

INSTITUTE OF SOCIAL STUDIES

Working Paper Series No. 224

**LABOUR MARKET INFORMATION SYSTEM IN THE PHILIPPINES:
IS IT RELEVANT TO INDUSTRIAL USERS?**

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June 1996

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ABSTRACT

This paper is a pioneer work on labour market information system in the Philippines. Extensive field visits and some limited surveys are the primary data sources of this work.

Visits to various governmental departments have allowed a compilation of the (main) producers of LMI and of their products (the list compiled in fact is much longer than space on this paper would allow). Special attention has been made to the relatively new and fast growing employment service organised by the Department of Labour and Employment. The paper also makes an attempt to measure relevance of the LMIS (which is relatively advanced as far as data collection is concerned) to some groups of users; namely, trainees, training institutions and industrial firms. A major finding of the paper is that the LMIS in the Philippines is public sector-oriented both in terms of content and format, private users hardly find LMI products relevant.

Introduction

It is known that decision making in the labour market (by national, regional, local and departmental/institutional decision-making bodies as well as by firms, families and individuals) requires accessible and reliable labour market information (LMI). Many decisions can go wrong, often with high cost, due to lack of timely and reliable LMI system (LMIS).

Main types and users of LMI may be summarized as follows (following ILO,1990): - Policy makers, planners and project implementers at all levels need data and research on employment situation and trends, prevailing wage levels, occupational and skill shortages and surpluses and labour availability for various projects.

- Workers, workers organisations, employers and employers' organizations require primarily information on labour and skill availability (including training possibilities), on productivity and on wage levels. In addition, workers and their organizations wish to know about wage differentials, working conditions and career patterns of different jobs and occupations.
- Educational and training institutions/planners have to get a good picture of occupation and skill demand and supply in the short and long run.
- Employment services need information on vacancies (and their skill requirements as well as their remuneration level and working conditions) and job seekers (and their qualifications)
- Career guidance services need information on changes in skill and occupation requirement of the labour market, career prospects in different occupations and availability (and efficiency) of educational and training programmes.

When the authors of this paper started their joint effort in December 1995 to gather information pertaining to the relevance of the LMIS to industrial users, they were surprised to find virtually no published studies in the Philippines on LMIS and its relevance. The only paper that has been found is one by Aridad S.P. Benito and Salome Santayana presented to and published as part of the proceeding of a training seminar of an ILO-UNDP Project in Development of Low-Cost Computer-Based LMI system entitled 'Computerization of Labour Market Information System for Effective Policy Planning'.

The authors had to conduct field visits to gather information. They have also used findings of the three surveys on trainees (see the note on the resources at the end of the paper)

This study does not claim to be comprehensive. At the most it endeavours to open a way to some similar (and hopefully, more comprehensive) attempts. The first section gives an account of the main LMI producers and of their products. In the second section services provided by the newly established Public Employment Service will be presented and analyzed. Section three would try to measure usefulness of the

formal means of LMIS to some important groups of industrial users: trainees and job seekers, training institutions and firms. The last section highlights main findings and provides recommendations.

1 MAIN PRODUCERS OF LMI

The department of Labour and Employment (DOLE) is by far the largest producer of LMI in the country. Different bureaus and other organizational units under it produce a wide range of LMI. These include: Bureau of Labour and Employment Statistics (BLES), National Wages and Productivity Commission (NWPC), Bureau of Local Employment (BLE), Bureau of Working Conditions (BWC), Institute of Labour Studies (ILS), National Conciliation and Mediation Board (NVBM), Bureau of Rural Workers, Bureau of Women and Young Workers, Overseas Workers Welfare Administration (OWWA) and Philippine Overseas Employment Administration (POEA).

The second largest governmental institution that supplies LMI is the National Statistics Office (NSO). Other producers include: Civil Service Commissions (CSC), Department of Agriculture, National Manpower and Youth Council (NMYC), now absorbed under Technical Education and Skill Development Authority (TESDA), Department of Education, Culture (DECS) and Sports and Compensation Position Classification Bureau.

Below is a description of the LMI products of the DOLE and NSO; the two largest LMI producers in the country. While TESDA is not a major LMI producer at present, it has a great potential of becoming so and some recommendations on this direction will be provided in the last section of the paper. For this reason, an account of its LMI activities will be provided in this section.

1.1 The Department of Labour and Employment (DOLE)

A The Bureau of Labour and Employment Statistics (BLES)

1 Occupational Wages Survey

Description: Information includes wage rates levels and indices of selected occupations by industry and region.

2 DOLE Survey of Establishments

Description: This annual data collection includes information on number of employed by specific groups of workers; management practices by category of employers; and number of labour unions, membership, collective bargaining agreements and workers covered, by industry and region.

