

Investment in Technical Vocational Education and Training (TVET) in the Philippines

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List of abbreviations

ADB	Asian Development Bank
ATI	Agricultural Training Institutes
BTVE	Bureau of Technical and Vocational Education
CEMMT	Centers for Modern Manufacturing Technology
CHED	Commission on Higher Education
CITC	Cottage Industry Technology Center
CMDF	Construction Manpower Development Foundation
DECS	Department of Education, Culture and Sports
DepED	Department of Education
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
DTS	Dual Training System
EDCOM	Congressional Commission on Education
EDET	Expansion of Dual Education and Training
FIES	Family Income and Expenditures Survey
GDP	Gross Domestic Product
GNP	Gross National Product
HEIs	Higher Education Institutions
IIEP	International Institute for Educational Planning
LFS	Labor Force Survey
LGUs	Local Government Units
MIRDC	Metal Industries Research and Development Center
MOOE	Maintenance and Other Operating Expenses
NCEE	National College Entrance Examination
NEXA	National Education Expenditures Accounts
NGOs	Non-Government Organizations
NMP	National Maritime Polytechnic
NMYC	National Manpower and Youth Council
NSCB	National Statistical Coordination Board
NSO	National Statistics Office
NTRC	National Tax Research Center
OA	Office of Apprenticeship
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OFWs	Overseas Filipino Workers

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OJT	On-the-Job Training
OSY	Out-of-School Youth
PAQTVET	Philippines-Australia Quality TVET
PESFA	Private Education Student Financial Assistance
PISCED	Philippine Standard of Classification of Education
POEA	Philippine Overseas Employment Administration
PTC	Provincial Training Centers
PTRI	Philippine Textile Research Institute
PTTC	Philippine Trade Training Center
RTC	Regional Training Centers
SEC	Securities and Exchange Commission
SUCs	State Universities and Colleges
TAPI	Technology Application and Promotion Institute
TAS	TESDA-Administered Schools
TESDA	Technical Education and Skills Development Authority
TESDP	Technical Education and Skills Development Project
TOCQS	TESDA Occupation Certification and Qualification System
UNESCO	United Nations Educational, Scientific and Cultural Organization
UTPRAS	Unified TVET Programme Registration and Accreditation System
VTP	Vocational Training Project
WB	World Bank

Glossary

APPRENTICE

A person undergoing training for an approved apprenticeable occupation during an established period covered by an apprenticeship agreement

APPRENTICESHIP

Training within employment with compulsory related theoretical instructions involving a contract between an apprentice and an employer on an approved apprenticeable occupation

BATCH

A group of trainees that participates in a training course

CBTED

Community-Based Training for Enterprise Development

COMMUNITY-BASED TRAINING (CBT)

Refers to a training programme that is specifically designed to answer the needs for skills training for a community (location or sector) for the purpose of creating self-employment or incomes. The target groups of CBT are the poor and underprivileged individuals (out of school youth or OSY, unemployed adults, etc.), marginalized sectors (subsistence farm workers, fish folk, etc.), economic groups (informal sector) in a community (barangay or clusters of barangays)

DUAL TRAINING SYSTEM (DTS)

An instructional delivery system of technical and vocational education and training that combines in-plant and in-school training based on a training plan collaboratively designed and implemented by an accredited dual system educational institution/training center and accredited dual system agricultural, industrial, medical and business establishments

DUALIZED TRAINING PROGRAMME

A transitory phased implementation modality of dual training system or DTS. It facilitates and leads the partnership arrangements between school and the workplace into an DTS modality (as prescribed by the Republic Act 7686 or DTS Law) over time.

ENTERPRISE-BASED TRAINING

Refers to a programme of learning whether on-the-job in enterprise or in the workplace

EXTENSION PROGRAMME/PROJECT

An intervention focused on training and other related support services to people needing assistance, with the primary of building their capabilities for gainful and productive economic activities

FORMAL EDUCATION

The systematic and deliberate process of hierarchically – structure and sequence learning

corresponding to the general concept of elementary, secondary and tertiary-level schooling. At the end of each level, the learner is given a certification in order to advance to the next level

GOVERNMENT ASSISTANCE TO STUDENTS AND TEACHERS IN PRIVATE EDUCATION (GASTPE)

A law providing financial assistance to students and teachers in private education

HIGHER EDUCATION INSTITUTION

A legal entity that offers at least one programme leading to a higher education credential

INCOME GENERATING PROJECTS

Consists of entrepreneurial business activities of whatever scale that takes place in or by the learning institutions managed by students and supervised by technical instructors with revolving capital provided by the institution established for the purpose of providing the students the opportunity of learning business acumen and to generate income for the improvement of the institutions

LEARNERSHIP

Means any practical training on a learnable occupation which may or may not be supplemented by a related instruction

LIVELIHOOD PROGRAMME

A socio-economic project that seeks to motivate, prepare and train workers to embark on income-generating and service-oriented activities geared towards promoting self-sufficiency and initiative among the workers

MIDDLE-LEVEL MANPOWER

Those who have acquired practical skills and knowledge through formal and non-formal education and training to at least a secondary education but preferably a post-secondary education with a corresponding degree or diploma or skilled workers who have become highly competent in their trade or craft as attested by industry

NATIONAL CERTIFICATE

A certificate awarded to an individual possessing a set of recognized competencies allotted to defined levels of qualification in the Philippine TVET Qualification Framework

NON-FORMAL EDUCATION

Any organized educational activity outside the established formal system that is intended for specific objectives and to serve identifiable clientele

ON-THE-JOB TRAINING

- Training undertaken in the workplace as part of the productive work of the learner
- The generic term for acquiring work exposure and experience in a particular occupation, profession and job to support in school learning. The popular term is PRACTICUM as applied by most training providers and schools

POST-SECONDARY EDUCATION

All education beyond secondary school level

POST-SECONDARY NON-DEGREE PROGRAMME

The stage of formal education following the secondary level covering non-degree programmes that have varying duration for three (3) months to three (3) years, concerned primarily with developing strong and appropriately trained middle-level skilled manpower possessing capabilities supportive to national development

PRIVATE EDUCATION STUDENT FINANCIAL ASSISTANCE (PESFA)

A financial assistance programme for incoming freshmen enrolled in private schools in priority courses deemed necessary for national development

PRIVATE TVET PROVIDER

A non-government training organization, including commercial providers (providing courses to industry and individuals for profit), community providers (non-profit organizations, funded by government or community sponsors), enterprise providers (companies and other organizations providing training mainly for their own employees), and industry providers (organizations providing training to enterprises across an industry)

PRODUCTION CUM TRAINING PROGRAMMES

Refers to school or center-based market-oriented production activities, which provide opportunities for the acquisition of entrepreneurial skills and competencies

TRAINING PROGRAMME

- An organized set of activities, projects, processes or services, which is directed towards the attainment of similar or related activities. A plan incorporating a set of actions designed to achieve certain outcomes
- A set of training courses designed to achieve vocational outcome

REVENUE GENERATION

Generation of revenue for an institution from the vending of products and services, rentals, part-time or full-time and/or non-formal delivery of training on institutional premises or by institutional personnel outreaching into the community. The process entails a costing system allowing for both direct costs, overhead and a margin for surplus contribution to advance the institution

TECHNICAL EDUCATION

Education process designed at post-secondary and lower tertiary levels officially recognized as non-degree programmes aimed at preparing technicians, para-professionals and other categories of middle-level workers by providing them with a broad range of general education, theoretical, scientific and technological studies, and related job skills training

TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING (TVET)

The education or training process when it involves, in addition to general education, the study of technologies and related sciences and the acquisition of practical skills and knowledge relating to occupations in various sectors of economic and social life

TERTIARY EDUCATION

Formal education beyond secondary education, including higher education, technical and vocational education and training, and other specialized post-secondary education and training

TRADE

Any group of interrelated jobs or any occupation, which is traditionally or officially recognized as craft or artisan in nature requiring specific qualifications that can be acquired through work experience and/or training

TRAINING MODALITY

A distinct system by which training is delivered

TUITION FEES

Money charged by private and public TVET providers on instruction, excluding laboratory fees, medical fees and other fees

TVET STUDENTS

Persons who are participants in a vocational, administrative or technical training programme for the purpose of acquiring and developing job competencies

Source: TESDA.

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Executive summary

It is difficult to obtain a comprehensive measure of the total investment in TVET. One methodology involves measuring TVET expenditures on a macro-level using national accounting principles. This approach has recently been applied in the Philippines through a joint initiative between the Philippines' Technical Education and Skills Development Authority (TESDA) and IIEP-UNESCO.

The first challenge was to address the co-existence of TVET activities and other types and levels of education within the same institution and then to separate the costs for TVET. With the exception of institutions under the management of TESDA, many training providers are implementing various types and levels of education; either it is a secondary school offering TVET courses, a TVET school which has expanded by offering a few higher education courses, or a higher education institution which also offers TVET courses.

The second challenge was to address the diversity in the duration and the modalities of delivery. TVET training can be as short as a few days or weeks or cover a long period of up to three years. Some programmes are more institution-based while others have a strong on-the-job component. To be able to make comparisons between the various categories of institutions, the study had to classify the courses according to their duration, and assess funding and expenditures for the different types of TVET courses.

Another challenge was to determine the costs according to the trade area. It is quite obvious that some courses are more expensive than others, depending on their specialization. For example, some courses require the use of sophisticated apparatus such as expensive computer numerically controlled (CNC) machines, while for others simple traditional sewing machines can suffice. Over one hundred trade areas are listed in the Philippine Standard Classification of Education (PSCED). This study estimates costs for 20 aggregated fields of training.

It was necessary to set up an analytical framework which makes it possible to have a comprehensive vision of TVET. The scope of the sector was organized into a list of activities. Organizations involved in TVET are classified as funding units if they are financing TVET but not delivering TVET activities or as providers if they are delivering TVET activities from resources made available by the funding units. Several classifications were set up, categorizing the scope of TVET activities, providers, funding units and the nature of operations.

Financial data from each institution were translated into these 4 classifications and then projected to the national scale to take into account the exact weight of each category of providers. Supplementary data were added, which are not captured in the survey, such as the cost of TVET administration (mainly from TESDA's budget), Official Development Assistance (which was also reported by TESDA), and budgets of other government agencies dispensing training which were not included in the survey.

Using this methodology, the national expenditure for TVET activities in the Philippines was estimated at Php11.3 billion in 2002, about US\$ 200 million, which is 0.3 per cent of GDP.

The funding is shared between three major economic agents : public administrations (46.5 per cent, including 14 per cent from Local Governments), trainees who pay fees to public or private providers

(29 per cent) and the companies (16 per cent) that pay allowances to trainees under the Dual Training System or that receive trainees under the apprenticeship or learnership schemes.

Courses of one to three years duration form the bulk of TVET expenditure. These long courses are more often offered by private providers and funded through tuition fees. Short courses are more often offered by public providers; 59 per cent of the funding of short courses comes from Local Government Units.

The methodology developed for measuring and aggregating TVET activities and expenditures in the Philippines provides a comprehensive picture of the sector and allows comparisons to be made with the efforts devoted to other levels and types of education. Consistency with national accounting principles facilitates an economic analysis of TVET. Applying this methodology to other countries would lay the ground for international comparisons of investments in TVET.

General introduction

A major concern of governments in recent years has been to ensure an adequate level of investment in skills formation to sustain economic growth and maintain international competitiveness. In this framework, much thought has been given to ways of developing the TVET sector without excessively increasing public sector financial burdens. As a result, efforts to encourage private spending and efficiency in public spending have been pursued in many countries. Yet, it is usually difficult to obtain a comprehensive measure of the total investment in skills formation.

Between 1994 and the Asian crisis, while the Philippines was still enjoying unprecedented economic growth, the government implemented major reforms throughout the education sector, including Technical and Vocational Education and Training (TVET). Substantial ODA investments aimed to modernize TVET. However, when the financial crisis hit the Asian region in the late 1990s, many economies suffered wide scale bankruptcies, and many governments, the Philippines included, accumulated huge budget deficits. To reduce budget deficits governments explored two avenues—first, to increase revenue generation; and second, to find areas where costs could be reduced. The Philippines still has to tackle a large fiscal deficit. In 2003, the deficit was estimated at 4.6 per cent of GDP. This context constitutes a major constraint to government spending on TVET.

A better understanding of cost levels and structures is a prerequisite to increasing cost-effectiveness. In recent years, much progress has been made to better record and assess educational expenditures. As an economic activity, TVET can be measured on a macro-level using national accounting principles. Some countries are now producing national education accounts on a regular basis. Yet in the field of TVET, information on costs and expenditures is generally still limited. The complexity of the sector, due to the wide diversity of providers and types of courses, constitutes an obstacle to financial analysis. The poor level of development of information systems in TVET, compared to general education, often represents an additional problem.

In an effort to better capture and analyze the overall level of expenditures in the TVET sector in the Philippines, the Technical Education and Skills Development Authority (TESDA) in collaboration with the International Institute for Educational Planning (IIEP) conducted a survey among training providers. This study was conducted in 2003 across a sample of 262 institutions covering the various types of TVET providers and the various modalities of delivery. In order to provide an overall picture of the situation on a national scale, the study projected the results elaborated from the sample of providers with the objective of bringing together within a coherent framework the overall expenditures for TVET.

The objectives of the study were:

- To assess the level of public and private expenditure on TVET;
- To analyze the costs of TVET in absolute and relative terms;
- To compare the costs of TVET according to categories of providers, duration of courses, training areas and modes of delivery;
- To measure the funding of TVET and the contribution from public sector, companies, individuals and external development assistance;

- To provide a detailed review and analysis of TVET activities in the country, in both the public and the private sectors;
- To propose a methodology for classifying TVET activities and measuring training expenditures in the Philippines.

However, the study did not aim at assessing the efficiency or relevance of the TVET system. Its purpose was mainly to generate new knowledge on cost and financing, in view of informing policy decisions and guiding further research.

The study is divided into three parts, briefly summarized below:

Part One – TVET in the Philippines gives basic information needed to picture the general situation and conditions prevailing in the country such as population, economy and poverty (*Section 1*), the education system (*Section 2*), and the TVET system (*Section 3*).

Part Two – Organization of the Study provides explanations on some challenges, issues and limitations the study had to address (*Section 4*). The steps taken in developing the questionnaires and implementing the survey are described in *Section 5*. *Section 6* presents the methodology and classifications used for data collection and analysis.

Part Three – Results of the Study presents the main findings through the National TVET Accounts (*Section 7*). It also provides information on the supply of training (*Section 8*) and on the profile of providers (*Section 9*). Data on unit costs offer comparative indicators according to course length, training area and category of provider (*Section 10*). Feedback from training providers (*Section 11*) also presents the TVET providers' opinions on selected aspects of training such as training fees, partnerships with companies and relationships with TESDA. *Section 12* provides some international perspectives and raises issues about the level of expenditures in TVET in the Philippines.

The outcomes of the study provided new financial information to TVET planners and managers in the Philippines. The study report was first presented and discussed at a workshop organized by TESDA in Manila, in July 2004. For TESDA, this study constituted an important input to the TVET financial information system and towards the development of national TVET accounts. This work may also inspire similar initiatives in other countries in South-East Asia and beyond. In this perspective it was also presented at a sub-regional seminar on TVET financing organized by IIEP and the Government of the Lao PDR in April 2005. This publication is meant to further disseminate the outcomes of the study at the international level.

Part I

TVET in the Philippines

1 Population, economy and poverty

The Philippines is an archipelago located in the South East Asian region, sprawling between mainland Asia and Australia. It has a total land area of approximately 300, 000 sq. km. (115,830 sq. miles) and is uniquely known for having 7,107 islands divided into three major island groups, namely: Luzon, Visayas and Mindanao. The capital city is Manila (See country map).

Discovered by Ferdinand Magellan in 1521, the Spanish conquistadors first established its colonial government in Cebu in 1565 and later transferred the seat of government to Manila in 1571. The Philippines gained its independence from Spain after 333 years when Emilio Aguinaldo declared himself the first Philippine president on 12 June 1898. However, the Americans took over when Spain left and stayed for 48 years, finally recognizing Philippine independence shortly after the 2nd World War.

The present democratic government is led by President Gloria Macapagal-Arroyo, the 14th President of the Republic (see: www.gov.ph). The country is administratively divided into 17 regions, 70 provinces, 115 cities, 1,499 municipalities and 41,969 barangays (the smallest political unit which consists of less than 1,000 inhabitants).

The Filipinos (citizens of the Philippines) are basically descendants of the Malay race with a mixture of Chinese, American, Spanish and Arab, which makes the Filipino character a mixture of cultural influences. It is said that the Filipino spirit of kinship and camaraderie (bayanihan) came from their Malay forefathers, the close family relations were inherited from the Chinese, and their piousness from the Spaniards, who introduced Christianity in the 16th century. Filipinos are also known for their hospitality.

The official languages are Filipino and English. Filipino, which is based on Tagalog, is the national language although there eight other major languages, namely: Tagalog, Cebuano, Ilocano, Hiligaynon or Ilonggo, Bicol, Waray, Pampango and Pangasinense. English, on the other hand, is also widely used as a medium of instruction in education and in day-to-day transactions in business and commerce. In fact, the Philippines is considered the third-largest English speaking country in the world, obviously one of the lasting legacies of the brief American occupation.

The population is predominantly Christian; more than 80 per cent are Catholics, which is Spain's lasting legacy. The rest are either Protestants (5.4 per cent), Moslems (4.6 per cent) or members of locally founded churches such as the Philippine Independent Church (2.6 per cent) and Iglesia ni Cristo (2.3 per cent).

The following overview of the nation's population, economic and poverty situation will provide useful information to understand the context of TVET in the Philippines.

1.1 Demographic growth remains a challenge for education

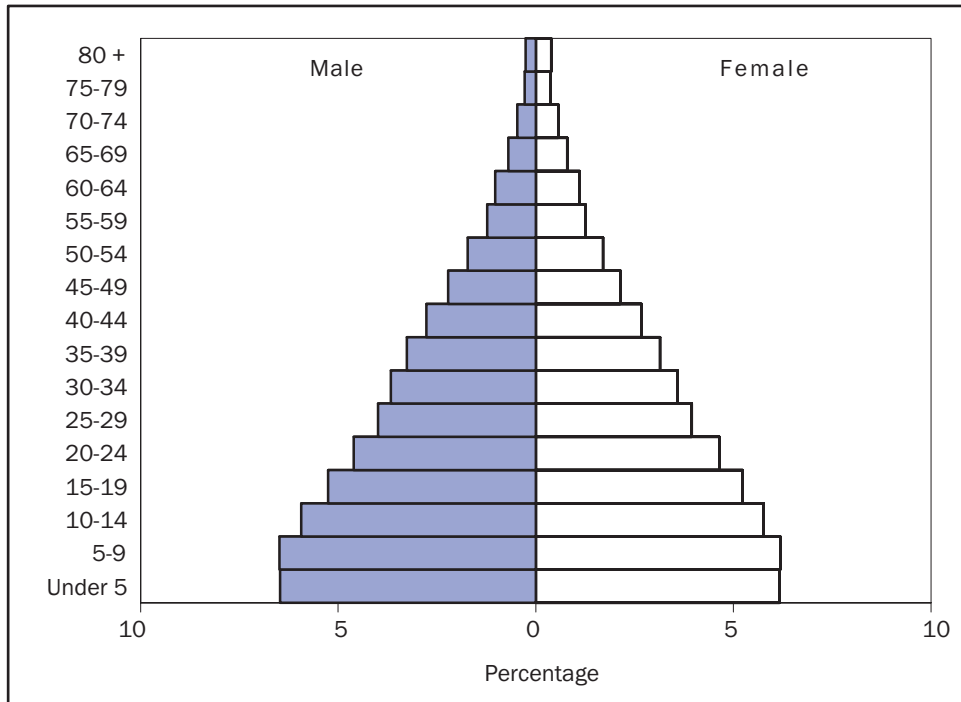
While other countries in South East Asia such as Thailand and Indonesia have reduced their population growth rates to 0.9 and 1.5 per cent, respectively since the early 1990s, the Philippine population growth rate posted a high 2.36 per cent during the period 1995-2000. As of the last census held in 2000, there are already 76.5 million Filipinos, with a large young population – 36 million are under 20 years old, representing 47 per cent of total population. To educational planners, this means that there is a large base of the school-age population that needs to be educated.

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Source: www.lib.utexas.edu/maps/middle_east_and_asia/philippines_admin_93.jpg

Figure 1.1 Population age-sex pyramid, Philippines, 2000



Source: National Statistics Office.

1.2 The service-oriented economy and the expansion of overseas-employment

In 2002, the Philippine economy recorded a growth rate of 4.4 per cent for gross domestic product (GDP). Historically largely agriculture-based, the country sees itself becoming a service-oriented economy (see *Table 1.1* for the historical distribution of employment by sector).

Table 1.1 Percentage of employed persons by major industry group

Sector	1970	1975	1980	1985	1990	1993	1995	1998	2000
Agriculture	53.7	53.5	51.4	49.0	44.9	45.7	44.1	39.9	37.1
Industry	16.5	15.2	15.5	14.2	15.4	15.6	15.6	15.7	16.2
Services	28.2	31.0	33.0	36.8	39.6	38.7	40.2	44.4	46.7

Source: NSO Labor Force Survey, various years in "Human Capital in the Emerging Economy", Congress 2001.

With a high population growth rate, more people are expected to be looking for employment than are needed by the labor market. In 2002, the unemployment rate reached 11.2 per cent. According to the report of the Congressional Commission on Labor (Congress, 2001), the inability of the economy to absorb more workers is due to the lack of coordination of industrial, economic and labor market policies. However, it added that the high unemployment rate reflects high unemployment

rates among youth¹, many of whom are looking for jobs but have little or no academic and skills qualifications.

Figure 1.2 Youth (age 15-30) unemployment rate, 1998-2002

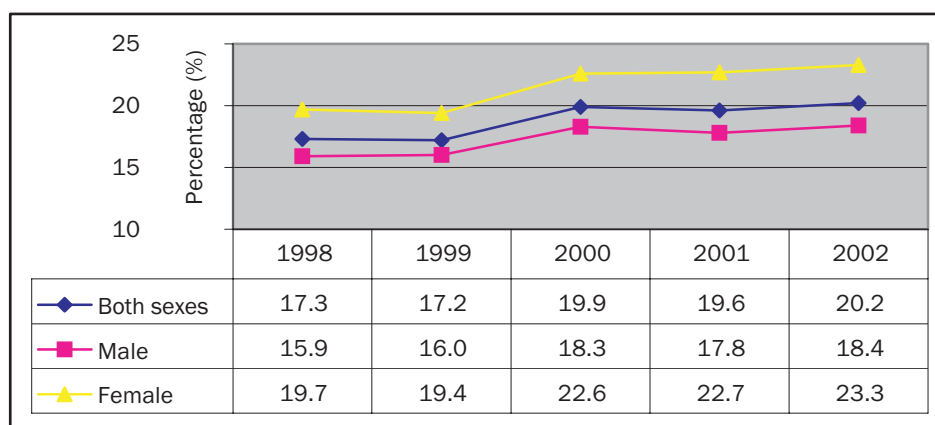


Table 1.2 Youth unemployment rates by highest grade completed

	1998	1999	2000	2001	2002
No Grade	1.1	1.0	1.1	1.2	1.2
Elementary (primary)	15.3	14.3	14.9	13.5	12.7
High School (secondary)					
Did not finish high school	19.2	17.7	17.2	17.4	16.2
Graduate	28.8	29.2	29.0	29.6	30.4
College (higher education)					
Did not finish college	20.9	21.1	20.2	19.9	20.4
Graduate	13.7	15.6	16.2	18.4	19.1
Not reported	0.9	1.1	1.4	--	--

Source: NSO, LFS, PUF in Labstat Updates December 2003, DOLE.

