



TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

LABOR MARKET INTELLIGENCE REPORT

PRIORITY INDUSTRIES THAT SUPPORT JOB GENERATION

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I. Background/Introduction

The identification of priority sectors in planning and development process provides the basis for development interventions and investments in a country. The Philippine Development Plan (PDP) 2011-2016 mentions that, *“with its limited resources, Government shall focus its interventions on key areas that are job generating, where the country enjoys comparative advantage, and with high growth potential.”* The PDP 2011-2016 further mentions that to *“increase exports and encourage foreign and domestic investments, the government shall pursue intensive promotion and industry development as well as offer a more focused incentives package to stimulate the economy and allow all development partners an opportunity to take advantage of the gains from increased economic activities.”* The following are the ten (10) priority sectors:

1. Tourism
2. Business Process Outsourcing (BPO)
3. Electronics
4. Mining
5. Housing
6. Agribusiness / Forest-based industries
7. Shipbuilding
8. Logistics
9. Infrastructure
10. Other high-potential industries
 - a. Homestyle products
 - b. Wearables
 - c. Motor vehicle parts and components
 - d. Garments
 - e. Construction and related materials

Moreover, the Project Jobs Fit: DOLE 2020 Vision of the Department of Labor and Employment has identified twelve (12) Key Employment Generators (KEGs). These are sectors that have the potential for absorbing the most number of Philippine workforce:

1. Agribusiness
2. Cyberservices
3. Health and Wellness
4. Hotel, Restaurant and Tourism
5. Mining
6. Construction
7. Banking and Finance
8. Manufacturing
9. Ownership Dwellings and Real Estate
10. Transport and Logistics
11. Wholesale and Retail Trade
12. Overseas Employment

Likewise, four (4) emerging industries were identified which will provide employment opportunities in the long term:

1. Creative Industries
2. Diversified/Strategic Farming and Fishing
3. Power and Utilities
4. Renewable Energy

There are also similar efforts by the private sector on the identification of key sectors/industries, the Joint Foreign Chambers (JFC) of the Philippines noted high-growth industries, called the 7 Big Winners in its Arangkada Report:

1. Agribusiness
2. Business Process Outsourcing
3. Creative industries
4. Infrastructure
5. Manufacturing and logistics
6. Mining
7. Tourism
8. Medical travel and retirement

Just like the PDP 2011-2016, the JFC's 7 Big Winners were identified based on its high growth and employment potential and the Philippines demonstrated competitive advantage.

Moreover, the Investments Priorities Plan (IPP) 2013 identified thirteen (13) priority investment areas that will support the current priority programs of the government.

1. Agriculture/Agribusiness and Fishery
2. Creative Industries/Knowledge-Based Services
3. Shipbuilding
4. Mass Housing
5. Iron and Steel
6. Energy
7. Infrastructure
8. Research and Development
9. Green Projects
10. Manufacture of Motor Vehicles
11. Strategic Projects
12. Hospital / Medical Services
13. Disaster Prevention, Mitigation and Recovery Projects

The summary matrix of the priority industries is shown in table 1 below:

Table 1: Matrix of Priority Industries

Industry / Sector	PDP 2011-2016 ¹	GAA 2013 ²	IPP 2013 ³	DOLE Project Jobs Fit ⁴	JFC Arangkada ⁵	DTI-Industry Clustering ⁶	Remarks
Agri-Fishery*	×	×	×	×	×	Milkfish, Dairy Coffee, Bamboo Poultry, Tuna, Oil Palm, Banana, Mango, Coconut, Seaweeds, Wood, Rubber	Classified as agribusiness/forest-based products in the PDP; classified as Agribusiness in the DOLE PJF; diversified/strategic farming & fishing is an emerging industry under the DOLE PJF
Automotive*	×	×	×		×		Included in the PDP as other high-growth potential industries - motor vehicle parts & components; motor vehicles is in the preferred list of the 2013 IPP
Construction*	×	×	×		×		Classified as infrastructure in the Arangkada, PDP & IPP lists; general infra in the GAA
Creative Industries			×	×	×		Creative Industries is considered as an emerging industry in the DOLE PJF
Decorative Crafts *	×					Wearables & homestyles (H&W) Gifts, Decors & Housewares (GDH)	Included in the PDP as other high-growth potential industries – homestyle products and wearables
Electronics *	×	×					Classified as semicon & electronics in the GAA list
Furniture & Fixtures*						Wearables & homestyles (H&W) Gifts, Decors & Housewares (GDH)	
Garments *	×						Included in the PDP as other high-growth potential industries – garments

¹ The PDP priorities were identified based on key indicators such as capacity for employment generation, comparative advantage and high growth potential.

