

# Accelerating Human Capital Development

Equalizing opportunities for human development is an important part of the Philippine Development Plan (PDP). Under the pillar *Pagbabago*, the PDP recognizes human development not just as a means to an end (i.e., human capital as a factor of production) but also an end in itself. Thus, in the next six years, individuals and people groups will have more options to develop their full potential. Better human development outcomes will be attained by reducing inequalities in the Filipinos' ability to stay healthy, be well-nourished, and continue learning throughout their lives. Inclusive strategies and other interventions will be directed at ensuring that all Filipinos, especially the poor and underserved, will have long, healthy, and productive lives; lifelong learning opportunities; and improved income-earning ability. This is consistent with the Filipino people's aspirations, as articulated in *AmBisyon Natin 2040*.

## Assessment and Challenges

In the past several years the government has made large investments in health and education to address backlogs accumulated over decades while also trying to meet increasing demand brought about by population growth. This proved to be a great challenge for the government; thus, the outcomes of such investment in terms of genuine human development have been uneven at best.

### Nutrition and Health

Improvements in nutrition and health (*Table 10.1*) were supported by the increase in health insurance coverage for indigents beginning 2013 as government increased budget support to the National Health Insurance Program (NHIP). In addition, service delivery and coverage were enhanced by legislation, particularly those that expanded health insurance to automatically cover senior citizens and indigents, enhanced immunization of infants and children, and provided a clear policy on reproductive health care.

**Access to quality health services has improved but there are still gaps that need to be addressed.** Access to quality health services improved with the increased coverage of the NHIP and the construction and upgrade of health facilities. The coverage rate significantly increased from 2012 to 2015 as more of the poor were enrolled and availed of medical services. Benefit packages were also continuously increased and enhanced to reduce out-of-pocket medical expenses. *See Chapter 11.*

In addition, 7,713 health facilities<sup>1</sup> were constructed and upgraded from 2010 to 2016, half of which are barangay health stations providing primary health care closer to people within the community. More health facilities would have been upgraded had there been no delays in project implementation.<sup>2</sup> The number of public health professionals deployed increased from

<sup>1</sup> 4,332 Barangay Health Stations (BHS), 2,626 Rural Health Units (RHUs), 685 LGU Hospitals, and 70 DOH hospitals.

<sup>2</sup> Disagreement on the design of buildings, multiple construction assignments of some contractors, poor coordination, and maintenance of services during construction (Picazo, Pantig, and dela Cruz 2015)

439 in 2010 to 23,836 in 2016. Majority of these are nurses deployed in under- and unserved communities. However, there are still geographically-isolated and disadvantaged areas (GIDAs) with inadequate number of health workers. Additional financial sources are required to: (a) provide the sufficient number of Human Resources for Health (HRH) and retain them in service; and (b) adequately respond to community needs.

**Children and their families have been poorly nourished.** More families had difficulty improving their nutrition status. The prevalence of underweight children under five and the proportion of households with per capita intake below 100 percent of dietary energy requirement worsened from 2008 to 2015, missing the plan target for 2015. These burdened the efforts to address the prevalence of stunting (33% in 2015) and wasting (7.1% in 2015), which remained high in all regions of the country. This poor performance is partly attributed to the weak multi-sectoral and multilevel approach to address malnutrition.

**Infant and under-five health outcomes improved but safe childbirth remains a concern.** While infant and under-five mortality decreased from 2011 to 2015, maternal mortality remains high. This means that pregnant women continue to experience the “three delays”<sup>3</sup> in maternal health care. For example, even as improved maternal health service delivery resulted in increased proportion of births attended by a health professional and births delivered in a health facility for the period 2011 to 2015, the end-of-plan targets were not achieved.

**Progress in family planning initiatives was reversed.** The contraceptive prevalence rate (all methods) in the country improved in 2011-2013 but progress was reversed in 2015. Use of modern methods remained low at 35.7 percent in 2015. The low contraceptive use was partly due to the weak family planning service delivery network and the lack of a nationally-led advocacy campaign. Poor access, especially among the youth, has led to an increase in the incidence of teenage pregnancies.<sup>4</sup> Implementation of the Responsible Parenthood and Reproductive Health (RPRH) Law remains a challenge because of the temporary restraining order (TRO) on contraceptive products and supplies. Such TRO threatens the full implementation of the RPRH law in addressing unmet needs for family planning services. This will adversely affect efforts to reduce maternal mortality and rising teenage pregnancy in the country, thereby making it more difficult to significantly reduce poverty during the current administration.

**Progress in combating communicable diseases has been uneven.** The 2015 targets for malaria mortality and tuberculosis detection rates were met. While malaria morbidity rate significantly declined from 2011 to 2014, it increased again in 2015. The increase in malaria morbidity and mortality was concentrated in endemic areas (e.g., Palawan) and among indigenous peoples and mobile populations.

**There has been a substantial increase in newly-diagnosed HIV cases.** Prevalence of HIV remains below one percent of the total population but there has been a steady increase in the number of newly-diagnosed HIV cases since 2010. The number of new cases detected per day rose from 4 in 2010 to 26 in 2016.<sup>5</sup> Majority of these new cases can be found among 15-34 year olds and in highly-urbanized areas. Regions with the highest number of cases are the National Capital Region (NCR), CALABARZON, and Central Visayas. At present, HIV cases are concentrated in the following most-at-risk populations (MARPs): (a) males who have sex with males (MSMs); (b) people who inject drugs (PWIDs); and (c) female sex workers (FSWs). It should be noted, though, that the increased reported cases may be due to better surveillance and testing methods.

<sup>3</sup> Delay in seeking care, in reaching a health facility, and in receiving care in the facility

<sup>4</sup> Data from the latest Young Adult Fertility Survey (YAFS) show that the percentage of females aged 15 to 19 years who have begun child bearing increased from 6.3 percent in 2002 to 13.6 percent in 2013.

<sup>5</sup> DOH data for the period January to November 2016

**Target on access to safe water was met but access to sanitary toilet facilities was missed.** The target for access to safe water had already been exceeded in 2015, and the target for families with access to sanitary toilet facilities was almost met in the same period. However, there were still 1.2 million households with no access to safe water and 1.8 million households with no access to sanitary toilet facilities.<sup>6</sup>

**Table 10.1. Health Indicators in the Results Matrix of the Updated Philippine Development Plan and Selected Health Millennium Development Goals (MDGs) Indicators**

PDP Health Indicators	Baseline		Accomplishment				Targets		
	Year	Value	2012	2013	2014	2015	2016	2015	2016
National Health Insurance Program (NHIP) coverage rate increased (%) <sup>e</sup>	2012	72	72	67	87	92	90 (1 <sup>st</sup> Sem)	90	95
Prevalence of underweight children under five decreased (%) <sup>b</sup>	2011	20.2		19.9		21.5		13.7	12.7
Proportion of households with per capita intake below 100% of dietary energy requirement decreased (%) <sup>b</sup>	2008	66.9		68.3				37.1	32.8
Infant mortality rate per 1,000 live births decreased <sup>a</sup>	2011	22		23		21*		19	17
Under-five mortality rate per 1,000 live births decreased <sup>a</sup>	2011	30		31		27*		27	26
Maternal mortality ratio per 100,000 live births decreased <sup>a</sup>	2011	221				149 <sup>(c)</sup>		52	50
Proportion of births attended by health professional increased (%) <sup>a</sup>	2011	72.2		72.8		77.7*		90	90
Proportion of births delivered in facility increased (%) <sup>a</sup>	2011	55.2		61.1		69.8*		80	85
Contraceptive prevalence rate (all methods) increased (%) <sup>a</sup>	2011	48.9		55.1		42.8*		63	65
Malaria mortality rate per 100,000 population decreased <sup>c</sup>	2011	0.01		0.01	0.008	0.019		<0.03	<0.03
Malaria morbidity rate per 100,000 decreased <sup>c</sup>	2011	9.5		7.9	4.9	8.0		6.6	6.6
Tuberculosis case detection rate (all forms) increased (%) <sup>c</sup>	2012	82		85	87	94		85	85
HIV prevalence decreased (% of population) <sup>c</sup>	2012	<1		<1	<1	<1		<1	<1
Proportion of population with access to safe water increased (families in %) <sup>d</sup>	2011	83		83.8	85.5	94.5* (HHs)		87	88
Proportion of population with access to sanitary toilet increased (families in %) <sup>d</sup>	2011	91.6		92.2	94.1	91.2*		>92	>92

Sources: <sup>a</sup>2011: Family Health Survey, Philippine Statistics Authority; 2013: National Demographic and Health Survey. Philippine Statistics Authority

<sup>b</sup> National Nutrition Survey, Department of Science and Technology-Food and Nutrition Research Institute

<sup>c</sup> Program data, Department of Health

<sup>d</sup> Annual Poverty Indicator Survey, Philippine Statistics Authority

<sup>e</sup> Philippine Health Insurance Corporation

\*Note that these values are from the 2015 National Nutrition Survey MDG rider questions and have not been published as official by PSA and DOH.