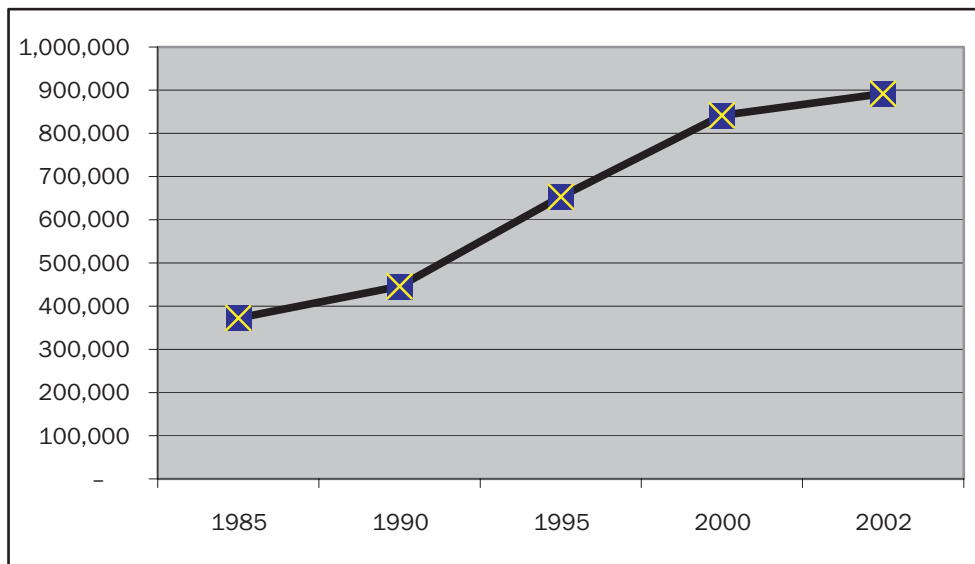
Another important aspect of the Philippine employment situation is that the country is considered to be one of the leading sources of migrant workers in the world (DOLE, October 2003). The Department of Labor and Employment (DOLE) noted that the number of Overseas Filipino Workers or OFWs² has more than doubled since the mid-1980s (see *Figure 1.3*), reaching nearly a million registered OFWs working in almost 200 destinations worldwide (see *Figure 1.4*). While it is easy to conclude that the tendency for overseas employment is due to the high unemployment rate, DOLE

- 1 The term 'youth' in the Philippines covers ages 15-30 as defined in the Republic Act No. 8044, the law creating the National Youth Commission.
- 2 The Department of Labor and Employment defines OFW as "those who work abroad by virtue of an employment contract whose papers were processed by the Philippine Overseas Employment Agency (POEA)" and excludes those undocumented ones or those illegally deployed and those whose contracts have expired but have stayed abroad.

explained that the Philippines has had a long history of sending workers abroad which started in 1900 and continued through the 1930s when mostly unskilled workers went to developed countries such as the United States, Canada and Australia. This was followed by a wave of migration in the 1970s when skilled workers trooped to Middle-East countries and another wave in recent years, with information technology (IT) workers and nurses going to the United States and Europe. The Philippines is also the biggest supplier of sea-based manpower internationally.

Finding employment abroad was clearly facilitated in the past by the communication skills of the Filipinos. Specifically, their ability to speak English clearly was an advantage over other peoples from other countries where English was not widely spoken (i.e. Thailand, Indonesia or China). Today, however, language is no longer considered as a big advantage nor a major factor in overseas employment due to the following reasons: (i) other countries more than doubled their efforts to learn English, thus, catching up with the Philippines; (ii) employer countries now prefer to sub-contract labor to countries where wages are cheaper (i.e. China and India); and (iii) emphasis has now shifted to focus on the skills qualifications possessed by individuals.

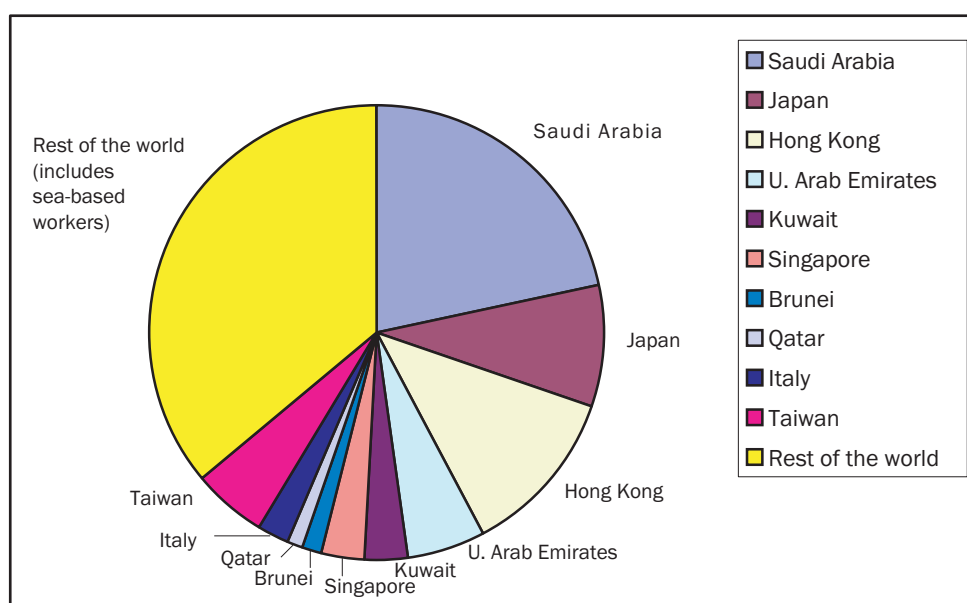
Figure 1.3 Number of OFWs, 1985-2002



The impact of these developments on the Philippines and to those who would be OFWs is clearly illustrated in the maritime sector. The World Maritime Organization amended the Standard Training, Certification and Watch keeping (STCW) of 1995, which now requires individuals to obtain a government skills certification, a means to ensure quality and competitiveness of Filipinos wanting to work internationally. Other sectors are also going in the same direction, including the fields of nursing, teaching and information/communication technology.

There are many implications for the training sector. However, the government is focused on addressing three immediate concerns, namely: (a) updating training content/curricula to achieve international competitiveness; (b) developing a skills assessment and certification system that is credible and effective; and (c) re-training displaced OFWs in areas where there are emerging demands for employment, both domestic and international.

Figure 1.4 Top 10 destinations of overseas Filipino workers



Source: Philippine Overseas Employment Administration (POEA) in Labstat October 2003, DOLE.

1.3 Increasing poverty

Poverty in the Philippines is still a big problem. In fact, the incidence of poverty worsened from 33 per cent in 1997 to 34 per cent in 2000, which means that 26 million Filipinos had an annual income of less than Php11,620 (US\$211). In order to alleviate their poverty, their income needs to increase by 29.6 per cent, which is also called the income gap. One difficulty lies in the fact that family expenditures grew faster than family incomes (see Table 1.3). Improving the poverty situation in the Philippines of course depends on many factors such as slowing down the population expansion, accelerating economic growth and reducing inequalities.

In this context TVET also contributes to poverty reduction by providing the poor with skills that can help them find employment or improve their self-employment conditions and reduce their vulnerability to labor market shocks.

Table 1.3 Total family income and expenditures 1997 and 2000, at current prices

Item	1997 (thousand)	2000 (thousand)	1997-2000 % Increase
Total income	1,748,060,769	2,199,431,875	25.8
Total expenditures	1,412,677,414	1,801,846,426	27.6

Source: National Statistics Office.

2 The education system

2.1 The reforms of the 1990s

The present Philippine education system is a result of a major reform initiative that took place in the mid-1990s initiated by the Congressional Commission on Education (EDCOM). The reform involved a wide range of recommendations touching almost all aspects of education (i.e. teachers, curriculum, textbooks, etc.) but its most recognizable output was the policy on the ‘trifocalization’ of the management of education in the Philippines. EDCOM found that the former education ministry (Department of Education, Culture and Sports or DECS) was saddled with too many responsibilities, often focusing on delivering basic education and overlooking the development of higher education and TVET. This led the reformers to create two additional education agencies, namely the Commission on Higher Education (CHED) and the Technical Education and Skills Development Authority (TESDA). The former education ministry was renamed the Department of Education (DepEd). Though the structure basically remained the same, the management of Philippine education is now shared between three agencies.

2.2 Structure of education

Compulsory basic education in the Philippines, which is six years of primary education and four years of secondary education, is believed to be one of the shortest in the world. Pre-primary is optional in public schools, although it is quite often obligatory in many private schools. Despite the short duration of basic education, the system still suffers huge losses with large number of students dropping out of school. For every 100 students entering Grade 1 (primary), 44 will not finish Grade 6. The remaining 66 proceed to secondary education but only 48 will successfully finish and get their diploma. If this trend is not corrected, there will be (if there is not already) an alarmingly large number of out-of-school youth (OSY), with no skills qualifications at all. A secondary graduate can choose between TVET and higher education. However, almost everybody aims to get a university (higher education) diploma as reflected in the enrolment trends. For every 100 students pursuing post-basic education, 85 are in higher education, and only 15 are in TVET, in spite of the fact that TVET completion normally takes one to three years, compared to at least four years needed to complete higher education.

While public schools enroll the vast majority of children at the primary level, the share of private provision is higher for secondary education. In TVET and higher education most students are enrolled in private institutions. The size of the TVET sector is very small compared to higher education (see *Figures 2.2 and 2.3*).

Figure 2.1 Structure and management of Philippine education

Age	Level		
19	4th year	HIGHER EDUCATION managed by CHED	TVET managed by TESDA
18	3rd year		
17	2nd year		
16	1st year		
15	4th year	BASIC EDUCATION managed by DepEd	Secondary education
14	3rd year		
13	2nd year		
12	1st year		
11	Grade 6	Primary education	(optional in public schools)
10	Grade 5		
9	Grade 4		
8	Grade 3		
7	Grade 2		
6	Grade 1		
5	Pre-school	(optional in public schools)	
4	Pre-school		

Figure 2.2 Public-private enrolment in primary and secondary education

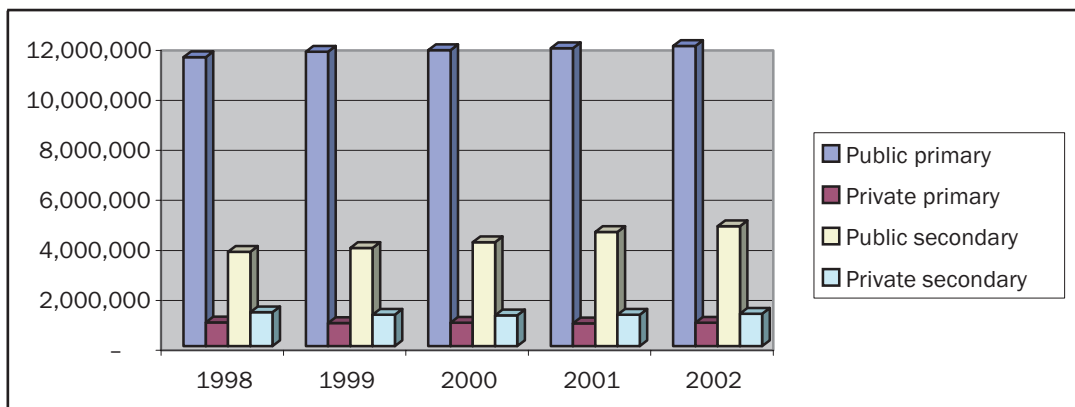
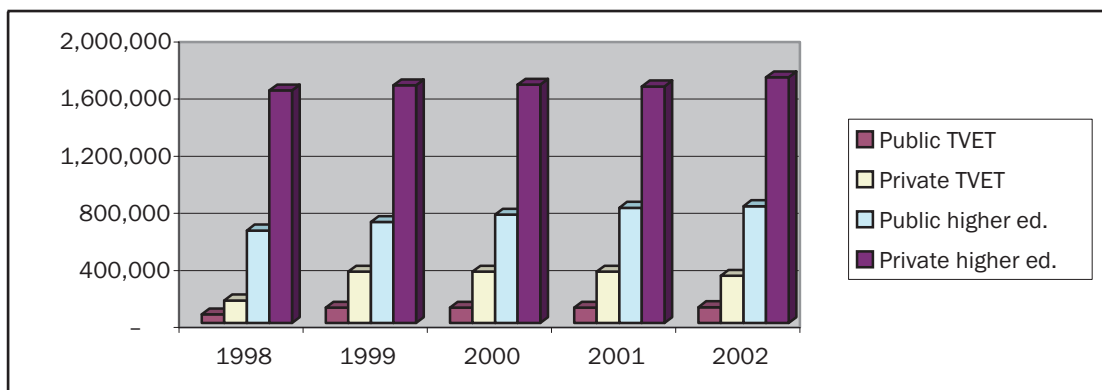


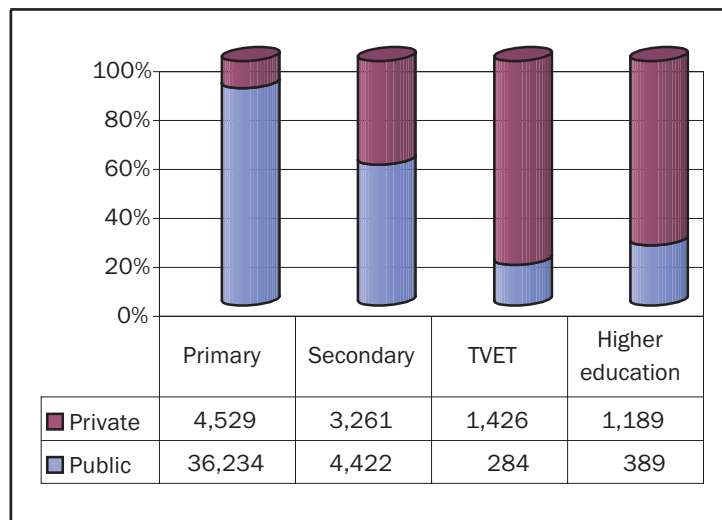
Figure 2.3 Public-private enrolment in TVET and higher education



2.3 Strong private sector participation in education

Another distinct characteristic of Philippine education is the high level of private sector participation. Whether or not education should be left in the hands of the private sector is heavily debated in many countries. However, the Philippines has enjoyed a long history of strong private sector involvement in both the financing and provision of education, in particular TVET and higher education. As a result, TVET and higher education are sustained with relatively little help or financial assistance from the government.

Figure 2.4 Number of schools in the Philippines



Note: Institution-based TVET providers only.

2.4 Education financing

For many years, the data available on education financing mostly reflected public sector expenditures. Only 'guesstimates' were available for the private sector's contribution, demonstrating the difficulty of collecting data from private sources. This issue was later addressed when the "National Education Expenditure Accounts (NEXA)" was released in 2002, although it only covered the period from 1991-1998. Below is a summary of these findings.

Box 1. NEXA findings

- Education expenditures expand relative to GNP

The country's total expenses on education escalated consistently throughout the period 1991-1998. From Php81.1 billion in 1991, education expenditures increased threefold to reach Php243.2 billion in 1998, thereby registering an average growth rate of 17.1 per cent. With this rise in education spending, its share of GNP also rose from 6.5 per cent in 1991 to 8.6 per cent in 1998.

- Government and households share the burden for education

The financial burden for providing education to the populace is shared by the government and the household sector, with 48.1 per cent and 45.8 per cent in 1998, respectively. The four other sectors – financial corporations, non-financial corporations, non-profit institutions serving households, and the rest of the world – together accounted for the remaining 6.1 per cent.

- Pre-need corporations¹ fail to make a dent in education financing

Measured in absolute amounts, the participation of the private demand and insurance industry in education financing has been building, from education expenditures of Php 348 million in 1991 to Php3.4 billion in 1998. Nonetheless, its share in the total education expenditures has remained low (0.4 per cent in 1991, only increasing by one percentage point until 1998).

- Basic education gets the lion's share of the country's education funds

As expected, basic education received the biggest share in education funds. It accounted for over half (54.1 per cent) of total education expenditures in 1991 and more than two-thirds (70.9 per cent) in 1998.

- Government spending on education ranks among the top in Asia

In terms of government education expenditures as a proportion to GNP, the Philippines ranked third among its Asian counterparts, with only three countries recording higher ratios than its 4.0 per cent in 1997. Gauged as a proportion of total government expenditures, the education expenditures of the Philippine government placed the country above its Asian neighbors with 20.6 per cent in 1997, beaten only by Singapore with 23.3 per cent in 1995.

Source: NSCB 2002.

1. Corporations providing educational plans/insurance.

3 The TVET system

TVET development in the Philippines began shortly after the turn of the last century when the government recognized the need to provide youth with skills and make them employable should they decide to quit school early. Over the years, TVET evolved from being a non-formal to formal education, and the training delivery was virtually divided into two: school-based and center-based. The former is composed of technical high schools and post-secondary institutions under the Bureau of Technical and Vocational Education (BTVE), the latter consists of a network of regional and provincial training centers managed and operated by the National Manpower and Youth Council (NMYC). This means that there were two main government agencies responsible for TVET until TESDA was created in 1994 to unify the units involved in TVET management.

Box 2. Historical development of school-based TVET

1927	Technical and Vocational Education (TVE) was first introduced in the Philippine educational system through Commonwealth Act No. 3377 with the purpose to fit individuals for gainful employment
1939	TVE was extended to post-secondary education through the Commonwealth Act No. 313
1963	The Bureau of Vocational Education (BVE) was created through Republic Act No. 3742, an answer to the perceived need for skilled manpower in agriculture, industry, trade, fishery and other vocational programmes
1972	Presidential Decree No. 6-A, the Educational Development Decree of 1972, recognized that skills development is key to national development
1975	The Bureau of Secondary Education absorbed the secondary vocational courses and the Bureau of Higher Education took the post-secondary courses after the reorganization of the Department of Education and Culture
1979	The Presidential Commission to Survey Philippine Education was tasked to review the state of technical and vocational education. The Commission recommended the revival of the Bureau of Vocational Education (BVE).
1982	Education Act of 1982 created the Bureau of Technical and Vocational Education (BTVE)
1985	BTVE started operations.

Historical development of center-based TVET

1966	Manpower Development Council (MDC) was created to promote skills training
1969	MDC evolved into the National Manpower and Youth Council (NMYC) with the additional mandate of providing skills and training needs to the youth, most especially those outside the school system. After which, the NMYC established regional and Provincial Training Centers.

Present day TVET system

1994	TESDA was created and absorbed BTVE, NMYC and the apprenticeship programme of the Department of Labor and Employment (DOLE).
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3.1 The place of TVET in the Philippine society

When TESDA was created, one of its immediate concerns was to address the prevailing perception of society's low regard for TVET. An in-depth study of the EDCOM reports that the poor image of TVET is due to the disparity of esteem between TVET and higher education and the lack of incentive in the labour market.

A. Parity of esteem: TVET versus higher education

Society in the Philippines dictates from childhood that one should aspire for a professional career and get a white-collar job (i.e. doctor, lawyer, engineer, etc.). The explanation for this can be found in the Spanish era (1518-1898) when Filipinos found education as a way out of poverty and as the chance to be treated equally by their colonizers. In fact, in some regions in the Philippines, it is a practice for parents to display the professional titles of their sons and daughters in front of their houses as a way of showing the family's pride in their educational achievements.

Furthermore, one education policy promoted (though unintentionally) the idea that TVET is inferior to higher education. For many years, the use of the National College Entrance Examination (NCEE) to regulate access to higher education instilled the perception that TVET was for those who failed. Thus, the EDCOM reformers argued that it would be better to abolish the NCEE, allow individual universities and colleges to enforce their own standards and entrance examinations, and allow students to choose either TVET or higher education, in view of eventually removing the stigma of failing the national exam, and of improving the image of TVET. Since the NCEE was abolished in 1994, very little evidence suggests that TVET has improved its 'second-class' image. On the contrary, by liberalizing entrance to higher education, TVET enrolment decreased. This eventually forced a lot of private TVET institutions to stop their operations or to convert into higher education institutions.

However, to give credit where it is due, the TVET sector is not entirely without prestige. There are a handful of training institutions from both the public and the private sectors that have gained recognition for producing good graduates that are aggressively sought by employers.

B. Return on investment

Financially speaking, there is no incentive for students to pursue TVET due to an oversupply of higher education graduates. Employers' hiring strategies have given more importance to university

diplomas and less attention to individuals' skills. Many newspaper job advertisements express a preference for applicants who have higher education degrees or who have at least undertaken some units at the university level, even if the job is best suited for skilled TVET graduates.

3.2 Creation of TESDA as the national TVET authority

The creation of a national TVET agency to pursue the training sector's overall development was envisioned as EDCOM's answer and ultimate strategy to improving TVET's poor image. In fact, reformers wanted to do away with past terminology such as the term 'tech-voc'. The term was changed to "middle-level skills development" or "technical education and skills development" and was promoted to parents and students as a viable alternative to higher education.

Created in 1994 by Republic Act (R.A.) 7794, the Technical Education and Skills Development Authority (TESDA) is now responsible for the overall management and direction of the TVET system that encompasses middle-level skills development (semi-skills, skills, craft and technician training) in all sectors. The authority role of TESDA as defined in its core business includes the following: (1) direction setting through TVET policies and plans and information; (2) standard setting and systems development in the form of TVET programme registration and accreditation, competency, assessment and certification; and (3) support to TVET provision through scholarships, capacity building, technical assistance and TVET delivery. Under the law, TESDA was tasked to perform the following functions:

- a. Development of National TESDA Plan;
- b. Research on TVET;
- c. Providing information on the supply and demand for middle-level skills;
- d. Certification of skilled workers;
- e. Registration and accreditation of training establishments;
- f. Development of industry based standards;
- g. Training of trainers;
- h. Advocacy to all clientele including enterprises;
- i. Capacity building.

Organizationally speaking, TESDA is not entirely a new creation as it consolidated three government units performing TVET functions – the Bureau of Technical and Vocational Education (BTVE) under the former Department of Education, Culture and Sport (DECS), the National Manpower and Youth Council (NMYC) and the Apprenticeship programme, both formerly under the Department of Labor and Employment (DOLE). When TESDA absorbed these government units, it also assumed the responsibility of supervising more than 200 training institutions operating under BTVE and NMYC. The Republic Act, it specified that TESDA should eventually devolve the public training institutions as its direct involvement in training provision would run counter to its mandate to oversee the overall development of TVET (public and private). A number of studies have indicated the following: (i) that TESDA cannot be both a player and a regulator at the same time without being biased towards the public training institutions it supervises, and (ii) that TESDA's continued supervision of the public training institutions takes a considerable amount of time and resources away from its other functions of developing standards, certification, registration, planning, and research, among others.

3.3 TESDA implements TVET reforms

A few years after its creation, TESDA successfully implemented several organizational reforms of the TVET sector. These reforms are briefly summarized below:

Box 3. TVET reforms

- Quality Assured Technical Education and Skills Development (TESD) System spells out TESDA's intention to shift from being rigid to becoming flexible in terms of training provision, from being quantity-oriented to quality-focused, from mere 'skilling' to 'educating' (the latter implying a more holistic approach of training), from being government-regulated to a more private sector-led system.
- TESDA Occupation Qualification and Certification System (TOCQS) is an equivalency and accreditation scheme for individuals. Its characteristics are: (i) the recognition of prior learning (RPL); (ii) certificates and licenses can be achieved in two ways – institution-based learning (from the school) and work-based learning (from the company); (iii) a modularized competency-based learning based on occupational skills standards; (iv) accumulation of certificate of competencies towards license/certificate through a "Statement of Competency"; and (v) self-pacing.
- Unified TVET Program Registration and Accreditation System (UTPRAS) is a registration system for all public and private institutions offering or intending to offer TVET programmes. (Note: what are registered are training programmes offered by the institution; private institutions are registered as corporations in the Securities and Exchange Commission). The registration process prescribes full compliance with prevailing training standards. As of 2002, a total of 6,325 programmes have been registered although there is no indication how many of the more than 3,000 institutions offering TVET have participated.
- Philippine TVET Quality Awards is an incentive system to promote performance standards of excellence among TVET institutions. It gives recognition to 'model' TVET institutions in view of establishing a benchmark of quality for institutions and a national system to evaluate productivity and quality improvement (i.e. Gold Award for Mastery, Silver Award for Proficiency, and Bronze Award for Commitment).

Source: TESDA 2002.

3.4 ODA investments in TVET

Official Development Assistance (ODA) plays an important role in helping developing countries, which often lack capital funds, by allocating additional resources to identified priority sectors. Since TESDA started its operation in 1994, the Philippine government has invested heavily in TVET by approving several major ODA projects financed by both multilateral agencies and donor/lending countries (see *Table 3.1* below). These huge investments demonstrate the importance of TVET not only to the recipient but to the donor as well, and is a sign of the growing international recognition of the potential contribution of skills development towards economic development.

