs, Wildlife Species, Giant Flying Fox	Agro-marine ecotourism





**Figure 2. Ecotourism strategy for the sub – regional growth area (Roxas-Dumaran-Taytay)**

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