<sup>6</sup> Number of households, 20.2 million based on the 2010 Census of Population and Housing

**Health care for people with special needs has been inadequate.** There is a need to address the healthcare requirements of certain groups with special needs such as indigenous peoples, persons with disabilities (PWDs), and those in GIDA and disaster-prone areas. For example, health outcomes in ARMM<sup>7</sup> lagged behind most regions. Also, indigenous peoples have poor health outcomes because traditional knowledge and culture may not have been considered in the implementation of national health programs. Older persons, on the other hand, require specialized geriatric services, while PWDs need access to affordable rehabilitation and therapy services.

**“Triple burden of disease” is a public health concern.** Morbidity caused by infectious diseases, mortality by non-communicable diseases (NCDs), and emerging incidence of injuries, mental health, and alcohol and drug abuse threaten the country with the triple burden of disease. Since mortality from NCDs is increasing, the public needs to be aware of risk factors such as smoking, excessive alcohol consumption, poor diet, and lack of physical activity. Addressing nutrition *in utero* is also important as it affects health outcomes later in life. For example, growth retardation of the fetus is associated with higher rates of NCDs in adulthood.

**Emergency situations disrupt the implementation of routine and normal programs.** Floods, earthquakes, and pandemics spread diseases and cause malnutrition. The ensuing disruptions in providing safe water, sanitation, and health care services can reverse the gains in health outcomes and create new threats. *See Chapter 12.*

**Financing for nutrition and health services by local government units (LGUs) is inadequate.** LGU spending on health is around 7 percent of total government health expenditure from 2013 to 2014.<sup>8</sup> There are also variations in nutrition and health budget allocation among LGUs, from 9 to 14 percent of total budget in 2014<sup>9</sup>. The allocation depends largely on the priority of the local chief executives. This inadequate financing results in inequalities in nutrition and health service delivery, and consequently, affect the nutrition and health status of the population.

**Data gaps constrain decision-making for nutrition and health.** There is a need to resolve quality issues on coverage, timeliness, reliability, consistency, and coherence of administrative and survey data. Lack of quality data can hamper proper decision-making, thus affecting the implementation of health interventions.

## Basic, Higher, and Technical Education

Key reforms in education increased access and improved the quality of basic education, improved the competencies of the workforce, and produced high-quality graduates. Data from the Human Development Report 2015 showed that mean years of schooling slightly improved from 8.2 in 2010 to 8.9 in 2014. However, more work needs to be done to attain missed education targets.

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<sup>7</sup> Lagged in under-five mortality, contraceptive prevalence rate, proportion of births proportion of births attended by health professional, births delivered in a health facility, and proportion of population with access to safe water based on the 2013 National Demographic and Health Survey.

<sup>8</sup> The Philippine National Health Accounts (PNHA)

<sup>9</sup> 2014 LGU Scorecard, DOH

## Basic Education

**Enrolment rates increased but targets were missed.** An institutionalized kindergarten pushed enrolment to as high as 79 percent, which could have been higher if not for a change in age requirement. At the elementary level, most recent data showed that net enrolment rate (NER) reached 91 percent in school year (SY) 2015-2016. Annual data for NER may not be compared because of recent improvements in tracking learners through the use of the Learner Information System (LIS). NER at the secondary level increased from 64.70 percent in 2010 to 68.15 percent in 2015. Enrolment in the first year of Senior High School (SHS)<sup>10</sup> in 2016 was higher than anticipated. The support extended to learners played an important role in this outcome, with 715,337 Grade 11 learners availing of the voucher program.

**Raising the quality of education remained a challenge.** Elementary and secondary achievement rates stayed low, and this is indicative of the low quality of education. Contributing to this was a lack of teacher competencies,<sup>11</sup> high student-teacher ratios, absence of basic educational facilities, and the quality of classrooms.

**Efficiency improved at the elementary level, with mixed results at the secondary level.** Completion rates (CompR) and cohort survival rates (CSR) at the elementary level improved. At the secondary level, while CSR increased during the same period, CompR decreased significantly in SY 2015-2016. The decline in CompR may be due to students' lack of personal interest, need to look for work, and insufficient family income.<sup>12</sup> Moreover, among the out-of-school children and youth 6 to 24 years old, marriage was the most common reason for not attending school.

Drop-out rates decreased from 6.29 percent in SY 2010-2011 to 2.70 percent in SY 2015-2016 at the elementary level and from 7.79 percent to 6.65 percent at the secondary level. Comparison between sexes, however, showed that more boys were unable to finish school than girls. Drop-out rates for males was at 0.65 percent and 3.32 percent in the elementary and secondary levels, respectively, compared with girls at 0.36 percent and 1.64 percent.

**Table 10.2. Basic Education Indicators in the Results Matrix of the Updated Philippine Development Plan 2011-2016**

INDICATORS	BASELINE		ANNUAL PDP TARGETS			ACCOMPLISHMENT	
	YEAR	VALUE	2014	2015	2016	2014	2015
<b>Net enrolment rate increased (in %)</b>							
Kindergarten	2010	57.2	89.7	100.0	100.0	79.30	74.65
Elementary	2010	95.9	97.0	98.0	99.0	92.57	91.05
Secondary	2010	64.7	68.0	70.0	71.0	63.23	68.15
<b>Adjusted net enrolment rate increased (in %)</b>							
Elementary	2010	98.5	99.0	99.0	99.0	93.01	91.84
Secondary	2010	92.5	95.0	97.0	99.0	86.19	82.24
<b>Completion rate increased (in %)</b>							
Elementary	2010	72.1	78.0	81.0	83.0	83.04	83.43
Secondary	2010	75.1	76.0	78.0	80.0	78.70	73.97

<sup>10</sup> Enrolment reached 1.5 million with 60% of students in the Academic track, 39% in Technical-Vocational-Livelihood track, and less than 1% in the Arts and Design track

<sup>11</sup> World Bank. 2016. Developing a *Proficient and Motivated Teacher Workforce in Assessing Basic Education Service Delivery in the Philippines* Policy No. 2

<sup>12</sup> 2013 Functional Literacy, Education, and Mass Media Survey

INDICATORS	BASELINE		ANNUAL PDP TARGETS			ACCOMPLISHMENT	
	YEAR	VALUE	2014	2015	2016	2014	2015
<b>Cohort survival rate increased (in %)</b>							
Elementary	2010	74.2	79.0	81.0	83.0	85.08	87.07
Secondary	2010	79.4	81.0	83.0	85.0	81.24	80.75
<b>Achievement rate increased (in %)</b>							
Elementary	2010	68.2	73.0	75.0	77.0	69.1	-
Secondary	2010	47.9	57.0	62.0	65.0	49.48	-

Sources: EMIS, DepEd

Quality early childhood care and development (ECCD) programs are seen to better prepare young children for formal education. The number of three- to four-year-old children in LGU-managed child development centers (CDCs) increased as more CDCs were established.<sup>13</sup> However, this constitutes only 41 percent of the total 4.3 million 3-4 year old children in 2013.

**Disparities within the sector and among regions persist.** Enrolment data on special education (SpEd) for SY 2015-2016 showed that there were only 2,571 publicly-funded SpEd teachers, 37 pure SpEd centers, and 278 regular schools with a SpEd centers catering to about 150,000 students with special needs in public schools.

