

Full Length Research Paper

Human resources: A new dimension of cooperation between India and the Philippines

G. Jayachandra Reddy

Department of Geography, Centre for Southeast Asian and Pacific Studies, Sri Venkateswara University, Tirupati-517502, India. E-mail: jayachandrareddy.g@gmail.com.

Accepted 25 August, 2011

Undoubtedly, human resources are emerging as one of the major sources in contributing to the national gross domestic product (GDP) of any country and with special reference to a developing country like India. This phenomena is also creating another dimension of the economy called 'knowledge economy'. Many developing countries from Asia have been recording their highest growth rates of their economies, since the last decade of the 20th century and they have sustained the growth rates even in the global economic recession. New trends of emergence of new economies, new areas of employment, new sources of resources and increasing trends of growing demand for technology (information technology) are the inspiration to look into the size and quality of human resources of any country. The Philippines is one of the emerging economies of Asia and more specifically from Southeast Asia. It has been proved across the world with its huge fleet of global employment specifically known in the field of nursing. With this backdrop, this paper is an attempt to analyze the trends and patterns of qualified graduates, employment and employment rates. At the same time, special emphasis has also been made to have a comparative study between India and the Philippines in terms of their education system, which may be one area of concern in promoting the quality of education and also a source of employment creation at global level. This paper also identified education as one of the prime areas of cooperation between India and the Philippines.

Key words: India, the Philippines, human resources, education, cooperation.

INTRODUCTION

In context of globalization, no country can transform and make itself comfortable in terms of many of the economic issues. Such efforts are much seen in the developing countries. This is more with reference to the Philippines, one of the emerging nations with emphatic ambitious national goals. The Philippines has no alternative, but to become a part of the ongoing world transition and competitiveness, which requires certain foundation in terms of human resources (education). In this process, certainly, human resources play a significant role in projecting the nation's identity in the global scenario.

On par with the other developing countries, the Philippines is undergoing a remarkable transition from a conventional system of planning and administration. Operating within the socio-economically renovating parameters, the Philippines's education has to adapt itself to be able to meet the new requirements. Unfortunately, the levels, structure and standards of education

in the Philippines have become primary hurdles to overcome. Of course, vigorous campaign and international collaboration has brought certain changes from the primary and secondary levels of education. In fact, these levels of education may not satisfy international standards and their own requirements of human resources. Thus, there is an imperative need to look into the higher education to promote competitive skilled human resources, initially, to serve the national interests and then to look into the international scenario.

Human performance as a strategic driver of organizational results has been debated in theory and practice. In fact, a new dimension of economy has also emerged in the form of knowledge economy apart from industrial and agricultural economies. This being so, there is a huge gap between demand and supply of skilled labour in the Philippines, which is largely due to an antiquated educational system and the large quantities of

foreign investments. The saving grace is that all other Southeast Asian countries find themselves in similar awkward situation. Such a ubiquitous demand for skilled labour can be met with only an advanced system of education encompassing, which helps to intercede with the new technologies, technical know-how and also language skills. This lack of technical know-how and language skills tends to hamper new investment.

Although, the Philippines gross domestic product (GDP) has grown at an average rate of 5.2% from 2002 to 2006, its actual economy is smaller than those of other competitors in the Southeast Asian region. In 2006, the Philippines' purchasing power parity (PPP)-adjusted GDP per capita was \$5,300, significantly lower than Thailand's \$9,200 or Malaysia's \$12,000. According to the National Statistics Office, the country's workforce numbered 33.3 million in July, 2007. The unemployment rate hovers around 8%, with little change over the past two years. Poverty is a major problem, with almost half of the population living on less than \$2 a day (Ames and Rachel, 2005).

The Philippines has fairly cheap labor, but not cheap enough to attract significant foreign investment as compared to China and Vietnam. New foreign investment centers on the sectors where the workforce has specific advantages. Currently, this is business process outsourcing (BPO), but others may emerge in the future. Managerial candidates with experience in the rapidly growing service industries, such as call centers, information technology services, etc., are in high demand as compared to those in other sectors. Human resource (HR) professionals should also be aware that the country has a wide income gap between rich and poor, so, top talent needs significantly higher salaries than the basic wage level might suggest (Ames and Rachel, 2007).

This paper seeks to provide a deep insight into the Philippines's educational adjustments in a transitional context. Much attention has been paid to the analysis of trends and patterns of education and the demand and supply of human resources in the Philippines. This paper also tries to forward certain recommendations on the key issues of international competence and cooperation.

Hypothesis

Are there any possibilities to establish greater cooperation between India and the Philippines in the area of human resources?

Objectives

The objectives of this study are as follows:

1. To assess the existing levels of education, employment and unemployment situation in the Philippines.
2. To evaluate how the tertiary education has been supporting in creating skilled human resource base.

3. To make a note on the existing education system of the Philippines

4. To identify the areas of cooperation between India and the Philippines to improve the human resource base of the Philippines.

METHODOLOGY

Data collection

Basically, majority of the secondary data has been collected from government organizations, like Department of Labour and Employment (DOLE), Manila; Commission on Higher Education (CHED), Manila; Department of Education, Culture and Sports (DECS). Primary data has not been collected through any questionnaires but the author has conducted few interviews with the administrative and academic administrative officials of the government and different universities and colleges located in Manila. Such primary data has a great impact in preparing a note on the existing situation of the Philippines' education.

RESULTS AND DISCUSSION

Demography

Population growth

People are to be equipped to achieve progress in social and economic fields. For this, all countries give special significance on human resource development. The quality and size of population are two factors that are emphasized in the development of human resource. Rapid growth in population will create many obstacles to economic progress. Also, it affects the quality of human resource adversely, if it is not properly planned.