ODA-funded projects in TVET are usually used to replace old equipment and improve the often-deteriorated training facilities that exist in many public TVET institutions. This is a common occurrence because annual government budget allocations to public training institutions are only sufficient to support personnel salaries and Maintenance and Other Operating Expenses (MOOE), rarely leaving

enough room for capital outlay (i.e. purchase of new equipments, major infrastructure repairs, etc.). However, with the creation of TESDA, donors' attention was directed to supporting the government's effort to implement reforms in the TVET sector, hence, many of these projects are intended to support activities that will contribute to the fulfillment of the TESDA's reform objectives.

Table 3.1 Major TVET projects in the Philippines since 1994

Project Name	Fund Source	Amount in US\$	Duration
1. Vocational Training Project (VTP)	World Bank	30 million	1992-1998
2. National Vocational Training and Development Center for Women	Japan	25 million	1998*
3. Technical Education and Skills Development Project (TESDP)	ADB, OPEC, Denmark and NDF	90 million	2002-2007
4. Expansion of Dual Education and Training (EDET)	Germany	8 million	2001-2004
Centers of Excellence in Modern Manufacturing Technology (CEMMT)	Austria	21 million	2002-2006
5. Philippine-Australia Quality TVET (PAQTVET)	Australia	5 million	2000-2005
6. Korea-Philippines Training Centers (IT and Agriculture)	Korea	10 million	2004-2005
	Total	189 million	

* Inauguration.

- The Vocational Training Project (VTP) is considered a transitional project as it was actually implemented by the now defunct National Manpower and Youth Council (NMYC) but was completed three years after TESDA was established. The project assisted the strengthening of a number of public TVET institutions, established the management information system at the central office, and conducted key research helping the infusion of new ideas at TESDA for improving the management of the TVET sector.
- The National Vocational Training and Development Center for Women Project, commonly known as the 'Women Center' was a fulfillment of the commitment of the Japanese government to improve the socio-economic status of women in the Philippines and the rest of Asia. The project built a modern training facility that now provides various training programmes especially for women. The building is also being used as a venue for various conferences relating to gender issues, women empowerment, and related activities. The project started in 1996 and the new facility was inaugurated in 1998.
- The Technical Education and Skills Development Project (TESDP) is TESDA's first major project that aims to support and complement the TVET reforms. TESDP costs US\$ 90 million, effectively making it the biggest TVET project ever approved by the government. Implementation started in January 2001 and was completed in December 2006. The Asian Development Bank provided a big part of the project financing, the rest was shared among other donors, namely: the Organization of Petroleum Exporting Countries (OPEC), the Nordic Development Fund (NDF) and Danish Development Aid (DANIDA).

- The Expansion of Dual Education and Training (EDET) project is a continuing commitment of the German government to promote the dual training system (DTS) in the Philippines. The project selected 25 training institutions to demonstrate the effectiveness of DTS over other training delivery modes. Project assistance started in 2001 and ended in 2004.
- The Centers of Excellence in Modern Manufacturing Technologies (CEMMT) project is a result of the strong clamor of the industry organizations for TESDA to address the demand for skilled workers able to operate Computer Numerically Controlled (CNC) machines, which are now widely used in many countries. As a result of the project, seven TESDA regional/Provincial Training Centers will become Centers of Excellence in Modern Manufacturing Technologies. One of the criteria used in selecting these institutions is that they should be located in industrial zones. The project commenced in 2002 and ended in 2006.
- The Philippine-Australia Quality TVET (PAQTVET) aims to install quality-consciousness in the entire TVET sector, beginning with the services being rendered by TESDA to its clientele. The project is also committed to developing better partnerships between TESDA-industry organizations in four identified priority sectors, namely: health, tourism, agriculture and information technology. PAQTVET started in 2000 and ended in 2005.
- Two Korea-Philippines training centers were built in 2004 and 2005. One focuses training on information technology, the other on agricultural mechanization.

As a government agency, TESDA is mainly responsible for the smooth implementation of these ODA-funded projects. However, since ODA is considered public money, especially if it is obtained through a loan, TESDA finds itself in the difficult situation of whether or not to include private training institutions among the beneficiaries. Hence, only in exceptional cases can a few private training institutions receive equipment, although most of them can avail themselves of technical assistance such as training and scholarship of faculty. Many private institutions understand that getting direct support from the government is a long shot and therefore have become quite realistic in their requests to the government. Private training institutions do have access to a credit facility, through which they can borrow over a long-term period at a concessional rate or lower than the prevailing interest rate in the market. TESDA was able to negotiate this under the ADB-funded Technical Education and Skills Development Project (TESDP) with the only condition that borrowed money must be used to improve the quality of the institution's TVET provision.

3.5 Diversity of TVET providers

With nearly 3,000 institutions implementing various training programmes, TESDA classifies TVET providers into three categories: (a) Community-based; (b) Company-based; and (c) Institution-based. This classification is important for cost analysis since each category corresponds to a different training modality.

A. Community-based training providers

Community-based training is a form of non-formal and adult education, specifically designed to answer the needs of a community for skills training for self-employment. The target beneficiaries are poor and underprivileged individuals (i.e. out-of-school youth, unemployed adults), marginalized sectors (i.e. subsistence farm workers, fisher folks) and economic groups (i.e. informal sector) in a community. Community halls and other public places in the community are sometimes used as training venues especially when there are no permanent training facilities available. Most if not all community-based training programmes provide only fundamental skills using basic tools and

equipment and the duration of training is mostly short-term ranging from one week to a maximum of three months.

In 2002 there were 780 community-based training providers monitored by TESDA, of which 647 were local government units (LGUs) and 133 were non-governmental organizations (NGOs). It is, however, believed that more NGOs are involved in training but have not yet registered their programmes with TESDA. The short duration of the training and accessibility of the venue make it easier for the target clients to participate in these programmes. Community-based training is a significant component of training delivery in the Philippines, representing an enrolment of almost 600,000 participants, or 48 per cent of the total TESDA enrolment in 2002.

B. Company-based training providers

Box 4. Company-based training schemes

- *Apprenticeship*

A training programme within employment with compulsory related instructions involving a contract between the apprentice and the employer in an apprenticeable occupation. Only companies in highly technical industries with an apprenticeship programme recognized by TESDA are authorized to recruit apprentices and only in approved apprenticeable occupations.

- *Learnership*

A practical training on-the-job for non-apprenticeable occupations, whether or not it is supplemented by theoretical instructions, for a period not exceeding three months. Only companies with a learnership programme recognized by TESDA are authorized to recruit learners.

- *Dual training system (DTS)*

A mode of training delivery that combines theoretical and practical training. It is called dual because learning takes place alternately in two venues: the school or training center and the company or workshop. Schools or training centers and business establishments interested in adopting the DTS must apply for accreditation with TESDA.

- *On-the-job training (OJT)*

Training undertaken in the workplace as part of the productive work of the learner; the generic term for acquiring work exposure and experience in a particular occupation, profession and job to support in school learning. The popular term used by most training providers is 'practicum'.

Source: TESDA 2002.

Although company-based training, specifically the Apprenticeship programme, has been existent in the Philippines for a long time, it was not until 1994 when the Dual Training System Law was passed that awareness that companies should be involved in training the young as their future workforce dramatically increased. At present, companies can be involved in the following company-based training programmes described above.

In 2002, there were 325 companies registered in the Apprenticeship programme. However, there are no available statistics on companies participating in the other company-based training

programmes. Again, it is believed that the number of companies actually involved in training could be much greater. It is also safe to assume that training expenditures of these companies vary greatly. Trainees and apprentices undergoing company-based training are still very limited (fewer than 100,000 compared to nearly 600,000 participants of community-based training) although the general trend increased from 29,000 in 1998 to over 80,000 in 2002. The company's capacity to accept more trainees is likely to depend on at least three factors including the general economic situation (budget training is first affected in hard times), the utility of the trainee for the employer, and the administrative requirements needed to participate in company-based training programmes. Some companies complain that the rules laid out by the DTS law, such as the mandatory allowance of 75 per cent of the minimum wage that is to be given to trainees, are too rigid.

C. Institution-based training providers

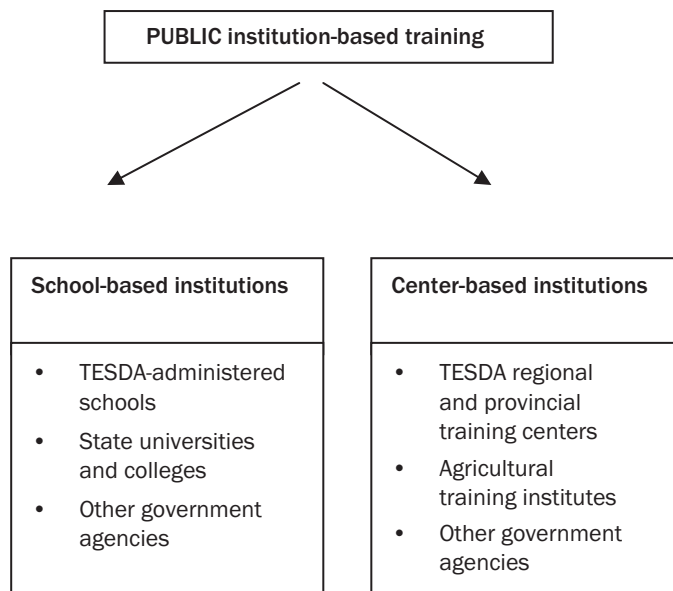
Institution-based training providers are the largest group of training institutions and can be considered to be the backbone of Philippine TVET. Institution-based training providers are either school-based or center-based. School-based institutions primarily offer long-term courses (i.e. one to three years), while center-based institutions mainly provide short-term and medium-term courses (i.e. three or six months but not more than one year). Institution-based training providers can be further divided into: (i) public institution-based and (ii) private institution-based.

- (a) *Public institution-based training providers* can also be very diverse. Though TESDA was able to consolidate three government units performing TVET functions, there are still a number of government institutions and agencies involved in the provision of various training programmes, which unfortunately are not properly coordinated with TESDA (see *Figure 3.1*).
- The *TESDA-administered schools* (TAS) are post-secondary institutions that mainly offer TVET courses ranging in length from one to three years. TESDA originally inherited more than 200 institutions from the Bureau of Technical and Vocational Education (BTVE), one of the three government units it consolidated when it was created in 1994. Upon review of these institutions, TESDA found that most of these institutions were functioning as secondary schools, which means that there is more secondary enrolment than TVET students. These schools were subsequently returned to DepEd. As of 2002, only 60 post-secondary institutions remained under TESDA's supervision.
- The *TESDA regional and provincial training centers* (RTC and PTC) are part of a network of national (2), regional (15) and provincial (47) training centers that used to be operated by the National Manpower and Youth Council (NMYC). Like TESDA-administered schools, TESDA also inherited the management of these training centers when the NMYC was abolished in 1994.
- The *state universities and colleges* (SUCs) primary mandate is to deliver higher education. Despite the call for the 'rationalization of programmes', which envisions that public TVET institutions should concentrate on offering TVET while SUCs should concentrate on offering higher education, many SUCs continue to offer TVET programmes. No statistics are available on TVET enrolments and graduates for SUCs since they have their own charter (autonomous) and therefore cannot be required to report to TESDA on TVET and related concerns. As the Philippine Education Sector Study noted, monitoring TVET programmes in SUCs is a concern area that needs to be addressed.
- The *agricultural training institutes* (ATI) are comprised of a network of 34 training centers for agricultural workers and fishermen operated by the Department of Agriculture. The mandates

of ATI are: (i) to train agricultural and fisheries extension workers and their clients; (ii) to conduct location-specific programmes to promote and accelerate agriculture and rural development; and (iii) to ensure that research results are communicated to farmers and fishermen and other stakeholders. As a center-based institution, an agricultural training institute can be compared to TESDA regional and provincial training centers that mainly offer short-term programmes. Just like the SUCs, at the moment very few ATIs maintain close coordination with TESDA.

- There are *other government institutions and agencies* that may be considered as TVET providers. It is worth noting again that these government institutions and agencies rarely coordinate with TESDA and their training programmes are therefore unmonitored and unreported. These include the following:
 - National Maritime Polytechnic (NMP), an attached institution under the Department of Labor and Employment (DOLE);
 - Metal Industries Research and Development Center (MIRDC), an attached institution under the Department of Science and Technology (DOST);
 - Philippine Textile Research Institute (PTRI), also under DOST;
 - Technology Application and Promotion Institute (TAPI), also under DOST;
 - Construction Manpower Development Foundation (CMDF), an attached institution under the Department of Trade and Industry (DTI);
 - Philippine Trade Training Center (PTTC), also under DTI;
 - Cottage Industry Technology Center (CITC), also under DTI; and
 - Department of Social Welfare and Development, which provides some livelihood training to its clientele (i.e. disabled persons, poor communities).

Figure 3.1 Mapping of public institution-based training providers

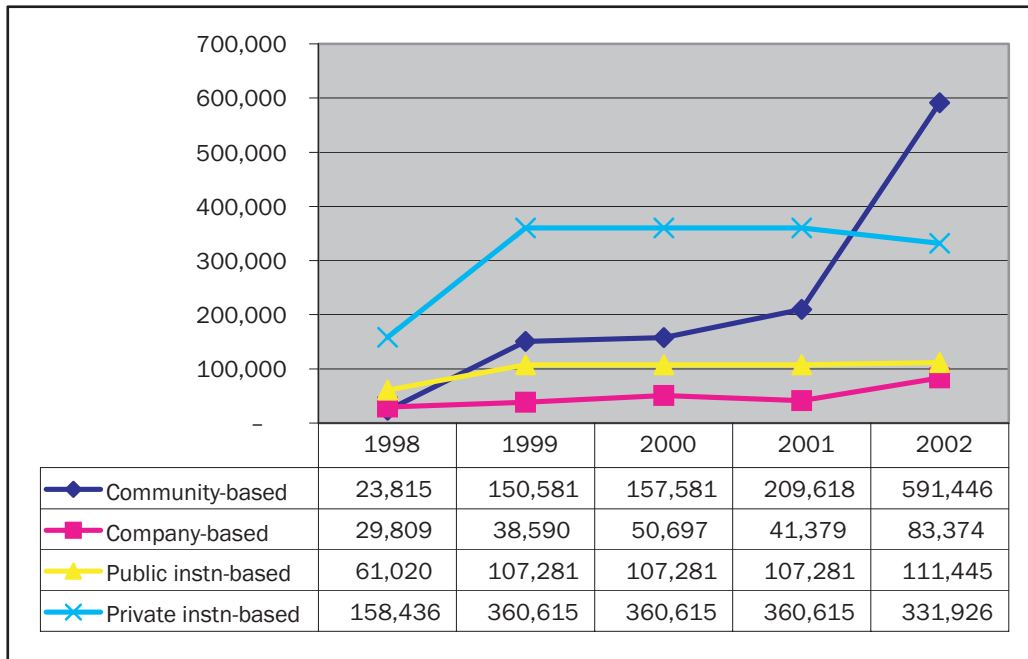


- (b) *Private institution-based training providers* constitute a major component of the TVET system. Since they are not required by the government to rationalize their programmes, private providers can offer anything from primary, secondary, TVET, higher education, short-term courses, long-term courses as long as they comply with the standards set by the proper agency (DepEd for primary and secondary education; TESDA for TVET and CHED for higher education). Lately, it has been observed that private TVET institutions that mainly offer TVET courses are moving towards expansion by providing higher education courses to capture new students and retain their current clients for a longer time period. The same pattern can be observed among private higher education institutions (HEIs), which are increasingly trying to offer the vocational skills required in addition to traditional higher education subjects. Hence, private institution-based TVET providers also include some private higher education institutions (HEI).
- *Private TVET institutions* are registered institutions that primarily offer TVET programmes, including those institutions that have started to offer a few higher education courses. In 2002, TESDA was able to identify 809 private TVET institutions.
 - *Private higher-education institutions (HEIs)* are registered higher education institutions that mainly offer degree courses but are also offering TVET programmes. In 2002, there were 617 private HEIs recognized as providers of TVET courses.

3.6 TVET enrolment

All types of TVET providers experienced growth between 1998 and 2002. However between 1999 and 2002, enrolment in public institutions has been stagnant while the number of students in private institutions recorded a small decline. The most significant expansion is in community-based training. This probably reflects an increasing contribution of training to social and poverty reduction policies. The sharp increase in enrolment in community-based training in 2003 may be probably largely due to better reporting or enhanced monitoring system rather than an actual increase in participation (see *Figure 3.2*).

Figure 3.2 TVET enrolment



Part II

Organization of the study

4 Methodology, challenges and limitations

Worldwide, in a context of tight fiscal constraints and increasing demand for education, governments need to better control costs and improve efficiency. Information on the cost of TVET is required to more accurately assess the investment made by the public and private sectors in skills formation. It also allows costs to be compared between and among different providers, public institutions, private providers and company-based training, and between and among different modes of delivery, school-based, dual forms of training.

International comparisons on the absolute level of TVET expenditures and on the share of public and private expenditures are problematic due to variations in the definition of TVET and significant differences regarding the importance of vocational programmes in secondary education.

As previously mentioned, the survey conducted among TVET providers mainly aimed at:

- Assessing the level of public and private expenditure on TVET;
- Analyzing the costs of TVET in absolute and relative terms;
- Comparing the costs of TVET according to categories of providers, duration of courses, training areas and modes of delivery;
- Measuring the funding of TVET and the contribution from public sector, companies, individuals and external development assistance;
- Providing a detailed review and analysis of TVET activities in the country, both in the public and the private sectors; and
- Proposing a methodology for classifying TVET activities and measuring training expenditures in the Philippines.

Typically, the costs of TVET have five major determinants, including:

- Staff costs, including trainers' salaries;
- Duration of the training programme;
- Training areas;
- Modalities of delivery, including class size, the method of instruction and the type of infrastructure and equipment used; and
- The rate of utilisation of training facilities and staff.

In spite of variations across countries, available information on the cost of TVET shows that recurrent costs account for a very high proportion of the total cost. The level of recurrent cost is mainly determined by staff cost, reflecting the labour-intensive nature of training.

4.1 Challenges

This type of study has to take into account several variables including:

- A. Levels of education offered within an institution;
- B. The length or duration of courses;
- C. Modes or methods of delivering the courses;

- D. Specialization or trade areas; and
- E. Willingness of private TVET institutions to provide financial data

A. *Varying levels of education implemented within the institution*

With the exception of institutions under the management of TESDA, many training providers implement various kinds of education, be it a secondary school offering TVET courses, a TVET school offering a few higher education courses, or a higher education institution providing TVET courses. In such situations, the challenge lies in identifying how many resources are allocated to TVET activities because in most cases, institutions do not maintain separate financial accounts for each type or level of education, and income and expenditures are only known for the institution as a whole. The issue is then to be able to distinguish or at least estimate TVET income and expenditures from the institutions' total income and expenditures.

B. *Varying length of TVET courses*

The length of TVET courses may not be a major problem in institutions where the duration of courses is almost homogeneous. However, in many institutions, in an effort to make TVET courses flexible and the content more attuned to the community or to the companies, courses were slightly less regulated, so much so that duration is highly variable. There are courses as short as one week, less than a month, and up to three or six months. A previous TVET Cost Study admitted that "there are substantial difficulties in making reasoned comparisons between these institutions ... the major problem lies in the varying length of student courses, and the absence of any standard methodology for converting part-time and short-term students into full-time, one year equivalents" (Gray 1996, p. 91). The issue is then to be able to assess the costs for the different types of courses.

C. *Varying modes of providing training*

Not all institutions have the same approach to providing training. There are those that put emphasis on learning theories such that training is limited to the classroom. Most, however, used the classroom for theories and supplement classroom learning with practice in the workshop. The ratio between the two varies widely from school to school. Furthermore, there are those that aspire to make training more relevant by giving their students ample exposure to a real workplace by sending them into companies.

D. *Varying specializations or trade areas*

It is quite obvious that some courses are more expensive depending on their specialization or trade area. Some courses require the use of sophisticated apparatus such as the computer numerically controlled (CNC) machines, which cost millions of pesos, while for others a simple traditional sewing machine suffices. The training materials or consumables used in workshops also determine the cost of courses. With over 100 trade areas listed in the Philippine Standard of Classification of Education (PSCED), the study would need a large collection of data. Therefore this study attempted to estimate costs for 20 major trade areas.

E. *Willingness of the private TVET institutions to provide financial data*

The participation of the private TVET institutions is crucial to the study because they make up 67 per cent of all providers. A previous attempt was made to collect financial information from these institutions through a survey for a study on "Funding, Financial Analysis and Cost Effectiveness in Philippine TVET" in 1996. However, this was met with reluctance and even refusal by private

institutions for fear that some of the information would be used against them through stricter government regulations.

4.2 Methodological issues

By gathering data directly from the institutions, the survey eliminated weaknesses such as having no data available and not having data disaggregated to the specific needs of the users. However, there are still remaining issues and limitations that the present study had to deal with. These are:

- A. The wide scope of TVET
- B. An uncertain number of TVET providers
- C. Few companies participating in the study
- D. Direct expenses by trainees are not included

A. The wide scope of TVET

Aside from the technical schools and the network of training centers under TESDA, a number of training institutions lodged in other government agencies provide training programmes or training-related activities. The issue is to determine which of these institutions should be considered as TVET institutions. This survey only covered the first four categories of providers from the list of government agencies involved in training (see *Box 5*). Data on the activity and budget of the other government agencies providing training were collected separately and considered in compiling national TVET expenditures.

Box 5. List of government agencies involved in training

- a. TESDA schools and centers
- b. State Universities and Colleges
- c. Department of Agriculture – Agricultural Training Institutes
- d. Local government units
- e. National Maritime Polytechnic
- f. Metal Industries Research and Development Center
- g. Philippine Textile Research Institute
- h. Technology Application and Promotion Institute
- i. Construction Manpower Development Foundation
- j. Philippine Trade Training Center
- k. Cottage Industry Technology Center
- l. Department of Social Welfare and Development

B. An uncertain number of TVET providers

The total number of TVET providers operating is important in producing the National TVET Accounts, which entailed using the data collected from the number of institutions in the survey and projecting

them into a national scale. However, two factors raise questions about the actual numbers of TVET providers. First, private training institutions can operate or begin to operate without the knowledge of TESDA. To operate, private schools are only required to register under the Securities and Exchange Commission (SEC) either as a corporation or a non-government organization. Second, private training institutions should comply with the mandatory registration of their courses and undergo the voluntary accreditation by TESDA. Though in the process of implementing a reform called the United TVET Programme Registration and Accreditation System or UTPRAS (see TVET reforms in *Part I*), which calls for all TVET providers to register their training programmes or courses so as to enable TESDA to monitor and ensure that the minimum standards of training required are followed and implemented by the institutions, the accreditation currently remains voluntary, meaning that not all registered TVET programmes are actually TESDA accredited. It is understood that with this reform, ascertaining the actual number of TVET providers will improve over time. Meanwhile, the study has accepted TESDA's statistics as the official number of TVET providers because there are no other viable means of verifying how many institutions are operational.

C. Few company-based training providers in the study

By design, this study has placed emphasis and importance on community-based and institution-based TVET providers believing that these training providers currently represent the backbone of the TVET sector. As a consequence, very few company-based training providers were included in the survey. In addition, their rate of response was low and therefore estimates are based on a small number of company-based providers.

D. Direct expenses by trainees are not included

The survey was limited to institutions and financial data include only incomes and expenditures of institutions. Expenses by the students or trainees that were taken into consideration include only direct contributions made to the institutions. Additional direct expenses such as purchase of books or equipments by the trainees were not evaluated.

The questionnaires and data processing were designed with the view to address the same issues and make it possible to assess TVET costs in the most precise and comprehensive way. Total and unit costs evaluated by the study can be considered as the best possible estimates taking those issues into account.

The limited size of the sample could also affect the estimates made, mainly for unit costs per trade area when the number of courses organized and the number of trainees are small. It is important to check the number of trainees to get an idea of the reliability of the unit costs.

Regarding national estimates for TVET expenditures, it was not possible to make projections at the national level based on the number of trainees. The estimates made rely on the assumption that the institutions covered by the survey are comparable to the national average of their category.