The Alternative Learning System (ALS) was able to serve 1,020,049 or 23 percent of the total out-of-school youth aged 16 to 26 years. As of 2012, there were only around 9,000 learning facilitators involved in implementing ALS<sup>14</sup>.

Despite the increased number of teachers with the creation of 169,511 teaching positions from 2010 to 2015, the average teacher-student ratio at the elementary level remained higher than the national average (1:33 in SY 2015-2016) in some regions such as ARMM (1:41), CALABARZON (1:37), Davao Region (1:36), and NCR (1:36). Likewise, for SY 2014-2015, student-classroom ratio was higher than the national average of 1:34 at elementary and 1:48 at secondary level in CALABARZON (1:41 and 1:52), Bicol Region (1:35 and 1:41), Davao Region (1:41 and 1:46), ARMM (1:49 and 1:55), and NCR (1:70 and 1:60).

Regional data showed that ARMM continued to lag in all performance indicators. Based on the results of the baseline study on learning outcomes, the current level of teacher proficiency in ARMM may explain the low performance of students<sup>15</sup>.

The mixed performance in basic education points to the need to focus on sectors that are left behind, to improve quality, and to address disparities across regions. This will entail: (a) strengthening capacity building among basic education teachers and other educational agents (including school administrators and non-teaching personnel); (b) ensuring that curriculum is responsive and relevant (gender-responsive, culture-sensitive) to the needs of the community and will be able to develop 21st century skills; (c) improving school facilities and providing additional classrooms and teachers for new school entrants due to natural population increase and migration; and (d) prioritizing the provision of quality learning resources such as textbooks, libraries, tools and equipment, and ICT-assisted learning.

<sup>13</sup> In 2013, CDCs increased from 50,144 to 52,665 while children served increased from 1.6 million to 1.8 million

<sup>14</sup> World Bank. 2016. *Alternative Learning System Study: Alternative and Inclusive Learning in the Philippines*

<sup>15</sup> Australian Aid, et al. 2015. *Baseline Study on Improved Learning Outcomes in ARMM*



## Higher and Technical Education

**The overall performance of Technical-Vocational Education and Training (TVET) is laudable, but inclusive access, desirability, and quality remain a challenge.** TVET enrolment and number of graduates surpassed the end-of-plan targets with modest improvements from 2011 to 2015. Subsequently, the number of skilled workers who underwent competency assessment improved from 835,000 in 2011 to 1.4 million in 2015. Certification rate also increased by 6.9 percentage points during the same period. This means about 9 out of 10 workers assessed had been certified.

Majority of the graduates in 2012 are in the young age groups of 15-24 (61%) and 25-34 (23%) years old. By income class, the bigger shares of enrolment remain in the middle socioeconomic classes. The sex distribution in TVET graduates in 2012 is about even, with males at 50.6 percent and females at 49.4 percent. Misconceptions about TVET could explain the lack of inclusive access, as college education is a more attractive option to enhance employability and increase capacity. The need to upgrade quality as evidenced by the lack of qualified trainers and equipment and the non-responsiveness of curriculum to industry needs may also explain the limited access of vulnerable groups to quality technical education. There is also a need to increase the capacity of the Technical Education and Skills Development Authority (TESDA) and its accredited training institutions to respond to the needs of persons with disabilities and to offer higher-level qualifications such as National Certificate (NC) III and IV.

**The higher education system is beset by stubborn issues which, in light of 21st century challenges, require urgent, tactical, and transformative solutions.** The number of graduates of higher education (1,775,659 in 2014) has exceeded expectations, and this may be partly due to the increase in the beneficiaries of higher education scholarships and financial assistance programs of the Commission on Higher Education (CHED). Nonetheless, the quality of Philippine higher education graduates remains an issue. While the number<sup>16</sup> of higher education institutions (HEIs) in the Philippines is ten times more than its neighboring countries,<sup>17</sup> the Philippines' lackluster performance in producing innovators (ranked 74 out of 128 in the 2016 Global Innovation Index), researchers (81 researchers per million population versus 205 in Indonesia and 115 in Vietnam), and knowledge producers (28 out of 777 journals or 3.6 percent are listed under Thomson Reuters, Scopus, or both) indicates the level of quality that seems to have accompanied expanded access to higher education. Indeed, the country has lagged behind many of its ASEAN neighbors in producing the knowledge builders, researchers, innovators, job creators, solutions seekers, and solutions providers needed to effectively function in a knowledge economy.

Exacerbating the question of quality is the lack of faculty with advanced degrees in higher education. Quality is further compromised by the low number of HEIs with accredited programs and the low national passing percentage in licensure examinations. The poor quality of graduate programs and inadequate attention to research and technological innovations have reinforced a deficient science and innovation culture and lack of interest among young Filipinos to pursue scientific, engineering, and technical studies.

Adding to the challenge of providing quality higher education is the mismatch between higher education and industry requirements. These may be attributed to: (a) underdeveloped 21st century competencies among graduates; (b) adherence to a teacher-centered and input-based

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<sup>16</sup> The commercialization of higher education is reflected in the rapid expansion of SUC satellite campuses, legislated conversions of ineligible state colleges into universities, establishment by ordinance of new local colleges, board authorization of programs in public HEIs that are not aligned with CHED policies and standards, and the privileging of business interests over quality considerations in many private HEIs.

<sup>17</sup> CHED data show that the Philippines has 1,923 higher education institutions in AY 2013-2014, which is more than ten times the institutions in Indonesia (191), Thailand (159), Vietnam (148), and Malaysia (124).

education paradigm; and (c) the uncritical application of the evolving quality standards of universities (e.g., publications in peer-reviewed journals) to Philippine HEIs regardless of mission, thus resulting in watered-down standards for universities and inefficiencies in other types of HEIs (e.g., allocation of funds for token research centers instead of laboratories). Organizational issues within the bureaucracy and questionable practices also need to be addressed. Lastly, HEIs need to be responsive to international challenges and developments in higher education, as they can affect the country's regional and global competitiveness.

**Table 10.3 Higher and Technical Education Indicators in the Results Matrix of the Updated Philippine Development Plan 2011-2016**

INDICATORS	BASELINE		ANNUAL PDP TARGETS			ACCOMPLISHMENT	
	YEAR	VALUE	2014	2015	2016	2014	2015
Certification rate in TVET increased (in %)	2010	82.9	86.5	87	87.5	91.3	91.1
TVET graduates increased	2010	1,344,371	1,464,000	1,610,510	1,771,560	1,785,679	2,129,758
Higher education graduates increased	2010	498,418	567,531	584,474	601,505	632,076	692,602
Proportion of HEI faculty with MA increased (in %)	2010	38.87	55	60	65	40.81	40.34
Proportion of HEI faculty with PhD increased (in %)	2010	11.09	20	25	30	12.54	12.62
HEIs with accredited programs increased (in %)	2010	19.89	24	25	26	25.38	26.63
National passing percentage (across disciplines) in licensure exams increased (in %)	2010	33.91	49.72	50.94	52.53	61.45	58.59

**The passage of laws, such as the K to 12 and the Green Jobs Act, and commitment to international frameworks, require the allocation of resources for emerging needs.** The full implementation of K to 12 may see a surge in HEI faculty displacement<sup>18</sup> and a decline in HEI enrolment in the short-term. The passage of the Green Jobs Act in 2016 also marks the need to prepare the faculty, facilities, and curriculum for the knowledge and skills requirement of a green economy. The commitment to internationalizing higher education entails re-examining current quality assurance systems and student transfer policies to ensure that programs are at par with international standards. Lastly, the approval of the ASEAN Qualifications Reference Framework (AQRf), which will ease learner mobility within the ASEAN region, requires updating of course programs and addressing issues related to the Mutual Recognition Agreements (MRAs), such as the alignment of domestic regulations with specific MRAs, lack of budgetary support, and inadequate collaboration between the public and private sectors.