² The Training for Work Scholarship (TWSP) supports rapid, inclusive, sustained economic growth, thus, the course offerings will be limited to KEGs

³ The IPP 2013 were based on the 2012 list; The identification was based on the social contract with Filipino People, 2012 SONA, PDP 2011-2016, MSME Devt Plan 2011-2016, NST Plan 2011-2016 and Framework Strategy on Climate Change.

⁴ The 12 Key Employment Generators (KEGs) have the potential for absorbing the most number of workers; Emerging Industries were identified to provide employment opportunities faster than the output growth in the long term.

⁵ The 7 Big winners identified by the Joint Foreign of Chambers in the Arangkada Philippines are sectors that have high growth and employment potential and in which the Philippines has demonstrated a competitive advantage.

⁶ Identification of priority industry clusters were based on its potential to create jobs, high impact to poverty alleviation, potential to develop & strengthen the SMEs and improvement of the business environment .

Industry / Sector	PDP 2011-2016 ¹	GAA 2013 ²	IPP 2013 ³	DOLE Project Jobs Fit ⁴	JFC Arangkada ⁵	DTI-Industry Clustering ⁶	Remarks
Health, Social & other Community Devt Services *				×		Health & Wellness	H&W in the DOLE PJF
ICT*	×	×	×	×	×	×	Classified as Cyberservices in the DOLE PJF; Included in the preferred list of the IPP and classified as creative services/knowledge-based services
Logistics	×			×	×		Classified as manufacturing & logistics in the Arangkada list; classified as logistics in the PDP 2011-2016; transport & logistics in the DOLE PJF
Metals & Engineering *			×				Included in the IPP 2013 Preferred list as Iron & Steel
Mining	×		×	×	×	×	
Tourism*	×	×	×	×	×		Classified as Hotel, Restaurant & Tourism in the DOLE PJF; included in the mandatory list of the IPP 2013
Utilities				×			Power & utilities is an emerging industry in the DOLE PJF
Shipbuilding	×		×				
Housing	×		×	×			Classified as Ownership, Dwellings and Real Estate in the DOLE PJF; mass housing in the IPP 2013
Banking & Finance				×			
Manufacturing				×			
Wholesale & retail trade				×			
Renewable Energy (RE)			×	×			RE is an emerging industry in the DOLE PJF; included in the mandatory list of the IPP
Other sectors/industries							Preferred list: R &D, strategic projects, hospital & medical services, Disaster Prevention, mitigation & recovery projects Mandatory: Industrial tree plantation, exploration, publication or printing of books/textbooks, refining, storage & marketing; distribution of petroleum products, ecological solid waste management, clean water projects, etc.

*sector classification of TRs

II. Economic Contribution and Prospect

A. Tourism

From 2004 to 2009, the average shares of tourism in GDP and in total employment were 6.12 percent and 9.68 percent, respectively. In the midst of global and national economic, political and social upheavals, the tourism sector remained resilient. Visitor arrivals in the past six years grew at an annual average of 8.21 percent from 2.29 million in 2004 to 3.01 million in 2009. Visitor arrivals in January to March 2013 reached a record high of 1.27 million, a 10.76% increase from 1.15 million arrivals for the same period in 2012.⁷

The World Economic Forum ASEAN Travel and Tourism World Competitiveness Report 2012 (WEF-TTWCR) has reported that the travel and tourism (T&T) sector has become an important driver of growth and prosperity for many countries. It is estimated that the T&T sector accounts for about 9 percent of GDP and employment worldwide. Moreover, this sector also plays an important role in the overall ASEAN economy. It is estimated to account for 4.6 percent of ASEAN GDP and 10.9 percent when taking into account all indirect contributions. It directly employs 9.3 million people, or 3.2 percent of total employment, and indirectly supports some 25 million jobs.⁸

The Philippines is located in one of the fastest growing regional markets for outbound and inbound tourism in the world. Between 2010 and 2016, the World Tourism Organization (UNWTO) forecasts that international arrivals to the Asia Pacific region will increase from 204 million to 285 million with Southeast Asia increasing from 69 million to 98 million arrivals. ASEAN (especially Malaysia, Singapore and Thailand), China, South Korea, USA, Japan, India and Australia together with Europe are expected to be the main drivers of international arrivals to the region, especially to Southeast Asia.⁹

The successful implementation of the National Tourism Development Plan between 2012 to 2016 will translate to an expected increase of the volume of international tourist to the Philippines from 3.5 million to 10 million (an additional 6.48 million), thus increasing its share of ASEAN tourism from 5.1% to 10.1%, as well as increasing domestic travel from 27.9 million to 35.5 million 9, an additional 7.6 million). The tourism industry is also expected to contribute 8.1% to Gross Domestic Product (GDP).

