



LABOR MARKET INTELLIGENCE REPORT
COMPETITIVENESS
OF CITIES AND MUNICIPALITIES

Technical Education and Skills Development Authority



COMPETITIVENESS OF CITIES AND MUNICIPALITIES¹

I. Background

The National Competitiveness Council (NCC) has launched the 2013 Cities and Municipalities Index Report. The report has considered the different global competitiveness survey like the IFC Doing Business Survey, IMD Competitiveness Survey and the WEF Competitiveness index, as well as, existing national frameworks being used in the country such as the National Competitiveness Council, ADB CCED, AIM PCCRP and regional competitiveness factors. Its main objective is to develop a template of standard indicators that will help the LGUs assess its competitiveness and business environment; and use as a basis for reforms. Moreover, it aims to strategically map out how to make cities and municipalities more competitive vis a vis ASEAN Cities.

There are thirty indicators categorized into three, namely, 1) Economic Dynamism, 2) Government Efficiency, and 3) Infrastructure. The following are the list of indicators under the mentioned categories:

Economic Dynamism

<i>Indicators</i>	
1. Size of Economy	<ul style="list-style-type: none">• Number of Annual Business Registrations• Amount of Money in Circulation• Total Capital of Registered Businesses
2. Growth of Economy and Investments	<ul style="list-style-type: none">• Change in Gross Sales of registered businesses• Change in the number of permits for business
3. Employment	<ul style="list-style-type: none">• Number of jobs created
4. Cost of Living	<ul style="list-style-type: none">• Inflation
5. Financial Deepening	<ul style="list-style-type: none">• Number of financial institutions
6. Productivity	<ul style="list-style-type: none">• Gross Sales over number of employment
7. Business Groups and Association	<ul style="list-style-type: none">• Number of organized business groups

¹ Based on the presentations of Mr. Guillermo Luz during the Regional Competitiveness Summit held on 30 July 2013 and the National Convention on Statistics held on 01 October 2013.

Government Efficiency

<i>Indicators</i>	
1. Transparency and Accountability	<ul style="list-style-type: none"> • Transparency Score in LGPMS • Economic Governance Score in LGPMS • LGU savings/debt as a share to total LGU revenue
2. Public Finance	<ul style="list-style-type: none"> • Real Estate Tax and Business Tax to total LGU revenue
3. Recognition of Performance	<ul style="list-style-type: none"> • Number of Awards relative to competitiveness
4. Responsiveness of Business	<ul style="list-style-type: none"> • Business Registration System • Presence of an Investment Promotion Unit • Effective DRRMC Plan
5. Basic Government Services	<ul style="list-style-type: none"> • Crime Incidence • Secondary School Capacities • Health manpower

Infrastructure

<i>Indicators</i>	
1. Basic Infrastructure	<ul style="list-style-type: none"> • Size of local road network as a share of total land area • Travel time from Center to Major Ports • Percent of investments in infrastructure • Number of registered vehicles servicing the area • Percent of households with connection to basic utilities • Average hours availability of electricity and water per day
2. Technology Infrastructure	<ul style="list-style-type: none"> • Number of cell sites • Number of ATMs
3. Social and Tourism Infrastructure	<ul style="list-style-type: none"> • Ratio of hospital beds to population • Number of hotel rooms/restaurant seats

II. Results

The study was conducted in 122 cities and 163 municipalities in the country and covers the period January 31 to December 31, 2012, except for business permits and licensing system data which included up to January 31, 2013. It should be noted that none of the cities and municipalities were able to submit one hundred percent complete data. Metro Manila cities, including Cebu and Davao did not make it to the list of twenty (20) cities with the highest completion rates. Moreover, the cities of Makati, Muntinlupa and San Juan, as well as the municipality of Pateros did not submit data at all.

The following tables will show the top ten cities and municipalities ranked per factor of each index.