The Philippines has a total population of nearly 91 million and workforce of 36 million. Steady growth of population and maintaining balance between the demand and supply of employment, male and female employment, productive and unproductive employment, altogether providing a decent work¹ for the equitable economic growth is the herculean before any government of a nation. This unemployment is not only due to crowded

¹ As quoted in the World Bank Development Indicators, 2009, the International Labour Organization defines decent work as productive work for women and men in conditions of freedom, equity, security, and human dignity. Endorsed by the international community, decent work involves opportunities for productive work and delivers a fair income, guarantees equal opportunities and equal treatment for all, provides security in the workplace and protection for workers and their families, offers better prospects for personal development and social integration, and gives people the freedom to express their concerns, to organize, and to participate in decisions that affect their lives. The Decent Work Agenda strives for equitable economic growth through a coherent blend of social and economic goals, balanced and integrated at the global, regional, national, sectoral, and local levels. Its four strategic objectives are mutually supportive:

- Employment – the principal route out of the poverty is productive work.
- Right – without them, men and women will not be empowered escape poverty.
- Protection – social protection safeguards against the poverty
- Dialogue – participation of employer and worker of organizations are key element in shaping government policy for poverty reduction.

population but there are few exceptions, for instance, the experiences of the US, of course this situation may not come under the scope of this study. The labor force has shown little increase since 2004 and the country is struggling to improve its unemployment rate which is around 12%. In 2004, nearly 1 million new jobs were created, versus about 600,000 in 2003, but still not enough to improve the unemployment situation. Over a quarter of those unemployed are youths (high school graduates), but many have a college education. To help locate jobs for the unemployed, the government, in cooperation with private businesses and organizations, has planned and organized over 100 job fairs to be held between July and December, 2005. From 2001 until the middle of 2005, nearly one-quarter of a million employees have been placed in jobs after attending a job fair (Ames and Rachel, 2005). The Philippines is no way exempted from any other developing countries in terms of its population growth. Table 1, clearly shows the constant growth rate of not less than 2% in the entire 20th century, and it also continues the same trend in the 21st century too. The population growth rate was much volatile in the 19th century, ranges between 3.9% in 1800 and only 0.5% in 1896, both the highest and lowest growth rates were recorded at the beginning and ending of the 19th century, respectively.

These population growth trends are openly signaling the policy markers that there is a huge demand for employment opportunities. In the process of globalization, every country should be precarious of their demand and supply of employment of their own. Otherwise, there is every possibility of encroachment of other multinational companies (MNCs) and importing their own workforce. This will be another dimension of multiplying the unemployment rate, specifically a country like the Philippines. The only way to counter such attempt is that more efforts must be made in promoting more skilled labour with greater competency. There are a good number of negative impacts² of overcrowded population, but poverty

is an important factor that has been affecting the developing nations in particular.

Age structure

Age structure is the distribution of the population according to age. The age structure of a population affects a nation's key socioeconomic parameters. Countries with young populations (high percentage under age 15) need to invest more in schools, while countries with older populations (high percentage ages 65 and over) need to invest more in the health sector. The age structure can also be used to help predict potential political issues. For example, the rapid growth of a young adult population unable to find employment can lead to unrest. A study on changing structure of age and implication on financial security, employment and health concludes that "the dramatic shift in age structure that Singapore will experience over the next thirty years was set in motion in the 1970s by an equally dramatic decline in fertility levels. These changes in the age structure are affecting economic and social aspects of life for all Singaporeans among which include financial security, employment, living arrangements and health care" (Angelique, 2001).

The Philippines has been experiencing fertility decline and the resultant changes in demographic transition. Herrin (2003), attributed two reasons for such a situation: lack of consistent efforts from the government efforts and strong resistance from the Catholic Church hierarchy. As a result, the demographic transition of the country has been continued. Xenos and Kabamalan (2002) expressing their strong opinions on the Philippines "was among the earliest of its Asian neighbors to experience the onset of fertility decline, it will be among the last to complete the demographic transition"

The population projection of different age groups has been evidently indicating that there will be certain problem of imbalanced demographic transition. The share of 0 to 20 years age group, surprising slash down from 43% in 2010 to 31.58% in 2040: as against this scenario, the share of age group more than 60 years has tremendously increased from 6.8% in 2010 to 13.8% in 2040. Out of the tricky situation, the share of potential work force between 20 and 60 years has been witnessing a positive indication with its share of 49.9% in 2010 to 54.6% in 2040. But this is also, the only stop gap and there is every danger of declining this age group over a period 10 to 20 years, because of the transition of declining trend of the age group of 0 to 20 years (Table 2). Obviously, the growth rates of different age group of 0 to 20 years may be tilting and the growth of the population of more 60 years age group may be gaining. Socorro and Peter (2004), specialists of the Philippines' demography have made

² This situation is very clearly explained by the Creative Change Educational Solutions in the following manner;

-Lack of access to education and health care is at the root of the problem. In many countries, the costs of books and other fees prevents many families from sending their children. In addition, girls may be discouraged from attending schools due to cultural or religious beliefs.

- Without access to education, those in poverty poor have few job prospects outside manual labor and subsistence farming. Wages are low and often inadequate to meet basic needs.

- Low wages mean that families cannot afford enough nutritious food. This can result in malnourished mothers who are more likely to give birth to premature or low-weight babies. Lack of nutritious food also means that other children in the family may lag in their physical and mental development.

- The result of poor nutrition is higher rates of mortality for mothers and children alike. Surviving children are weaker and lack energy. This leads to a reduced ability to work and learn, even if the children are fortunate enough to go to school.

- Without a good education, children have few job choices aside from manual labor or subsistence farming.

- People who are dependent on subsistence farming are likely to have more children to provide much-needed labor and income.

With little access to health care and education, the next generation is likely to repeat the cycle.

Table 1. Growth of Philippines population.

Year	Population	Percentage of growth	Year	Population	Percentage of growth
1799	1,502,574	-	1903	7,635,426	2.87
1800	1,561,251	3.91	1918	10,314,310	2.03
1812	1,933,331	1.80	1939	16,000,303	2.11
1819	2,106,230	1.23	1948	19,234,182	2.07
1829	2,593,287	2.10	1960	27,087,685	2.89
1840	3,096,031	1.62	1970	36,684,486	3.08
1850	3,857,424	2.22	1975	42,070,660	2.78
1858	4,290,381	1.34	1980	48,098,460	2.71
1870	4,712,006	0.78	1990	60,703,206 ^a	2.35
1877	5,567,685	2.41	1995	68,616,536 ^b	2.32
1887	5,984,727	0.72	2000	76,506,928 ^c	2.36
1896	6,261,339	0.50	2007	88,574,614 ^d	2.04

Population from 1799 to 1896 excluded non-Christians. ^aData includes the 2,876 homeless population and the 2,336 Filipinos in Philippine Embassies, consulates and missions abroad. ^bData includes 2,830 Filipinos in Philippine embassies, consulates and missions abroad. ^cRevised data includes 18,989 persons residing in the areas disputed by city of Pasig (NCR) and the province of Rizal (Region IV-A); 192 persons in the area disputed by the province of Mountain province (CAR) and Ilocos Sur (Region I) and 11,814 persons in the barangays disputed by the province of Camarines Norte (Region V) and Quezon (Region IV-A). Also includes 2,851 Filipinos in Philippine embassies, consulates and missions abroad. ^dData includes 24,789 persons residing in the areas disputed by city of Pasig (NCR) and the province of Rizal (Region IV-A); and 4,555 persons in the area disputed by the province of Davao Oriental (Region XI) and Surigao del Sur (Caraga). Also includes 2,279 Filipinos in Philippine embassies, consulates and missions abroad.