5 Implementing the survey

The Planning Office of TESDA played an instrumental role in strategizing and organizing the necessary activities for the survey. The whole process of implementing the survey can be summarized into four steps, namely:

- i. Preparing the focal person in TESDA's regional and provincial offices through a series of meetings and announcements;
- ii. Developing a guidebook containing detailed instructions for the focal persons, the questionnaires and the list of primary and secondary respondents (as replacements if necessary);
- iii. Sending the questionnaires in advance to the respondents, asking them to prepare the necessary data required by the questionnaire, and inviting them to attend a general orientation or workshop; and
- iv. Organizing a workshop in 11 out of 16 regions in the Philippines with the participation of heads of institutions, where a resource person from TESDA-Planning Office explained the purpose of the study, gave a background, answered questions, helped complete the questionnaire, and collected as many questionnaires as possible after the workshop.

The sample was designed to cover a sufficient number of training institutions in each category of training providers. A targeted number of training institutions were set for each category of provider:

- 50 for each type of community-based and for company-based provider,
- 30 for each category of public institution-based provider, and
- 170 for private institution-based providers. A larger number of private providers was targeted considering the diversity of this sub-sector.

To facilitate the administration of the survey and at the same time have a good coverage of the geographical diversity, it was decided to implement the survey in 31 provinces within 11 regions. For each category of providers, a list of registered institutions in the 31 provinces was established. The sample was selected at random from these lists.

Table 5.1 shows the total number of TVET providers/institutions monitored by TESDA, the targeted sample, those actually surveyed, and the actual number of those who were able to return the questionnaires with sufficient data and on-time. A number of questionnaires were not considered because data were either incoherent or insufficient, while others came late after most of the data had been entered and processed.

Table 5.1 Sampling of respondents

Type of TVET providers	Total	Targeted sample	Surveyed	Respondents	Response rate
Community-based	780	100	100	57	57%
- Local government units	647	50	50	38	76%
- Non-governmental organizations	133	50	50	19	38%
Company-based	324	50	50	17	34%
Public institution-based	281	110	102	76	75%
- TESDA-administered schools	60	30	29	26	90%
- TESDA RTC/PTC	64	30	29	23	79%
- State universities/colleges	123	30	27	16	59%
- Agricultural training institutes	34	20	17	11	65%
Private institution-based	1,426	170	177	112	63%
- Private TVET institutions	809	100	102	55	54%
- Private HEIs	617	70	75	57	76%
Total	2,811	430	429	262	61%

6 Methodology and classifications used

6.1 Methodology used to estimate National TVET Accounts

The National TVET Accounts give an overall picture of the situation on a national scale. While the survey results only represent a portion of the picture, developing the National TVET Accounts involved the following steps:

- i. Defining a coherent framework in which financial information was gathered. This was done by setting up several classifications categorizing the scope of TVET activities, providers, funding units and nature of expenditures (see *Section 6.2*);
- ii. Translating resources and expenditures for each institution covered by the survey into the classifications (see *Section 6.3*);
- iii. Projecting cost and financing on a national scale – this is done by multiplying the ratio of TVET providers involved in the survey to the total number of institutions (see *Section 6.4*);
- iv. Adding supplementary data – these are data not captured in the survey, such as the cost of TVET administration (mainly represented by budget of TESDA, less the budget allocation to TESDA regional/provincial training centers), ODA (which was also reported by TESDA), and budget of other government agencies dispensing training, which were not included in the survey (see *Section 6.5*).

6.2 Classifications used for National TVET Accounts

The objective of the National TVET Accounts is to bring together within a coherent framework the overall financial flows in the field of TVET education.

The accounts are based on an analytical framework which makes it possible to have a comprehensive vision of education, the economic stakeholders involved in funding or producing activities in this field, and the nature of the economic operations undertaken.

The scope of TVET is organized into a list of activities. Economic agents involved in TVET are classified either as funding units if they finance TVET but do not deliver TVET activities or as providers if they deliver TVET activities using the resources made available by the funding units. To describe the utilisation of funds, financial flows are described by object of expenditures.

The TVET Account is then structured according to five classifications:

- A. A nomenclature of activities defining the scope of TVET education and how it is organized;
- B. A nomenclature of providers who deliver TVET activities;
- C. A nomenclature of funding units or economic stakeholders who assure the financing of these activities;
- D. A nomenclature of the object of expenditure, allowing for the analysis of economic activities;
- E. A fifth classification by trade area is used to analyze and compare unit costs.

A. By activity

This classification organizes the field of TVET into six activities.

The scope of TVET courses is categorized according to the duration of courses into short, medium and long-term. Short-term courses are no longer than three months, medium-term courses range from three months to less than one year, and long-term courses range from one to three years. These constitute the first three categories of TVET activities.

A fourth category groups together company-based training, apprenticeship/learnership and the dual training system (DTS).

The last two categories, general administration and support to TVET system, combine administrative activities and support activities that although not implemented at the institution level benefit the system as a whole.

Box 6. Classification 1: TVET activities

- Short-term (less than three months)
- Medium-term (three to nine months)
- Long-term (one to three years)
- Company-based training, apprenticeship, learnership
- General administration
- Support to TVET system

B. By type of providers

Providers are classified into ten detailed categories (see Box 7). In addition to the 10 categories of training providers, an 11th category was created (TESDA offices); TESDA offices, at the central, regional and provincial levels are not training institutions, but provide activity “general administration” and “support to TVET system”.

There are two possible ways of presenting the categories under this classification. Box 7 presents the general types of providers (i.e. community-based, company-based and institution-based) – see – and Box 8 groups institutions by status (i.e. public or private).

Box 7. Classification 2a: TVET providers by type

Community-based

- Local government units
- Non-governmental organizations

Center-based

- TESDA regional training centers
- TESDA provincial training centers
- Agricultural and other government training institutes

School-based

- TESDA-administered schools
- State universities/colleges
- Private TVET institutions
- Private higher education institutions

Company-based

- Companies

Box 8. Classification 2b: TVET providers by status

Public providers

- Local government units
- TESDA regional training centers
- TESDA provincial training centers
- TESDA-administered schools
- Agricultural and other government training institutes
- State universities/colleges

Private providers

- Non-governmental organizations
- Private TVET institutions
- Private higher education institutions
- Companies

Administrative offices

- TESDA offices (central, regional, provincial)

C. By funding unit

This classification is used to describe the TVET financing and the funding of the different activities or categories of providers. The classification of the different economic agents involved in the financing of TVET is organized in eight groups, of which four are public units and four are private units (see *Box 9*).

Box 9. Classification 3: Funding units

Public units

- TESDA budget
- Local government units
- Other government agencies
- ODA loans

Private units

- Fees from the trainees
- Non-governmental organizations
- Companies
- Self-financing

D. By expenditure item

Expenses are classified into four categories (see *Box 10*), namely:

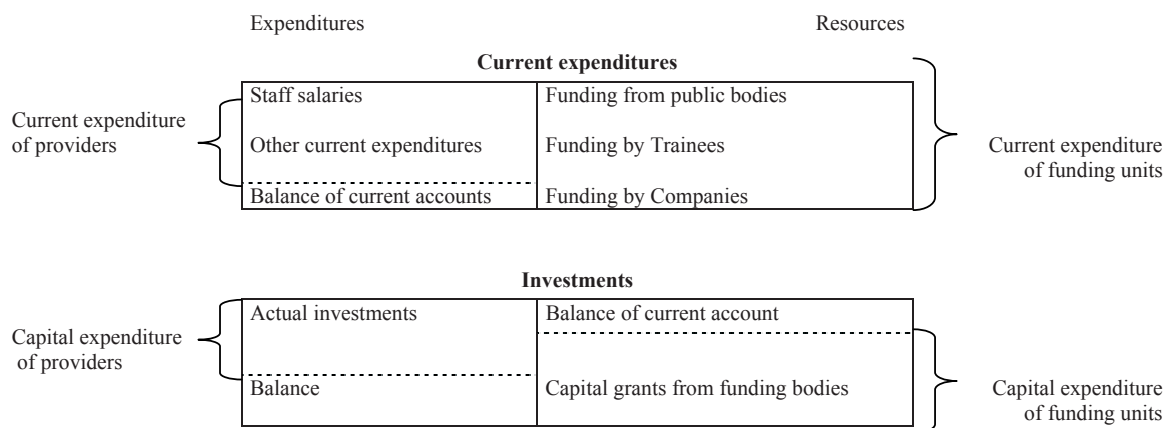
- Personnel expenses** – which cover salaries of both teaching and non-teaching permanent staff, and honoraria given to part-timers;
- Maintenance and other operating expenses (MOOE)** – which include electric bills, training supplies, rental of building/facilities, staff development, allowances of students under the Dual Training System (DTS) scheme, fees paid to TESDA for registration of training programmes/courses, government taxes, repayment of loans, and other current expenditures;
- Student services expenses** – such as school meals, dormitories, medical/dental services, student guidance, employment assistance, library, and other student-related expenses;
- Capital outlay** – investments made such as the purchase of new equipment (for teaching and non-teaching purposes), building construction and land acquisition.

Box 10. Classification 4: Types of expenditure

- Personnel
- Maintenance and other operating expenses (MOOE)
- Student services
- Capital outlay

The nature of an expense is always analyzed from the point of view of the economic unit who pays. Thus training fees paid by families are a current expense for trainees, whether they are used by the provider for staff salaries, other current expenses or investment. The tables on providers' resources or expenditures of funding units describe financial data from the funding units' perspective. The tables showing providers' expenditures describe the resources' final use. The diagram below explains the differences between the sum totals of financial resources and the expenditures of TVET providers.

Figure 6.1 Expenditures from the perspective of funding units and expenditures from the perspective of the providers



E. By trade area

With more than 100 trade areas listed under the Philippine Standard of Classification of Education (PSCED), the study, with the help of TESDA, reduced them to a manageable number of 20 (the last one as a catch-all ‘others’). In the questionnaire, the respondents were asked to identify the most appropriate trade area (i.e. 1 for agriculture, 2 for automotive, etc.) for each course offered by their institution (see *Box 11*).

Box 11. Classification 5: Trade areas

1. Agriculture, forestry, fishery
2. Automotive
3. Civil engineering, construction
4. Electrical
5. Electronics
6. Garments
7. Handicrafts
8. Maritime
9. Mechanical
10. Metal works
11. Refrigeration and air-conditioning
12. Telecommunications
13. Woodworks, furniture
14. Commercial, business administration
15. Computer
16. Cosmetology and related courses
17. Health and related courses
18. Tourism, hotel and restaurant
19. Food trades/technology
20. Others

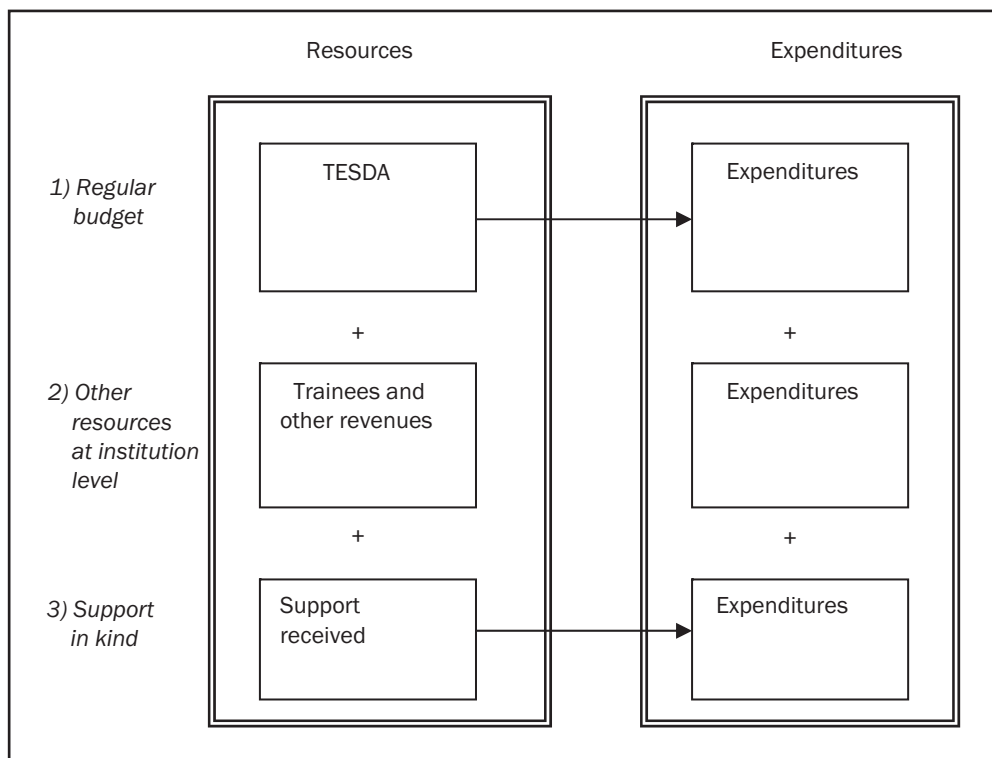
6.3 Translating the results of the survey into the classifications

The information collected from this survey was processed so as to correspond to the classifications of the National TVET Accounts.

Income and expenditures of the different providers are available at the institution level according to a list of items currently used for financial statements and utilized in the survey's questionnaires. To be able to analyze the costs by category of TVET courses, it was necessary to go through a progressive processing of financial data.

The first step was for public providers to consolidate expenditures on regular budget i.e. from Government budget (or LGUs budget) with resources collected by the institution and expenditures made from those resources. Support received in kind was added to the financial resources and expenditures at the equivalent value given by the institutions (see *Figure 6.2*).

Figure 6.2 Consolidating financial data – Example for TESDA-administered schools



The second step was to separate TVET courses from other education programmes (high school or higher education programmes). The providers were asked to make this distinction. For those who were not able to do it, the division was made on the basis of teaching hours.

The third step was to allocate a suitable share of resources and expenditures to each TVET course. This was done by calculating the total number of hours delivered for each course (number of batches multiplied by the number of teaching hours for each course). A special method was used for expenditures for electricity, supplies for student work, and equipment for teaching purposes taking into account the specific trade area of the course. Providers were requested to mention the share of these specific expenditures by trade area. At the end of this step, each course was allocated an amount of resources and expenditures.

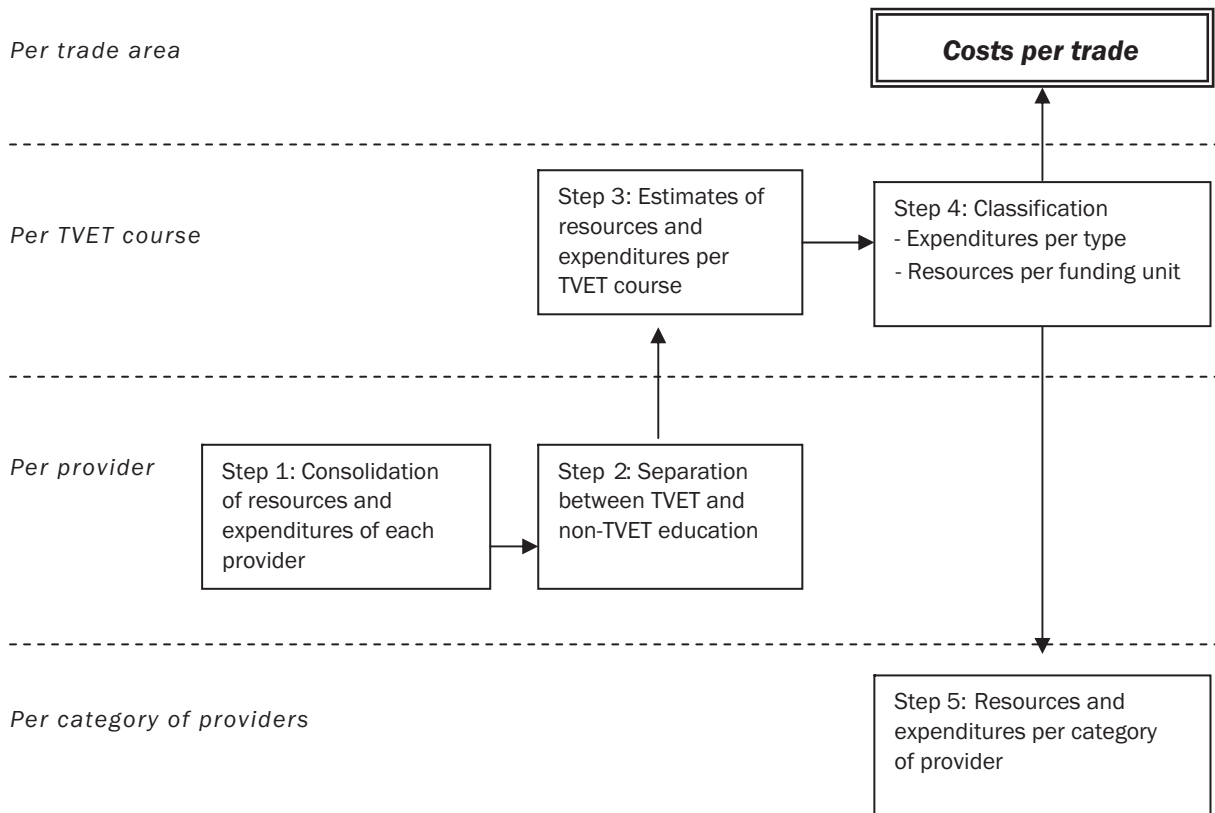
At step four, resources were allocated to the funding units using the classification set (classification 3), and expenditures were classified according to the list of expenditures items (classification 4).

Every provider was recorded by type and status (classification 2a and 2b) and every course by activity (classification 1) and by trade area (classification 5).

Table 6.1 Breakdown of resources and expenditures: example for TESDA-administered schools

	Thousands pesos																				TOTAL
	Short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership						
	Staff	Other current	Trainees allowance	Students services	Capital	Staff	Other current	Students services	Capital	Staff	Other current	Trainees allowance	Students services	Capital	Staff	Other current	Trainees allowance	Students services	Capital		
RESOURCES																					
TESDA	14,708	3,974	-	970	82	4,545	1,900	216	338	156,446	34,121	-	1,878	6,730	-	-	-	-	-	-	225,908
LGU	-	-	-	-	-	-	3	-	-	-	69	-	-	-	-	-	-	-	-	-	72
Other Govt agencies	-	-	-	-	-	-	24	-	-	-	245	-	-	-	-	-	-	-	-	-	269
Trainees	-	1,602	-	-	-	-	240	-	-	-	3,455	-	-	-	-	-	-	-	-	-	5,297
NGOs	-	-	-	-	-	-	4	-	-	-	1,654	-	-	-	-	-	-	-	-	-	1,658
Companies	-	7	-	-	-	-	2	-	-	-	-	11	-	-	-	-	-	-	-	-	20
ODA	-	4	-	-	369	-	1	-	111	-	-	-	-	-	-	-	-	-	-	-	485
Self financing	-	-	-	76	-	-	-	91	-	-	-	-	1,686	-	-	-	-	-	-	-	1,853
Total	14,708	5,587	-	1,046	541	4,545	2,174	307	449	156,446	39,544	11	3,564	6,730	-	-	-	-	-	-	325,562
EXPENDITURES	15,824	3,818	-	1,251	667	4,545	1,924	220	449	156,879	34,429	11	1,972	6,925	-	-	-	-	-	-	228,939

Figure 6.3 Processing financial data from the survey



At the end of the process, a similar table was produced for each category of providers showing resources and expenditures classified by duration of course and type of expenditures. Resources were also classified by funding units. *Table 6.2* below shows the result of this process for the 25 TESDA-administered schools covered by the survey that provided adequate financial data. The overall process can be summarized in the scheme above.

6.4 Projecting cost and financing on a national scale

The projection of costs and financing was made on the basis of the tables produced on resources and expenditures (Step 5). For each category of provider, *Table 6.2* indicates the total number as registered by TESDA, the number of respondents and the number of fully completed questionnaires.

Coefficients are calculated by dividing the number of providers registered by the number of respondents for which financial data is available (providers taken into account).

The tables per category of providers resulting from the previous step are multiplied by the respective coefficient to get national estimates of TVET income and expenditures.

Table 6.2 Coefficients used for national estimates

Type of TVET providers	Total registered	Total respondents	Total taken into account for estimates	Coefficient used for national estimates
Community-based				
- Local government units	647	38	34	19.03
- Non-govt. organizations	133	19	13	10.23
Company-based	324	17	17	19.06
Public institution-based				
- TESDA-administered schools	60	26	25	2.40
- TESDA RTC/PTC	64	23	22	2.91
- State universities/colleges	123	16	14	8.79
- Agricultural training institutes	34	11	10	3.40
Private institution-based				
- Private TVET institutions	809	55	54	14.98
- Private higher ed. inst. (HEI)	617	57	51	12.10
Total	2,811	262	245	

6.5 National TVET Accounts

To complete the financial estimates made from the survey, additional sources of information were used: TESDA budget, ODA and national counterparts, budgets of other government agencies for TVET.

Table 6.3 Additional expenditures

Thousands pesos

	TESDA budget	ODA 2002	Total
RTCs	40,263	17,830	58,093
PTCs	107,454	1,345	108,799
TAs	761,117	17,639	778,776
TESDA offices	1,210,974	762,693	1,913,667
Total	2,119,808	799,507	2,919,315

TESDA budget for training purposes were estimated from the sampled institutions and deducted from the total budget of TESDA. The remaining balance was then allocated to the activity “general administration” and the provider ‘TESDA offices’.

ODA funds not transferred to training institutions were allocated to the activity “Support to TVET system” and to the provider ‘TESDA offices’.

The Philippines’ counterpart funds in relation to ODA loans were added to TESDA budget.

Table 6.4 Specific estimates for ODA funding

Provider	Activity	Object of expenditure	Data from survey	Data from TESDA	Multiplicator
Regional training centers	Short courses	current capital	241		
			271		
	Medium courses	current capital	508		
			572		
	Total		1,591	17,830	11.2
Provincial training centers	Short courses	current capital	0		
			45		
	Medium courses	current capital	0		
			95		
	Total		140	1,345	9.6
TESDA-administered schools	Short courses	current capital	4		
			369		
	Medium courses	current capital	1		
			111		
Long courses	current capital	0			
			0		
	Total		485	17,640	36.3

As for other Government agencies, the allocation by activity (courses by duration and general administration) was made following the structure estimated for TESDA budget.

All data were consolidated into two sets of coherent tables providing a description of:

- Expenditures of funding units by activity, category of provider and object of expenditures.

- Funding and expenditures of each category of provider by activity and object of expenditures.

Table 6.5 Other government agencies 2002

TVET Institutions	Millions pesos	Government agency
National Maritime Polytechnic	57	Labor and Employment
Metal Industries and Research Development Center	112	Science and Technology DOST
Philippines Textile Research Institute	52	Science and Technology DOST
Technology Application and Promotion Institute	52	Trade and Industry DTI
Construction Manpower Development Foundation	19	Trade and Industry DTI
Philippines Trade Training Center	31	Trade and Industry DTI
Total	323	

These tables, in addition to the summary tables described in *Part III* make up the National TVET Accounts, providing a comprehensive estimate of TVET expenditures and costs. The full set of tables is given in the *Appendix*.