The industry can employ 6.8 million people that will account for 17% of total employment. It is estimated that around 1.6 million out of the 6.8 million persons will be directly employed by 2016 will come from the marginalized sector.

⁷ www.tourism.gov.ph

⁸ World Economic Forum ASEAN Travel and Tourism World Competitiveness Report 2012

⁹ National Tourism Development Plan 2011-2016

B. Information Technology - Business Process Outsourcing (IT-BPO)

The Philippine IT-BPO industry has grown from a US\$3.2 B industry in 2006 to US\$ 13.4B in 2012¹⁰. The country has become one of the most aggressive and fastest growing offshore service destinations in the world. Recently, the Information Technology and Business Process Association of the Philippines (IBPAP) and its strategic communications arm TeamAsia, in partnership with the Information and Communications Technology Office of the Department of Science and Technology (DOST-ICTO) launched the Philippine IT-BPM Road Map 2012–2016.¹¹ This road map updates the strategic growth plan for the Philippine information technology and business process management (IT-BPM) industry since the publication of the Road Map 2016 in 2010. The Philippine IT-BPM Roadmap 2012-2016 assesses the current state of the industry and confirms its potential to meet the target of \$25 billion in revenues and 1.3 million employees by 2016.

The growth of the IT-BPO global market to almost US \$100 million¹² and the emerging of new services such as knowledge process outsourcing (KPO), IT outsourcing, healthcare information management outsourcing, engineering services outsourcing, financial services outsourcing, creative process outsourcing, among others has also significantly expanded and diversify the country's IT-BPO landscape. This also opened up the country's geographic footprint to other locations such as the United Kingdom and the Asia Pacific Region. Moreover, we have maintained our position as number one in voice based services.

C. Electronics

The electronics sector is a major driving force of the Philippine economy and has consistently been a source of high-value, high-impact investments preferred Original Design Manufacturer (ODM) and Original Equipment Manufacturer (OEM). Likewise, the country also houses some of the world's top electronic companies. There are two major players in the electronic components sector: the third-party subcontractors, which are mainly Filipino-owned, and the multinational plants which cater to the requirements of their parent companies.¹³

The industry employs about 2,000 to 18,000 workers per firm¹⁴. It contributed about 37.9 percent of total export revenue for December 2012. This is despite its 5.5 percent decline of 5.5 percent from \$1.593 billion in December 2011 to \$1.506 billion in December 2012.¹⁵ Moreover, the NEDA has announced that

¹⁰ BPAP

¹¹ www.newsbytes.ph

¹² IT-BPO Roadmap 2016, Business Processing Association of the Philippines (BPAP).

¹³ Philippine Development Plan 2011-2016

¹⁴ Semiconductor and Electronics Industries of the Philippines, Inc. (SEIPI)

¹⁵ National Statistics Office (NSO)

the country is expecting a further improvement in the exports of semiconductor despite its 23.2 percent decline in January this year. This is because of the annual gain of worldwide chip sales recorded which also suggests an improvement in the industry for the year. Sec. Balisacan has also mentioned that more orders for semiconductor equipment may be expected as indicated by the upward trend of book-to-bill ratios in major electronics production hubs like the US and Japan.¹⁶

D. Mining

The Philippines is said to be one of the most mineralized countries in the world. This is because of its location along the Circum-Pacific Rim of Fire. The Mines and Geosciences Bureau (MGB) estimates that some nine million hectares of the Philippine total land area of 30 million hectares are geologically prospective for metallic minerals. Some of these areas may be developed further, particularly large ore bodies and linked with downstream processing industries. The operation of processing plants and value-adding activities which have a demand-pull effect on primary production will serve as a catalyst for the development of other industries and sectors generating economic activities. The multiplier effects of these industries will foster the growth of the mining industry throughout the country.¹⁷

Generation of more investments in mining and mineral processing and mineral based manufacturing industries is the key to doubling exports by the sector by 2016.