Source of data: National Statistics Office, 1997 Philippine Yearbook and 2007 Census of Population and Housing.

Source: Year Book of Labour Statistics (2008); Bureau of Labour and Employment Statistics (2008), DOLE, Manila, Philippines.

similar observations that “when compared with most other Asian countries, the Philippines’ journey through the demographic transition has been extremely slow. Replacement level fertility is not expected to be attained before 2020. Yet, because fertility had started its descent some 40 years ago, age-structural changes of the population is underway. The country has experienced a surge in its youth population and will continue to do so for some time. Although, the proportion of youth in the population has started to decline, the number of youth will still be increasing up 2021.”

Education

Literacy

The literacy rate of the population of a country can be considered as an indicator of the economic progress achieved by that country. At the same time, population growth at a higher rate makes universal education difficult. This interrupts economic growth. The secretary for Education For All (EFA), Philippines expressed the intention of the EFA programme that “attaining functional literacy in the country is not just about schools and schooling, it is about education. In line with the World Declaration on Education for All embodied in both Jomtien Declaration and Dakar Framework, we would like to meet the totality of the so-called Basic Learning Needs (BLSs) of Filipinos of all ages and circumstances. This is

to be pursued with EFA’s expanded vision of education” (Educnews, 2009).

As of 2008 to 2009, total higher education enrolment from all the categories of disciplines has been recorded as 2,625,385 out of which 1,426,138 are female and 1,119,247 are male. Besides enrolment, there is a tremendous progress in terms of student-teacher ratio of different regions of the country, and it lied between 1:17 and 1:36 against the national average of 1:20. It shows that there is a commendable job done by the government in maintaining better student-teacher ratio. Unfortunately, the engaged teachers are not well qualified, around 55% of teachers are just bachelors, teachers with a masters degree falls around 35% and the remaining 10 of the faculty qualified with doctoral degree (Table 3).

The literacy rate needs not to be considered as the best indicator in measuring the quality of human resources. It needs to be addressed with the other indicators, such as, quality of teachers, institutional infrastructure and teacher-student ratio.

A comprehensive effort is much required to promote not only qualified but with global competence. Like any other developing countries of Asia, the Philippines is also having huge reserves of qualified graduates. Philippine colleges and universities eventually supply the manpower needs of the productive labour sector of the society. As quoted in the research report of the Commission on Higher Education (CHED, 2000), “mismatching of the training of graduates in colleges and universities, and the industry requirements” (EDCOM, 1992). With the quick

Table 2. Share and growth of population by age group (based on projected population).

Age group	2010		2015		2020		2025		2030		2035		2040	
	Share (%)	Share (%)	Growth (%)	Share (%)	Growth (%)	Share (%)	Growth (%)	Share (%)	Growth (%)	Share (%)	Growth (%)	Share (%)	Growth (%)	
0 - 4	11.68	11.06	3.66	10.33	1.40	9.58	-0.29	8.88	-1.21	8.25	-1.86	7.66	-2.74	
4 - 9	11.03	10.64	5.60	10.17	3.78	9.59	1.50	8.98	-0.23	8.41	-1.15	7.88	-1.84	
10 - 14	10.43	10.05	5.53	9.77	5.60	9.43	3.77	8.98	1.48	8.48	-0.26	8.00	-1.19	
15 - 19	10.21	9.48	1.61	9.21	5.52	9.04	5.58	8.80	3.75	8.46	1.43	8.05	-0.31	
20 - 24	9.42	9.27	7.76	8.68	1.60	8.51	5.54	8.43	5.58	8.28	3.73	8.02	1.41	
25 - 29	8.39	8.54	11.45	8.48	7.79	8.01	1.63	7.94	5.53	7.94	5.59	7.86	3.74	
30 - 34	7.45	7.62	12.01	7.82	11.53	7.85	7.84	7.48	1.65	7.48	5.56	7.55	5.61	
35 - 39	6.39	6.74	15.55	6.96	12.11	7.23	11.62	7.31	7.87	7.04	1.70	7.10	5.59	
40 - 44	5.79	5.75	8.88	6.13	15.68	6.40	12.23	6.71	11.69	6.86	7.97	6.66	1.75	
45 - 49	5.00	5.18	13.36	5.20	9.06	5.60	15.90	5.91	12.36	6.26	11.82	6.46	8.08	
50 - 54	4.18	4.42	15.84	4.63	13.66	4.71	9.29	5.13	16.15	5.47	12.55	5.85	12.05	
55 - 59	3.25	3.64	22.84	3.90	16.28	4.13	14.04	4.25	9.62	4.69	16.43	5.05	12.85	
60 - 64	2.45	2.76	23.22	3.14	23.38	3.41	16.81	3.66	14.47	3.82	10.04	4.26	16.85	
65 - 69	1.66	2.00	31.88	2.28	24.03	2.64	24.35	2.91	17.47	3.17	15.14	3.35	10.59	
70 - 74	1.26	1.27	9.84	1.55	33.08	1.81	25.20	2.13	25.37	2.39	18.44	2.65	16.00	
75 - 79	0.75	0.88	28.96	0.90	11.17	1.13	35.12	1.34	26.58	1.61	26.88	1.84	19.76	
80 and above	0.65	0.71	20.33	0.84	27.93	0.93	19.17	1.14	30.83	1.41	30.19	1.75	29.96	

response of the Philippines' government in 1994 established 'Commission on Higher Education' (CHED) through a republic act of 7722. This commission is aimed at dealing with the issues of higher education and to sustain its quality and competency through a long term higher education plan.

Orientation of education

The choices of the students' selection of a course at the time of education may be job oriented than the merit of the subject or the need of the society. Available latest data for six year from 1999 to 2005 reveals that there are major changes of its

composition of education in terms of increasing the diversity of its courses. Indirectly, it exhibits the negligence in making efforts to update the education pattern according to the order of the day, it can be said that the current education pattern is conventional, rather up to the mark of the global demand.

For instance, information technology has not been noticed from the choices of the field of specialization. There is a dire need to go for IT courses not with the nominal curriculum and it should be professional course and its curriculum should also be of international standard. Of course, it requires lot of time and space in accommodating new courses and curriculum. In general, the national level enrolments have been

dominated by the business and administrative disciplines. This trend also remains as the history, because there is a decline trend of business administration from 25% in 1999 to 23% in 2005 (Table 4).