<sup>18</sup> An estimated 20,000 to 25,000 college faculty were expected to be displaced due to the implementation of the SHS. Actual data compiled by DOLE showed 296 displaced HEI personnel. Meanwhile, 3,025 faculty from HEIs were hired for SHS with 925 having availed of the priority lane.



## Labor Policies

The higher pace and improved quality of economic growth have created more and better employment in the last six years, leading to significant decline in unemployment rate and improved quality of the employment generated. Unemployment rate reached its lowest in the past decade in 2016. At the same time, quality of employment improved in the past six years, as majority of workers found remunerative work and fulltime employment, thus increasing the overall mean hours of work.

Despite these achievements, significant employment challenges remain. The country needs to address underemployment, youth unemployment, low labor market participation of women, and inadequate jobs leading to out-migration. There is also a need to increase investments in priority sectors to ensure that the labor market can accommodate future entrants.

**PDP 2011-2016 unemployment targets were achieved, but the underemployment targets were not.** The country has consistently exceeded the PDP 2011-2016 Midterm Update targets for unemployment in the past three years. However, a more serious concern than unemployment is underemployment, as the country has lagged behind in attaining its underemployment targets, except in 2014. The high underemployment rate of the country can be attributed to a considerable segment of laborers and unskilled workers, which makes up one-third of total employment. Moreover, incomes of the employed remain inadequate to lift themselves and their families out of poverty. This encourages workers to seek additional hours of work.

**Underemployment problem is significant in all regions and prevalent in the agriculture sector.** In most regions, underemployment rates are higher than unemployment rates, and is most prevalent in the agriculture sector. This is partly due to seasonality of work (for one-fifth of agricultural workers), part-time work engagement (two-thirds do not work full time), and the low productivity and low wages in agriculture.

**Youth unemployment is important but the youth who are neither studying nor employed are a more critical focus for intervention.** Unemployment rate among the 15-24 year olds is more than twice the overall unemployment rate and triple the unemployment rate among the 25-54 year olds. Looking deeper, as of April-October 2016, the share of youth who are neither in education nor in employment in the total young working population reached 22.1 percent, implying that around 4.4 million young Filipinos are underutilized with skills not being enhanced either by education, training, or employment. Additionally, school-to-work transition for many young Filipinos is associated with change, waiting, and uncertainty. It takes a high school-leaver four years and a college graduate two years to find a permanent wage job.

**Labor force participation of women barely improved throughout the years.** Labor force participation of women has improved only slightly over the past 25 years, from about 47 percent in the early 1990s to around 50 percent in more recent years. Beginning 2012, however, it has stagnated at around 50 percent.

**Limited employment opportunities force Filipinos to migrate by necessity and not by choice.** Many overseas Filipinos (OFs) have been pushed to take on low-skilled jobs abroad. In 2015, 37.8 percent were employed as household workers. Despite the resilience of these low-skilled jobs and being a steady source of employment for many Filipinos, OFs employed in these kinds of jobs remain vulnerable to abuse and exploitation. Regional integration initiatives such as the ASEAN Economic Community and the government's efforts to strengthen ties with other countries such as China and Russia could present opportunities to diversify the destination of OFs.

**Labor productivity in the industry and services sectors improved but remained below targets.** Labor productivity of the sectors grew by 2.4 percent in 2014 and by 3.6 percent in 2015.<sup>19</sup> These are below the plan targets of 3.9 to 4.7 percent and 4.1 to 5.0 percent, respectively. Over the past six years, labor productivity growth of both sectors was generally slow, with services rising faster than industry. The positive but weak growth in the service sector could be due to the labor shift from agriculture to services, which is observed in the recent period. The transition of workers to the services sector, where self-employment is common and wages are more flexible, resulted to more employment in the low-skill, low-wage category.<sup>20</sup>

The lack of the needed skills (technical and soft), work experience, as well as lack of technological progress and innovation contributed to both sectors' low labor productivity.

**Domestic and global developments, such as the K to 12 program and the ASEAN integration, require strengthening the academe-industry linkage to prepare Filipinos for the changing world of work.** Though the latest enrolment data underscore the strong preference for the academic track, SHS graduates in the labor market may be absorbed over the long-term. The industry needs to recognize the qualifications of these graduates to ease their transition to work.

The diverse and dynamic working environments that come with further economic integration require 21<sup>st</sup> century skills among graduates. Over the medium to long term, these skills will enable the country's youth to make informed career decisions and develop life skills necessary to succeed in a competitive workplace.

## Strategic Framework

The Philippine Development Plan 2017-2022 aims to reduce inequalities in human development outcomes. In particular, it aims to improve nutrition and health for all, ensure lifelong learning opportunities for all, and increase the income-earning ability of Filipinos.

### Targets

The following tables show the indicators and corresponding targets for improving human development outcomes.

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<sup>19</sup> Labor productivity growth in the I&S sectors were computed by dividing the sectors' gross value added by the sectors' employment estimates. Employment estimates used were the average of Apr-Oct 2013-2015 estimates, excluding Leyte.

<sup>20</sup> Asian Development Bank. 2011. *Country Partnership Strategy: Philippines, 2011-2016*. Retrieved from <https://www.adb.org/sites/default/files/linked-documents/cps-phi-2011-2016-ea.pdf>

**Table 10.4 Plan Targets to Improve Nutrition and Health (Core Indicators<sup>21</sup>)**

INDICATORS	BASELINE (2015)	END OF PLAN TARGET
Life expectancy at birth	72.77 (2015-2020)	75 (2020-2025)
Male	69.63	71.26
Female	75.91	77.54
Total Fertility Rate	3.1	2.1
Maternal mortality ratio per 100,000 live births	114 <sup>22</sup>	90
Neonatal mortality rate per 1,000 live births	13 (2013)	10
Infant mortality rate per 1,000 live births	23 (2013)	15
Under-5 mortality rate per 1,000 live births	27 (2013)	22
Premature mortality attributed to cardiovascular disease, cancer, diabetes, and chronic respiratory diseases <sup>23</sup>		
Proportion of households with per capita intake below 100% dietary energy requirement	68.3	61.1
Prevalence of stunting among children under 5 (%)	33.4	21.4
Tuberculosis incidence per 100,000 population	322	225
Malaria prevalence per 100,000 population	7.74	<1
Number of new HIV infections (newly diagnosed cases/year)	7,831	Reverse trend
Modern Contraceptive Prevalence Rate (%)	37.6 (2013)	65

<sup>21</sup>Complete list of indicators is found in the accompanying Results Matrix document.

<sup>22</sup> WHO, UNICEF, UNFPA, World Bank Group, and the United Nations Population Division Estimate

<sup>23</sup> Baseline and targets will be identified in the accompanying Results Matrix

**Table 10.5 Plan Targets to Ensure Lifelong Learning Opportunities for All (Core Indicators)**

INDICATORS <sup>24</sup>	BASELINE (2015)	END OF PLAN TARGET
Mean Years of Schooling	<b>8.9</b> (2014)	11.3
Functional Literacy Rate*	<b>90.3</b> (2013)	
Net Enrolment Rate		
Kindergarten	<b>74.65</b>	95.00
Elementary	<b>91.05</b>	95.00
Junior High School	<b>68.15</b>	75.44
Completion Rate		
Elementary	<b>83.43</b>	90.00
Junior High School	<b>73.97</b>	78.48
Proportion of students performing at moving towards mastery, closely approximating mastery and mastered increased <sup>25</sup>		
Elementary	<b>63.93</b>	74.39
Junior High School	<b>14.37</b>	20.00
Proportion of students at low mastery reduced from 14% to 10%		
Junior High School	<b>14.88</b>	10.00
Percentage of students awarded scholarships, grants, and other financial assistance (%)	<b>5</b>	10
Percentage of tertiary graduates in science, engineering, manufacturing and construction	<b>26</b>	40
Percentage of ETEEAP graduates	50	60
Increased government expenditure for higher education research, development, and innovation	<b>0.17% of GDP</b>	0.5% of GDP
Increased number of patents, licenses, and royalties issued to HEIs	<b>231</b>	500
Increased number of researchers and scientists	<b>841</b>	2,600
Number of curricula and programs developed / revised based on multi-disciplinary platforms that foster 21 <sup>st</sup> century competencies	<b>72</b>	100
Increased number of HEIs engaged in local and global partnerships and collaborations	<b>44</b>	100
Increased number of graduate education graduates (MA/PhD) engaged in original research of creative work	<b>6,500</b>	10,000
Increased number of innovation hubs established within HEIs	81	150
Certification rate of TVET graduates <sup>a</sup>	<b>91.3</b> (2016)	

<sup>24</sup> Output indicators, SDG indicators (\*), and other disaggregated data (e.g., sex, industry/sector) will be reflected in the Results Matrix Document. For basic education, baseline and targets for senior high school will be reflected in the Midterm Update.