E. Housing

The PDP has outlined that investing in mass and socialized housing will enable investors to enjoy incentives, as the government seeks to address the housing gap of 5.8 million units from 2010 to 2016 or about 800,000 units per year. The government has also increased the target number of housing loans from 75,000 to 150,000 housing units. This is in line with the government's thrust of facilitating access to a variety of housing options that are decent, affordable, and responsive to the diverse and changing needs of the people by providing incentives to low-cost mass housing developers.¹⁸ To complement this direction, mass housing is a priority activity/investment area in the Investment Priorities Plan of the Board of Investments.¹⁹

¹⁶ Manila Bulletin, March 14, 2013

¹⁷ PDP 2011-2016

¹⁸ Ibid

¹⁹ Investment Priorities Plan 2013

F. Agribusiness / Forest-based Products

The country's agriculture industry has registered a 3.3 percent growth, which is about P352.5 billion gross at current prices, in the first quarter of 2013. Notably, all its subsectors such as crops, livestock, poultry and fisheries have recorded an increase in production.²⁰

The PDP has outlined that market-driven and competitiveness-led agribusiness/forest-based and livestock industries shall be continuously promoted in both inbound and outbound investment missions, and shall be included in promotional activities such as business matching and investment briefings. It further mentioned that to further raise investment in agro-based industries, the government shall provide incentives as well as identify lands that are adequate for certain agricultural products. These lands should have already been covered by agrarian reform and the agrobased industries will respect the security of tenure of the agrarian reform beneficiaries (ARBs) and will work to improve the income and livelihood of the ARBs. The domestic economy shall be strengthened through asset reforms, development of agriculture and promotion of industrialization.²¹

G. Logistics

Logistics is the planning, execution, and control of the movement / placement of goods and / or people, and the related supporting activities, all within a system designed to achieve specific objectives.²² It encompasses the broad field of procurement, production, distribution and disposal activities.²³ Logistics is vital in a company in order function efficiently and effectively.

As mentioned in the PDP, the Philippines' international logistics activity is relatively small compared to nearby countries. Together with the growing MSMEs potentials and global supply chain relations, this low base indicates a potential for high growth for logistics and supply chain activities.

The PDP provides that to expand the sector, the government shall encourage investments in the development and expansion of logistics infrastructure in the international market. It will also promote other existing ports such as those located in Batangas and Subic not only to decongest the Manila port but also to open opportunities to worldwide shipping in the new areas.

Similarly, the Arangkada Report in 2010 provides several recommendations to develop the logistics industry in the country. In its 2nd year Assessment Report, Arangkada has noted that of the twenty (22) recommendations from the 1st assessment, three (3) has recorded a substantial improvement while thirteen (13) remained steady and four (4) recommendations declined in rating. There were two that are no longer relevant.

²⁰ Bureau of Agricultural Statistics. <http://www.bas.gov.ph>

²¹ PDP 2011-2016

²² http://www.transfreight.com/Lean_Logistics_Overview/What_Is_Logistics.aspx

²³ <http://en.wikipedia.org/wiki/logistics>

The following are the recommendations that have marked improvement in the assessment:

Promote the port of Batangas for CALABARZON-destined shipments and Subic for Central Luzon-destined shipments.

1. Invite international feeder vessel operators to call at Batangas and Subic.
2. PEZA should organize a meeting to coordinate actions to increase export cargo volume at Batangas.
3. Promote an Asian Distribution Center of Goods.

H. Shipbuilding

A study by Japan International Cooperation Agency (JICA) and Nomura Research Institute (NRI) showed that the Philippines has the potential to become a shipbuilding and repair center for oceangoing merchant and fishing vessels in Asia-Pacific, with bays and deep seashores, abundant labor and fiscal incentives. The country's shipbuilding sector ranks fifth and accounts for two percent of the total world market. The country is host to some of the world's leading shipbuilders: Japan's Tsuneishi, which has its 2nd largest facility in Cebu, South Korea's Hanjin in Subic, and Singapore's Keppel in Batangas. These companies build ships such as bulk carriers, container ships and passenger ferries.

Per the PDP, investments in shipbuilding are expected to grow by P93 billion. Investment growth will be focused on serving identified markets, such as South Korea and Japan, although other markets opportunities will also be considered. In addition, support for shipbuilding shall also come from promoting the country's human capital and continuously providing enhancement programs.²⁴

I. Infrastructure

Per the PDP 2011-2016, infrastructure plays a vital part in the country's economic development and growth. Investment shall be directed towards the development of air and sea ports; roads; agricultural support facilities such as irrigation systems and systems for water supply; commercial infrastructure for trade and exposition; waste management systems (i.e. solid and liquid waste); and energy source facilities for power supply.