3 Employment Hours and Earnings Survey

Description: Information includes employment, hours of work and earnings of production and construction workers and other employees below managers and executives; labour-turnover (accession and

separation of workers); terminations and retrenchments due to economic and non-economic reasons, by industry and region. These are jointly conducted by the BLES and NSO.

4 Labour Turnover Monitoring

Description: Quarterly publication of labour turnover rates of establishments by industry and region. The activity is aimed at capturing and measuring the employment levels in industries and regions and the underlying factors affecting them.

The BLES is responsible for data generation and processing while the Bureau of Local Employment, also of the DOLE, is responsible for data analysis.

5 Profile of Labour Relations Situation in Top 1000 Corporations

Description: Information includes extent of unionism, CBA provision, modes of dispute settlement and practices, company programmes and policies particularly on industrial relations, to the benefits outside CBA, and problems encountered in labour-management relations.

The BLES and BLR are responsible for the data.

B National Wages and Productivity Commission (NWPC)

Surveys undertaken by NWPC include:

1 Survey of Productivity Gain Sharing Schemes

Description: A Listing of top 1000 corporations and their productivity gain sharing schemes and improvement programme, and number of workers benefitted. Data collection is performed annually.

2 Study on the Profitability/Solvency of Different Industries in the Philippines

Description: This is a yearly comparison of the financial performance of each industry to show trends in profitability and solvency.

3 Labour Cost Survey

Description: A survey updated every three years which includes the composition of labour costs and their proportions of total production cost.

4 Philippine Labour Productivity Trends

Description: Data on labour productivity, index of labour productivity and annual growth rate of labour productivity.

5 Productivity Assessment Report on Agricultural, Industrial, Service and Public Sectors

Description: (1) Productivity indicators for the agricultural sector using the stock and flow concept; agricultural crops, livestock quantity, and land area; fertilizer consumption; and productivity indicators for the

manufacturing sector. (2) Productivity indicators for the service sector. (3) Productivity indicators for the public sector in terms of efficiency, effectiveness and equity.

6 Study on Decent Living Wage

Description: Computation of the cost of living of a reference family of six (6) members by region and by sector on a monthly basis with quarterly and annual averages. Information includes average daily nutritional requirements, average cost of daily food and other basic necessities, and daily earning requirements for a given reference family by region, sector and activity.

C Bureau of Working Conditions (BWC)

1 Evaluation of Inspection Reports from Regional Offices

Description: Monthly measurement of compliance in accordance with existing laws and inspection policies. Information includes number of establishments inspected by industry, workers benefitted, number of violating establishments by type of inspection, amount of restitution, number of establishments inspected with and without violations by industry., and types of violations. These evaluations are jointly conducted by the BWC and the BLES.

2 Summary of Statistical Report of work Injuries/Illness in Industrial Establishments

Description: Annual Summary Report on number of work accidents by type of disability and by industry.

Jointly conducted by the BWC and DOLE Regional Offices.

D Institute for Labour Studies (ILS)

1 Employment Bulletin and Report

Description: Quarterly (Bulletin) and Yearly (Report) statistics on population, labour force, employment, underemployment, employment fluctuations, wages, overseas employment, etc, as well as specific contributions of department/agencies to employment generation, employment facilitation and manpower development are analyzed.

The ILS, BLES and BLE are the offices responsible for this report.

E National Conciliation and Mediation Board (NCMB)

1 Strikes Update/Monitoring

Description: Information includes comparative statistical table of the current year and previous year by month of actual strikes (S)/lockouts (L), notices of S/L, and preventative mediation (PM) by manner of disposition; regional distribution of actual S/L, Notices of S/L and PM by manner of disposition; cases handled and disposed by manner of disposition/area (Actual S/L, Notices of S/L, PM); days duration of actual S/L;

number of workers involved in actual S/L and Notices of S/L; major industry group of actual S/L and notices of S/L; and issues involved in actual S/L and Notices of S/L.

F Bureau of Rural Workers

1 Industry Studies on Rural Workers

Description: Information includes demographic profile of the rural workers, facilities available to rural workers; sources of income; and perceptions of workers on their socio-economic status.

G Bureau of Women and Young Workers

1 Regional Surveys on the Employment Situation of Children and Working Minors and Youth

Description: Information includes number of working minors and youth employed in selected industries in the regions; types of industries where said groups are prevalent; and actual terms and conditions of work (i.e., wages, hours of work, employment status, security of tenure, and occupational health and safety).

2 MIS-Data Bank on Women and Young Workers

Description: Information includes list of establishments per region. Apprentices/learners; CBA beneficiaries; female land-based overseas workers by age, country of destination and major occupation group. The sex-age desegregation of data and statistics is given with reference to: (1) employment covering 2-digit industry and major occupation groupings, total earnings, class of workers, number of hours worked by region; (2) employed compensation claims,, with details on the type/nature and severity of illnesses, injuries and disabilities; (3) industry sectors and major occupation groups commonly affected by claims of medical, rehabilitation and funeral services; (4) employment in the government sector along the non-career, career and third level position; (5) recipients/beneficiaries of NMYC, TESDA-sponsored training; and (6) enrolees and graduates of functional literacy programme, secondary and tertiary level education.