Table 6.6 National expenditures for TVET in 2002 – Expenditures of funding units, Example for TESDA budget

In millions pesos

	Short courses (less than 3 months)						Courses 3 to 9 months					Courses 1 to 3 years					Apprenticeship and learnership				General administration			Support to TVET		Total						TOTAL
	Staff	Other current	Trainees allowance	Students services	Capital		Staff	Other current	Students services	Capital		Staff	Other current	Trainees allowance	Students services	Capital	Staff	Other current	Trainees allowance	Staff	Other current	Capital	Current	Capital	Staff	Other current	Trainees allowance	Students services	Capital			
Community-based LGU	4	13	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	13	-	-	3	20		
Community-based NGOs and Foundations	-	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13	-	-	-	13		
TESDA regional centres	4	2	-	-	-	21	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25	15	-	-	40			
TESDA provincial centres	25	8	-	-	1	33	15	-	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	58	23	-	-	26	107		
TESDA-administered centres	50	13	-	3	-	15	6	1	1	528	115	-	6	23	-	-	-	-	-	-	-	-	-	-	593	134	-	10	24	761		
Agriculture and other Gvt training institutes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Public higher education institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Private technical and vocational institutions	-	1	-	-	-	-	7	-	-	-	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91	91		
Private higher education institutions	-	1	-	-	-	-	1	-	-	-	107	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109	109		
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
TESDA offices (central/regional/provincial)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	496	461	22	-	-	-	-	-	495	461	-	-	22	979		
Total	83	51	-	3	4	69	42	1	26	528	305	-	6	23	-	-	-	496	461	22	-	-	-	-	1,175	859	-	10	75	2,120		

Table 6.7 National expenditures for TVET in 2002 – Funding and expenditures of providers, Example for TESDA-administered schools

In millions pesos

	Short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	Trainees allowance	Students services	Capital	Staff	Other current	Students services	Capital	Staff	Other current	Trainees allowance	Students services	Capital	Staff	Other current	Trainees allowance	Staff	Other current	Capital	Current	Capital	
RESOURCES																							
TESDA	50	13	-	3	-	15	6	1	1	528	115	-	6	23	-	-	-						
LGU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
Other Gvt agencies	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-						
ODA	-	-	-	-	13	-	-	-	4	-	-	-	-	-	-	-	-						
Trainees	-	5	-	-	-	-	1	-	-	-	12	-	-	-	-	-	-						
NGOs	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-						
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
Income generation	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-						
Total resources	50	18	-	3	13	15	7	1	5	528	134	-	12	23	-	-	-						809
EXPENDITURES	53	13	-	4	14	15	7	1	5	529	116	-	7	23	-	-	-						787

Part III

Results of the study

7 The national TVET account

The estimated national expenditure for Technical and Vocational Education and Training reached Php11.3billion in 2002. This amount includes all resources mobilized from public, private and external sources for the funding of all public and private providers offering TVET courses in the Philippines, plus the general administration of the TVET sub-sector done by TESDA offices. It does not include additional spending by the trainees or their families, for things such as books and supplies that do not go directly to training institutions.

The national expenditure for TVET represents 0.26 per cent of GNP, about 5 per cent of the national expenditure for education assessed by the National Education Accounts for 1998 and less than 10 per cent of total government expenditures on education.

However the national expenditure for TVET represents four times the budget of TESDA (including ODA). This means that other funding units provide the equivalent of three times the budget allocated to TESDA (see *Table 6.7*).

Table 7.1 Education and training financing

	Php in million	US\$ in million	TVET expenditure as % of
National expenditure for TVET (2002)	11,264	205	100%
Gross national product (GNP)	4,290,199	78,004	0.26 %
National education expenditures (1998)	243,190	4,422	4.6 %
Government expenditures on education	125,395	2,280	9.0 %
Budget of TESDA (ODA included)	2,919	53	386%

7.1 Who funds TVET?

Public bodies fund Php5billion, or 46 per cent of the national expenditure for TVET. Different government agencies contribute to TVET. TESDA funds a network of public training centers and schools and assumes the authority role and the supervision of the whole sub-sector.

LGUs mainly fund and organize various short duration courses; other government agencies include the Department of Agriculture which funds a network of training institutions, as well as other agencies such as the Department of Trade and Industry (DTI).

Table 7.2 Funding of TVET expenditure by source

	Php in million	US\$ in million	Percentage
TESDA	2,120	39	18.8
LGU	1,558	28	13.8
Other Govt Agencies	763	14	6.8
ODA	799	14	7.1
<i>Sub-total (public)</i>	<i>5,240</i>	<i>92</i>	<i>46.5</i>
Trainees	3,219	58	28.6
NGOs	770	14	6.8
Companies	1,759	32	15.6
Income generation	276	5	2.5
<i>Sub-total (private)</i>	<i>6,024</i>	<i>110</i>	<i>53.5</i>
Total	11,264	205	100

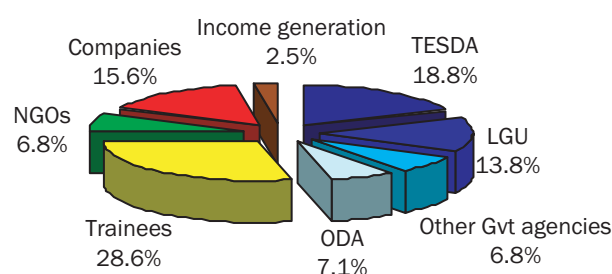
Exchange rate: US\$1 = Php55.

Figures may not add up to totals due to rounding.

The private sector contributes more than the government in funding TVET by providing 53.5 per cent of total resources. The private sector includes three major groups as far as TVET funding is concerned:

- The trainees participating in TVET courses pay fees; their contribution amounts to 28.6 per cent of total expenditure and represents 1.5 times the budget allocated to TESDA;
- Companies fund apprenticeship and learnership programmes and fund short courses or give allowances to DTS students;
- NGOs run short courses; NGOs also include different types of foundations that help training institutions.

Figure 7.1 TVET funding by source



As a group, trainees make the biggest contribution to TVET financing. The accumulated school fees paid to the various training providers exceeded the contributions of TESDA and companies. In other words, individuals spend more money on training than government or employers (see *Figure 7.1*). This is attributed to the dominance of private institutions representing around 70 per cent offering TVET courses in 2003.

Such substantial contribution of the trainees to total TVET financing can be compared to the earlier finding of the national education expenditure accounts (NEXA). This showed that families shared 45.8 per cent of the burden of financing education, the government provided 48.1 per cent and other sources 6.1 per cent (NSCB 2002, p. 1). A previous result of the Family Income and Expenditure Survey conducted in 2000 showed that 70.2 per cent of families' expenditure on education was spent on school fees alone (NSO 2002).

Table 7.3 Expenditure for TVET in 2002, by funding units and type of TVET activities

Millions pesos

	Short courses (less than 3 months)	Courses 3 to 9 months	Courses 1 to 3 years	Apprenticeship and learnership	General administration	Support to TVET system	TOTAL
TESDA	141	138	862	-	979	-	2,120
Local Government units	1,354	33	171	-	-	-	1,558
Other Govt agencies	221	75	467	-	-	-	763
ODA loans	19	17	-	-	-	763	799
Sub-total Government	1,735	263	1,500	-	979	763	5,240
Trainees	104	322	2,793	-	-	-	3,219
NGOs and foundations	121	11	638	-	-	-	770
Companies	273	19	124	1,343	-	-	1,759
Self financing	53	40	183	-	-	-	276
Total	2,286	655	5,238	1,343	979	763	11,264

7.2 How is the funding distributed among providers?

Distributing TVET resources by broad category of training providers revealed that institution-based training providers receive 55 per cent of TVET resources, a large share of this (38 per cent) went to private institutions (see *Figure 7.2*). By specific type of TVET institutions, private TVET, private HEIs, LGUs and companies had big shares in the resource pie (see *Figure 7.3*). Likewise, resources spent on TVET administration and support activities attributed to TESDA Offices (15.5 per cent) which includes support to TVET system funded by ODA sources, can also be considered substantial.

Figure 7.2 TVET funding by general type of training providers

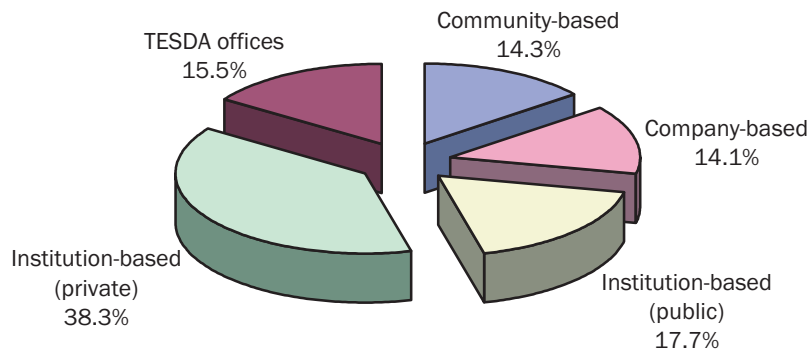
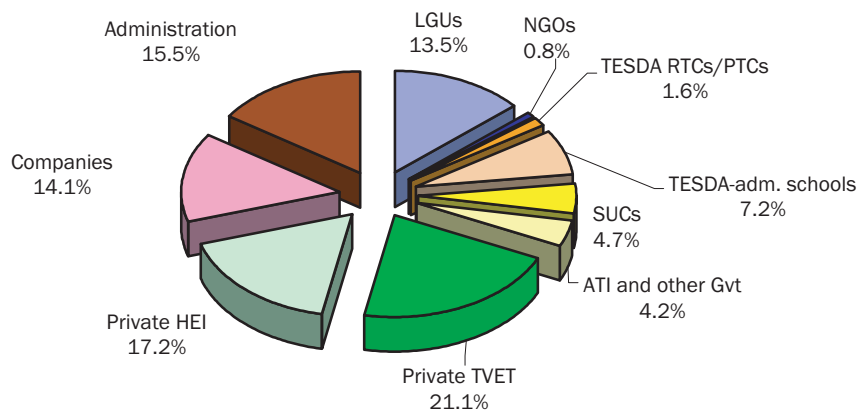


Figure 7.3 Funding by specific institution



Government resources going to the various public training providers are found to be equally divided between two categories: (i) resources which TESDA can influence; (ii) resources going to other government institutions, which TESDA has no direct influence. The first group includes resources allocated for administration (15.5 per cent), TESDA Regional and Provincial Training Centers or RTCs/PTCs (2 per cent), and TESDA-administered schools (7 per cent). The second group comprises the LGUs (14 per cent), SUCs (5 per cent), and ATI/other government institutions (4 per cent). As the agency legally mandated to lead the development of TVET and provide coordination of all training activities, TESDA ought to influence to extend its influence to the second group and ensure that training activities using public resources are consistent with the policies and standards set by TESDA.

Resource allocation can be related to some extent to the number of TVET providers. Although institution-based TVET providers (all institutions in *Table 7.4*, except LGUs, NGOs and companies) receive more than half of the total resources, they also represent more than 60 per cent of all institutions.

Table 7.4 Comparison of number of training providers and their respective share of TVET resources

	No. of institutions	Percentage of institutions (%)	Share of resources (%)
Public training providers			
LGUs	647	23	14
TESDA RTC/PTC	64	2	2
TESDA-administered schools	60	2	7
SUCs	123	4	5
ATI	34	1	4*
Private training providers			
NGOs	133	5	1
Private TVET	809	29	21
Private HEIs	617	22	17
Companies	324	12	14

* Includes resources of ATI and "other government institutions".

The analysis of the sources of funding for training providers shows that they all depend on one to two major sources, suggesting financial dependence (*Table 7.5*). Resources of public training providers mostly come from government financial contributors, most often from their respective mother units (i.e. LGUs training providers get 89 per cent of their resources from LGUs, TESDA regional/provincial training centers (RTC/PTC) and TESDA-administered schools (TAS) receive 87 per cent and 96 per cent of their resources, respectively from TESDA). Private training providers are clearly dependant on fees from 'trainees' (69 per cent in private TVET and 77 per cent in private HEIs). They receive very little assistance from the government (except for NGOs, which were able to source 14 per cent of its resources from TESDA). In other words, currently public resources for TVET are almost exclusively (94 per cent or Php3.271 B out of Php3.498 B) going to public training providers. There should be a way to increase the private sector access to government resources considering that the are major providers of TVET programmes/courses.

Table 7.5 Source of funds of TVET providers, in millions pesos

TVET Providers	TESDA	LGUs	Other govt.	ODA	Sub-total (govt)	Trainees	NGOs	Companies	Income generation	Total
LGUs	20	1,349	65	-	1,434	7	48	1	29	1,519
TESDA RTCs	40	1	-	18	59	3	-	-	3	65
TESDA PTCs	107	-	-	1	108	4	1	-	-	113
TESDA-adm. schools.	761	-	1	17	779	18	6	-	6	809
ATI/other govt.	-	2	465	-	467	-	5	-	4	476
SUCs	-	195	229	-	424	109	-	-	2	535
<i>Sub-total public providers</i>	<i>928</i>	<i>1,547</i>	<i>760</i>	<i>36</i>	<i>3,271</i>	<i>141</i>	<i>60</i>	<i>1</i>	<i>44</i>	<i>3,517</i>
NGOs	13	3	-	-	16	1	59	3	16	95
Private TVET	91	2	3	-	96	1,623	316	159	183	2,377
Private HEIs	109	6	-	-	115	1,453	335	6	33	1,942
Companies	-	-	-	-	-	1	-	1,590	-	1,591
<i>Sub-total private providers</i>	<i>213</i>	<i>11</i>	<i>3</i>	<i>-</i>	<i>227</i>	<i>3 078</i>	<i>710</i>	<i>1,758</i>	<i>232</i>	<i>6,005</i>
Administration	979	-	-	763	1,742	-	-	-	-	1,742
Total	2,120	1,558	763	799	5,240	3,219	770	1,759	276	11,264

Table 7.6 Source of funds of TVET Providers, in percentage

TVET providers	TESDA	LGUs	Other Govt	ODA	Sub-total (govt)	Trainees	NGOs	Companies	Income generation	Total
LGUs	1,3%	88,8%	4,3%	-	94,4%	0,5%	3,2%	0,1%	1,9%	100,0%
TESDA RTCs	61,6%	1,5%	-	27,7%	90,8%	4,6%	-	-	4,6%	100,0%
TESDA PTCs	94,7%	-	-	0,9%	95,6%	3,5%	0,9%	-	-	100,0%
TESDA-adm. schools.	94,1%	-	0,1%	2,1%	96,3%	2,2%	0,7%	-	0,8%	100,0%
ATI/other govt.	-	0,4%	97,7%	-	98,1%	-	1,1%	-	0,8%	100,0%
SUCs	-	36,4%	42,8%	-	79,2%	20,4%	-	-	0,4%	100,0%
<i>Sub-total public providers</i>	<i>26,4%</i>	<i>44,0%</i>	<i>21,6%</i>	<i>1,0%</i>	<i>93,0%</i>	<i>4,0%</i>	<i>1,7%</i>	<i>0,0%</i>	<i>1,3%</i>	<i>100,0%</i>
NGOs	13,7%	3,1%	-	-	16,8%	1,1%	62,1%	3,2%	16,8%	100,0%
Private TVET	3,8%	0,1%	0,1%	-	4,0%	68,3%	13,3%	6,7%	7,7%	100,0%
Private HEIs	5,6%	0,3%	0,0%	-	5,9%	74,8%	17,3%	0,3%	1,7%	100,0%
Companies	-	-	-	-	-	0,1%	-	99,9%	-	100,0%
<i>Sub-total private providers</i>	<i>3,5%</i>	<i>0,2%</i>	<i>0,0%</i>		<i>3,7%</i>	<i>51,3%</i>	<i>11,8%</i>	<i>29,3%</i>	<i>3,9%</i>	<i>100,0%</i>
Administration	56,2%	-	-	43,8%	100,0%	-	-	-	-	100,0%
Total	18,8%	13,8%	6,8%	7,1%	46,5%	28,6%	6,8%	15,6%	2,5%	100,0%

7.3 Expenditure by TVET activities

The major part (84.5 per cent) of the national TVET expenditure goes to the implementation of the various types of training programmes while 15.5 per cent is used for the general administration of the sub-sector.

Expenditure on long courses represents the major share, amounting to almost Php5 billion and 45 per cent of the total funding. Medium-length courses (more than three months and less than nine months) make up a small share representing Php0.7 billion and only 6 per cent of the market.

Training providers have used nearly half (46.5 per cent) of allocated resources on long-term courses (see Figure 7.5).

Figure 7.4 Expenditure by type of courses

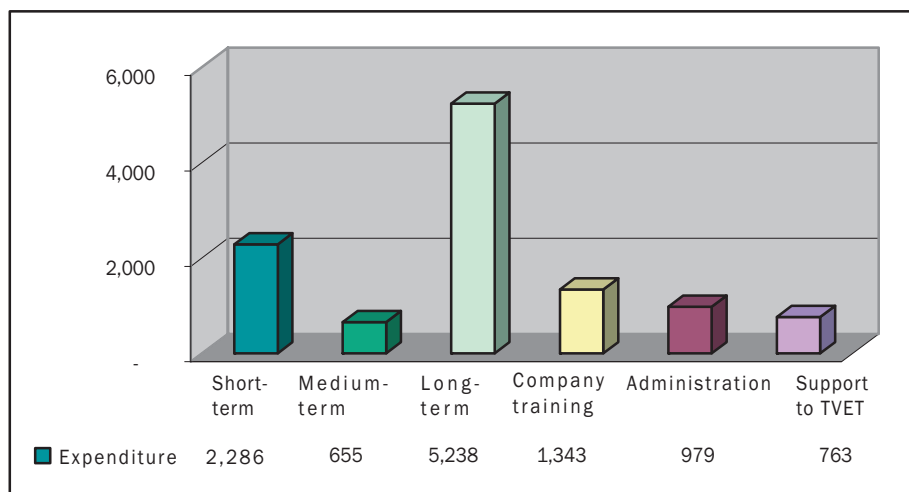
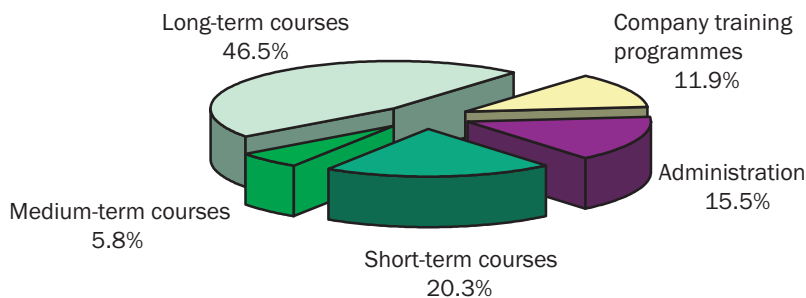


Figure 7.5 Expenditure by type of courses



7.4 Expenditures of providers

TVET providers, including TESDA offices for the general administration of the system spend Php10.7 billion from the funding received. The difference between the national expenditures (11.3 billion) and providers' expenditures (10.7 billion) corresponds to the 'surplus' made during the year. The 'surplus' could be considered as savings for the government sector and profit for the private TVET sector.

Table 7.7 Expenditures of the various categories of providers by type of course

Millions pesos

	Short courses less than 3 months	Courses 3 to 9 months	Courses 1 to 3 years	Apprenticeship and learnership	General administration	Support to TVET system	TOTAL
Community based – LGU	1,487	-	-	-	-	-	1,487
TESDA regional centers	12	49	-	-	-	-	61
TESDA provincial centers	36	76	-	-	-	-	112
Tesda-administered schools	84	28	675	-	-	-	787
Agriculture and other Gvt training	159	76	243	-	-	-	478
Public Higher Education Institutions	7	36	394	-	-	-	437
<i>Sub-total public providers</i>	<i>1,785</i>	<i>265</i>	<i>1,312</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>3,362</i>
Community-based NGOs Foundations	71	-	-	-	-	-	71
Private TVET Institutions	100	239	1,843	-	-	-	2,182
Private Higher Education Institutions	28	64	1,709	-	-	-	1,801
Companies	248	-	-	1,343	-	-	1,591
<i>Sub-total private providers</i>	<i>447</i>	<i>303</i>	<i>3,552</i>	<i>1,343</i>	<i>-</i>	<i>-</i>	<i>5,645</i>
TESDA offices (central/regional/provincial)	-	-	-	-	979	763	1,742
Total	2,232	568	4,864	1,343	979	763	10,749

In general, public training providers mostly spent on short-term courses (80 per cent or Php1.785 B out of Php2.232 B of total expenditures on short-term courses), while private training providers clearly concentrated on long-term courses (76 per cent or Php3.552 B out of Php4.864 B of total expenditures on long-term courses). Both the public and the private sectors nearly spent the same amount on medium-term courses. When looking at the expenditures by type of courses (see *Table 7.7*), the highest spending for short-term courses is recorded by LGUs, for medium-term courses private TVET institutions rank first, and for long-term courses private TVET institutions and private higher education institutions have the largest expenditures.

7.5 Expenditure by items

In general, the expenditure items are distributed quite evenly – personnel, MOOE and capital – with the exception of the very low expenditure on student services. However, the contrast can be seen when distinguished by (i) type of training providers, and (ii) by duration of courses.

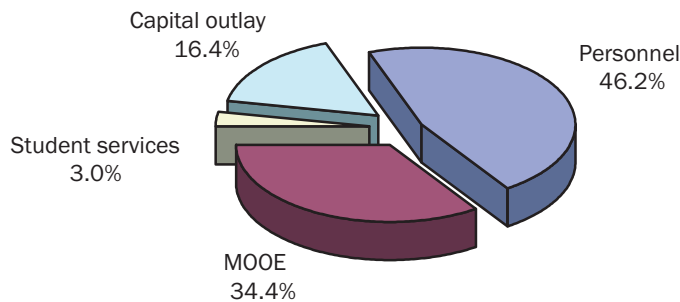
Table 7.8 Expenditures of providers by item

Millions pesos

	Personal	Other recurrent	Students services	Capital	TOTAL
Community based – LGU	1,088	216	133	50	1,487
TESDA regional centers	26	25	-	10	61
TESDA provincial centers	58	25	-	29	112
TESDA-administered schools	597	136	12	42	787
Agriculture and other Gvt training	297	151	14	16	478
Public higher-education institutions	322	60	7	48	437
<i>Sub-total public providers</i>	<i>2,388</i>	<i>613</i>	<i>166</i>	<i>195</i>	<i>3,362</i>
Community-based NGOs foundations	40	9	2	20	71
Private TVET institutions	864	679	77	562	2,182
Private higher-education institutions	832	574	75	320	1,801
Companies	350	1,241	-	-	1,591
<i>Sub-total private providers</i>	<i>2,086</i>	<i>2,503</i>	<i>154</i>	<i>902</i>	<i>5,645</i>
TESDA offices (central/regional/provincial)	496	578	-	668	1,742
Total	4,970	3,694	320	1,765	10,749

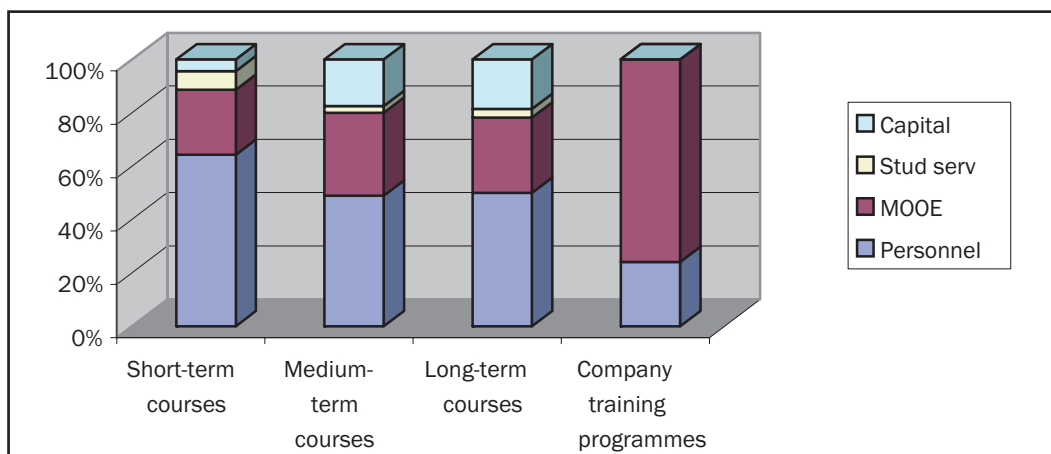
By type of training providers (see *Table 7.8*) almost all public training providers (from LGUs to SUCs) as well as NGOs have high personnel cost. It means that little is left for other expenditures items. This reflects the labour-intensive nature of training but it also a typical characteristic of the public sector high personnel, just enough MOOE and low capital. In this context ODA is used to replace and improve training equipment and facilities. Private TVET and HEIs have more flexibility to hire and manage trainers and therefore can invest relatively more on capital outlay to maintain the competitiveness of the institutions in attracting students. The high MOOE in companies includes the allowances paid to the trainees.

Figure 7.6 Distribution of expenditures by specific item



By type of course (see *Figure 7.7*), short-term courses tend to have a very high share of personnel cost, while medium and long-term courses have similar cost structure and a distribution in which spending on personnel, MOOE and capital is more balanced. One possible reason for the high share of personnel cost in short-term courses is the fact that their implementation often relies on facilities used for other courses. Furthermore, these courses rarely mobilize expensive training materials and equipment.

Figure 7.7 Distribution of expenditures items by duration of courses



8 Training provision

The results of the survey provide detailed information on the features of the supply of training, both regarding the profile of the providers and the training process. Training provision is analyzed according to course length. Programmes are classified into three main categories: short courses (less than three months), medium length (from three to nine months) and long term programmes (one to three years).