J. Other High-Potential Industries

Aside from the above-mentioned priority industries / sector for investment promotion and industry development, the government will also provide support and will be nurturing industries with high potential in a) domestic and export demand; b) job generation; c) utilization of local talents and creativity; and d)

²⁴ PDP 2011-2016

maximization of the total value chain.²⁵ The following are the identified areas with high-growth potential:

Homestyle Products

Design – driven homestyle products includes furniture and furnishings, holiday decor, houseware ceramics, woodcraft, giftware (excluding toys), shellcraft and basketwork.²⁶ The PDP 2011-2016 has further mentioned that the booming outdoor market in China and India and the non-traditional markets such as South America (Brazil), Eastern Europe and Middle East are the target markets for this industry.

Wearables

The priority products on wearables are custom or fine jewelry, bags, and footwear, slippers and shoes and the priority markets are Asia particularly Hong Kong, China and Japan, Europe particularly France, Germany and Italy and Australia and United States.

Motor vehicle parts and components

Motor vehicle parts include original equipment manufactures (OEMs) that cover wiring harness, transmissions or gears, sensors, alternators, brake systems and servo brakes, as well as replacement parts particularly radiators, leaf springs, filters, batteries, alloy wheels, and exhaust system. The priority markets for OEMs are United States, Japan, Korea, China, India, New Zealand and ASEAN members. For replacement parts, on the other hand, the priority markets include United States, China, Japan, Germany and Netherlands.

Garments and textile

This includes high-end gowns and dresses, ethnic natural fiber, barong and lingerie or night wear. The United States, European Union member-countries and Japan are the target markets for these products.

Construction and related-materials

The construction sector consists of (a) wood-based products (e.g. doors, windows, plywood and veneer, joineries/moldings); (b) metal-based products such as iron and steel, aluminum and copper products; (c) nonmetal-based products (except marble); and (d) chemical-based products (e.g. PVC plastic, vinyl, paints and varnish). By 2013, the construction industry is expected to reach a total of US\$1.37 billion in export sales, with a 12 percent annual growth.²⁷

²⁵ PDP 2011-2016

²⁶ Ibid

²⁷ Ibid

Revival of the Manufacturing Industry

The Manufacturing Industry in the Philippines comprises the following sectors; 1) food manufacturers; 2) rubber and plastic products; 3) beverage industries; 4) wood, bamboo, cane and rattan articles; 5) machinery and equipment; 6) electrical machinery and apparatus; 7) furniture and fixtures; 8) textile manufacturers; 9) basic metal industries; 10) fabricated metal products; and 11) radio, television and communication equipment.

The National Statistics Office (NSO) in its 2010 Annual Survey of Philippine Business and Industry reports that the manufacturing sector ranked first among the industries with the most number of workers engaging about 30% of the total employment. Administrative and Support Service Activities came in second engaging about 14% of total employment followed by Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycle and Personal and Household Goods with 10% of the total employment.

Recently, industry experts have reported a resurgence of the manufacturing industry since its slowdown in 2009. Several reports have mentioned that in order for the country to attain an inclusive and sustained growth, we should develop a stronger industrial base and reviving the manufacturing industry is one. During the Philippine Yearend Economic Briefing held in February this year, DTI Sec. Gregory Domingo mentioned that the Philippines is now earning a reputation as an ideal manufacturing hub for high-end value-added products. He further mentioned that the country is becoming a cheaper destination for manufacturing firms abroad because of rising wages in countries like China. It is projected that these new plants will boost the growth of the manufacturing sector and help support economic growth in the next 2 to 3 years.²⁸

The Manufacturing Industry Roadmap developed by the Philippine Institute for Development Studies and the Board of Investments has outlined the constraints and potential of the industry. It, likewise, provided recommendations on how a new industrial policy can help generate jobs and reduce poverty as well as take advantage of the opportunities that the manufacturing industry is offering.

²⁸ <http://www.rappler.com/business/industries/27294-ph-manufacturing-industry-on-the-mend>

III. Employment and Skills In-Demand/requirements

The Project Jobs Fit of the DOLE has identified in-demand and hard-to-fill occupations in several industries (please see table 2).