Surprisingly, enrolment in engineering and technology has not been exempted from the negative trend of enrolment of 3% between 1999 and 2005. Except, introduction of new disciplines like IT related and maritime education, nothing is a phenomenal change, these two specialized discipline have been sharing 10% of the total enrolments. On the other side, the success rate is also in the negative trend. Of course, for this negative trend, many positive and negative reasons can be attributed. One of the positive

reasons may be seriousness in conducting the examinations. Declining job opportunities can be considered as one of the major negative reasons or the application of cost benefit analysis. Irrespective of the fact that negative and positive factors influencing the choice of students in choosing disciplines can be noticed as unchanged or conventional sources of choices. This type of trends in the orientation of education indicates that large scale reforms are very much needed in promoting more diversified and successful education system in the country.

Labour force³ and unemployment

Occupational structure

Occupational structure is the distribution of population on the basis of employment in different sectors like agriculture, industry and services. There is clear division of occupation based on the type of economy of a nation, for instance, industrial economies are creating employment only from industrial sector. Developing economies are basically depending on agriculture and their labour force is supposed to be engaged in agricultural sector. In recent times, many of the developing countries are more concentrating on service sector, for instance, India has been transformed into a service oriented economy. Such transformation requires a lot of attention on creating opportunities for better and competitive education which results in a strong base for skilled human resources. In the process of globalization, human capital has become a source of capital, in this process, India has been emerging as a 'knowledge economy' with its huge skilled human resources at global competence.

According to 2007 year data quoted in the Economy Watch, and according to the data of financial year of 2007, 13.8% of Philippines GDP came from agricultural sector and 31.7% was contributed by industrial sector. Services sector contributed 54.5% of Philippines' GDP in fiscal, 2007. The employment generation has also been on the same lines. Table 5, explicitly indicates that opening are more from the service sector than from agriculture and industry to generate the employment for the youth of the country. Due to certain geographical limitations, agriculture and industry has not been emerged as one of the most potential areas to promote the GDP of the country. It is the only service sector that has producing more than 50% of its GDP and nearly 50% of employment. This is the high time to draw much attention towards improving/enhancing the service sector with global competitiveness to attract more multinational companies along with huge foreign direct investment (FDI). The growth of the employment from three basic sectors has not been achieving expected transformation.

³ Labour force: population 15 years old and over, whether employed or unemployed, who contribute to the production of goods and services in the country.

Employment

According to the International Labour Organization (ILO) report, 2009, an estimated 6.0% of the world's workers were not working, but looking for a job, as against 5.7% in 2007 with little up trend of unemployment. In general, it is proved that for a longer period, people stay out of work the more their "employability" deteriorates, making it progressively harder to get back into work. This situation happens to be from young workers who may get trapped into a lifetime of weak attachment to the labour market alternating between low paid insecure work and outright unemployment (ILO, 2009).

The share of vulnerable employment in total employment is the highest in South Asia, Sub-Saharan Africa, Southeast Asia and the Pacific and East Asia (Figure 1). In all these regions, majority of workers do not enjoy the possible security that wage and salary jobs could provide. Taking into account that a wage and salary job in poor regions may still not ensure all the components of a decent job, it becomes understandable that only a minority of working people have a job that is well paid, respects their fundamental rights and ensures some security in case of job loss, personal or family illnesses, or other difficulties.

An overview of the employment situation in 2009 was very briefly given in the Labour Statistics (LABSTAT, 2009; 2010). The employment situation in 2009 remained essentially stable and even manageable to achieve modest gains amidst the global financial crisis. Overall, employment growth for the entire year was placed at 2.9%, almost double the 1.6% growth in 2008. Growth occurred almost entirely in the services sector (5.4%) with little gains in the combined agriculture, fishery and forestry sector (0.1%) and industry sector (0.9%). The growth in employment this year, however, was marked by the sharp rise in part-time employment (8.4%) and corresponding decline in full-time employment (-0.5%). Other key indicators of the economically active population posted no significant changes in 2009 when compared with 2008 figures: unemployment rate was up by a marginal 0.1%; labor force participation rate (LFPR) rose by 0.4% point to 64.0%; while underemployment rate was down by 0.2% point to 19.1%. The unemployment statistics of the Philippines provides a glaring picture in understanding the trends of unemployment over a period of time. Specifically, since 2005, the employment rate has been reduced to about 7% from about 11% over a period of one year, that is, 2004 to 2006 (Table 6).

A new definition of unemployment has come into existence since April 2005; hence, the unemployment rate was also not prepared for the same reason. The down trend of unemployment rate during the last four or five years is only because of the redefinition of unemployment, but not the absolute employment generation or increased employment rate.

The percentage of labour force and its participation in the main stream of economic activity has been

Table 3. Higher education enrollment by region and sex; faculty by region, level and sex; and faculty-student ratio: AY 2008/09.

Region	Enrollment			Faculty									Total no. of faculty	Faculty-student ratio*
	Female	Male	Total	Bachelor			Master			Doctorate				
				Female	Male	Total	Female	Male	Total	Female	Male	Total		
Ilocos Region	71,798	59,637	131,435	2,176	1,764	3,940	1,251	821	2,072	521	308	829	6,841	1 :19
Cagayan Valley	57,876	47,727	105,603	1,173	1,228	2,401	1,173	715	1,888	388	223	611	4,900	1 :22
Central Luzon	110,630	96,998	207,628	2,844	2,535	5,379	2,496	1,527	4,023	542	400	942	10,344	1 :20
CALABARZON	145,589	129,621	275,210	4,354	3,613	7,967	2,975	1,925	4,900	763	621	1,384	14,251	1 :19
Bicol Region	63,875	50,890	114,765	1,972	1,973	3,945	1,393	877	2,270	465	259	724	6,939	1 :17
Western Visayas	109,786	88,118	197,904	3,819	2,620	6,439	2,201	1,224	3,425	501	314	815	10,679	1 :19
Central Visayas	110,404	92,161	202,565	3,150	2,784	5,934	1,762	1,207	2,969	477	246	723	9,626	1 :21
Eastern Visayas	52,812	44,237	97,049	1,384	1,434	2,818	845	579	1,424	266	229	495	4,737	1 :20
Zamboanga Peninsula	42,029	33,406	75,435	1,632	1,217	2,849	623	472	1,095	127	73	200	4,144	1 :18
Northern Mindanao	63,495	51,454	114,949	1,651	1,293	2,944	1,336	828	2,164	337	220	557	5,665	1 :20
Davao Region	59,772	46,768	106,540	2,108	1,367	3,475	1,292	890	2,182	221	190	411	6,068	1 :18
Soccsksargen	36,555	33,744	70,299	1,220	1,064	2,284	829	496	1,325	157	126	283	3,892	1 :18
National Capital Region	365,676	321,420	687,096	7,352	7,706	15,058	6,973	5,202	12,175	2,073	1,707	3,780	31,013	1 :22
Cordillera Administrative Region	56,491	42,710	99,201	1,530	1,137	2,667	905	523	1,428	242	159	401	4,496	1 :22
Autonomous Region of Muslim Mindanao	26,781	18,339	45,120	470	345	815	204	191	395	26	26	52	1,262	1 :36
Caraga	25,475	21,819	47,294	881	729	1,610	433	272	705	134	62	196	2,511	1 :19
MIMAROPA	27,094	20,198	47,292	902	694	1,596	487	257	744	85	49	134	2,474	1 :19
Grand Total	1,426,138	1,199,247	2,625,385	38,618	33,503	72,121	27,178	18,006	45,184	7,325	5,212	12,537	129,842	1 :20
%	54	46	100	30	26	56	21	14	35	6	4	10	100	