8.1 Short courses and medium courses

Short courses are the only type of course offered by all nine categories of providers. Such a pattern suggests that short courses constitute a very competitive segment of the training market. They are the only activity for community-based providers and a significant one for TESDA Regional and Provincial centers. For the TVET schools and Higher Education Institutions, short courses only constitute a complementary activity. Although they last less than three months, their average duration varies to a great extent from very light courses – 43 hours in private higher-education institutions –, to relatively intensive programmes – up to 279 hours in Agriculture and other government training institutes (not considering companies). The survey recorded company training programmes as short courses since most of the time is spent on the job (93 per cent of total duration).

Table 8.1 Short courses (less than three months)

	LGU	NGOs	TESDA regional and prov. centers	TESDA-administered schools	Agric. and other Gvt institutes	Public HEI	Private TVET	Private HEIs	Companies
Number of providers	38	19	23	26	11	16	55	57	17
- offering short courses	38	19	17	10	11	3	15	13	7
- % offering short courses	100.0%	100.0%	73.9%	38.5%	100.0%	18.8%	27.3%	22.8%	47.1%
- Courses per provider offering short courses	8	5	13	8	15	2	3	4	2
- Batches per provider offering short courses	27.3	7.6	33.5	8.7	36.2	2.7	6.5	16.6	17.6
- Trainees per provider offering short courses	674	196	480	166	1,630	33	33	120	316
Trainees per batch	24.7	25.9	14.3	19.1	45.0	12.4	5.1	7.2	15.7
Hours per batch	144.5	90.3	101.2	65.8	278.9	110.0	91.4	43.4	1,073.2
- of which lecture	26.8	26.2	24.4	20.2	147.0	23.8	27.2	17.7	77.6
- of which practicum	87.5	54.4	67.3	45.6	73.7	86.3	52.2	16.6	0.1
- of which on the job	30.2	9.7	9.5	0.0	58.3	0.0	11.9	9.1	995.5

Medium courses include training programmes from three months duration to less than nine months. In fact, except a few cases, most range from three to six months. The average number of hours of training per batch varies greatly according to the type of institution from 268 hours for TESDA-administered schools to 864 hours for TESDA Regional and Provincial Training Centers.

Table 8.2 Medium courses (Three to nine months)

	LGUs	NGOs	TESDA regional and prov. centers	TESDA-administered schools	Agric. and other Gvt institutes	Public HEI	Private TVET	Private HEI	Companies
- Number of providers	38	19	23	26	11	16	55	57	17
- Number of providers offering medium courses	0	0	20	8	5	3	22	11	0
- % providers offering medium courses	0.0%	0.0%	87.0%	30.8%	45.5%	18.8%	40.0%	19.3%	0.0%
- Courses per provider offering medium courses			6	6	3	5	2	2	
- Batches per provider offering medium courses			12.9	12.0	23.6	10.3	4.2	5.5	
- Trainees per provider offering medium courses			268	374	638	208	85	185	
Trainees per batch			20.8	31.2	27.0	20.1	20.2	33.3	
Hours per batch			864.0	268.4	621.2	504.5	744.4	734.8	
- of which lecture			146.3	65.1	111.3	87.2	340.0	206.2	
- of which practicum			358.6	193.4	494.9	240.5	252.0	337.8	
- of which on the job			359.2	9.9	15.1	176.8	152.5	190.8	

Medium courses are offered by six of the nine types of providers. This type of course is offered in most of the TESDA regional and provincial centers (87 per cent), whilst for the other categories of providers, less than 50 per cent of the institutions are present of this segment in the training market.

Comparative scale, intensity and diversity of operation

The scale on which short courses are implemented varies a lot according to the category of provider. On average, short training programmes organized by higher education institutions and private technical and vocational education institutions enrolled only 33 trainees while this number reached 1,630 for the category of Agriculture and other government training institutes. This distribution suggests that, although all types of providers offer short training programmes, it is a significant operation only for some of them, namely Agriculture and other government training institutes, community-based LGU, TESDA regional and provincial centers and NGOs and foundations. The proportion of providers offering short term programmes in each category confirms this pattern (100 per cent of agriculture and other government training institutes, 90 per cent of community-based LGU, 69 per cent of TESDA regional and provincial centers and 74 per cent of NGOs and foundations).

The average number of batches per provider per year reflects the intensity of the activity. The highest figures are recorded for agriculture and other government training institutes, TESDA regional and provincial centers and community-based LGU all having organized more than 30 batches during the academic year.

Short courses do not cover many trade areas. The highest average number of courses offered by provider was 15. Hence, although all types of providers are involved in the provision of short training programmes, on average the number of short courses offered by each type of provider is relatively limited.

The number of trainees participating in medium courses varies from an average of 85 in private TVET institutions to 638 in Agriculture and other government training institutes.

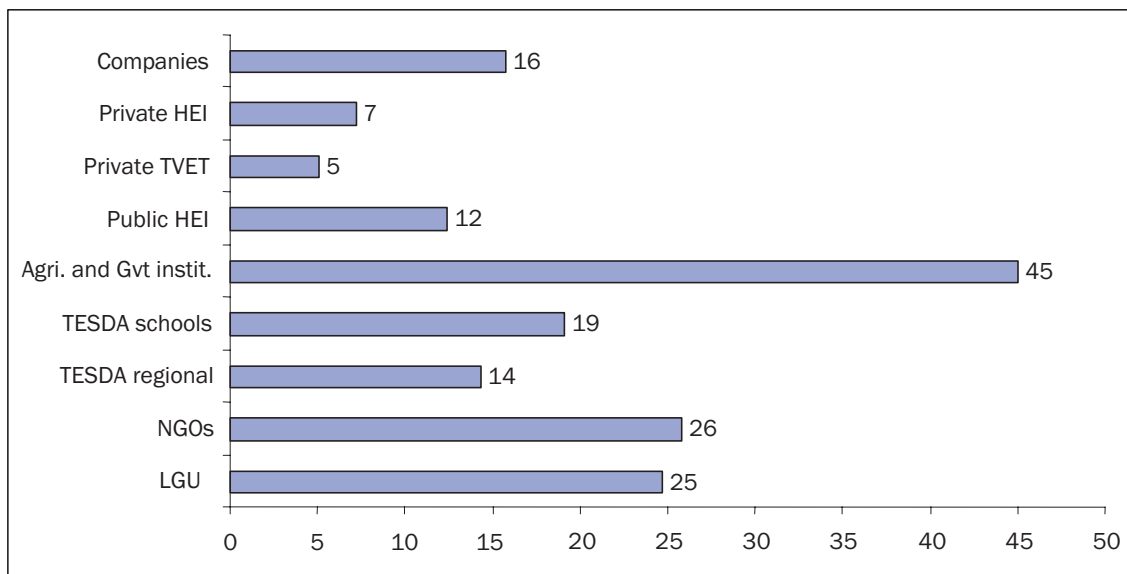
On average the highest intensity in the organization of medium courses is recorded for Agriculture and other government training institutes with about 24 batches for the year. The lowest activity for this kind of course is recorded for private institutions (private TVET and HE institutions).

The supply of medium courses is relatively concentrated on a few number of courses, not exceeding six courses per institution.

Training organization and modes of delivery

Except for Agriculture and other government training institutes, the number of trainees per batch for short courses is relatively small (between 12 and 26), or even very small in private institutions (less than 10). Such ratios suggest that the training conditions are good. However, in the case of TESDA institutions and, to a lesser extent, public higher education institutions, this may raise an issue of efficiency (less than 20 trainees per batch). This could be a concern particularly for TESDA regional and provincial centers for which short courses represent a significant activity.

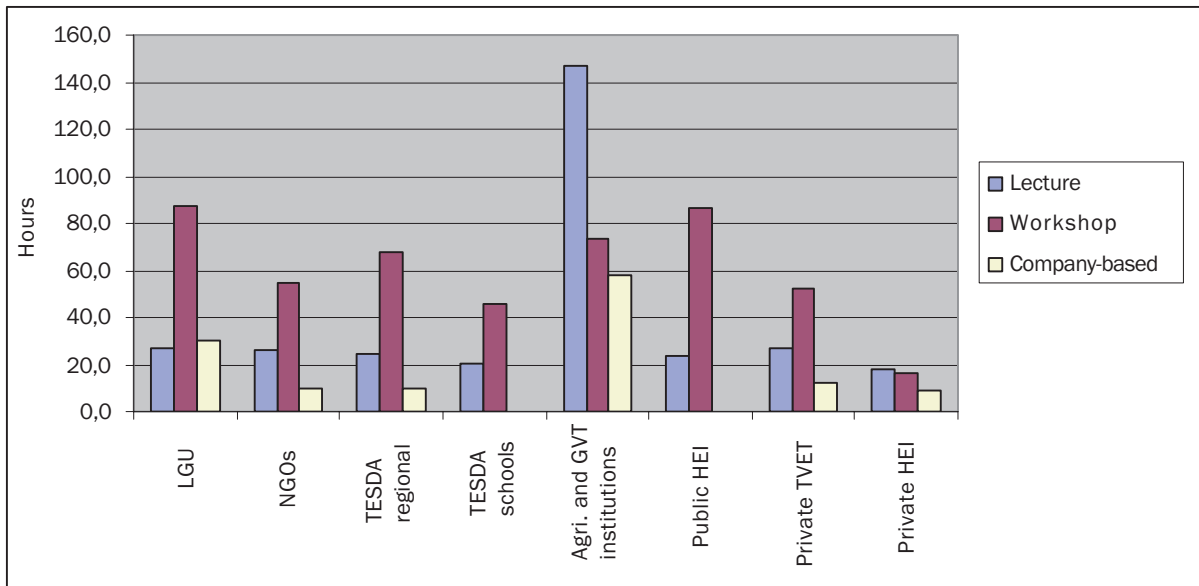
Figure 8.1 Trainees per batch



The analysis of training modes shows that different providers opt for various options. Company-based training is not part of the short-term courses offered by TESDA schools or public higher education institutions. On the contrary, it represents a significant share of the programmes delivered by LGU and Agriculture and other government training institutes. In general, short courses are very practical in nature as reflected by the fact that most hours are spent in workshops. Only in courses offered by agriculture and other government training institutes and private higher education institutions do training hours include a majority of lectures.

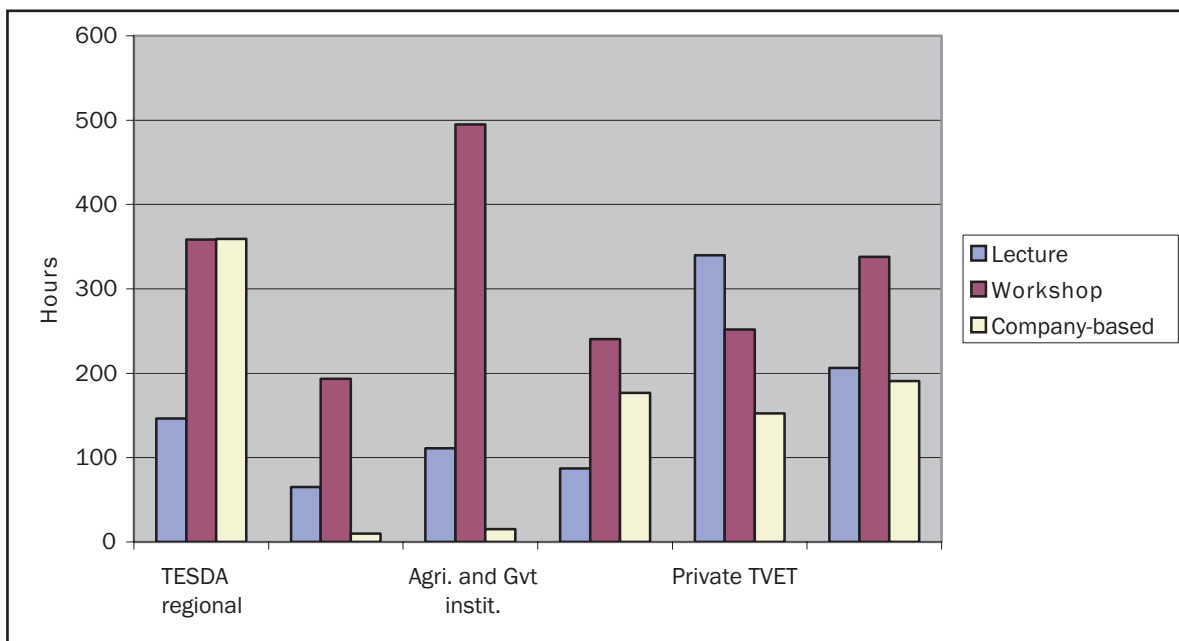
For medium courses, the average number of trainees per batch is rather homogeneous – from 20 to 33 –, a level generally considered to contribute to satisfactory learning conditions.

Figure 8.2 Training modes by batch (short courses)



There is a wide distribution of training modes for medium courses. TESDA regional and provincial centers emphasize both on practical training and on-the-job exposure. Agriculture and other government training institutes focus on workshop-based training.

Figure 8.3 Training mode by batch (medium courses)



8.2 Long-term programmes: one, two and three-year courses

Long courses are only offered by four types of institutions: TESDA-administered schools, Public Higher-Education Institutions, Private Technical and Vocational Institutions and Private Higher-Education Institutions. The academic year ranges on average from 786 hours to 1,461 hours per batch.

Comparative scale, intensity and diversity of operation

Long-term programmes constitute an important activity for TESDA-administered schools and for public higher-education institutions both in terms of average size (trainees per provider) and in terms of frequency (percentage of providers offering one long-term course). The activity of private institutions is particularly felt on the two-year course market which represent the most atomized segment for long-term programmes.

In terms of scale, intensity and diversity, the most activity is recorded for three-year courses with an average size of 145 to 780 trainee per provider, a number of batches ranging from 6 to 20 and with 6 to 12 different courses being offered on average by each type of provider.

Table 8.3 One-year courses

	LGUs	NGOs	TESDA regional and prov. centers	TESDA-administered schools	Agric. and other Gvt institutes	Public HEI	Private TVET	Private HEI	Companies
- Number of providers	38	19	23	26	11	16	55	57	17
- Number of providers offering one year courses	0	0	0	11	0	9	29	29	0
- % providers offering one year courses	0.0%	0.0%	0.0%	42.3%	0.0%	56.3%	52.7%	50.9%	0.0%
- Courses per provider offering one year courses				3		2	2	2	
- Batches per provider offering one year courses				3.9		2.7	3.2	3.0	
- Trainees per provider offering one year courses				116		111	61	76	
Trainees per batch				29.6		41.7	18.8	25.2	
Hours per batch				1,094.8		1,146.4	987.9	1,146.4	
of which lecture				333.3		316.7	332.7	326.1	
of which practicum				546.4		400.4	297.9	356.6	
of which on the job				215.1		429.3	357.3	463.8	

Table 8.4 Two-year courses (yearly data)

	LGUs	NGOs	TESDA regional and prov. centers	TESDA-administered schools	Agric. and other Gvt institutes	Public HEI	Private TVET	Private HEI	Companies
- Number of providers	38	19	23	26	11	16	55	57	17
- Number of providers offering two-year courses	0	0	0	20	0	12	39	48	0
- % providers offering medium courses	0.0%	0.0%	0.0%	76.9%	0.0%	75.0%	70.9%	84.2%	0.0%
- Courses per provider offering two-year courses				9		9	6	6	
- Batches per provider offering two-year courses				10.6		11.8	8.7	15.6	
- Trainees per provider offering two-year courses				309		314	161	227	
Trainees per batch				29.3		26.7	18.5	14.5	
Hours per batch				1,233.5		1,033.7	1,026.7	786.0	
- of which lecture				491.5		337.9	460.0	241.0	
- of which practicum				501.0		452.9	351.8	194.5	
- of which on the job				241.0		242.8	214.9	350.5	

Table 8.5 Three-year courses (yearly data)

	LGUs	NGOs	TESDA regional and prov. centers	TESDA-administered schools	Agric. and other Gvt institutes	Public HEI	Private TVET	Private HEI	Companies
- Number of providers	38	19	23	26	11	16	55	57	17
- Number of providers offering three-year courses	0	0	0	14	0	5	2	11	0
- % providers offering three-year courses	0.0%	0.0%	0.0%	53.8%	0.0%	31.3%	3.6%	19.3%	0.0%
- Courses per provider offering three-year courses				6		12	10	6	
- Batches per provider offering three-year courses				5.9		19.8	16.0	6.6	
- Trainees per provider offering three-year courses				148		780	464	145	
Trainees per batch				25.3		39.4	29.0	21.8	
Hours per batch				956.0		1,461.1	1,196.9	1,095.4	
- of which lecture				254.6		509.3	285.9	280.7	
- of which practicum				383.9		567.7	373.4	277.9	
- of which on the job				317.5		384.0	537.5	536.8	

Training organization and modes of delivery

The average number of trainees per batch varies between 14 for two-year courses offered in private higher education institutions to 42 for one-year courses provided by public higher education institutions. The coefficient of variation for the average number of trainees per batch varies from 1.7 (three-year courses) to 2.2 (one-year courses) suggesting that the variations in batch size are not very different for the different categories of long-term courses. The most constant organization is recorded for TESDA-administered schools with an average number of trainees ranging from 25 to 30.

Table 8.6 Training modes by batch and type of provider (long-term courses)

	TESDA schools	Public HEI	Private TVET	Private HEI
One-year courses				
Lecture	30.4%	27.6%	33.7%	28.4%
Workshop	49.9%	34.9%	30.2%	31.1%
Company-based	19.6%	37.5%	36.2%	40.5%
Two-year courses				
Lecture	39.8%	32.7%	44.8%	30.7%
Workshop	40.6%	43.8%	34.3%	24.7%
Company-based	19.5%	23.5%	20.9%	44.6%
Three-year courses		34.9%		
Lecture	26.6%	38.9%	23.9%	25.6%
Workshop	40.2%	26.3%	31.2%	25.4%
Company-based	33.2%		44.9%	49.0%

The training methods used by the different categories of providers for one-year courses are relatively uniform except for TESDA schools which rely more on workshop practice than on company-based learning. This relative preference for workshop training among TESDA schools is also observed for two-year courses.

Regardless of course duration, the highest percentage of hours devoted to company-based training is found in private higher education institutions. This share reaches close to 50 per cent of the training hours for three-year programmes.

Overall, nearly one-fifth of training is devoted to company-based training, a percentage which is quite significant.

8.3 Comparative perspectives of training supply

Indicators on the average activity of training institutions for each category of providers allow for comparisons to be made between the size, degree of specialization, level and intensity of activity and the incidence of provision (Table 8.7).

Table 8.7 Supply indicators by category of provider

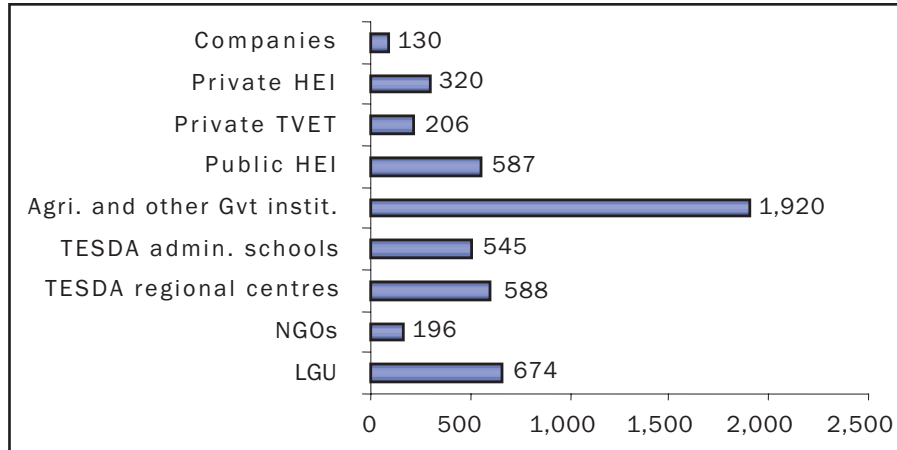
	LGU	GOs	TESDA reg. centers	TESDA adm. schools	Agri. and other Govt. inst.	Public HEI	Private TVET	Private HEI	Companies
Courses per provider									
short courses	8	5	13	8	15	2	3	4	2
medium courses			6	6	3	5	2	2	
one-year courses				3		2	2	2	
two-year courses				9		9	6	6	
three-year courses				6		12	10	6	
Total number of courses per provider	8	5	18	32	18	30	22	20	2
Batches per provider									
short courses	27	8	34	9	36	3	7	17	18
medium courses			13	12	24	10	4	6	
one-year courses				4		3	3	3	
two-year courses				11		12	9	16	
three-year courses				6		20	16	7	
Total number of batches per provider	27	8	46	41	60	47	39	47	18
Trainees per provider*									
short courses	674	196	480	166	1630	33	33	120	277
medium courses			268	374	638	208	85	185	
one-year courses				116		111	61	76	
two-year courses				309		314	161	227	
three-year courses				148		780	464	145	
Total number of trainees per provider**	674	196	588	545	1920	587	206	320	130
Hours per provider									
short courses	3,943	685	3,394	572	10,092	293	597	721	18,916
medium courses			11,146	3,221	14,660	5,213	3,147	4,075	
one-year courses				4,280	0	3,057	3,202	3,439	
two-year courses				13,014	0	12,146	8,924	12,249	0
three-year courses				5,600	0	28,929	19,150	7,270	0
Total number of hours per provider	3,943	685	12,201	16,047	16,756	20,902	10,135	14,419	8,902

* The average number of trainees per provider only refers to providers having offered the type of course concerned.

** including all providers.

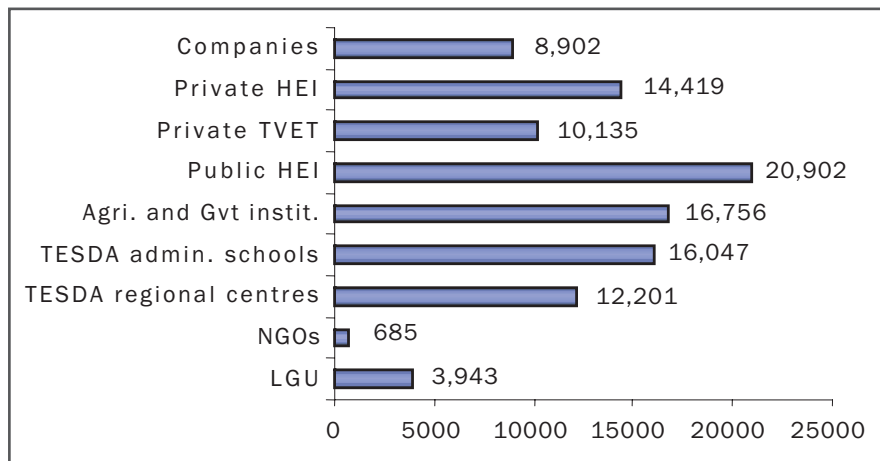
Comparing the average number of people that reach a provider for each category shows that Agricultural and other government institutes have the largest unit capacity, and companies and NGOs the smallest (*Figure 8.4*). It is to be noted that, on average, public higher education institutions and TESDA institutions reach the same number of people.

Figure 8.4 Total average number of trainees per provider



Data on the average number of hours delivered by providers, for each category, gives an indication of the scale of operation of individual institutions (*Figure 8.5*). This indicator shows that on average, public higher education institutions have the largest unit delivery capacity.