Table 2: Summary of In-Demand and Hard-to-Fill Occupations

In-demand Occupations	Hard-to-Fill Occupations
Agribusiness	
<ul style="list-style-type: none"> ○ Animal Husbandry ○ Agricultural Economist ○ Aqua-culturist ○ Coconut Farmer ○ Entomologist (Plant) ○ Farmer (Fruit, Vegetable and Root Crops) ○ Fisherman ○ Horticulturist ○ Plant Mechanic ○ Rice Tresher Operator-Mechanic ○ Veterinarian ○ Pathologist 	<ul style="list-style-type: none"> ○ Food Processor/Food Technician ○ Fishery Technologist
Cyberservices	
<ul style="list-style-type: none"> ○ Call Center Agents 	<ul style="list-style-type: none"> ○ Accountant (Back Office Processing) ○ HR Outsourcing Specialist (Back Office Processing) ○ Call Center Agent ○ Medical Transcription Editor ○ Medical Transcription ○ Software Development ○ Computer Programmers ○ Developer (Software, Web) ○ IT/Information Technology (MIS Developer, Platform Engineer) ○ Specialist (Learning Solution, System and Technical Support) ○ Animation Artist ○ Clean-Up Artist ○ In-between Artist/In-betweenner ○ Clean-Up Art Checker ○ In-between Checker ○ Animation Checker ○ Web Designer ○ Multimedia Artist ○ Library builder ○ Layout artist ○ 2D digital animator
Health, Wellness and Medical Tourism	
<ul style="list-style-type: none"> ○ Nurse ○ Herbologist ○ Optician ○ Optometrist 	<ul style="list-style-type: none"> ○ Doctor ○ Physical Therapist ○ Pharmacist ○ Medical Technologist ○ Laboratory Technician ○ Physician/Surgeon ○ Spa/Massage Therapist

	<ul style="list-style-type: none"> ○ Masseur
Hotel and Restaurant	
<ul style="list-style-type: none"> ○ Front Office Agent/Attendant ○ Baker ○ Food Server and Handler ○ Food and Beverage Service Attendant ○ Waiter ○ Bartender ○ Room Attendant ○ Other Housekeeping Services ○ Reservations Officer and other Frontline Occupation ○ Tour Guides 	<ul style="list-style-type: none"> ○ Commissary Cook ○ Pastry Cook ○ Hot-Kitchen Cook ○ Pantry Worker/ Cold-Kitchen
Construction	
<ul style="list-style-type: none"> ○ Fabricator ○ Pipe Fitter ○ Welder 	<ul style="list-style-type: none"> ○ Civil Engineer ○ Electrical Engineer ○ Design and Structural Engineer ○ Planning and Contract Engineer
Mining	
	<ul style="list-style-type: none"> ○ Mining Engineer ○ Geodetic Engineer ○ Metallurgical Engineer ○ Mining & Metallurgical Technician
Banking and Finance	
<ul style="list-style-type: none"> ○ Operations Manager ○ Teller 	<ul style="list-style-type: none"> ○ Accounting Clerks ○ Bookkeepers ○ Auditor ○ Cashier ○ Credit Card Analyst ○ Finance Analyst/Specialist ○ Accountant (Account Officer, Analyst) ○ Risk Management Officer/Manager
Manufacturing	
<ul style="list-style-type: none"> ○ Electrical Technicians ○ Finance and Accounting Managers ○ Food Technologist ○ Machine Operators ○ Sewer 	<ul style="list-style-type: none"> ○ Chemist ○ Electrical Engineer ○ Industrial Engineer ○ IT Specialist ○ Machinist ○ Mechanical Engineers ○ Mechanical Technicians ○ Chemical Engineer
Ownership Dwellings, Real/Retirement Estate	
<ul style="list-style-type: none"> ○ Construction Manager ○ Construction Worker ○ Foreman ○ Mason ○ Welder ○ Real Estate Agents/Brokers ○ Marketer 	<ul style="list-style-type: none"> ○ Civil Engineer ○ Mechanical Engineer ○ Surveyor ○ Architect
Manufacturing	
<ul style="list-style-type: none"> ○ Building Manager 	<ul style="list-style-type: none"> ○ Chemist ○ Electrical Engineer ○ Industrial Engineer ○ IT Specialist