Table 4. Discipline wise percentage of enrollment and graduates to total enrollments and graduates, Philippines.

Discipline group	1999		2000		2001		2002		2003		2004		2005	
	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates	Enrollment	Graduates
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	NA
Agricultural, Forestry, Fisheries, Veterinary Medicine	3.31	3.17	3.59	3.48	3.60	3.62	3.85	3.47	3.49	3.70	3.24	3.04	7.47	NA
Architectural and Town Planning	1.02	0.60	0.94	0.64	0.97	0.70	1.02	0.80	1.05	0.65	0.91	0.80	1.21	NA
Business Administration and Related Disciplines	27.88	30.38	26.66	29.80	26.57	29.30	25.97	28.52	25.42	27.48	22.94	23.35	16.13	NA
Education and Teacher Training	17.90	15.49	18.84	17.22	19.29	19.62	17.82	20.21	17.21	19.90	16.57	16.59	22.24	NA
Engineering and Technology	15.09	12.57	15.14	12.70	15.19	12.39	15.30	12.73	14.62	13.70	14.70	11.70	17.88	NA
Fine and Applied Arts	0.43	0.41	0.41	0.44	0.42	0.36	0.36	0.38	0.42	0.39	0.45	0.38	0.49	NA
General Sciences	2.44	2.38	2.35	1.70	2.81	1.44	1.77	0.86	1.48	0.91	1.70	0.83	1.65	NA
Home Economics	0.31	0.26	0.32	0.23	0.41	0.26	0.26	0.28	0.24	0.31	0.23	0.25	0.56	NA
Humanities	0.95	1.07	0.90	1.13	0.89	1.16	1.20	1.27	1.20	1.29	1.17	1.08	1.31	NA
IT Related Discipline ¹												7.76	7.26	NA
Law and Jurisprudence	0.82	0.53	0.85	0.61	0.83	0.61	0.80	0.64	0.80	0.65	0.76	0.62	0.31	NA
Maritime Education ²												2.88	0.72	NA
Mass Communication and Documentation	1.06	1.17	1.91	1.35	0.89	1.41	1.24	1.49	1.40	1.28	1.15	1.09	0.99	NA
Mathematics and Computer Science	9.72	8.97	9.31	9.70	9.87	9.09	10.63	9.73	11.18	9.02	10.82	8.17	8.27	NA
Medical and Allied Disciplines	6.84	10.23	6.35	8.57	5.83	7.51	6.65	6.90	9.07	8.27	13.23	9.63	4.06	NA
Natural Science	1.14	1.19	1.22	1.22	1.20	1.31	1.23	1.29	1.17	1.20	1.08	0.97	1.79	NA
Religion and Theology	0.46	0.29	0.46	0.41	0.39	0.29	0.32	0.33	0.31	0.30	0.30	0.33		NA
Service Trades	0.55	0.71	0.56	0.68	0.60	0.64	0.63	0.69	0.65	0.65	0.71	0.56	0.30	NA
Social and Behavioral Science	2.77	3.12	2.62	3.50	2.59	3.68	3.25	3.67	3.04	3.82	3.07	3.07	3.24	NA
Trade, Craft and Industrial	0.04	0.03	0.03	0.11	0.04	0.20	0.19	0.25	0.13	0.10	0.06	0.83	1.59	NA
Other Disciplines	7.26	7.42	7.55	6.51	7.62	6.39	7.51	6.48	7.12	6.39	6.91	6.07	2.53	NA

NA = Not available.

unchanged for period of nearly three decades. Labour force participation as low as 59.6% in 1980 and as high as 66.7% in 2004 has been

recorded with a range of only about 7% over thirty years (Table 7). Such unchanged trend of labour force indicates the supply of labour force at the

same time alarming for better areas of demand of employment. Always, it is good to have more than 60% labour

Table 5. Employment distribution among three sectors of Philippines.

Category	2007	Percentage of share	2008	Percentage of share	2009	Percentage of share
Agriculture	11,785	35.12	12,030	35.29	12,043	34.35
Industry	5,121	15.26	5,048	14.81	5,090	14.52
Services	16,654	49.62	17,011	49.90	17,928	51.13
Total	33,560	100.00	34,089	100.00	35,061	100.00

¹Details may not add up to respective totals due to rounding. ²Based on past week reference period. ³Industry classification is based on the 1994 Philippine Standard Industrial Classification. ⁴Starting with January 2007 LFS round, the population projections based on the 2000 census of population was adopted to generate the labour force statistics per NSCB Resolution No.1, Series of 2005. ^ppreliminary. Source: Current Labour Statistics, 2010, Bureau of Labour and Employment Statistics, DOLE, Manila, Philippines.