H Philippine Overseas Employment Administration (POEA)

1 Overseas Employment Statistics Monitoring

Description: Monthly processing of data on number of sea-based and land-based workers by occupation and country of destination.

1 Bureau of Local Employment

1 It's major LMI activity is employment service. This is described separately below.

1.2 National Statistics Office

1 Labour Force Surveys

(1) Monthly LFS for Metro Manila

(2) Quarterly National LFS

Description: The labour force survey includes: (1) employment and unemployment by age and sex; (2) employment and unemployment by age and sex by region, urban-rural; and (3) employment, unemployment and underemployment by age and sex, by occupation and industry, by region, province and urban-rural, underemployment.

2 Family Income and Expenditure Survey

Description: Information includes family income and expenditure levels, income sources and income distribution, expenditures by commodity or by region, by province, urban-rural classification. This survey is conducted every three years.

3 Quarterly Survey on Employment and Compensation of Local Governments

Description: Information includes number of personnel and payroll of local governments.

4 Quarterly Survey on Employment and Compensation in the National Government

Description: Information includes employment and compensation of national government employees.

5 Out-of-School Youth Monitoring

Description: This is an annual survey on the household population 7-24 years old to generate vital information on out-of-school youths. Survey provides statistical data on out-of-school youth by region, urban-rural, sex, age group, marital status, highest educational attainment, type of vocational technical training, type of training institutions, and reason for not being enroled/employed.

The survey is conducted by the National Statistics Office and the National Manpower and Youth Council, now under TESDA (Technical Education and Skill Development Authority).

1.3 TESDA/NMYC

TESDA was created in 1994 to replace and absorb NMYC, the Bureau of Technical and Vocational Education (BTVE) and the personnel and functions pertaining to technical-vocational education in the regional offices of the of DECS and the apprenticeship programme of the BLE of DOLE. With this, TESDA has become responsible for all TVET activities provided by the public sector (all the above-mentioned public departments

have been providing TVET programmes) and has become the main overseer (entailing monitoring and evaluating responsibility) of all TVET activities in the country.

NMYC (now TESDA) undertook a number of ad-hoc surveys and studies. Its regular LMI products, however, include the following:

1 Manpower Training Programmes- monitoring Report of the Council

This report started in 1990. It reviews the skills training and development performance of the member agencies of the NMYC (that includes most of the government's agencies/departments that provide TVET programmes) and of the formal vocational-technical institutions.

2 Regional Industry Monitoring Survey

Another recent product which is based on a sample survey of industrial firms meant as a basis for determining structure and demand for skills.

3 Manpower Factbook

This one started in 1992. It provides secondary data (from DOLE, DECS, NSO, etc) on population, labour and employment, education and training as well as economic data.

2 PUBLIC EMPLOYMENT SERVICE

The Bureau of Local Employment or BLE is an agency attached to the Department of Labour and Employment. Among its functions is the provision of employment information and assistance to DOLE clients and constituents of local government units through the Public Employment Service Office (PESO). The PESO is a multi-service facility which makes available under one roof all the employment programmes and services of the DOLE. (Previously, the Apprenticeship Programme was also being administered by the BLE under its Office of Apprenticeship. With the passage of the TESDA Act of 1994, the Office of Apprenticeship was transferred to the newly created TESDA).

2.1 Objectives of the PESO

The general objective of the PESO is to "ensure prompt, timely and efficient delivery of employment service and provision of information on DOLE programmes".

This general objective is broken down into the following specific objectives:

- to provide a venue where people can explore simultaneously various employment options while actually seeking the assistance they offer.
- to serve as referral and information centre for the various services and programmes of the DOLE and other agencies in the area/region.

- to provide clients with adequate information on the employment and labour market situation in the area/region.
- to network with other PESOs in the region and nationwide for job exchange purposes; and
- to bring government services closer to the people and thus firm up DOLEs cooperative linkages with the local government units (LGUs).

2.2 *Structure/organisation of the PESO*

The overall supervision of the operations of the PESOs start at the level of the Bureau of Local Employment Central Office, which has the following specific functions:

- policy, guidelines, programme/project formulation and pilot-testing of the programmes/projects period.
- technical supervision over the performance of the regional offices period;
- regular monitoring and evaluation of the PESO' and
- collection and maintenance/updating of the monthly statistics of the PESOs.

Below the BLE central office are the fifteen (15) regional offices with the following functions:

- technical assistance to the PESOs in their respective regions;
- scheduling of and actual training of personnel for the operations of the PESOs; and
- overall supervision and maintenance of the PESO operations.