Index Ranking per Factor

Table 1: Top 10 Municipalities in Economic Dynamism

Rank	LGU	Province	Region	Score
1	Calasiao	Pangasinan	Ilocos Region	24.81
2	San Nicolas	Ilocos Norte	Ilocos Region	24.59
3	Sta. Cruz	Laguna	Calabarzon	23.29
4	Taytay	Rizal	Calabarzon	23.05
5	General Trias	Cavite	Calabarzon	22.46
6	San Francisco	Agusan del Sur	Caraga	22.44
7	Tayug	Pangasinan	Ilocos Region	22.29
8	Carmona	Cavite	Calabarzon	22.12
9	Surallah	South Cotabato	Soccksargen	21.85
10	Sultan Kudarat	Isulan	Soccksargen	21.66

Table 2: Top 10 Cities in Economic Dynamism

Rank	LGU	Province	Region	Score
1	Quezon City		NCR	26.51
2	Koronadal	South Cotabato	Soccksargen	25.25
3	Marikina		NCR	24.07
4	Antipolo	Rizal	Calabarzon	23.64
5	Butuan	Agusan del Norte	Caraga	23.48
6	Gen. Santos City	South Cotabato	Soccksargen	23.37
7	Cagayan de Oro City	Misamis Or.	N. Mindanao	23.01

8	Iloilo City	Iloilo	W. Visayas	22.13
9	Olongapo City	Zambales	Central Luzon	22.03
10	Kidapawan City	Cotabato	Soccksargen	21.92

Table 3: Top 10 Municipalities in Governance Efficiency

Rank	LGU	Province	Region	Score
1	Kabugao	Apayao	CAR	19.2
2	Pontevedra	Capiz	W. Visayas	19.48
3	Nueva Valencia	Guimaras	W. Visayas	17.84
4	Itogon	Benguet	CAR	17.65
5	Maria Aurora	Aurora	Central Luzon	17.52
6	Claver	Surigao del Norte	Caraga	17.52
7	Roxas I	Isabela	Cagayan Valley	17.27
8	Dumangas	Iloilo	W. Visayas	17.25
9	Cantillan	Surigao del Sur	Caraga	17.15
10	Catarman	N. Samar	E. Visayas	17.05

Table 4: Top 10 Cities in Governance Efficiency

Rank	LGU	Province	Region	Score
1	Iloilo City	Iloilo	W. Visayas	22.89
2	Bacolod	Negros Occ.	W. Visayas	21.98
3	Cagayan de Oro	Misamis Or.	N. Mindanao	20.77
4	Sagay	Negros Occ.	W. Visayas	20.69
5	Naga	Camarines Sur	Bicol Region	20.10
6	Ligao	Albay	Bicol Region	20.08
7	Iriga	Camarines Sur	Bicol Region	19.88
8	Tabaco	Albay	Bicol Region	19.81
9	Legazpi	Albay	Bicol Region	19.77
10	Talisay	Negros Occ.	W. Visayas	19.54

Table 5: Top 10 Municipalities in Infrastructure

Rank	LGU	Province	Region	Score
1	Daet	Camarines Norte	Bicol Region	23.19
2	Mexico	Pampanga	Central Luzon	21.65
3	Virac	Catanduanes	Bicol Region	21.41
4	Guagua	Pampanga	Central Luzon	21.13
5	Manolo Fortich	Bukidnon	N. Mindanao	20.75
6	Mambajao	Camiguin	N. Mindanao	20.18
7	San Pedro	Laguna	Calabarzon	19.13
8	Candelaria	Quezon	Calabarzon	18.87
9	San Jose II	Antique	Antique	18.64
10	Maramag	Bukidnon	N. Mindanao	18.46

Table 6: Top 10 Cities in Infrastructure

Rank	LGU	Province	Region	Score
1	Naga City	Camarines Sur	Bicol Region	29.54
2	San Fernando City	Pampanga	Central Luzon	28.58
3	Cagayan de Oro City	Misamis Or.	N. Mindanao	28.30
4	Quezon City		NCR	26.83
5	Legazpi City	Albay	Bicol Region	25.17
6	Caloocan City		NCR	24.88
7	San Fernando City	La Union	Ilocos Region	24.85
8	Tarlac City	Tarlac	Central Luzon	24.10
9	Sorsogon City	Sorsogon	Bicol Region	23.35
10	Iloilo City	Iloilo	W. Visayas	23.21

The next two tables show the Top-Ten Cities and Municipalities in Over-All Competitiveness Ranking and a graphical presentation of the locations of each area is shown in figures 1 and 2.