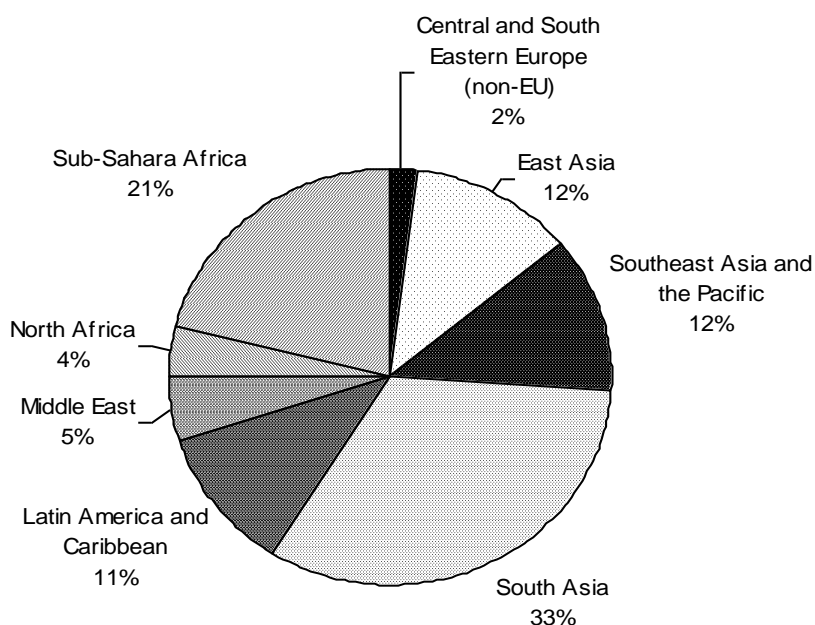


Figure 1. Labour employment creation in 2008*. 2008* preliminary estimates. Source: ILO, Trends Econometric Models, December 2008, see also source of Table 1A, quoted in ILO, 2009.

force actively engaged in the economic activity of the nation. Unfortunately, the data is not available on the status and average wage of the work force. In fact, the average salary is a measure of standard of living, purchasing capacity and the quality of labour force.

Two dimensional planning measures are required to improve the quality of labour force as well as creating better employment opportunities for the existing labour apart from navigating for new areas of employment for the unemployed youth.

Education system

Privatization of education

The success of education and the quality with greater competence has always been around the management of

the educational institutions, in general. This is universally proved across the developed, developing and under-developed economies. The data for 50 years from 1955 to 2005 clearly indicates how the education sector has been dominated by the private sector. For instance, in 1960, the private sector owned 90% of higher education institution into their credit (Table 8). Since then, the ratio of private and public educational institutions have not been changed until 2005 and it may continue in the future.

Tertiary education to refurbish

Producing high quality of human resources may be a herculean task than quantity on the other hand, more skilled rather than qualified on record. Just to see the small change in the education system, it requires a lot of

Table 6. Unemployed persons 15 years and over and unemployment rate in Philippines.

Year	Unemployed persons >15 years (in 000)	Unemployment rate	Year	Unemployed persons >15 years (in 000)	Unemployment rate
1980	1368	7.9	1995 ²	2704	9.5
1981	1606	8.8	1996	2546	8.6
1982	1742	9.4	1997	2537	8.8
1983	2064	10.4	1998	3043	10.3
1984	2124	10.4	1999	3017	9.8
1985	2608	12.6	2000	3459	11.2
1986	2526	11.8	2001	3653	11.1
1987	2523	11.2	2002	3874	11.4
1988	2244	9.6	2003	3936	11.4
1989	2212	9.2	2004	4249	11.8
1990	2023	8.4	2005	a	a
1991 ¹	2716	10.6	2006	2824	7.9
1992	2594	9.9	2007	2653	7.7
1993	2497	9.3	2008	2716	7.4
1994	2622	9.5	2009 ^p	2831	7.5

¹Details may not add up to totals due to rounding off, in which case, averages and rates were computed based on - ²Data from 1986 to 1996 were adjusted based on the 1980 Census-based population projections, while data from 1997 onwards. ³Cannot be computed due to the adoption of the revised unemployment definition starting from April 2005. ^pJuly and October figures are preliminary.

Table 7. Household population 15 years and over, labor force and labor force participation rate in Philippines: 1980 to 2007.

Year	Household population >15 years (in 000)	Labor force (in 000)	Labor force participation rate (%)	Year	Household population >15 years (in 000)	Labor force (in 000)	Labor force participation rate (%)
1980	28,967	17,268	59.6	1995 ²	43,156	28,380	65.8
1981	29,501	18,202	61.7	1996	44,599	29,733	66.7
1982	30,414	18,551	61.0	1997	43,704	28,902	66.1
1983	31,278	19,855	63.5	1998	44,995	29,674	65.9
1984	32,261	20,416	63.3	1999	46,321	30,759	66.4
1985	32,889	20,743	63.1	2000	47,640	30,911	64.9
1986	33,469	21,362	63.8	2001	48,929	32,809	67.1
1987	34,462	22,563	65.5	2002	50,344	33,936	67.4
1988	35,478	23,449	66.1	2003	51,793	34,571	66.7
1989	36,520	24,120	66.0	2004	53,144	35,862	67.5
1990	37,636	24,244	64.4	2005	54,388	a	a
1991 ¹	38,599	25,631	66.4	2006 ^r	55,230	35,464	64.2
1992	39,831	26,290	66.0	2007	56,565	36,213	64.0
1993	41,004	6,879	65.6	2008	57,848	36,805	63.6
1994	42,213	27,654	65.5	2009 ^p	59,237	37,892	64.0

¹Details may not add up to totals due to rounding off, in which case, averages and rates were computed based on rounded figures. ²For more information about the changes on the survey that may have affected the estimates, please refer to the Explanatory Notes on the Labor Force Survey (LFS) in the footnotes. ³Cannot be computed due to the adoption of the revised unemployment definition starting from April 2005. ^rRevised. ^pJuly and October figures are preliminary. Source: Year Book of Labour Statistics (2008); Current Labour Statistics (2010); Bureau of Labour and Employment Statistics, DELE, Manila, Philippines.

commitment and political courage to introduce innovative models of education, specifically to a democratic country like the Philippines. Irrespective of the political mileage, it is very much necessary to come over the impediments in

the process of creating human capital, which is supposed to be the investment of the developing countries in the 21st Century.

No doubt that the Philippines is one of the countries in

Table 8. Higher Education Institutions by Sector: 1954/1955 to 2004/2005.