Under the regional offices are the PESOs which could be classified as provincial, city/municipality or (Non-Government Organization) NGO-based. In August, 1995, there were 1473 established PESOs nationwide, of which about 65 percent were operational.

2.3 *Services Offered by the PESOs*

The following services are offered for *free* by the PESOs.

- I Employment Referral Services
- II Recruitment Assistance for Employers
- III Employment Information and Guidance Services

I Employment Referral Services

The BLE Regional Offices and the PESOs use a dual system of collecting information on job vacancies; through solicitation of vacancies from offices, companies and enterprises; and through the provision by these establishments of their existing vacancies and manpower needs which are largely dependent on the credibility of the PESO in the area/region. To inform prospective job seekers, some PESOs in the provinces last resort to radio advertisements and any other communication methods. The PESOs provide the following options for those seeking employment.

- Local Employment Opportunities
- Overseas Employment Prospects
- Self-employment ventures
- Employability Enhancement/Training

In regards to employment, there are five different programme areas being implemented by the PESOS:

a Regular employment

Upon visiting a PESO, a job seeker is requested to fill in a registration form which also serves as a tool for the BLE to update a National Registry of Workers. The job seeker is then issued a corresponding registration card which states in general terms his/her qualifications. Qualifications including education, skills and experiences which the job seekers state in the form, are validated by PESO personnel trained for the evaluation purpose. This is done through interviews and/of trade testing.

If a job seeker moves to another region, the same card would be used by the PESO for purposes of matching the qualifications of the job seeker with the requirements of an existing job vacancy. As a general practise, the job seeker is to fill out a registration form only once. However, for purposes of obtaining more detailed information on the skills and qualifications of the job seeker which is stated in general terms in the registration card, he or she may be again asked to fill out a registration form.

If the qualifications of the job seeker meets the requirements of an existing vacancy, he or she is given a referral. Otherwise, the job seeker is requested to visit the PESO from time to time to check on the status of his request for assistance for employment.

b TULAY 2000

Tulay 2000 is a programme for disabled persons with the objective of integrating them in the mainstream of society through any of the three alternatives: (1) Training in government or private institutions on any of the following skills - industrial skills, livelihood skills or entrepreneurship skills; (2) Wage Employment in private companies or in government offices. As an incentive, companies employing disabled or handicapped persons are allowed tax rebates; and (3) Self-employment either individually or in groups where technical as well as financial assistance is provided by the government and the NGOs.

c SPES

SPES or the Special Programme for Employment of Students seeks to help poor but deserving students by providing them employment during summer or Christmas vacations. It is open to all high school, college and techvoc students, and also to drop-outs who are intending to continue their education. The students are paid salaries equivalent to at least the existing minimum wage in the area/region, of which 60% will be paid by the

employer and the 40% will be paid by the DOLE in the form of education voucher which can be used to pay tuition fees or books. The programme is being undertaken jointly by the DOLE, the Department of Education, Culture and Sports and the Department of Finance, with the assistance of the PESOs.

d WAP

The WAP or Work Appreciation Programme is similar to SPES. However, the target beneficiaries include not only students but also out-of-school youths. They are paid salaries equivalent at least to the existing minimum wage in the area/region and 75% of which is paid by the companies and the remaining 25% by the DOLE. Unlike SPES, WAP is a year-round programme.

e Returning Filipino Migrant Workers

In 1995 the government mandated the establishment of a centre that will cater to the training needs of returning Filipino migrant workers to integrate them into the mainstream of the economy. (By the time of writing this paper, this programme was still in its conceptualization stage however).

II Recruitment Assistance for Employers

The PESO also provides recruitment assistance to employers both for domestic and overseas manpower needs. Overseas manpower assistance however is a joint undertaking of the BLE and the Philippine Overseas Employment Administration (POEA). The assistance of PESOs can be valuable in this respect considering that particular skills are concentrated in some regions. Aside from this the PESOs are also used to conduct job fairs. Pre-matching is done by the BLE-DOLE through the information available from the PESOs and from the job/industry profile of participating companies. In the first half of 1995, 14703 persons registered for placement through job fairs and of them 1482 persons (10%) were actually placed (DOLE-BLES, 1995).

III Employment Information and Guidance Services

PESOs provide employment counselling to walk-in clients. Career counselling however is a more institutionalized programme of the PESOs conducted through symposia held in high schools during the first quarter of the year before graduation. Extent, coverage and effectiveness of such service is not known to the authors (no reference this of it in PESO reports).