<sup>25</sup> Mastery level categorization – mastered (96-100%), closely approximating mastery (86-95%), moving towards mastery (66-85%), average mastery (35-65%), low mastery (15-34%), very low mastery (5-14%), absolutely no mastery (0-4%)

**Table 10.6 Plan Target to Increase Income Earning Ability (Core Indicators)**

INDICATORS	BASELINE (2015)	END OF PLAN TARGET
Decreased percentage of adult NEET	not available, for development	
Decreased percentage of youth NEET <sup>a*</sup> (%)	22.7 (2015)	15-18
Decreased duration of school-to-work <sup>b</sup> transition of college graduate	2 years (2008 ADB Household Survey <sup>c</sup> )	6-9 months
Decreased duration of school-to-work <sup>b</sup> transition of high school graduate	4 years (2008 ADB Household Survey <sup>c</sup> )	9-12 months
Decreased percentage of discouraged workers (%)	12.5 (2014)	10
Increased number of HE graduates engaged in job collaboration	440,000	700,000
Percentage of female with advanced degrees employed (%)	12.7	20
Increased labor force participation rate of women (%)	49.3	51.3
Labor productivity in industry sector increased (%)	-4.2	3.0-4.0
Labor productivity in service sector increased (%)	3.1	4.0-5.0
Percentage of unemployed covered by unemployment insurance	Not available, for development	

<sup>a</sup> Baseline and target are only for not in education and employment (NEE). The indicator for NEET is to be developed in the Labor Force Survey.

<sup>b</sup> Work is defined as permanent wage job.

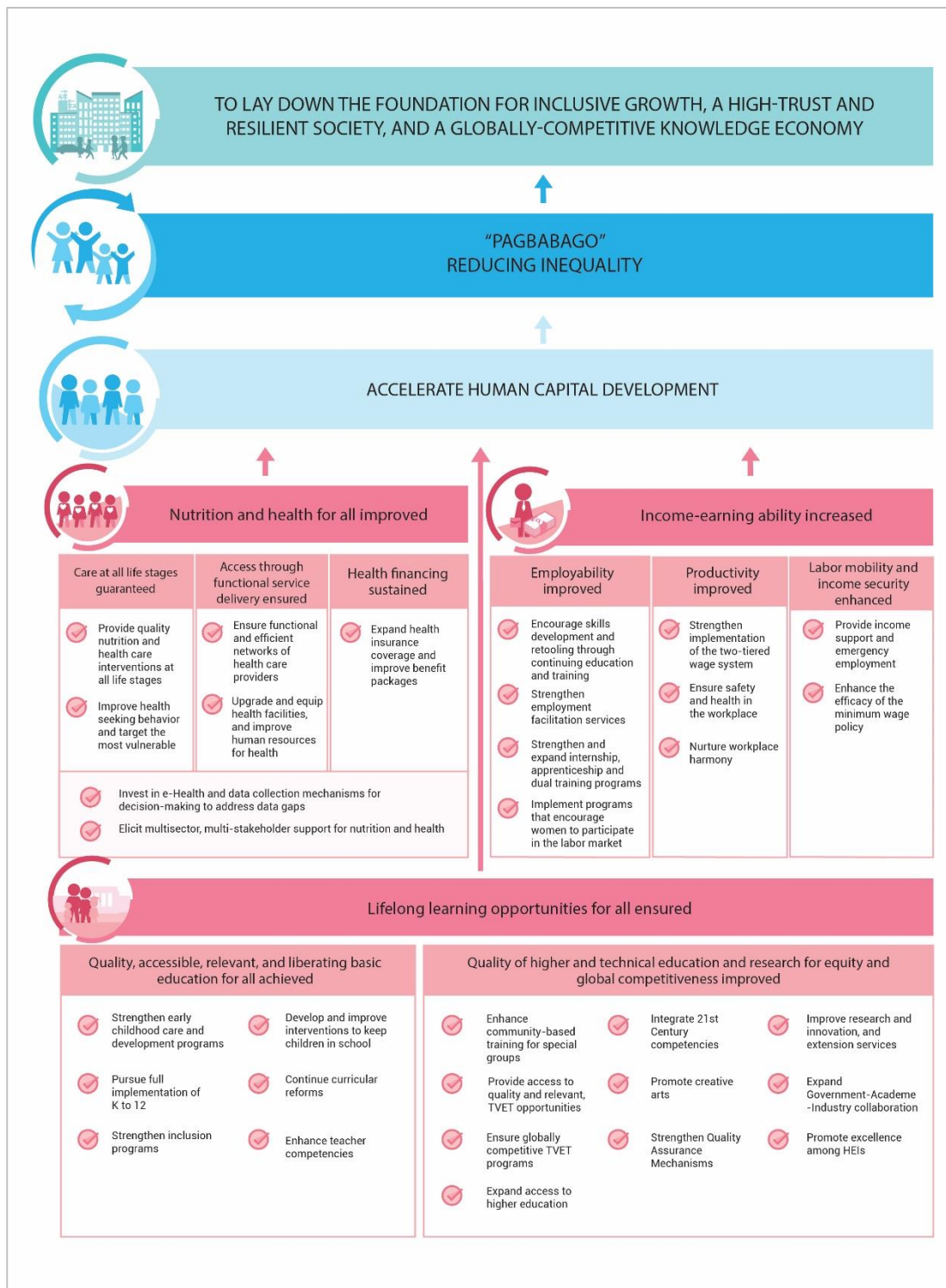
<sup>c</sup> Bird, K. 2012. *Are Filipino Youth off to a Good Start? Youth Labor Market Experience in the Philippines*. Manila: ADB

Note: (\*) are indicators based on the SDGs

## Strategies

To improve nutrition and health for all, the PDP seeks to guarantee care at all life stages, ensure access to functional service delivery network, and sustain financing for health. To ensure lifelong learning opportunities, the PDP seeks to achieve quality, accessible, relevant, and liberating basic education for all; and improve the quality of higher and technical education and research for equity and global competitiveness. Moreover, to increase the income-earning ability of Filipinos, the Plan seeks to improve employability and productivity and enhance labor mobility and income security.

**Figure 10.1 Strategic Framework for Accelerating Human Capital Development**





To achieve the targets, the following strategies will be pursued:

## **Sector Outcome A: Nutrition and health for all improved**

Nutrition and health for all will be improved as the government (a) guarantees services that provide care at all life stages; (b) ensures the accessibility of these services in functional service delivery networks; and (c) sustainably finances these services through universal health insurance. These will be supported through increased investments in the sector, which are expected to redound to higher life expectancy of Filipinos.

### **Subsector Outcome 1: Care at all life stages guaranteed**

***Provide quality nutrition and health care interventions at all life stages.*** Better nutrition and health outcomes are expected by providing care and services to the well and the sick at all life stages, from infancy to old age. Specifically, during pregnancy, attention will be on pre-natal care and safe delivery. For newborns and infants, essential *intra-partum* newborn care, exclusive breastfeeding, complementary feeding, food and micronutrient supplementation, and immunization will be given for the first 1,000 days of life. All other services from adolescence to adulthood will be provided, including sexual and reproductive health (SRH), adolescent health, and health services for older persons to improve their quality of life.