Year	Total	Public	Private	Year	Total	Public	Private	Year	Total	Public	Private
1955	16	16	*	1972	591	37	554	1989	1,675	424	1,251
1956	29	29	*	1973	613	44	569	1990	*	*	*
1957	32	32	*	1974	628	44	584	1991	811	174	637
1958	38	38	*	1975	646	85	561	1992	809	173	636
1959	38	38	*	1976	754	126	628	1993	807	171	636
1960	408	42	366	1977	817	168	649	1994	973	206	767
1961	393	54	339	1978	938	229	709	1995	1,185	235	950
1962	401	46	355	1979	947	333	614	1996	1,287	268	1,019
1963	410	21	389	1980	997	290	707	1997	1,316	271	1,045
1964	505	71	434	1981	1,016	294	722	1998	1,374	260	1,114
1965	501	38	463	1982	1,038	316	722	1999	1,382	264	1,118
1966	527	87	440	1983	1,063	324	739	2000	1,404	232	1,172
1967	669	111	558	1984	1,157	319	838	2001	1,380	166	1,214
1968	715	47	668	1985	1,175	359	816	2002	1,428	170	1,258
1969	705	110	595	1986	1,078	293	785	2003	1,489	173	1,316
1970	689	94	595	1987	1,169	351	818	2004	1,540	175	1,365
1971	634	37	597	1988	1,606	428	1,178	2005	1,619	176	1,443

*No available data.

Source: NEDA, Philippine Statistical Yearbook, 1989 (from AY1954-1955 to AY1988 - 1989) CHED-OPPRI-MISD (from AY1990-1991 AY2004-2005).

Asia which has been identified with hardship and commitment of its huge fleet of work force across the world. Much of the spectrum of the work force has been identified with the limited fields like medical (nursing) and teaching. This is the high time for the Filipinos to be identified with fields of expertise that has been creating huge demand for employment at global as well as domestic levels. With this backdrop, an attempt is made here to look into the pitfalls of the current education system and to forward few suitable recommendations which may be helpful in reforming the higher education at large.

The basic foundation for the tertiary education comes from the school education. The pattern of 6+4 years of school education is well accepted. The fundamental problem lies with the specialization 'science school' or 'arts school' at school level. Here, the student is not only missing the fundamentals of general subjects, but many issues of the society. Moreover, 12 years of age is not a standard measure to specialized in a particular subject. The next issue is the entry into the bachelors' degree, immediately after completion of schooling a student seeking admission into a specialized degree through a common entrance test (general aptitude). This is an important juncture for any student to select their profession, where he/she wants to continue. It is not only a matter of the choice of the student but the caliber in the respective subject where the student is seeking admission and it should also be checked. Therefore, there is a need to introduce a specialized course after the school education with certain nomenclature, in India it is

called as 'Intermediate'. At this level, students will be divided into four major groups: physical sciences, biological sciences, commerce and arts (in some cases physical and biological sciences may be clubbed together). This course may give an opportunity to establish a strong foundation in the selected and specialized course within two years of duration. After the foundation course of specialization, the student should take an entrance examination of their own specialization. No student should be allowed to take admission other than their specialization. Here, the student may be comfortable with the subject from the beginning of the bachelors' course, not like a student coming directly after school education. After such a strong foundation of two years, bachelors' degree need not be of four years duration but can be reduced to three years; finally, a student is spending only one additional year to complete the bachelors' degree.

At graduation level, the examination should be held on yearly or semester basis, once a student fails in a particular year or semester he/she should not be promoted to the next year or semester. As against this scenario, currently, students are completing their graduation and unable to take their board examination out of many attempts. Eventually, after wasting money and time for four years, the student will know that he is unfit for this profession. It is just because the student has been denied to be declared as license holder of a specific profession. If the student has been assessed at semester or yearly basis, he/she can change his profession or course according to his caliber and can also avoid wasting

valuable time and money. Privatization of education is the most welcoming development in the present context. Nearly, 90% of all types of education is in the hands of private institutions. Such institutions are authorized to issue the certificates of their choice of examination. This decision is indirectly affecting the quality of education. Not just to criticize, but the universally accepted truth, is that private institutions aimed at commercialization of education rather than service oriented. Once the certification is also in their hands, it is to be strongly susceptible for all sorts of unwanted methods of passing the student (it may not necessarily be 100%, but the majority). Therefore, centralized examination and certification system should be introduced to see that many efforts are being made in training the students of their respective institutions and courses. This system of examination and certification develops some sort of competition between private institutions, some time, even between private and public institutions in training the students.

Institutionalization and decentralization of tertiary education is another important part of the reforms. Currently, the total higher education has been under the control of universities, discipline based categorization of education and establishment of certain councils/universities to cater for the needs of a specific discipline. For instance, the entire technical and engineering education should come under a technical university or a council for technical education at national level, likewise medicine, agriculture, veterinary, etc. Such institutions may look after the needs, such as, curriculum design, examination pattern, supervision of exams, results publication, etc. These types of administrative arrangements certainly help in promoting quality education to compete at the global level.

These few general obstacles have been noticed through literature, government records and interviews with the administrators, academicians and teachers of different institutions of the Philippines. It is interesting to note that 100% of the interviewers are accepting that the present system of education is not good for maintaining quality of education. At the same time, 100% are also unanimously agreeing that drastic reforms in the education system may not be possible, just because of the unhappiness from the student community in certain cases from parents too. Yes, every one should agree in this respect, but efforts must be made on trial basis and slowly over a period of time in a convincing manner and transparent rationale.

India and the Philippines

India has ultimately overcome the trauma of the Cold-War initiated in 1990, its Look East Policy (LEP) and has been moving closer to the ASEAN and further to the East Asia Summit (EAS). Though, there are many issues that are unanswered between India, ASEAN and EAS, but the

spirit of the LEP has been largely accepted across the countries of Asia-Pacific region. Of course, the LEP was launched fifteen years back and it started getting yields only in the last couple of years. Specifically, the relationships between India and the Philippines were identified only after the Cebu declaration in 2007. It is also evidently marked with the high level visits: Indian President APJ Abdul Kalam's visit to Manila and in the same year, the Philippines' President visited India.

The Philippines President has visited India exactly after a decade of former President Fidel Ramos who visited in 1997. President, Gloria Macapagal Arroyo in her visit to India, sought to revive the Philippines' ancient ties with India even as she called on the two countries' leaders to "move the integration of our economies forward" she further reaffirmed her intention in brief remarks to reporters following her arrival that "India has played a very important influence on the culture of the Philippines way back before the Spanish colonized us, and we want to revive our cultural ties," (Michael, 2007). This statement clearly indicates that the bilateral relationships between India and the Philippines were truncated and need to explore the possibilities of new dimensions of cooperation. Certainly, information and communication technology (ICT) will emerge as one of the major areas of cooperation because of India's potentialities in this area is very much requiring to the Philippines.

There is a general opinion that India-ASEAN cooperation could be one of the most instruments in reducing the gap between the member countries. This attempt paves a way for India, in diversifying its software export markets on one hand and facilitates reviving its lagging hardware sector. Irrespective of the size or location of nation or a region, ICT plays a greater role in promoting the economic infrastructure, firms and business organizations⁴. This scenario is further triggered due to the ongoing globalization and reduces transport, communication and distribution establishments (Guha, 2003).