Table 1
No. of PESO Established Per Province, City, Municipality and NGO
As of August 1995

Region	Total Province	Prov. with PESO	Total Cities	Cities with PESO	Total Mun.	Mun. with PESO	Total LGU	Total LGU PESO	Total LGU without PESO	NGO PESO	Total PESO Est.
NCR	0	0	7	7	10	10	17	17	0	3	20
CAR	5	5	1	1	76	72	82	78	4	1	79
I	4	4	3	3	122	122	129	129	0	2	131
II	5	5	0	0	93	86	98	91	7	3	94
III	6	6	5	5	117	114	128	125	3	5	130
IV	11	9	8	7	214	171	233	187	46	0	187
V	6	6	3	3	112	76	121	85	36	5	90
VI	6	5	8	8	123	107	137	120	26	13	133
VII	4	4	9	9	123	112	136	125	11	6	131
VIII	6	6	3	3	140	106	149	115	35	2	117
IX	3	3	4	4	74	70	81	77	6	5	82
X	7	7	7	7	117	117	131	131	0	3	134
XI	6	5	2	3	85	74	93	81	24	6	87
XII	3	3	3	2	52	45	58	51	5	7	58
TOTAL	72	68	63	62	1458	1282	1593	1412	203	61	1473

Source: Employment Service Publication - PESO Programme, 1st Semester 1995 Report, Bureau of Local Employment, Department of Labour and Employment, Manila

Table 2
PESO Performance in Employment Programmes (First Semester, 1995)

Regions	Applicants Placed/Engaged/Trained			
	Regular	SPES	WAP	TULAY 2000
NCR	5447	14713	50	5
CAR	2018	390	0	13
I	1537	515	43	0
II	1343	12047	36	0
III	16669	7611	60	20
IV	3369	4800	0	91
V	224	2657	0	0
VI	23648	15719	0	41
VII	12099	7501	22	28
VII	1837	3376	0	0
IX	5768	5681	109	39
X	12362	12654	13	23
XII	1861	8181	703	6
XII	5813	12659	20	14
PHILS.	93995	108504	1056	280

Source: same as in Table 1

2.4 *Achievements of the PESOs.*

The Public Employment Service was established in 1991. Since that time the number of its offices has increased considerably. As Table 1 shows, by August, 1995 there were 1473 offices of which about a 1000 were operational. Established PESOs covered 68 out of 72 provinces and 1282 out of 1458 municipalities. By August, 1995, only 203 Local Government Units (LGU) out of 1593 had no PESO. NGO-based PESOs totalled 61.

Establishment of PESOs seems to follow an administrative structure, rather than an employment and labour force situation. The target seems to have every municipality or LGU with its own PESO and not associate numbers of the latter as to the (potential) demand for the services; which would be primarily influenced by the number of job seekers. A region like the capital (NCR) in which nearly one sixth of the labour force exists has only 20 PESOs (that is 1.4% of the total). However, the capacity of the PESOs in NCR is larger than average, as is clear from the size of services provided by them compared to those operating in other provinces (Table 2). The effectiveness of PESOs in different regions vary considerably. Regions I and II, for example had 8.9 percent and 6.4 percent, respectively of the total number of PESOs, while these offices

provided only 1.6 percent and 1.4 percent respectively of total regular job assistance services (placement with employer or assistance in self employment or provision of training) in the first half of 1995.

In 1994 there were 352, 382 applicants registered for local employment with PESOs. Out of these, 194, 756 (55.3%) were placed. Applicants who registered for overseas employment totalled 15, 723. PESOs were able to facilitate such employment for 2,662 of them. PESOs also facilitate self-employment and provide training to enhance employability. In these two forms, respectively, PESOs gave assistance in 1994 to 8153 (89.7% of the applicants) and 1563 (99.4% of the applicants) persons.

PESOs still have a long way to go. Up to now they have only been able to reach a small segment of the labour force (or job seekers). There is a concern about the office establishment criterion (expressed above). And there is also a concern about the effectiveness of the service compared to resources. As a rough estimate from data of the first half of 1995, on average an operating PESO would help annually 186 'regular' applicants, that is for job placement, self employment or employability enhancement, and 216 students under 'SPES'. This means that on average a PESO places less than one regular and one student per working day.

Above should not be understood that PESOs have no potential of contributing significantly to employment services.

3. DO INDUSTRIAL USERS USE LMI?

The efficiency of an LMIS can only be measured through an assessment of its benefits to users (in the highest possible way compared to the cost of producing it).

To the knowledge of the authors, no (or very little) attempts have been made to assess the usefulness of LMIS to (a certain segment of) its users in the Philippines and to try to come up with (comprehensive set of) policy recommendations. In this section results of some empirical surveys will be presented and in the last section some conclusions and recommendations will be provided.

Three groups of industrial users will be assessed: 1 - trainees and job seekers, 2 - training institutions and 3 - industrial/manufacturing firms.

3.1 *Trainees and Jobseekers*

3.1.1 When asked how they had chosen the training institution in which they wish to pursue their TVET programmes, 43 potential trainees (selected from technical high schools) had the following answers:

- | | |
|---------------------------------------|-------------|
| - suggested by other family member | :30 (69.8%) |
| - nearest institution to where I live | :7 (16.3%) |
| - suggested by the school/teacher | :5 (11.6%) |
| - have family member/relative at the | |

same institution	:4 (9.3%)
- lower tuition fees	:2 (4.7%)

In the same survey and for the same question, 20 other respondents had not known which institution they would choose by the time of the study. When asked how they would make their choice, 10 of them (50%) said they will ask the class teacher, 7 (35%) will seek an advise from a friend or a relative and one will seek the same from an advisory agency.