Accelerating the full implementation of the RPRH Law will be pursued to ensure universal access to quality SRH services. This is to enable the exercise of reproductive rights, including determining the desired family size. Key strategies will focus on eliminating unmet need for family planning methods and reducing the incidence of teenage pregnancy through collaborative interventions. *See Chapter 13.*

There will be focus on specific communicable diseases (HIV/AIDS, tuberculosis, and malaria) and on the elimination of diseases such as dengue, leptospirosis, Ebola and Zika. Non-communicable diseases such as cancer, diabetes, and heart disease will be addressed along with their risk factors. Injuries, substance abuse, and mental illness will be addressed through interventions, such as advocacy to prevent injuries, treatment and rehabilitation of drug dependents, and psycho-social interventions. Attention will also be given to pandemics and travel medicine as well as the health consequences of climate change and disasters. Addressing malnutrition in all its forms will likewise be given importance, particularly in strengthening the school health and nutrition program.

***Improve health-seeking behavior and target the most vulnerable.*** The population's health-seeking behavior will be improved. Health promotion for all interventions will be pursued to increase awareness of health entitlements, thus resulting in wider participation of people. To ensure equity in access, vulnerable populations, the poor, PWDs, indigenous peoples, and older persons will be prioritized in the provision of services. Specific and targeted interventions will also be provided, such as annual health visits for the vulnerable populations.

### **Subsector Outcome 2: Access through functional service delivery networks ensured**

***Ensure functional and efficient networks of health care providers.*** Service delivery networks (SDNs) will be expanded and strengthened to allow more people to reach health facilities and avail of needed services such as nutrition, reproductive health, drug abuse management and rehabilitation, and services related to health emergency response. The SDNs will facilitate access to all levels of care, specifically, gatekeeping and continuum of patient-friendly services from primary care level up to the specialty centers. These services will be client-centered,

gender responsive, culturally sensitive, and compliant with clinical standards. The SDNs will be responsive and resilient in times of emergencies and disasters. Private provider participation will be harnessed and coordinated when planning SDNs, implementing interventions, and securing supply-side investments. Delivery of services will also be made more accessible with the use of information and communications technology. In addition, a redress mechanism will be set up to improve the responsiveness of the system.

***Upgrade and equip health facilities and improve human resources for health (HRH).*** Additional resources will be provided for health facility enhancement, HRH improvement (quality, quantity, and distribution), and health supplies (vaccines, family planning commodities, and medicines). Hospitals will be equipped with multi-specialty training capabilities and reference laboratories. Health facilities with maternity and newborn services will be upgraded to fully promote and support rooming-in, breastfeeding, and other mother-baby friendly practices.

The health profession will be more responsive to local and global needs and will focus on primary and preventive health care. Availability of HRH in unserved and underserved areas, including GIDAs, will be ensured. HRH compensation package will be reviewed so that those serving in ARMM, IP areas, and GIDAs will have the highest pay. Pre- and in-service trainings will be strengthened toward client responsiveness by integrating gender and culture perspectives. Incentives will also be given to health workers, including Barangay Nutrition Scholars (BNS) and Barangay Population Volunteers to ensure the continuous service delivery and advocacy for nutrition and RH. Scholarships will continue to be provided to those who will enter the health profession.

### **Subsector Outcome 3: Health financing sustained**

***Expand health insurance coverage and improve benefit packages.*** The NHIP will continue to provide financial risk protection to ensure that every Filipino will be a PhilHealth member. New benefits packages will be developed and existing ones may be expanded to lower the members' out-of-pocket costs. *See Chapter 11.*

The following activities will be undertaken to support the attainment of the subsector outcomes:

***Invest in eHealth and data collection mechanisms for decision making to address data gaps.*** Timeliness, quality, and disaggregation of data will be improved and the monitoring and evaluation systems will be strengthened for better decision making. Administrative data collection systems, such as local civil registration and vital statistics, will be strengthened to complement national surveys. Collection and reporting in provinces, cities, and municipalities will be intensified to ensure the responsiveness of interventions and improve accountability. Information systems will be streamlined. The use of electronic medical records (clinical and administrative) in all health facilities will become a requirement for licensing and contracting of health facilities and drug outlets. A performance monitoring unit will be established to track the progress of reforms and medical audits, and to oversee third-party monitoring. Health research will also be pursued, particularly in the areas of technology development, financing, service delivery, and socioeconomic and environmental concerns.

***Elicit multisector, multi-stakeholder support for nutrition and health.*** The government will ensure that other social determinants of nutrition and health will be addressed through the adoption of a “Nutrition and Health in All Policies” agenda. The LGUs’ role in nutrition and health services delivery, such as advancing local health policies, providing family planning services and commodities, and reducing disaster risks will also be supported. Development partners will be tapped, if necessary, to provide official development assistance (ODA) aligned with the nutrition and health agenda. Possible areas of assistance include service delivery in nutrition, reproductive health, and drug management and rehabilitation. Civil society organizations (CSOs), including volunteers, will be mobilized to participate in budget development, service delivery, and monitoring and evaluation through their involvement in local development councils and other special bodies.

## **Sector Outcome B: Lifelong learning opportunities for all ensured**

Lifelong learning will be pursued to attain both personal and national goals. Filipinos will be equipped with 21st century skills to engage in meaningful and rewarding careers in today’s changing world of work. Lifelong learning will also contribute to the development and growth of agriculture, industry, and services in the country. To yield greater equity in human development outcomes, education will be made accessible to vulnerable groups and those not reached by formal education.

### **Subsector Outcome 1: Quality, accessible, relevant and liberating basic education for all achieved**

***Strengthen programs for early childhood care and development (ECCD) in order to adequately prepare for basic education.*** The first eight years of a child’s life is critical to the development of the child’s physical, cognitive, emotional, and social well-being; thus, quality early childhood programs will be made available to families. This entails strengthening the capacities of child development service providers, implementing a developmentally-appropriate curriculum, and building a competent workforce. To ensure that child development centers are following standards and providing appropriate services, the following need to be approved and implemented: (a) the revised accreditation processes and tools for CDCs; and (b) the early childhood developmental delays and disability detection, intervention, and referral system. Coordination among agencies is needed to ensure that ECCD-related services and initiatives are harmonized.

***Pursue the full implementation of K to 12.*** The sub-strategies to ensure the success of K to 12 are: (a) timely delivery of adequate education inputs such as school infrastructure, quality learning materials including assistive devices, and ICT equipment; (b) hiring and professional development of teachers; (c) effective and transparent monitoring and evaluation system; (d) public financial management reforms to ensure availability and timely delivery of infrastructure and learning resources for formal and non-formal education; and (e) a financial management information system to track the status of budget releases and facilitate timely interventions when problems arise.

***Strengthen inclusion programs.*** Improving the mechanisms for mapping, profiling, and tracking of learners and school-aged children will ensure that learners with special needs, indigenous peoples, and out-of-school children and youth are provided with the appropriate educational interventions. Intensifying and expanding the ALS will enable those not reached by the formal system to complete basic education or acquire lifelong learning. Education inputs

should also focus on areas with poor education performance – targeting the needs of hard-to-reach and vulnerable learners (such as street children, indigenous peoples, PWDs, children-in-conflict with the law [CICL], and children in conflict areas).

***Develop and improve interventions to keep children in school.*** Providing school-based interventions such as feeding programs, counseling programs, remedial classes, and conducive learning environments can help keep children in school to complete basic education.

***Continue curricular reforms.*** Making the curriculum more gender-responsive and relevant by contextualizing and localizing lessons can help improve achievement rates. The science and technology curriculum will be enhanced to foster innovation and creative imagination. Emphasis will be given to culture and the arts, drug abuse prevention, reproductive health, gender, environment, disaster risk reduction and management, and climate change.

***Enhance teacher competencies.*** Improvement in pre-service teacher education and relevant and regular in-service training on pedagogical approaches and subject matter are needed to improve student learning outcomes. This can be done through a responsive pre-service education curriculum, mentoring, school learning action cells, workshops, organized training, eLearning, and learning visits.