India and the Philippines have signed four agreements covering the most conventional areas of biotechnology, tourism and pharmaceutical. Unfortunately, the most viable area of cooperation, that is, ICT did not surfaced. India and the Philippines have been largely contribution to their bilateral trade. The structural form of bilateral trade has been clearly given by Vibhansu (2007), Research Fellow, IPCS, as quoted that "India's total trade with the Philippines stood at US\$730 million in 2006 with total Indian exports at US\$490 million and imports of US\$235 million. The major items of Indian exports to the Philippines are iron and steel manufactures and tools, frozen buffalo meat, rice and wheat, electrical machinery, pharmaceutical products and transport equipment. India's main items of import from the Philippines are

⁴ See for more details: Joseph, K.J., and Govindan Parayil, 2004, *India-ASEAN Cooperation in Information and Communication Technologies: Issues and Prospects*, RIS DP No. 70

semiconductors, inorganic chemicals, newsprint, auto parts and minerals. Despite the large size of their economies and immense potential in bilateral trade and investment, trade relations have remained marginal, which can be attributed to the lack of knowledge of opportunities among the investors, the competitive nature of the Indian and Philippine economies and the growing infamy of the Indian moneylenders in and around Manila and who are known as 'Bombay 5 to 6.' Both countries have been competing against each other in sectors, such as business process outsourcing (BPO), medical care, agro-products and private businesses interaction has not improved given the prevailing antipathy against migrant Indians in the Philippines."

Business process outsourcing (BPO)

In recent years, the Philippines offshore services industry has expanded greatly. In particular, BPO services like call centers, medical transcription, software development, etc., have thrived. Companies like AOL, Citibank, and Barnes & Noble have built large service centers in the country. According to the Commission on Information and Communications Technology, about 250,000 Filipinos were employed in such fields in 2006, an increase of 63% over 2005. By 2010, the total number employed is predicted to grow to over 1 million. This sector has helped drive the country's current economic growth.

However, HR managers can still have trouble in recruiting qualified personnel for BPO operations. The official languages of the Philippines are Tagalog and English. English is one of the national languages and about 42 million people, half the population, speak it. However, English is spoken almost always as a second language, and actual ability varies. The current report shows that call centers and similar businesses have to filter out most job applicants due to insufficient English skills. Business chambers have called for greater language education and training to counter this problem.

In addition, the Philippines also had problems this year (2011) with wage levels. Although, absolute wages are not increasing excessively, its currency (the peso) has appreciated significantly over the last several months. Partly because of this, the country dropped from 4th to 8th in A.T. Kearney's ranking of BPO locations in 2007 (Ames and Rachel, 2007).

ACKNOWLEDGEMENTS

The author acknowledges Professor Y. Yagama Reddy, Director, CSEAP Studies, India; Dr. Czarina Saloma-Akpedonu, Director, IPC; Dr. Ma Elizabeth J. Macapagal, Associate Director, IPC; Professor Aileen Baviera, former Dean, Asian Centre; Professor Mario I. Miclat, Dean, Asian Centre and Mrs. Luisa Tambangan for their academic and administrative support. The author is

immensely grateful to the Centre for Southeast Asian and Pacific Studies, Sri Venkateswara University, Tirupati, India for its financial support; Institute of Philippine Culture (IPC), Ateneo De Manila University, Manila for giving him an opportunity to serve as a 'Visiting Research Associate'; Asian Centre, University of the Philippines for its library support; Department of Labour and Employment (DOLE), Manila and Commission on Higher Education (CHED), Manila for providing data for this research work.

REFERENCES

- Ames G Rachel W (2005). Philippines Human Resources Update Internal Publication by the *Pacific Bridge, Inc.*, <http://www.pacificbridge.com/publication.asp?id=12>, accessed on 13 March, 2010.
- Ames G, Rachel W (2007). Philippines Human Resources Update Internal Publication by the *Pacific Bridge, Inc.*, <http://www.pacificbridge.com/publication.asp?id=103>, <http://www.pacificbridge.com/publications/2007-philippines-hr-update/>. Accessed on 13 March, 2010.
- Angelique C (2001). Singapore's Changing Structure and the Policy Implications for Financial Security, Employment, Living Arrangements and Health Care, Asian Meta Centre, National University of Singapore, Research Papers Series, 3: 1-26.
- Current Labour Statistics (2010). Bureau of Labour and Employment Statistics, DOLE, Manila, Philippines.
- Educnews (2009). Newsletter of the Department of Education, Philippines, 3(10): 1-30.
- Guha B (2003). Deconstructing the Bust that Followed the Boom. *Economic and Political Weekly*, quoted in Joseph, K.J., and Govindan Parayil, 2004, pp. 2368-2371.
- Herrin AN (2003). Lack of Consensus Characterizes Philippine Population Policy. Policy Notes No. 2003-03, Philippine Institute for Development Studies, Manila. pp. 1-26.
- ILO (2009). Global Employment Trends, International Labour Organization, January 2010, pp. 1-82.
- LABSTAT (2009). Department of Labour and Employment, Manila, the Philippines, p. 128.
- LABSTAT (2010). Department of Labour and Employment, Manila, the Philippines, 14: 1.
- Michael LU (2007). Arroyo Cites Ancient Philippines-India ties, <http://www.southeastasianarchaeology.com/2007/10/09/philippines-and-india-politics-and-ancient-history/>.
- National Statistics Office (1997). Philippine Yearbook and 2007 Census of Population and Housing.
- NEDA, Philippine Statistical Yearbook (1989). (from AY1954-1955 to AY1988 - 1989) CHED-OPPRI-MISD (from AY1990-1991 AY2004-2005).
- Socorro G, Peter X (2004). Age-structure and Urban Migration of Youth in the Philippines, paper presented at the CICRED Seminar on Age-structural Transitions: Demographic Bonuses, But Emerging Challenges for Population and Sustainable Development, Paris. pp. 202-225.
- Vibhansu S (2007). India-Philippines Relations: An Overview, Institute of Peace and Conflict Studies, New Delhi, Special Report, 43: 1-6.
- Xenos P, Kabamalan M (2002). A Comparative History of Age-structure and Social Transitions Among Asian Youth. Population Series, No. 110, East-West Center Working Papers. pp. 1-42.
- Year Book of Labour Statistics (2008). Bureau of Labour and Employment Statistics, DOLE, Manila, Philippines.