As is clear from the above, the family (and circle of relatives and friends) is the main source of advise on the choice of the training institutions for this first group of potential trainees.

The class teacher is also an important person to seek advise from. Career advisory agencies are either non-existent or unknown for the majority of the respondents (class teachers may, in a way; be considered as a career advisory unit, but the question is whether the teachers themselves are well informed).

3.1.2 In a survey covering 184 trainees selected from training institutions in four different regions, respondents gave the following reasons as to how they had chosen their current programme:

- my own decision (I have followed no advise or advertisement)	:143 (77.7%)
- suggested by family friend	:38 (20.7%)
- I received advice from an advisory agency	:2 (1.1%)
- I was informed by a representative of the institution	:1 (0.5%)

From among this group, 21 were planning to pursue further a TVET programme. Only one of this said (s)he was going to seek an advise from an advisory agency. Geographical proximity, advise from family and what the respondents hear from different (informal) sources are going to be the main means to be tapped for making the choice.

In making up their mind as to their future training plans, as is clear from the above, trainees hardly find a guidance service available to them. They resort to family and friends and other informal means.

3.1.3 In the same above mentioned survey, 174 respondents were asked how they would look for a job. They gave the following answers:

- walk-in application	:95 (53.4%)
-----------------------	-------------

- through an employment/placement agency :28 (16.1%)
- through friends/relatives :26 (14.9%)
- from advertisements :17 (9.6%)
- through school recommendation/placement :10 (5.7%)
- will set up own business :1 (0.6%)
- don't know :5 (2.9%)

The above suggests that 25.9% of the respondents have confidence in some formal means of job search (employment service, advertisement). The school placement, if following formal means, can also be added in this case as a formal LMI method.

3.1.4 In a survey covering 206 industrial workers (graduates of technical and vocational education and training -TVET- programmes), respondents were asked how had they applied for their current job. They were given a number of answers to choose from (with the possibility of multiple responses). The following was the result:

- through friends/relatives 50.0%
- walk-in application 32.0%
- job advertisement 14.7%
- recruited by employer 7.8%
- through employment agency 1.0%
- other means 1.9%

the same group were asked whether they are aware of the wage and benefits workers with similar experience are getting in other work places. Those who said 'yes' make up 71.8% of the total sample. They gave the following answers as to how they know/update their knowledge about that :

- ask employers of other enterprises 41.9%
- ask employees 52.7%
- ask employment agencies 2.7%
- other 9.5%

(Multiples responses were possible)

The above confirms what has been evident from the other two surveys referred to above: graduates of TVET (currently employed) resort primarily to informal LMI means to get information about job opportunities and about prevailing wages in the labour market.

3.2 *Training Institutions*

Training institutions are both providers and users of LMI. As providers they may provide information on students (enrolment, graduation, drop-out, grades, follow-up information), courses/programmes offered, staff, teaching/training material, equipments and methods, management, facilities, etc. As labour market users they need to get information on the (changing) labour market needs of skills, changes in skill requirement, changes in technology of production, programmes offered by other (competing) institutions, means to develop and run programmes efficiently, etc.

For the purpose of this study nine training institutions have been selected as case studies. They have been selected randomly from two regions: NCR (4) and Calabarzon (5). Four of the are public and five are private. Distribution between small and large size (based on number of graduates; below or above 500 annually) was 4 and 5, respectively. Interviews have been made with senior management.

The results of these case studies will be provided in two forms. Firstly, a summary of finding will be provided in a figure (Figure 1). Secondly, three cases will be discussed in more detail.

Figure 1: Training Institution Means and Sources of LMI

		EOL T11	PE4S T12	E4L T13	C4S T14	EOS T15	C4L T16	EOL T17	COS T18	COL T19
1 Provided information to Government Agency	a-yes b-no	a	a	a	a	a	a	a	a	a
2 Get any regular information from a government agency on training/education of other institution	a-yes b-no	b	b	b	b	b	b	b	b	b
3 Knowledge about training activities	a-write them b-brochures c-Students d-Association meetings e-No organised effort	b	c	d	e	a,c,d	d	a,c,d	d	a,b
4 Knowledge about skills needed in the market	a- Industry b- Graduates c-Own Survey d-Demand of students e-No own organised effort	d	a,c	a	e	a,b,c,d	d	a,b,c,d	e	a,e
5 Recruitment of students through:	a-School campaigns b-Mass Media c- Industry/NGOs d-Graduates e-Government Officials f-No organised effort	a	a,c	a,c	e	a,b,c,d	a	a,b,c,d	a,e	f
6 Organised effort to place graduates	a-yes b-Partly c-no	c	c	c	c	a	b	a	c	