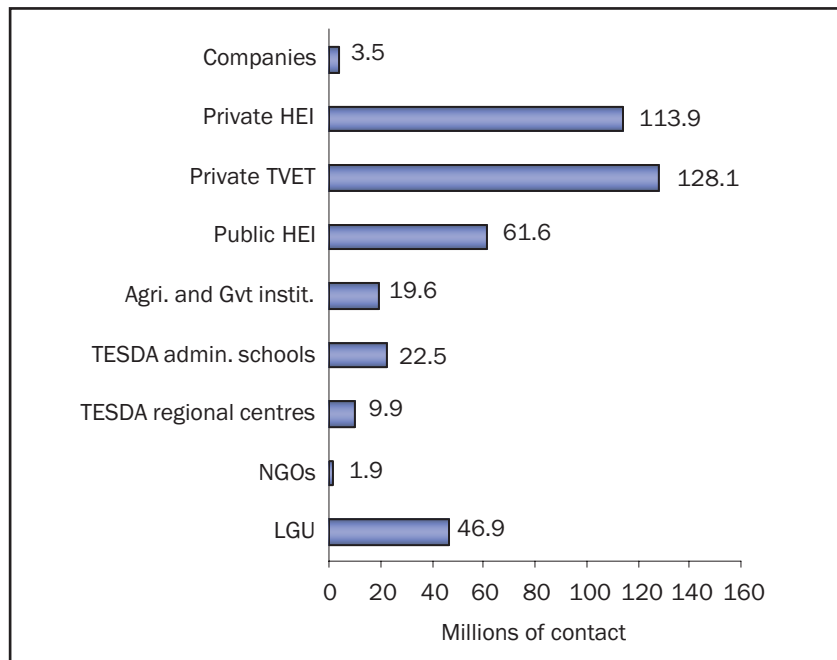
Figure 8.5 Total average number of hours per provider



Computing the total number of contact hours delivered (course nominal duration in hours multiplied by the number of trainees), by institution, for each category, provides an indicator of the average volume of activity by provider. This indicator, applied to the total number of institutions in the country provides an estimate of the total volume of training consumed at the national level and its structure by provider.

The global volume of activity represented about 408 million contact hours. This 'physical' indicator confirms the concentration of the training market among private providers, representing about 60 per cent of the total. TESDA institutions constitute a little less than 8 per cent of the volume of training delivered. In the public sector, public higher education institutions and LGU produce the largest volume of contact hours (*Figure 8.6*).

Figure 8.6 National total number of contact hours by type of provider



9 Providers' profiles

9.1 General overview of providers

TVET providers that participate in the study have been divided into four groups, namely: (a) Community-based training providers; (b) Company-based training providers; (c) Public institution-based training providers; and (d) Private institution-based training providers.

Table 9.1 General category of training providers

General category	Total
Community-based	57
Company-based	17
Institution-based	188
– Public	(76)
– Private	(112)
Total	262
Specific name of TVET providers	Total
Local government units (LGUs)	38
Non-governmental organizations (NGOs)	19
Companies	17
TESDA regional training centers (PTCs)	10
TESDA provincial training centers (PTCs)	13
TESDA-administered schools (TASs)	26
State universities and colleges (SUCs)	16
DA-agricultural training institutes (ATI)	11
Private TVET schools (TVET)	55
Private higher-education institutions (HEIs)	57
Total	262

Community-based training providers include 38 LGUs and 19 NGOs, three of which are identified as foundations.

Company-based training providers implement various training schemes in the actual workplace. All 17 companies participating in the study are TESDA registered implementers of the Apprenticeship programme. Six of the 17 companies also accepted students undergoing OJT or enrolled in a DTS programme, while another eight of the 17 implemented short-term training for its own employees and non-employees.

The group of *Public institution-based training providers* in the study includes both TVET institutions under TESDA and other public institutions providing TVET courses managed by other government agencies (SUC are under the responsibility of the Commission on Higher Education and ATI are

under the control of the Department of Agriculture). At present, not all SUC and ATI have direct linkages with TESDA.

Private institution-based training providers are the biggest group of TVET providers in the study, which also accurately reflects the size of their representation in the Philippine TVET sector. Legally speaking, all private schools are considered as ‘corporations’ and their institutional identity is based on how they registered their institution – either as private TVET institutions (mainly intending to offer TVET courses) or a private Higher Education Institution (to offer higher education degrees). However, over the years, the tendency has been to expand operations so much that HEI are also now offering TVET courses. Thus, the two groups of private institution-based training providers in the study are composed of 55 private TVET schools and 57 private higher education institutions (HEIs) offering TVET courses to reflect this basic difference.

Table 9.2 Profile of delivery of public and private providers

	Public TVET providers	Private TVET providers
Short-term courses	LGUs	NGOs
Medium-term courses	<ul style="list-style-type: none"> • TESDA RTC • TESDA PTC • ATI 	
Long-term courses	<ul style="list-style-type: none"> • TESDA-administered schools • SUCs 	<ul style="list-style-type: none"> • Private TVET • Private HEI
Company-based training		• Companies

Linking the training providers to the courses they mainly offer will show which institutions are similar. *Table 9.3* shows the number of institutions offering short, medium and long-term TVET courses and company-based training programmes.

Table 9.3 Number of training providers providing various types of TVET courses

	Types of TVET Courses			
	Short-term courses	Medium-term courses	Long-term courses	Company-based
LGUs	38			
NGOs	19			
TESDA RTC	9	10	1	
TESDA PTC	8	10		
TESDA-administered schools	10	8	24	
SUC	3	3	15	
ATI	11	5		
Private TVET	15	22	47	
Private HEI	13	11	56	
Companies	8			17

Based on the above table, the following observations can be made:

- LGUs and NGOs provide only short-term courses. Both are community-based training providers;
- TESDA RTC/PTC and ATI mainly have short to medium TVET courses. Though the Agricultural Training Institutes (ATI) offer more short-term than medium-term courses, they are characteristically more related to TESDA's regional and Provincial Training Centers (RTC/PTC), both having regular training facilities and training programmes;
- TESDA-administered schools (TAS), State universities and colleges (SUCs), Private TVET and Private HEIs implement all types of TVET courses but clearly the bulk and concentration of their operations is in providing long-term courses.

9.2 Community-based training providers

A total of 38 LGUs and 19 NGOs make up the community-based training providers in the study. Three of the 19 NGOs identified themselves as 'foundations'.

Training facilities. Only a little more than half (30 out of 57 or 53 per cent) of the community-based training providers confirmed that they have their own training centers. However, given the nature of community-based training, which tends to be mobile, and often moving from one community to another, it is highly possible that those without training facilities only rely on simple tools and equipment to teach basic skills.

Training provided in 2001 and 2002. The LGUs implement three in every four community-based courses (289 out of 391 or 74 per cent). On average, each LGU offers eight short-term courses compared to five for every NGO. The most common courses offered are related to the trade areas of food trade/technology (75 courses), garments (46 courses), handicrafts (37) and agriculture (36), which do not require sophisticated equipment.

As community-based training courses are short-term courses, they may be offered several times a year. For each time the same course is repeated, the group of trainees is called a 'batch'. Looking at the data provided in the table below, although the LGUs showed superior capacity for providing training in terms of the number of the times short-term courses are implemented (as reflected by number of batches) and in terms of enrolment size (approximately three times more than those enrolled in the NGOs), both LGUs and NGOs have comparable numbers of students per batch.

Looking at the concentration of enrolment in LGUs and NGOs reveals an identical set of trade areas often sought from community-based training providers (see *Table 9.4*). Courses related to food trade/technology (i.e. cooking, food preservation) consistently have the highest demand. However, between 2001 and 2002, enrolment in computer-related courses has registered the highest growth.

Table 9.4 Profile of community-based providers

	LGUs	NGOs
Number of providers	38	19
Number of courses	289	102
<i>Average number of courses per provider</i>	7.6	5.4
Number of batches	1,037	144
<i>Average number of batches per provider</i>	27.3	7.6
<i>Average number of batches per course</i>	3.6	1.4
Total enrolment	25,593	3,724
<i>Average number of trainees per provider</i>	674	196
<i>Average number of trainees per course</i>	89	37
<i>Average number of trainees per batch</i>	25	26
Total hours	149,825	13,007
Lecture	27,793	3,777
Practicum	90,746	7,830
On the job	31,286	1,400
<i>Average hours per provider</i>	3,943	685
<i>% on the job</i>	21%	11%

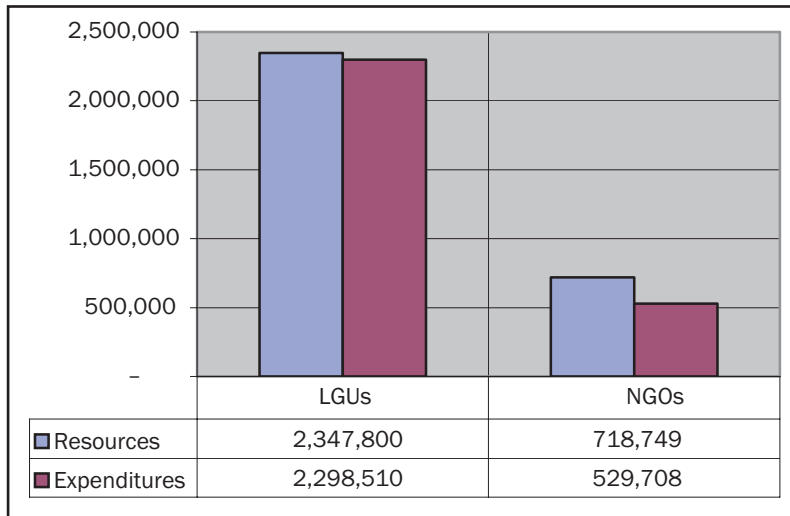
Table 9.5 Trade areas with high enrolment in community-based programmes

2001	2002
1. Food trade/technology (7,415)	1. Food trade/technology (8,058)
2. Handicrafts (3,304)	2. Computer (3,334)
3. Garments (3,055)	3. Garments (3,246)
4. Tourism, hotel and restaurant (1,906)	4. Handicrafts (3,137)
5. Computer (1,772)	5. Tourism, hotel and restaurant (1,908)
6. Cosmetology (1,618)	6. Agriculture (1,868)
7. Agriculture (1,360)	7. Cosmetology (1,801)

Resources and expenditures

The Local Government Units (LGUs) had an average training budget of Php2.3 million (US\$42,700), three times more than the average resources of their counterpart, the **Non-Governmental Organizations** (NGOs), which only had a budget of Php718,000 (US\$13,000).

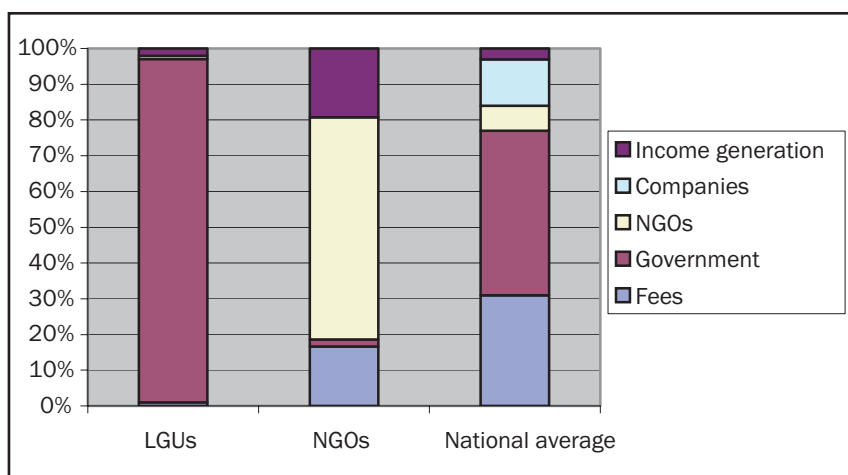
Figure 9.1 Resources and expenditures of community-based providers



Comparing the resources and expenditures of both types of community-based training providers, LGUs used 98 per cent of their resources, while the NGOs spent only around 74 per cent, leaving around Php189,000 (US\$3,400) as extra-funds (see *Figure 9.1*).

Both LGUs and NGOs receive the majority of their funds from their respective mother units, although this is less so for NGOs than for LGUs, which obtain 96 per cent of their total resources from the budget allocated by the government (most from the LGUs but some contributions also came from TESDA and other government agencies). NGOs finance 62 per cent of their training operations from their own NGO funds. The NGOs augment their budget with other sources such as income-generating activities and fees from the trainees (see *Figure 9.2*). Companies' contribution to community-based training is very limited.

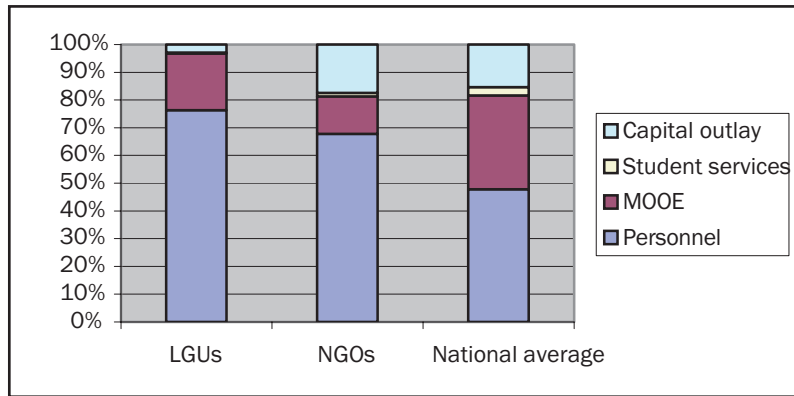
Figure 9.2 Average resources of community-based providers by source



Both community-based training providers have noticeably high personnel costs, 76 per cent and 68 per cent of the expenditures for LGUs and NGOs, respectively. The national average is only

48 per cent. As was already pointed out, spending too much on personnel leaves very little space for other expenditure items. However, the NGOs did not neglect investment needed in capital outlay (see Figure 9.3).

Figure 9.3 Average expenditures of community-based providers by item



9.3 Company-based TVET

A total of 17 companies make up the group of enterprise-based or company-based training providers. All of these companies are TESDA registered implementers of the Apprenticeship programme. Six of the 17 companies also accepted students undergoing OJT or enrolled in a DTS programme, while another eight implemented short-term training for their own employees as well as non-employees.

Training provided in 2002. Companies provide a venue for the trainees to get a feel for the real world of work. However, unlike the regular technical and vocational schools, which teach regular courses, training programmes in companies may vary from unstructured (training is left to the discretion of the employers) to structured (which follows a curriculum jointly agreed upon by the school and the company, following the TESDA regulations on company-based training). In 2002, these companies were involved in a total of 69 training programmes, nearly half (35) were registered under the apprenticeship programme, 21 under on-the-job training (OJT)/dual training system (DTS) and 13 as short-term training programmes/courses.

Companies are not known to be implementers of short-term training courses except when they organize skills upgrading activities for their own employees. Seven out of 17 companies offered short-term training, of which four companies accepted the participation of external trainees or non-employees. It is natural for companies to ask non-employees to defray part of the training expenses. Total resources collected amount to Php30,100 (US\$547), minimal when compared to the average Php1.6 million (US\$29,500) expenditures of companies for short-term training.

The majority of the companies surveyed (16 out of 17) are TESDA registered implementers of the apprenticeship programme. Total expenditures reached Php70 million (US\$1.3 million) or an average of Php4.4 million (US\$80,036).

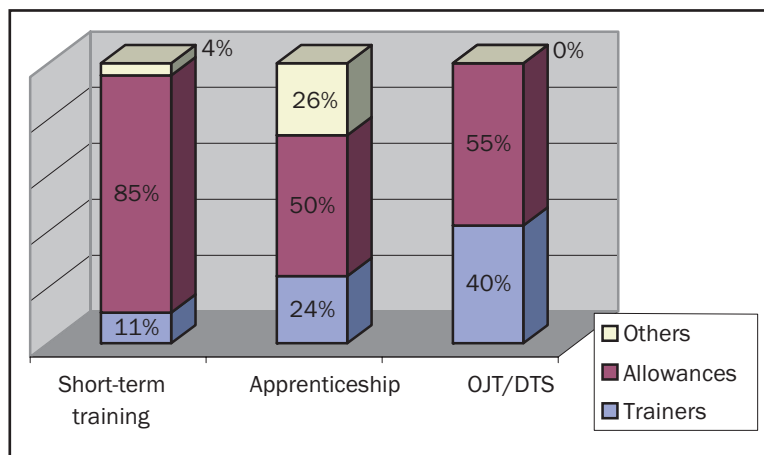
Six companies also participated in on-the-job training (OJT) and Dual Training System (DTS), both schemes using a modality where students spend time in the workplace to supplement what was learned in the school. Total expenditures amounted to Php2.1 million (US\$38,266) or an average of Php300,665 (US\$5,467).

Table 9.6 Profile of company-based providers

Company-based providers		
Number of providers: 17		
Short term training courses	Apprenticeship	OJT and DTS
Nb of companies: 7 Nb of courses: 13 Nb batches: 141 Nb trainees: 2214 Trainees per batch: 16	Number of companies: 16 Nb apprentices : 35	Number of companies: 6 Nb DTS courses: 5 Nb other courses: 16 Nb students DTS courses: 38 Nb students OJT: 61 NB students trained: 99 Nb hours OJT: 11,674 Students per company: 15

Allowances paid to the trainees make up the main cost for companies that participated in the company-based training schemes. Companies are obliged to pay allowances, normally 80 per cent of the minimum wage, based on laws such as labor code and the DTS law passed in 1994.

Figure 9.4 Average expenditures of company-based providers



The second major expenditure item for companies is the cost of trainers, who guide the trainees throughout their stay in the company. Trainers' cost is not much in short-term training compared to other training schemes where the duration of students' stay in the company can last six to eight months. Trainers are often the workers assigned to supervise the trainees, which means that there is no additional cost to the company as it is already embedded in their salary. However, with the passage of the DTS law in 1994, companies wishing to participate in a more organized training collaboration between schools and companies would really require a full-time staff member to keep track of student progress in the workplace.

9.4 Institution-based TVET

The 76 public institutions and 112 private institutions representing the institution-based training providers in the study can be grouped as follows: 23 TESDA regional or provincial centers,

26 TESDA-administered schools, 11 public TVET training centers under the authority of other government agencies, mainly the Department for Agriculture, 16 State universities and colleges, 55 private TVET schools and 57 private higher education institutions.

Training provided in 2001 and 2002. TESDA regional and provincial centers and TVET institutions under the authority of other government agencies only deliver short and medium courses, while other public and private institutions offer long courses.

Table 9.7 Profile of institution-based training providers

	TESDA regional/ provincial centers	TESDA- administered schools	Institutions under other Gvt agencies	Public higher- education institutions	Private TVET institutions	Private higher- education institutions
Number of providers	23	26	11	16	55	57
Offering short courses	17	10	11	3	15	13
Offering medium courses	20	8	5	3	22	11
Offering one-year courses	0	11	0	9	29	29
Offering two-year courses	0	20	0	12	39	48
Offering three-year courses	0	14	0	5	2	11
Number of courses	329	423	177	206	397	484
Short courses	213	84	161	7	41	53
Medium courses	116	46	16	14	42	17
One-year courses	0	34	0	22	68	51
Two-year courses	0	180	0	103	227	293
Three-year courses	0	79	0	60	19	70
Average courses per provider	14.3	16.2	16.1	12.9	7.2	8.5
Number of batches	828	519	516	303	656	1,185
Short courses	570	87	398	8	98	216
Medium courses	258	96	118	31	93	61
One-year courses	0	43	0	24	94	87
Two-year courses	0	211	0	141	339	748
Three-year courses	0	82	0	99	32	73
Average batches per provider	36.0	19.9	46.9	18.9	11.9	20.8
Average batches per course	2.5	1.2	2.9	1.5	1.7	2.4
Enrolment	13,514	14,169	21,117	9,390	11,340	18,247
Short courses	8,152	1,660	17,928	99	495	1,557
Medium courses	5,362	2,991	3,189	623	1,879	2,030
One-year courses	0	1,272	0	1,001	1,767	2,190
Two-year courses	0	6,173	0	3,768	6,272	10,876
Three-year courses	0	2,073	0	3,899	927	1,594
Average trainees per provider	588	545	1,919	587	206	320
Average trainees per course	41.1	33.5	119.3	45.6	28.6	37.7
Average trainees per batch	16.3	27.3	40.9	31.0	17.3	15.4
Total hours	280,619	417,233	184,313	334,424	557,398	821,861
Lecture	51,649	146,923	71,616	108,558	230,649	245,515
Practicum	130,894	183,230	87,709	137,822	187,762	221,014
On the job	98,076	87,080	24,988	88,044	138,987	355,332
Average hours per provider	12,201	16,047	16,756	20,902	10,135	14,419
% on the job	34.9%	20.8%	13.6%	26.3%	24.9%	43.2%
Enrolments in main trade areas	Automotive 2,556 Metal works 1,509 Electrical 1,427 Electronics 1,285 Refrigeration 955	Computer 2,625 Automotive 1,930 Food trades 1,636 Agriculture 1,614 Tourism, hotel 1,606 Electronics 1,499 Electrical 947	Agriculture 15,351	Computer 1,233 Automotive 980 Electronics 839 Electrical 762	Computer 4,672 Health related 1,489 Automotive 1,136 Electronics 997	Computer 8,327 Tourism, hotel 2,628 Health related 2,162 Automotive 1,241 Electronics 1,163

TESDA regional and provincial centers organized on average 14.3 courses and 36 batches, courses are repeated on average 2.5 times a year. Two-thirds of the courses are short courses. The average enrolment is 588 trainees per center and 16.3 per batch. They offer a large range of trade areas, focusing on industrial fields (automotive, metalwork, electrical, electronics are the major areas). The training relies on practicum hours (47 per cent) and on-the-job hours (35 per cent).

The main activity of the **training centers under other Government agencies** (mainly agriculture centers) is short courses. On average they organize 16 courses and 47 batches per year. The number of trainees per batch is high, about 41 per batch, bringing the average capacity of one center to 1,900 trainees per year.

TESDA-administered schools offer a wide range of courses, 16 courses and 20 batches per year in average. Forty-four per cent of the students attend two-year courses. They also offer a large range of specialization: Computer, Automotive, Food trades, Agriculture, Tourism and Hotel, Electronics, Electrical. The training relies on practicum hours (44 per cent) and lectures (35 per cent).

Public higher-education institutions enrol an average of 374 students, mainly in two-year courses (40 per cent of TVET students and three-year courses (42 per cent of TVET students). They offer an average of 13 courses and 19 batches per year in a large range of trade areas. The Training relies more on practicum hours (41 per cent) and lectures (32 per cent).

Private technical and vocational schools mainly delivering two-year programmes (55 per cent of enrolment). They are small institutions with an average of 206 students per school. Computer skills is the dominant trade area with 41 per cent of enrolment. The training relies on lectures (41 per cent) and practicum hours (25 per cent).

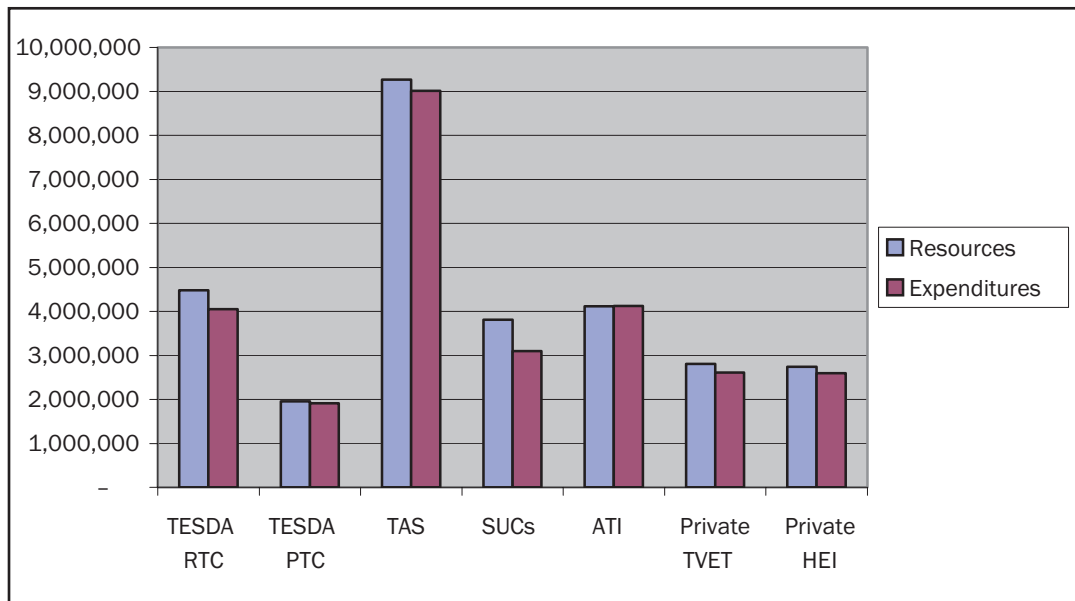
Private higher-education institutions that provide TVET training also mainly deliver two-year programmes (60 per cent of enrolment). The average enrolment is 206 students per school. Computer skills is again the dominant trade area with 46 per cent of enrolment. The training relies on on-the-job hours (43 per cent) and lecture hours (30 per cent).