## **Subsector Outcome 2: Quality of higher and technical education and research for equity and global competitiveness improved<sup>26</sup>**

### ***TVET for Equity***

***Enhance community-based training for special groups.*** Community-based training will be promoted by identifying and supplying the specific skills requirements of different barangays. It will be area-specific, resource-based, flexible, holistic, and product and service-oriented. It will use the community-driven approach to training delivery, and continuous consultations and collaboration at the grassroots levels with other government agencies. Attention will be given to informal workers, indigenous peoples, farmers, fisherfolk, drug dependents, rebel returnees, women victims of abuse and human trafficking, returning and repatriated OFs, and PWDs so that they can become active participants in the development process.

***Provide access to quality and relevant TVET opportunities.*** Scholarships and linkages with government tech-voc schools and state universities and colleges offering TVET programs will be pursued and strengthened so that they can provide access to a greater number of trainees. Skills development will be done through community- or barangay-based, mobile, and online training. Supportive programs for drug dependents will be conducted. On-site assessment will be done to provide workers, particularly OFs, an opportunity to obtain an NC and improve employment options.

### ***TVET for Global Competitiveness***

***Ensure globally-competitive TVET programs.*** To become globally competitive, TVET programs will be benchmarked with international standards, adapt recent technology and innovations, and respond to industry demands. This can be done by: (a) scaling-up of technical education; (b) developing competency standards and training regulations; (c) capability building for centers of excellence; (d) international alignment of Philippine TVET

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<sup>26</sup> Some indicators for specific strategies are yet to be developed and will be reflected in the Midterm Update when data are already available.

qualifications; (e) strengthening the Philippine Qualifications Framework (PQF); (f) recognizing higher TVET qualifications; (g) expanding public-private partnership, and (h) strengthening stakeholder collaboration, including linkages with foreign skills training institutions.

### *Higher education as a force for social and cultural transformation*

The role of higher education in spurring social change and cultural transformation is articulated in the mission, vision, and programs of many Philippine higher education institutions that instill the values of nationhood and responsible citizenship. These institutions also enjoin students and faculty to develop intellectual tools and practical skills for productive social service.

***Expand access to higher education.*** Government will ensure the full implementation of the Unified Financial Assistance System for Tertiary Education (UniFAST) Act (RA 10687) and develop a policy to rationalize tuition and school fees. It will promote the Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP), Ladderized Education Program (LEP), and Distance Education to provide working students and school leavers the opportunity to earn a degree. Higher education programs will be enhanced by emphasizing CHED Memorandum Order No. 20, s. 2013: General Education Curriculum: Holistic Understandings, Intellectual and Civic Competencies.

***Integrate 21<sup>st</sup> century competencies.*** Government will steer higher education programs and curricula to produce graduates who can demonstrate 21st century competencies to lead, compete, and excel in the global knowledge economy.

***Promote the creative arts.***<sup>27</sup> Courses and curricula for developing artistic and cultural workers will be developed and promoted to provide citizens with opportunities to be absorbed in culture industries (e.g. media, tourism, performing arts).

### *Higher education as accelerator of innovation and inclusive economic prosperity*

Just as important is higher education's mission in economic development, job generation, and wealth creation. In an era of remarkable speed and dynamism in the knowledge-driven global economy, Philippine higher education should be positioned as a major driver of economic competitiveness.

In support of these pursuits, government will advocate for purposive investments that: (a) steer career interest towards science, technology, engineering, agri-fisheries and mathematics, which are the building blocks of the knowledge economy; (b) foster a healthy and vibrant relationship with industry as well as small- and medium-scale businesses; (c) accelerate local and global inter-university research collaboration; (d) establish institutional scientific-technological niches and economic centers; and (e) create an innovation ecosystem.

***Strengthen Quality Assurance Mechanism.*** Government will ensure the full implementation of the Outcomes and Typology-based Quality Assurance System. It will reform Philippine graduate education to serve as an advanced program of study that constitutes a level or stage of academic and scholarly work. The program will be characterized by academic and scholarly rigor; peer interaction and evaluation; and production of original research or creative work. Government will also implement the Philippine Qualifications Framework (PQF) and AQRFF and harmonize key academic programs with international standards.

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<sup>27</sup> Advancing creativity and artistic excellence are discussed further in Chapter 7: Promoting Filipino Culture and Values

**Improve research, innovation<sup>28</sup>, and extension services.** Government will build a robust national ecosystem for knowledge production and innovation, which is critical for the country's engagement in the knowledge-based global economy. It will invest in: (a) improving the research capabilities of college and university faculty, research staff, and graduate students; (b) building the capital and institutional infrastructure needed for knowledge production and innovation; and (c) building up, retraining, and retaining a sustainable stream of new researchers. Similarly, government will promote structured partnerships between HEIs and stakeholders in the community, business, and industry. The intent is to integrate “formal” research and innovation efforts with “informal” grassroots knowledge and innovation. Policies and programs will be formulated for the normative and reasonable allocation of hours for teaching and research and for the operationalization of extension as part of applied research engagement.

**Expand the collaboration between government, academe, and industry.** Government will strengthen linkages with academe and industry in pursuit of leading-edge, commercial-ready innovations. It will devise performance measures, incentives, and rewards for universities to collaborate with industry partners and to allow industries to recommend innovations in academic programs, curriculum or delivery modalities. It will accelerate global inter-university research collaborations, and establish institutional scientific-technological niches and innovation and economic centers.

**Promote excellence among HEIs.** Performance metrics that will measure excellence, such as research grant revenues, patents, publications and citations, and graduate employment rate will be developed. The government will determine a realistic target of costing and producing quality PhDs per year in the next five to seven years, considering the target of 2,700 PhDs per year in the next ten years, and allocating the necessary funds to support graduate students. Diversity in faculty roster, particularly in engaging international talents will be increased. Appropriate budgetary provisions to optimize the delivery of quality instruction as well as the quality and quantity of research and innovations will be pursued.

The three education agencies will ensure greater collaboration among themselves and with other government agencies, LGUs, and NGOs, in pursuit of education goals. Among the areas of collaboration will be the full implementation of the PQF and mobilization of stakeholders for its further substantiation.

## **Sector Outcome C: Income-earning ability increased**

This chapter focuses on labor supply strategies that aim to raise the quality of human resources through a holistic approach that considers all key stages of employment. In addition, strategies that enhance the functioning of the labor market are included. Together, these are expected to translate to the increased income-earning ability of Filipinos.

### **Subsector Outcome 1: Employability improved**

Ensuring the employability of labor entrants is important. This will be accomplished through the following strategies:

**Encourage skills development and retooling through continuing education and training.** Workers may improve their employability through skills enhancement. Providing opportunities for skills development and re-tooling is critical in addressing the problem of the youth who are not in education, employment, and training (NEET). For prospective and current OFs, properly identifying demand and upgrading their skills to meet the demand, will help them be employed

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<sup>28</sup> The role of HEIs in research and innovation are discussed further in Chapter 14 Leveraging Science, Technology, and Innovation



in more stable and higher-paying jobs. Improvement in access to advanced degrees and trainings on topics such as entrepreneurship and proficiency in different languages, including through distance or online learning, will be promoted. The PQF should not only ease school-to-work transition but should also guide professionals, employees, and employers in skills upgrading and professional development.

***Strengthen employment facilitation services.*** Assistance to workers entering the labor market, especially first-timers, will be strengthened. Career advocacy, coaching, and counseling will be enhanced, both for those seeking employment locally or overseas. Online services for OFs will also be included. In addition, regulations will be reviewed with the aim of facilitating the eventual reintegration of OFs in the domestic economy. Local government units (LGUs) need to be capacitated in responding to the challenges in their respective areas. In particular, public employment service offices (PESOs) need to prepare for the needs of senior high school graduates and persons with disabilities, and consider the opportunities beyond their localities.

A dynamic and competitive labor market requires high-quality and easily-accessible labor market information (LMI) for job search. A public system such as PhilJobNet--the government's web-based LMI, job-search, matching and referral portal--plays a significant role in providing Filipinos with free access to labor market information. PhilJobNet will be enhanced to: (a) meet the LMI needs of vulnerable groups of workers; and (b) serve as the labor market information portal of the Philippine government, capable of housing the critical supply and demand database systems. To ensure the availability of labor requirements for the expected surge in demand from public works projects, the following must be accessible to communities: labor market information, skills registration, employment facilitation services, training and monitoring.