Notes: C = Public Training, E = Private Training Institutes, o = NCR, 4 = Calabarzon, S = Small, L = Large

3.2.1 Summary of Findings of Interviews

- All nine institutions studied provide regular information on their programmes and students, usually on semester basis, to governmental agencies responsible for the activities they provide. (These include TESDA, Department of Education and regional DOLE offices).
- Government agencies do not provide published/regular information to the training institution. Some governmental departments may organize meetings to discuss some issues, but these are largely for public institutions (private may be invited) and those who do not attend will not be provided with the proceedings.
- Training institutions cannot have an overview of training activities at the local, regional, national or secondary level unless they make the effort themselves. Meeting of associations (e.g. Philippine Association of Technical Institutions) bring a good number of representatives of training institutions together. In their meetings, they may inform about matters of general interest to the sector and can informally meet and learn about other training institution's students and can be an informal source to know about activities of competing institutions.
- Public institutions normally follow programmes designed centrally. They are allowed to adopt training methods and curricula to their needs. On this they may benefit from links with industry. Private institutions acquire knowledge about skills needed in the labour market largely through industry and of demands of students.
- Organized career orientation meetings in secondary schools are the main method for recruiting students. Some private institutions may resort to some other means: their links with the industry and mass media (newspapers, radio, masses, etc.). Public institutions may also recruit through some other governmental officials.
- While most of the institutions have no direct/organized efforts to place graduates, they indeed help indirectly through the organization of the on-the-job-training (OJT). A number of training institutions reported that a large proportion of their graduates get absorbed in firms where they have their OJT.

3.2.2 Some Selected Case Studies

a - A Small Private Institution in Calabarzon

This institute offers training in electro-mechanics. Duration of the course is 28 months. About 300 trainees were graduated last year. Director of the institute is a young, well-educated man.

Before TESDA, they reported their activities regularly to DECS-BTVE(Department of Education, Culture and Sports- Bureau of Technical and Vocational Education). Presently they report to TESDA (without TESDA asking for the information). They do not receive any regular information about other training institutes(TIs) or anything that may help them decide on their training strategy from the government. If they write, they may receive information on a specific inquiry. They know about activities of other competing TIs informally; they send some students to gather information.

They have a strong link with the industry. Most of those who sit on their board are industrialists. They interview companies to see if new methods/ideas appeal (last year they surveyed 30 companies). They monitor applicability of their methods from industry and from their OJT trainees. They offer a course to supervisors (short course) who are a good source of information about industry. The institute also has strong links with some NGOs who help in recruitment and advise on employability. Its means for recruiting students is direct school campaigns, NGOs and posters.

b - A Small Public Institution in NCR

This institute is an affiliate of TESDA. (TESDA is the organization that issues their diploma/certificate.) They offer only basic training. Then the trainee will be sent to industry for OJT. They submit information on enrollees and graduates to TESDA on regular basis every semester. They know about other training institutions informally during meetings of MANTAO (Organization of Training Administrators for both government and private training institutions). They also meet other training institutions during Skills Olympics done once a year. Curriculum is provided by TESDA. Information about what is happening in the market also comes to them from TESDA. Their links with the industry are limited (through phone and occasional visits by the industry to their centre).

For recruitment, they send staff to government and private secondary schools. They give out posters and brochures to officials of 'barangays' (smallest unit of community) and to mayors during meetings in the municipality.

c - A Large Private (Non-Profit Making) Institute in NCR

This institute does not represent a typical case of its category. It stands out as one of the best training institutes and has a lot of good reputation as quality training provider.

The institute offer 3 year diploma course and a number of short (specialized) courses. For their diploma students they offer scholarships. Funds come from a trust fund. For short courses they ask fees (which will still be subsidized). They submit to TESDA every semester information on enrollees, graduates, grades, etc.). They do not receive any regular information (outside occasional meetings from governmental

agencies. The institute gets to know about other training institutions through meetings of Technical-Vocational Schools Association (which meets four times a year; each time hosted by a TI that show others around and talk about their activities). Aside from this they also meet as sector (e.g. computers) with other training institutions. The institute also has its own informal ways to know about activities of other training institutions.

To know about the market and skill requirements they invite their graduates annually, they invite supervisors from companies twice a year. They also get signals from the demand of students. Occasionally, when they intend to introduce a new course they organize their own industry survey.

They start campaigning from January for enrolment in June. They make a big effort in campaigning because they are highly selective for their diploma course (for their short courses they accept all applicants as far as places are available). They send representatives to all secondary schools in Metro Manila and nearby provinces. They also organize TV and radio campaigns and use secondary masses for announcement of their courses.

Their graduates rate of placement is 100%. They have strong links with the industry and about 80% of their OJT trainees are absorbed by the companies where they are placed for training.