	<ul style="list-style-type: none"> ○ Machinist ○ Mechanical Engineers ○ Mechanical Technicians ○ Chemical Engineer
Transport and Logistics	
<ul style="list-style-type: none"> ○ Checker ○ Maintenance Mechanics ○ Stewardess 	<ul style="list-style-type: none"> ○ Gantry Operator ○ Ground Engineer ○ Heavy Equipment Operator ○ Long Haul Driver ○ Pilot ○ Transport and Logistics ○ Machinery Operator ○ Aircraft Mechanic and other related skills
Wholesale and Retail	
<ul style="list-style-type: none"> ○ Merchandiser/Buyer ○ Salesman/Saleslady ○ Promodizer 	<ul style="list-style-type: none"> ○ Cashier
Emerging Industries	
<i>Creative Industries</i>	
<ul style="list-style-type: none"> ○ Broadcast Engineer ○ Video Editor ○ Video Graphic Artist (Animators) ○ Visual Artist Designer 	<ul style="list-style-type: none"> ○ 3D modelers ○ 3D Artist ○ 3D Animators ○ Flash Animators
<i>Diversified/Strategic Farming and Fishing</i>	
<ul style="list-style-type: none"> ○ Fisherman ○ Aqua-culturist ○ Horticulturist ○ Farmer (root crops, fruit & vegetable: upland and lowland) 	
<i>Power and Utilities</i>	
<ul style="list-style-type: none"> ○ Electrical Control Operator ○ Equipment Operator ○ Electrical Technician ○ Mechanic 	<ul style="list-style-type: none"> ○ Mechanical Technician
<i>Renewable Energy</i>	
<ul style="list-style-type: none"> ○ Checker ○ Loader 	<ul style="list-style-type: none"> ○ Electrical Engineer ○ Mechanical Engineer ○ Quality Control Engineer

With the major changes on current trends in the labor market since the Project Jobs Fit was conducted in 2010, the above list will be updated from June to October 2013. The DOLE has issued Administrative Order no. 205 series of 2013, Creating the Oversight Committee and the Technical Working Group for the updating of the Project Jobs Fit.

IV. TVET Programs and Supply

The development of training regulations (TRs)/ competency standards is a primary mandate of TESDA. This involves developing standards and systems that will align middle-level skills qualifications with the industry standards. The TRs are developed in consultation with industry and promulgated by the TESDA Board. It is benchmarked against industry and international standards. The TRs contain the national qualification level, competency standards, trainer qualification, equipment and facilities requirements and tools as well as assessment and certification arrangements. These provide the parameters for ensuring quality in delivery of a TVET program. They also serve as the bases for competency assessment and certification, registration and delivery of TVET Programs, and development of curriculum and assessment instruments.

Since the establishment of TESDA in 1994, it has promulgated 239 TRs in seventeen (17) sectors. For 2012, there are almost a million assessed and about 800,000 certified TVET graduates (Table 3). Of these, there are about 635,000 and 524,000 assessed and certified individuals that can supply the PDP priority sector skills requirements (Table 4).

Table 3: Number of Persons Assessed and Certified per Sector, 2012

SECTOR	GRAND TOTAL		TOTAL			
			ASSESSED		CERTIFIED	
	ASSESSED	CERTIFIED	MALE	FEMALE	MALE	FEMALE
1. AGRI-FISHERIES*	13,266	11,933	8,140	5,126	7361	4572
2. AUTOMOTIVE*	95,585	80,755	92,297	3,288	77,948	2,807
3. CONSTRUCTION*	57,342	50,651	55,114	2,228	48,884	1,767
4. DECORATIVE CRAFTS*	0	0	0	0	0	0
5. ELECTRONICS*	40,686	29,516	30,112	10,574	21,794	7,722
6. FOOTWEAR AND LEATHERGOODS*	0	0	0	0	0	0
7. FURNITURE AND FIXTURES*	125	124	125	0	124	0
8. GARMENTS*	8,612	7,317	864	7,748	740	6,577
9. HEALTH, SOCIAL & OTHER COMMUNITY DEVT SERVICES	249,459	230,444	23,448	226,011	21,409	209,035
10. HVAC/R	6,175	5,428	6,033	142	5,298	130
11. ICT*	85,692	50,419	46,309	39,383	29,811	20,608
12. MARITIME	62,945	56,948	62928	17	56932	16
13. METALS AND ENGINEERING*	54,174	46,738	51,269	2,905	44,192	2,546
14. PROCESSED FOODS	13,195	12,282	4831	8364	4,611	7,671
15. PYROTECHNICS	0	0	0	0	0	0
16. TOURISM*	280,435	247,104	116950	163485	102342	144762
17. UTILITIES*	70	70	70	0	70	0
TVET (TVET Trainer's)	774	729	468	306	435	294
TOTAL	968,535	830,458	498,958	469,577	421,951	408,507