***Strengthen and expand internship, apprenticeship and dual-training programs that facilitate school-to-work transition.*** Current programs of the government that can be strengthened are the: (a) Government Internship Program (GIP) for those who want to pursue public service; (b) JobStart Program to enhance the employability of "at-risk" youth; and (c) apprenticeship, learnership and dual-training programs. Employer or enterprise-led skills training will be explored. For the work placements of job seekers, particularly the long-term unemployed, the government will support skills training networks across a wide range of industries, sectors and geographical areas.

***Implement programs that encourage women to participate in the labor market.*** Strategies to increase labor participation of women include: (a) fully implementing the RPRH Law; (b) improving access and affordability of child care services; (c) formulating policies that promote work-life balance; (d) providing re-training services for women returning to the workforce; (e) enhancing maternal and paternal benefits; and (f) improving access of women to entrepreneurial opportunities. *See Chapter 13.*

In addition, the data essential to understand the full range of work carried out by women, including unpaid domestic and care work, will also be developed.

## Subsector Outcome 2: Productivity improved

**Strengthen the implementation of the two-tiered wage system.** The two-tiered wage system will be continuously implemented as an approach to minimum wage-setting and as a strategy to tighten the link between wage and productivity growth. Workers and enterprises will be encouraged and capacitated to formulate productivity-based incentive schemes. As mandatory minimum wages will continue to be set, enterprises will also be encouraged to adopt productivity-based pay schemes that will accelerate productivity growth and ensure commensurate growth in wages.

**Ensure safety and health in the workplace.** Sound, gender-responsive occupational safety and health (OSH) practices will be ensured through vigorous enforcement of existing regulations. Implementation of enhanced workplace emergency plans and disaster risk reduction programs will be encouraged. There is also a need to intensify workforce-focused OSH programs, such as information campaigns and industrial dialogues that will promote and cultivate a culture of OSH. Integration of OSH in the local health development plans as well as a comprehensive health and safety program for government workers will likewise be pursued. In terms of education, integration of OSH in the secondary and tertiary education curriculum will be advocated.

**Nurture workplace harmony.** Improvements in labor-management relations will be nurtured. Venues for social dialogue will be promoted by strengthening institutional mechanisms for social negotiations, including collective bargaining.

## Subsector Outcome 3: Labor mobility and income security enhanced

**Provide income support and emergency employment.** Better social protection, particularly through income security, will be pursued through the introduction of an unemployment protection system, possibly in the form of unemployment insurance. At the same time, emergency employment programs such as the Community-based Employment Program (CBEP) will be enhanced to provide additional income opportunities to seasonal workers or long-term unemployed during lean or off-season periods.

**Enhance the efficacy of the minimum wage policy.** Existing wage gaps across industries or sectors, gender and geographic areas can be addressed through labor market policies and institutions that directly affect the distribution of wages, such as through minimum wages and collective bargaining. The implementation of the current minimum wage policy should be adjusted to enhance inclusivity. Efforts to simplify the process, reduce the number of minimum wage rates per region, limit potential exclusions and exemptions from coverage, and encourage parties to use productivity and performance as means to further increasing workers' income will be pursued.

## Legislative Agenda

To complement and support the actions of the executive branch, the following legislations will be required:

**Table 10.7 Legislative agenda**

LEGISLATIVE AGENDA	RATIONALE
<b>Sector Outcome A: Nutrition and health for all improved</b>	
<i>Subsector Outcome: Care at all life stages guaranteed</i>	
Increasing Taxes on Sugar-Sweetened Beverages and Junk Food	Lower the consumption of sugar-sweetened beverages and junk food through higher taxes. It will be a cost-effective intervention to the increasing incidence of lifestyle-related non-communicable diseases (NCDs) by addressing risk factors.
Amendment to the Philippine HIV-AIDS Law	Strengthen the HIV Law to make it more responsive and relevant to the current epidemic. It will restructure the legal framework to harmonize evidence-informed strategies and approaches for the prevention, treatment, care, and support for HIV and AIDS patients and MARPs with government's response.
Local Population Development Act	Provide for the establishment and operation of population offices to ensure the effective implementation of population management strategies and measures at the local level.
Prevention of Adolescent Pregnancy Act	Facilitate the development of a National Program of Action and Investment Plan for the prevention of teenage pregnancy. The program of action will serve as the national framework for inter-agency and inter-sectoral collaboration at all levels to address the various health, cultural, socio-economic and institutional determinants of teenage pregnancy.
<i>Subsector Outcome: Access to functional service delivery network ensured</i>	
National Mental Health Care Delivery System	Establish the legal framework to provide care and services to those with mental illness. It will consolidate mental health provisions in existing laws, namely the Revised Penal Code, the Magna Carta for Disabled Persons, and the Family Code.
Amendment of the law on the Barangay Nutrition Scholar (BNS) Program	Upgrade incentives and benefits and ensure the security of tenure of BNS. This is essential in the provision of continuous frontline nutrition services to the community. This law will ensure that trained and experienced BNS are carried over by succeeding political administrations.
<b>Sector Outcome B: Lifelong learning opportunities for all ensured</b>	
<i>Subsector Outcome: Quality, accessible, relevant and liberating basic education for all achieved</i>	
Magna Carta for Day Care Workers	Provide day care workers with proper compensation and benefits
<i>Subsector Outcome: Quality of higher and technical education and research improved for equity and global competitiveness improved</i>	
Philippine Qualifications Framework Bill	Establish a quality-assured national system for the development, recognition, and award of qualifications based on the standards of knowledge, skills, and attitude acquired by learners and workers in the country. It aims to institutionalize the PQF to encourage lifelong learning of individuals, provide employers specific training standards and qualifications that are aligned with industry standards, ensure that training and educational institutions adhere to specific standards and are accountable for achieving the same, and provide the government with a common taxonomy and typology of qualifications as a basis for granting approvals to stakeholders.
Enterprise-based Training Bill	The bill aims to strengthen enterprise-based training by consolidating apprenticeship and learnership dual training, on-the-job training and all other forms of industry-based training arrangements into one harmonized and rationalized system. Specifically, it aims to: a) help meet the demand of the economy for skilled workforce; b) establish a national enterprise-based training system and standards that is competency-based including all its modalities; and c) broaden the opportunities and venues of education and training for greater access.
Apprenticeship Bill	Establish a reformed apprenticeship program that will ensure the availability of qualified manpower in the field of critical and in-demand technical skills, and with the active participation of all

LEGISLATIVE AGENDA	RATIONALE
Amendment to the Dual Training System Act of 1994	workers, enterprises, government agencies, and non-government organizations. Review RA 7686 in order to entice more companies to engage in DTS. The current law stipulates the responsibilities of the trainees and establishments, and incentives for participating establishments.
<b>Sector Outcome C: Income-earning ability increased</b>	
<i>Subsector Outcome: Employability improved</i>	
100-Day Maternity Leave Act	Institutionalize a mechanism to expand the maternity leave period of women workers. This will provide ample time for mothers to regain health and overall wellness as well as assume maternal roles before resuming paid work. (An extended paternity leave is also proposed to enable fathers to participate in child-rearing.)
<i>Subsector Outcome: Productivity improved</i>	
Productivity Incentive Bill	Encourage enterprises to adopt productivity improvement and gainsharing schemes. RA 6971 or the Productivity Incentives Act should be amended to liberalize its restrictive provisions. These include the basis for computing baseline productivity data, the manner and frequency of distributing productivity-based bonuses, and the sharing scheme. Workers and enterprises must be allowed to design their own productivity incentive programs depending on the growth requirements of the enterprise.
<i>Subsector Outcome: Labor mobility and income security enhanced</i>	
Unemployment Insurance	Address income insecurity of displaced workers. However, at present, there is no unemployment insurance for private sector employees. For a more efficient system that provides incentives for reentry to the labor market, unemployment insurance must be linked to active labor market programs such as employment facilitation, skills training, and livelihood. The rationale for government intervention must be to facilitate re-employment of the unemployed, upgrade skills for better employability, provide entrepreneurial opportunities, and protect the unemployed and their families against temporary loss of employment and income.