3.3 *Industrial Firms*

In a survey covering 1,541 firms, of which 32% were manufacturing industries (TESDA, 1995/b), a question was asked as to how companies recruit their skilled workers. Results below manifest that the most frequent method used by industries in hiring their skilled workers is through recommendation (30.13%). Walk-in applicants (a rather expensive method for the job seekers) was second in importance. The most important formal method or recruitment is advertisement (14.20%). Placement services are used only in 2.54% of the cases.

Recruitment Methods	All Industries
Total (Multiple response)	3070 100.00 %
1 Advertisement	436 14.20 %
2 Bulletin Board	283 9.22 %
3 Word of Mouth	437 14.23 %
4 Placement Services	78 2.54 %
5 Walk-in Applicants	514 16.74 %
6 Recommendation	925 30.13 %

7 Schools/Training Institutions	283 9.22 %
8 Others	87 2.83 %
9 Not Reported	27 0.88 %

It may be worthwhile to note that while job seekers seem to be more aware about the role of the newly introduced employment service system (see 3.1.3 above), the industrial firms seem to be less aware or/and have less confidence in it as an appropriate recruitment method. Since it is widely acknowledged that employment service is an efficient method of recruitment and since industrial enterprises would give high priority to measures that may enhance their efficiency, it may be appropriate to attempt to raise this issue again at the last section of this report.

4 CONCLUSIONS: Toward a More Industrial and Private User-Relevant LMIS

4.1 LMI produced by government agencies covers wide range of issues and is aimed at providing an empirical basis for formulation of policies and is thus designed for the consumption of policy matters, legislators, planners, programmes implementers and other researchers. Indeed, LMI produced by the main producers is public sector-oriented and is not meant (in its structure, form and its dissemination) to serve the private sector (including industrial users).

4.2 The establishment of PESOs, a service from which both job seekers and employers can benefit is a welcome step to move toward a more private sector-relevant LMIS. However, its role is still limited (as data from employers and job seekers show in section 3).

4.3 Training institutions largely supply regular information on their activities to authorities. In return, nothing is coming back to them to guide them as to programme structure and content. Employees can not rely on formal means to guide them to choose relevant training programmes for their employees to and to compare cost-effectiveness of their within-enterprise training programmes with off-enterprise alternatives.

4.4 Trainees resort to informal means to choose the type of programme and training institution to enrol in when they have to acquire (further) training. Information which can help them make an informed choice is being collected, but it is not reaching them in organized, regular and sustainable manner (meaning in written form). In fact it is not produced in the format which trainees or their advisors can readily use.

4.5 Data that employers require (wage levels, skills and labour availability and training opportunities) is all available with governmental departments. The concern is whether such data is reaching them at all and whether it is reaching them in such a form that may help their decisions. Data shown in section 3 suggests that at least in recruitment, employers rely heavily on non-formal means and sources.

The above make us recommend that:

- LMI produced by government agencies should seek ways to become more private-sector relevant. This would require a re-thinking of content and format as well as dissemination plans.
- TESDA has to play an instrumental role in provision of training-related data to those who seek it (trainees, training institutions and firms). TESDA already gathers a great deal of information on training. Direct dissemination largely takes the form of meetings, seminars, etc. and largely on training activities of TESDA itself. TESDA has assisted in the formation of a number of associations that may be related to the above-mentioned objective. These include: Manpower Training Advisory Council of Metro Manila, Technical Education and Vocational School, Administration Associations, among other associations. TESDA also publishes (macro) data on trainees and output of training institutions (with special emphasis of NMYC - now TESDA - member agencies). However, this publication in its present format is not meant as training guide and hence does not benefit training providers and trainees much. Annual (national, regional and local) training directions may be useful for trainees, firms and training institutions. TESDA may coordinate with DOLE through PESOs, which are now established in the majority of LGUs, to disseminate information that its to-be-established training directories provide.

A Final Note:

With the involvement of TESDA, the PESO can provide the very desirable link between the labour market and TVET institutions. The PESO has a structure that reaches all regions and most of the LGUs. Their connection with the employers and job seekers need to be strengthened. TESDA has the capacity to acquire all the information about the

TVET activities in the country. What is needed is the compilation of such information in a format that can become accessible and usable by training institution, firms and career advisors at the national, regional and more importantly the local level.

With such coordination between DOLE-PESO and TESDA, it will be possible to :

- explore employers' demand for occupations and skills and convey this to training institutions, job seekers and career advice-seekers;
- inform both employers and potential trainees on the training possibilities available at different training institutions.

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A Note on Sources

This paper has relied on a number of surveys and field visits.

- Visits to a number of governmental departments to collect information on LMI producers.
- Interviews with nine training institutions in two regions.
- Three surveys among potential, current and past industrial trainees which have been organized for another study by one of the two authors.

Other cited sources:

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