Table 7: Over – all Competitiveness Ranking: Top Ten Cities

Rank	City	Province	Region	Score
1	Cagayan de Oro	Misamis Oriental	Northern Mindanao	72.09
2	Iloilo City	Iloilo	Western Visayas	68.23
3	San Fernando	Pampanga	Central Luzon	67.89
4	Butuan City	Agusan del Norte	Caraga	63.07
5	Bacolod City	Negros Occidental	Western Visayas	61.82
6	Koronadal City	South Cotabato	SOCCSKSARGEN	61.27
7	San Fernando	La Union	Ilocos Region	61.17
8	Olongapo City	Zambales	Central Luzon	60.53
9	Naga City	Camarines Sur	Bicol Region	60.53
10	Marikina City		NCR	59.73

Figure 1: Top Ten Competitive Cities

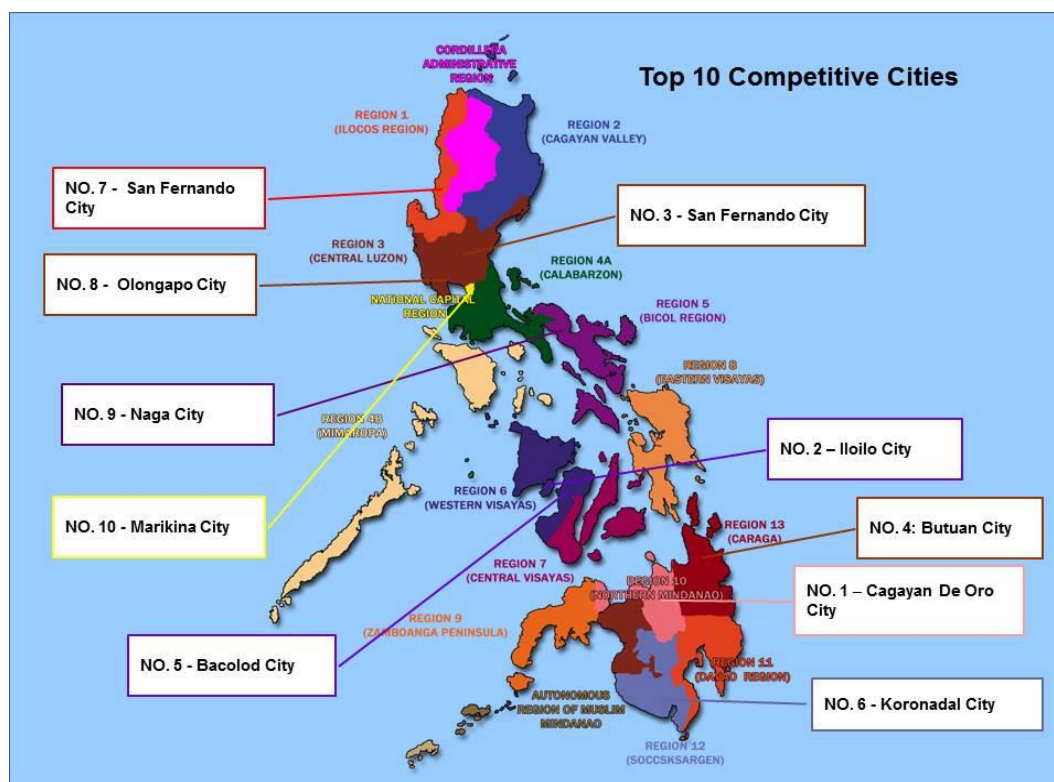
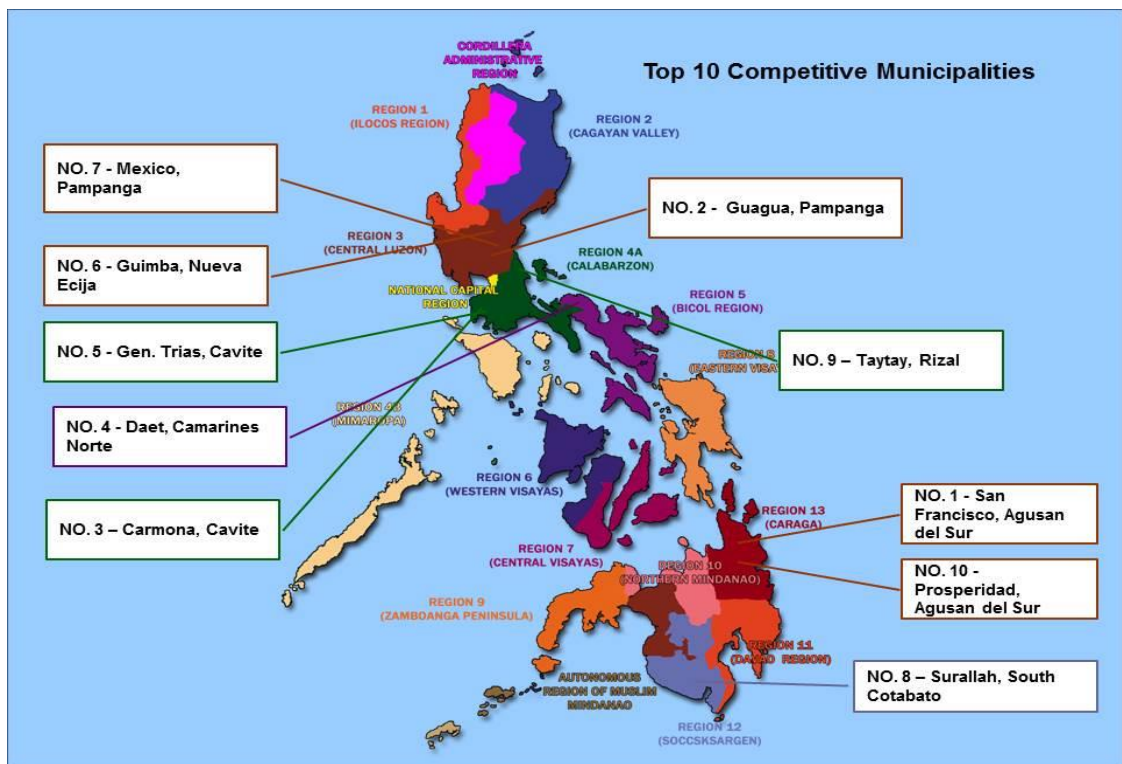