*PDP 2011-2016 priorities

Table 4: PDP Priorities viz TESDA Priority Sectors and Number of Persons Assessed and Certified, 2012

PDP Priorities	TESDA Priority Sectors	Assessed	Certified
1. Tourism	Tourism	280,435	247,104
2. BPO	ICT-BPO	85,692	50,419
3. Electronics	Electronics	40,686	29,516
4. Mining			
5. Housing	Construction*	57,342	50,651
6. Agribusiness/Forest-based Products	Agri-Fishery	13,266	11,933
7. Logistics			
8. Shipbuilding	Metals and Engineering	54,174	46,738
9. Infrastructure	Construction*, Utilities, HVAC/R	63,587	56,149
10. Other High – Potential Industries			
- Homestyle Products	Furniture and Fixtures	125	124
- Wearables	Decorative Crafts, Footwear & leather goods		
- Motor vehicle parts and components	Automotive and Land Transport	95,585	80,755
- Garments and Textiles	Garments	8,612	7,317
TOTAL		642,162	530,055

*construction figures were counted only once

V. Implications to TVET and TVET Programs

As provided in Section 2 of RA 7796, the “State shall encourage active participation of various concerned sectors, particularly private enterprises, being the direct participants in and immediate beneficiaries of a trained and skilled workforce, in providing technical education and skills development opportunities.”

With this mandate, it is imperative that TESDA establish and strengthen industry collaboration and linkages to identify specific skills requirements needed by the industry. This should also provide the venue to identify other industry related needs and recommendations.

The institutionalization of regular industry consultations provides the mechanism and arrangements for a meaningful TESDA – industry partnerships especially in the area of labor market information, functional analysis, identification of priority qualifications, standards/TR development and program implementation.

TESDA pursues mandatory review of training regulations that are not attuned to the industry requirements and/or have low program registration as well as assessed and certified graduates. The development of new TRs are, likewise, pursued especially for industries that were identified as winners or priorities, i.e. mining and logistics.

The recently conducted industry consultations for logistics, renewable energy (solar), ICT-BPO and manufacturing (chemical) industries have identified qualifications that need to be updated and developed. Logistics has identified driving as a critical and important skill in their industry, however, this qualification should incorporate competencies 'business sense' or the development of a driving qualification specific to the logistics and warehouse requirements. As for solar, the Philippine Solar Power Alliance (PSPA) has proposed for a solar technical education and skills training which will be an add-on skills development in the current TRs on Electrical Installation and Maintenance. Moreover, the TRs on PV System Design, Installation and Servicing are also useful for the industry.

In addition, the ICT-BPO industry has also mentioned during the consultation held in March 2013 some critical and in-demand qualifications for their industry which are business analytics and quality assurance. A functional analysis workshop for the software sub-industry will be conducted to study and validate the matter. Moreover, a review of the TR on Programming NC IV is on-going while the TRs on 2D Animation NC II, 3D Animation NC III and Visual Graphic Design NC III will also be subjected for review.

VI. Next Steps

- Parallel to the mid-term review and updating of the PDP 2011-2016 is the updating the NTESDP 2011-2016. The review and updating of the NTESDP will consider all the market realities that affect labor demand and supply. In as much as the PDP 2011-2016 priorities remain to be the priority industries, so shall the NTESDP.
- The DOLE's Project Jobs Fit will also be updated to be attuned to the current trends in the labor market. The results of the PJF consultations and updating process will also be considered in the NTESDP 2011-2016. The schedules for the updating of the PJF is as follows:

Activity	Timeline
Regional Consultations <i>(to be held simultaneously in 16 regions)</i>	
<ul style="list-style-type: none"> • Consultations with Government Sector 	1 st to 4 th week of June
<ul style="list-style-type: none"> • Consultations with Private Sector 	1 st to 4 th week of June
<ul style="list-style-type: none"> • Finalization of Regional Reports 	03 July 2013
National Integration Workshop	12 July 2013
National Manpower Summit	16 August 2013

- Skills demand and supply mapping per industry per region will be a very important output that will provide accessible information on labor and demand supply in the country. This is expected to be one of the outputs of the NTESDP and PJF updating.

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