Table 8: Over – all Competitiveness Ranking: Top Ten Municipalities

Rank	Municipality	Province	Region	Score
1	San Francisco	Agusan del Sur	Caraga	54.86
2	Guagua	Pampanga	Region III	54.18
3	Carmona	Cavite	Region IV-A	53.18
4	Daet	Camarines Norte	Region V	51.44
5	General Trias	Cavite	Region IV-A	51.22
6	Guimba	Nueva Ecija	Region III	50.46
7	Mexico	Pampanga	Region III	50.18
8	Surallah	South Cotabato	Region XII	49.82
9	Taytay	Rizal	Region IV-A	49.19
10	Prosperidad	Agusan del Sur	Caraga	48.92

Figure 2: Top Ten Competitive Municipalities



III. Implications to TVET

The Cities/Municipalities Competitiveness Index Report brings in very constructive and informative findings on how cities and municipalities in the country improve their competitiveness standing. The report would be a useful reference in the local program planning in terms of assessing the capability and capacity of an area to expand its industries and absorb more investments. With the current mandate of spatial targeting of programs the study would be very a valuable and informative resource.

It should be noted, however, that there is no indicator on human resource in the study except for employment, on the number of jobs created. TESDA for its part does not create jobs but it supports job creation by supplying the needed qualified human resource for the jobs through strategic programs and projects.

Some specific strategic actions related to this would be:

- Purposive development of the 21st century Filipino skilled workforce as envisioned in the National Technical Education and Skills Development Plan (NTESDP) 2011-2016;
- Implementation of the Philippine Qualifications Framework;
- Strengthen TESDA-Industry Partnerships
- Strengthen and expand enterprise-based training
- Provision of incentives to generate wider industry support and commitment
- Expansion of scholarships and other training assistance to critical and hard to fill skills and higher-level qualifications



Office of the Deputy Director General for Sectoral TVET | Planning Office
TESDA Complex, East Service Road, South Superhighway,
Taguig City, Metro Manila
Tel. No. (02) 888 5652 / 817 2675 / 893 1966
www.tesda.gov.ph
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