Resources and expenditures

In terms of resources, the **TESDA-administered schools** (TAS) are the richest among all institution-based training providers. The average TAS resources of Php9.3 million are two to five times greater than the budget of other institutions.

Comparing the resources and expenditures of the institutions, the utilization rate of resources is generally between 90 to 100 per cent, except for **state universities and colleges** (SUCs) which only use 81 per cent of resources. Usually, government institutions tend to use most of the resources allocated to them because the excess shall be returned to the national government at the end of each fiscal year (every December). However, SUCs are legally exempt from returning excess resources and may use them for institutional development.

Figure 9.5 Resources and expenditures of institution-based providers



Public institution-based training providers (starting from TESDA RTC to ATI) run mainly on government resources, while private institution-based training providers depend on fees paid by the trainees (see Figure 9.6). Among public training providers, TESDA Regional Training Centers (RTCs) stood out for their ability to generate resources from income-generating activities, while state universities and colleges (SUCs) illustrated that it is possible to charge fees if given the right incentive.

Figure 9.6 Resources of institution-based providers by source

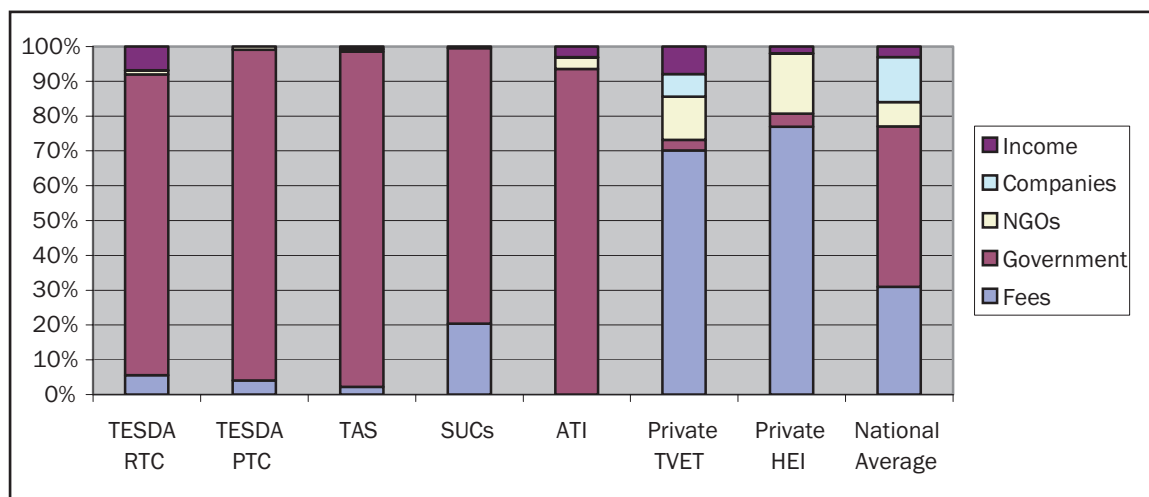
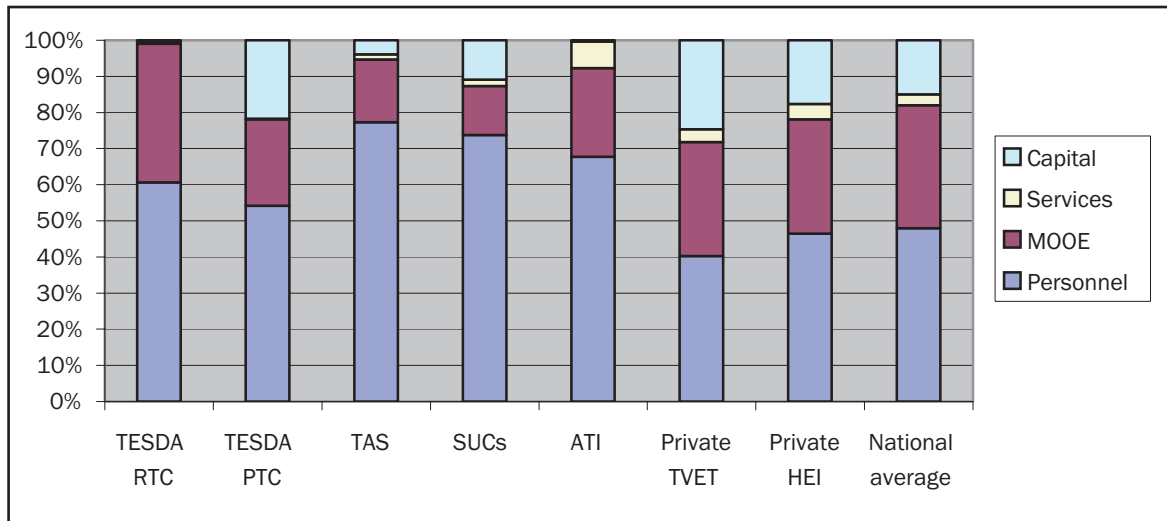
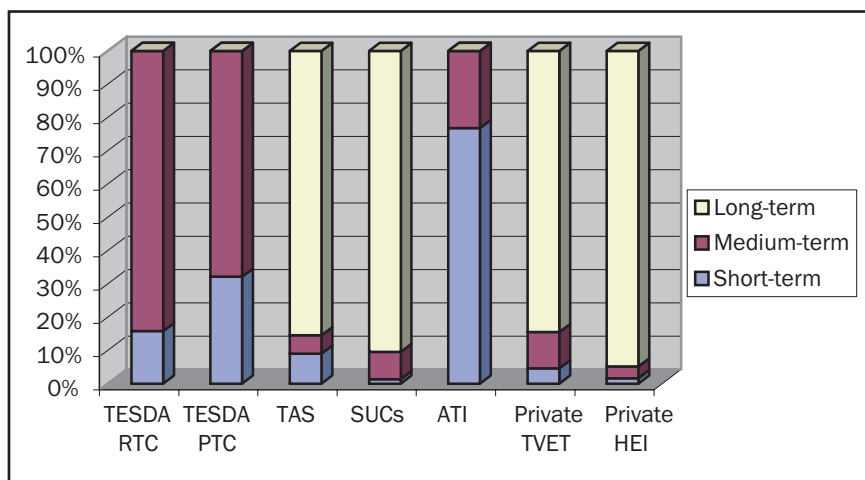


Figure 9.7 Expenditures of institution-based providers by item



Public and private training providers have contrasting priorities in terms of how they use their resources (see *Figure 9.7*). All public training institutions are characterized by high personnel costs while their private counterparts spend below the average for all categories of providers. This points to a clear difference on personnel policies. Government personnel enjoy a security of tenure, which means it is often easier to add manpower when needed than it is to remove or move excess staff in training institutions. Private institutions, on the other hand, are quick to adjust to the situation, which immediately hire more personnel if needed and reduce staff size when necessary. But the low personnel expenditure of the private sector may also be due to its desire to use the money to invest in equipment and facilities upgrading. To stay in the business and to be able to attract more trainees, it is important to keep the competitive advantage in terms of both hardware and software.

Figure 9.8 Expenditures of institution-based providers by type of course



Most institution-based training providers spent money on the implementation of more than one type of TVET course (by length). However, the distribution of their expenditures by duration of courses is clearly concentrated on a particular length of course. The Agricultural Training Institutes (ATI) spent more on short-term, the TESDA regional and provincial training centers (RTC/PTC) on medium-term and the rest (TAS, SUCs, private TVET and HEIs) on long-term courses.

Table 9.8 Expenditures of institution-based provider by length of course, in Php and in percentage

Training providers	Expenditures (in '000 Php)			Percentage share		
	Short	Medium	Long	Short	Medium	Long
TESDA RTCs	6,410	34,114	-	16%	84%	0%
TESDA PTCs	7,991	16,848	-	32%	68%	0%
ATI	34,850	10,501	-	77%	23%	0%
TESDA-administered schools	21,181	12,970	200,205	9%	6%	85%
Private TVET	6,550	15,703	121,235	5%	11%	84%
SUCs	668	4,077	44,853	1%	8%	90%
Private HEI	2,394	5,240	140,422	2%	4%	95%

9.5 Trainers' profiles

Not all of the personnel in the institutions included in the survey are involved in TVET. Institutions such as private HEI, public HEI and TESDA-administered schools have big staff sizes, although only the latter two have less than 20 people working full-time for their TVET operations. All the rest have less than 10 full-time personnel involved in TVET.

The status of personnel in the institution may be full-time or part-time. It is common in all institutions to hire part-time workers in order to augment their staff complement. This is seen to be an efficient way to reduce expenses since part-time workers are only paid for the time when they are working for the institution. This makes a lot of sense for short-term TVET courses. This also explains why personnel cost of the institution is divided into salary and honoraria – the former is used for full-time personnel, the latter for part-time workers.

Hiring part-time instructors is also considered an effective and better way of teaching skills since institutions can always invite experts from the industry or training instructors from other institutions that can teach best for that particular course. NGOs, ATI and private TVET institutions utilize more part-time than full-time TVET personnel. In the case of companies, personnel involved in training are often regular workers assigned to supervise the trainees. Hence, they are considered as working part-time for TVET.

Table 9.9 Average number of trainers per institution

	Whole institution		TVET only	
	Full-time	Part-time	Full-time	Part-time
<i>Community-based</i>				
– LGUs	2.89	3.34	2.53	2.32
– NGOs	1.95	3.11	0.47	1.32
<i>Company-based</i>				
– Companies				13.35
<i>Public institution-based</i>				
– TESDA RTC/PTC	5.52	1.26	5.17	1.22
– TESDA-administered schools	24.38	2.23	20.31	2.15
– Public HEIs	83.06	13.88	28.44	5.31
– ATI	5.00	5.00	4.55	5.00
<i>Private institution-based</i>				
– Private TVET	6.56	6.31	5.05	5.76
– Private HEIs	46.47	15.16	8.70	4.05

10 Unit costs

By definition, the unit cost of a programme is the total cost divided by the number of units of training output: participants, batches or hours. This ratio measures the average amount of resources required to generate one unit of output. In order to make direct comparisons between providers and type of courses, unit costs are calculated here using recurrent costs only; capital expenditures, whose consumption will be made by several generations of trainees, are excluded.

Unit costs analysis provides information on the efficiency of training programmes. Regular monitoring of unit costs provides signals to better control training costs.

Unit costs depend to a large extent on the length of training. For this reason, the analysis is conducted based on the three categories already used: short, medium and long courses.

10.1 Short courses

Short courses (less than three months) are offered by all categories of providers. However their relative importance varies considerably by type of provider. Short courses constitute the exclusive activity for community-based training providers. They are a significant part of the activity for a large majority of TESDA regional and Provincial Training Centers and for other Government training institutes, minor activity for TVET and higher education institutions with only one-fifth or one-quarter of those providers offering such short courses.

The average budget of a provider offering short courses ranges from Php230,000 for public higher education institutions with less than eight batches organized in a year, to Php2.4 million for LGUs with 27 batches organized per year (see *Table 10.1*).

Unit costs per batch vary from Php10,000 in private higher education institutions, where the average duration of a course is shorter to Php240,000 in TESDA-administered schools. Such high cost may be due to the number of trainees and specialization in trade areas where training is more expensive.

Average unit costs per trainee ranges from 1,400 to 3,000 for the majority of the institutions. Again unit costs are higher in TESDA-administered schools (approximately Php13,000), but also in private TVET institutions (close to Php11,000) where the average number of trainees per batch is only 5.1.

Average unit cost per lecture/workshop hour ranges from approximately Php300 to Php700, except for TESDA-administered schools with Php3,700. High unit costs for company-based courses are due to the allowances paid to the trainees.

The actual cost of training courses obviously varies depending on the use of equipment, materials and electricity, and other items. To take this into account, the enrolment was grouped according to trade area. Data was not computed when there were not enough trainees per trade area.

Table 10.1 Unit costs for short courses (only for providers offering short courses)

	Community-based LGUs	Community-based NGOs and foundations	TESDA regional and provincial centers	TESDA-administered schools	Agriculture and other Gvt training institutes	Public higher-education institutions	Private technical and vocational institutions	Private higher-education institutions	Companies
Nb of providers with financial data	34	13	16	10	10	3	15	12	8
Nb of batches	1,012	140	399	87	355	8	98	215	141
Number of trainees	24,949	3,524	6,397	1,660	16,406	99	495	1,514	2,214
Total resources thousands pesos	79,825	9,344	16,938	21,791	34,887	680	5,731	3,240	12,984
Total recurrent exp. thousand pesos	75,524	4,972	14,560	20,894	34,778	602	5,643	2,230	12,984
Average resources per provider	2,347,800	718,749	1,058,622	2,179,123	3,488,656	226,574	382,082	270,031	1,622,968
TESDA	1.3%	13.8%	81.4%	90.6%	0.0%	0.0%	1.1%	0.9%	0.0%
LGU	88.8%	2.5%	0.2%	0.0%	1.5%	0.0%	0.0%	0.3%	0.0%
Other Gvt Agencies	4.3%	0.2%	0.6%	0.0%	92.5%	86.7%	0.0%	0.0%	0.0%
Trainees	0.5%	1.4%	12.0%	7.4%	0.0%	13.3%	57.0%	92.3%	0.2%
NGO's	3.1%	61.8%	1.6%	0.0%	2.2%	0.0%	11.0%	5.2%	0.0%
Companies	0.1%	3.4%	0.3%	0.0%	0.2%	0.0%	26.7%	0.1%	99.8%
ODA	0.0%	0.0%	3.3%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Income generation	1.9%	16.8%	0.6%	0.3%	3.7%	0.0%	4.2%	1.1%	0.0%
Average recurrent exp. per provider	2,221,305	382,458	910,028	2,089,359	3,477,817	200,639	376,218	185,823	1,622,968
Staff	75.7%	78.4%	28.8%	75.7%	67.3%	85.5%	49.0%	42.2%	10.9%
Other current	15.0%	18.0%	16.6%	18.3%	26.4%	13.1%	49.1%	52.6%	4.3%
trainees allowance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	84.8%
Students services	9.3%	3.6%	0.1%	6.0%	6.3%	1.4%	1.9%	5.2%	0.0%
Unit recurrent cost per batch	74,629	35,514	36,492	240,156	97,967	75,240	57,584	10,371	92,083
Unit recurrent cost per trainee	3,027	1,411	2,276	12,586	2,120	6,080	11,401	1,473	5,864
Unit cost per hour (lecture+practicum)	653	441	398	3,650	444	684	725	302	1,185
Average fee per trainee	14	19	273	925	-	810	6,493	1,360	14

The estimated cost per student per trade area can be categorized into three categories as follows:

- (i) **Inexpensive courses** costing less than Php3,000 or US\$50;
- (ii) **Moderately expensive courses** ranging from Php3,000 to less than Php5,000;
- (iii) **Expensive courses** Php5,000 and above.
 - Inexpensive courses – handicrafts, health and agriculture, food trades, tourism, computer, commercial/business administration
 - Moderately expensive courses – commercial, cosmetology, electrical, garments, electronics, metal works
 - Expensive courses – automotive, refrigeration and air-conditioning.

LGUs offered training courses from the inexpensive (*handicrafts and agriculture*) to moderately expensive courses (*food, garments, tourism, cosmetology, computer, and electronics*). NGOs concentrated on providing computer courses, which are inexpensive. It must be noted that the target clientele of community-based training are the poor and unemployed, those with incomes less than Php11,605 (US\$211) annually or Php967 (US\$18) monthly. That is why it is understandable to see the bulk of enrolment in community-based training in LGUs because their courses are essentially offered for free while the NGOs require trainees to take part in the training bill.

Table 10.2 Cost per trainee by trade area in community-based training

Trade areas	Enrolment		Cost per student	
	LGUs	NGOs	Total	In Php
Agriculture, forestry, fishery	1,436	432	1,868	804
Automotive	370	87	457	17,371
Electrical	694	93	787	3,481
Electronics	1,250	92	1,342	3,658
Garments	2,942	304	3,246	3,528
Handicrafts	2,962	175	3,137	488
Metal works	177	157	334	4,612
Refrigeration and air-con	266	-	266	14,938
Commercial, business adm.	204	339	543	2,744
Computer	1,691	1,643	3,334	1,862
Cosmetology and related	1,723	78	1,801	3,261
Health and related	934	-	934	442
Tourism, hotel and restaurant	1,858	50	1,908	1,749
Food trades/technology	7,877	181	8,058	1,064

In TVET or higher education institutions, only public centers and schools offer a wide range of trade areas. Private institutions covered by the survey mainly offer short courses in computer skills.

In public institutions, unit costs per trainee range from Php 574 for handicrafts to Php13,665 for computer skills area.

- Inexpensive: handicrafts, mechanics, woodwork, refrigeration and air conditioning, civil engineering, agriculture, electronics;
- Moderately expensive: garments, metalwork, electrical, commercial, food trades and technology;
- Expensive: automotive, computer.

Table 10.3 Cost per trainee by trade area of short-term courses in institution-based training

Trade areas	Enrolment		Cost per student (Php)	
	Public	Private	Public	Private
Agriculture, forestry, fishery	15,040	-	2,490	-
Automotive	1,557	54	6,319	ns
Civil engineering, construction	297	-	2,350	-
Electrical	831	39	3,596	ns
Electronics	1,203	12	2,696	ns
Garments	899	40	3,009	ns
Handicrafts	490	-	574	-
Mechanical	642	-	838	-
Metal works	898	12	3,541	ns
Refrigeration and air-con	598	-	2,269	-
Wood Works, furniture	124	-	1,469	-
Commercial, business adm.	153	-	3,390	-
Computer	875	1,715	13,665	3,303
Food trades/technology	1,541	24	3,256	ns

As for company-based training, it was not possible to get the cost per student for all trade areas because the number of trainees was not sufficient. Data was only available for eight companies. However limited the results are, they show broadly similar costs per student for related trade areas.

Table 10.4 Cost per trainee by trade area in company-based training

Trade areas	Enrolment	Cost per student (Php)
Electrical	201	2,529
Electronics	1,766	2,448

10.2 Medium-term courses

Medium-term courses (three to nine months) are offered by TESDA regional and provincial centers and public or private TVET and higher education institutions. However whereas 20 out of 23 TESDA centers offer medium-term courses, less than one out of five higher education institutions offer such training.

The average budget of a provider offering medium courses ranges from Php1.3 million for private higher education institutions with less than an average of six batches organized in a year, to Php3.0 million for TESDA regional and provincial centers with 13 batches organized per year.

One batch costs between Php70,000 and Php180,000. The low average cost in TESDA-administered schools is partly explained by the short duration of an average course (268 hours) while the high unit cost in TESDA centers can be partly explained by the longer duration (864 hours).

The average unit cost per teaching hour (lecture and practicum hours) is around Php200 to 300. Average unit costs per trainee range from Php2,500 in TESDA-administered schools to almost Php11,000 in TESDA regional and provincial centers.

Medium-length courses in private institutions covered by the survey are concentrated in the field of health and significant numbers of trainees were found in computer skills and automotive areas. As for short courses, public institutions are covering a wider range of trade areas.

Table 10.5 Unit costs (in Php) for medium courses

	TESDA regional and provincial centers	TESDA-administered schools	Agriculture and other Gvt training institutes	Public higher-education institutions	Private technical and vocational institutions	Private higher-education institutions
Nb of providers with financial data	19	8	4	3	13	7
Nb of batches	252	96	79	31	93	60
Number of trainees	5,268	2,991	2,057	623	1,879	2,008
Total resources thousands pesos	56,032	7,475	10,481	4,209	18,773	8,809
Total recurrent exp. thousand pesos	45,913	6,714	10,451	2,957	12,033	4,637
Average resources per provider	2,949,038	934,319	2,620,324	1,402,889	1,444,061	1,258,437
TESDA	87.6%	93.6%	0.2%	0.0%	1.7%	0.6%
LGU	1.2%	0.0%	1.2%	86.1%	0.1%	0.0%
Other Gvt agencies	0.2%	0.3%	90.6%	10.7%	0.0%	0.0%
Trainees	2.6%	3.2%	0.0%	3.1%	77.3%	94.0%
NGO's	0.8%	0.0%	6.9%	0.0%	1.6%	4.2%
Companies	0.2%	0.0%	0.5%	0.0%	6.3%	1.2%
ODA	2.1%	1.5%	0.0%	0.0%	0.0%	0.0%
Income generation	5.2%	1.2%	0.7%	0.0%	13.0%	0.0%
Average recurrent exp. per provider	2,416,458	839,286	2,612,635	985,639	925,587	662,484
Staff	61.2%	68.1%	69.9%	84.8%	51.2%	56.7%
Other current	38.5%	28.7%	19.3%	14.2%	45.2%	37.8%
Students services	0.3%	3.3%	10.8%	1.1%	3.7%	5.5%
Unit recurrent cost per batch	182,193	69,941	132,285	95,384	129,383	77,290
Unit recurrent cost per trainee	8,715	2,245	5,080	4,746	6,404	2,309
Unit cost per hour (lecture+practicum)	361	271	218	291	219	142
Average fee per trainee	230	72	-	149	4,950	2,171

Unit costs per trainee range from approximately Php2,100 for computer courses in public institutions to Php14,000 for Mechanical courses. Certainly some differences could be due to the already mentioned variations in the average duration of medium-length courses.

- Inexpensive (less than Php7,000 per trainee) : computer, cosmetology, agriculture, automotive, food trades, refrigeration and air conditioning ;
- Moderately expensive (between Php7,000 and Php10,000 per trainee): electronics, garments, electrical ;

- Expensive (more than Php10,000 per trainee) : tourism-hotel and restaurants, civil engineering and constructions, mechanical.

As for company-based training, it was not possible to get the cost per student for all trade areas because the number of trainees was not sufficient. Data are only available for eight companies. However limited the results are, they do generally reflect similar costs per student for related trade areas.

Table 10.6 Cost per trainee by trade area in company-based training

Trade areas	Enrolment	Cost per student	
		In Php	In US\$
Electrical	201	2,529	46
Electronics	1,766	2,448	45

Table 10.7 Cost per trainee by trade area of medium-term courses in institution-based training

Trade areas	Enrolment		Cost per student (Php)	
	Public	Private	Public	Private
Agriculture, Forestry, fishery	3,232	-	5,240	-
Automotive	1,823	434	5,166	2,305
Civil engineering, construction	298	-	12,338	-
Electrical	1,174	60	9,052	ns
Electronics	1,112	23	7,014	ns
Garments	610	95	8,363	ns
Mechanical	280	-	13,960	-
Metal works	1,145	-	9,285	-
Refrigeration and air-con	801	-	6,983	-
Computer	494	316	2,124	8,118
Health and related	42	2,877	ns	5,346
Tourism, hotel and restaurant	394	2	10,161	ns
Food trades/technology	422	26	6,199	ns

10.3 Long courses

Long courses (one to three years) are offered by public and private TVET and higher education institutions. Long courses constitute the major activity for TESDA-administered schools and private TVET institutions. In higher-education institutions, the majority of TVET programmes/courses are long courses.

The average annual budget of a provider offering long courses ranges from Php2.8 million for private higher education institutions to Php9 million for TESDA-administered schools (see *Table 10.8*).

TESDA-administered schools appear to be more expensive when looking at the average unit cost per batch (Php575,000), per trainee (Php20,000) or per hour (Php645). In the other institutions, the average cost per trainee ranges from Php7,000 to Php10,000, and the average cost per hour varies from Php170 to Php 270.

Table 10.8 Unit costs (in Php) for long courses

	TESDA-administered schools	Public higher education institutions	Private technical and vocational institutions	Private higher education institutions
Nb of providers with financial data	23	14	46	51
Nb of batches	336	196	461	886
Nb of hours at school (lecture + practicum)	299,617	235,340	355,575	425,930
Number of trainees	9,518	5,462	8,874	14,183
Total resources thousands pesos	206,295	56,053	132,628	144,902
Total expenditures thousand pesos	193,291	40,620	90,546	115,621
Average resources per provider	8,969,343	4,003,816	2,883,208	2,841,217
TESDA	96.5%	0.0%	3.1%	3.6%
LGU	0.0%	33.1%	0.1%	0.3%
Other Gvt agencies	0.1%	44.7%	0.2%	0.0%
Trainees	1.7%	21.8%	68.3%	75.1%
NGO's	0.8%	0.0%	15.3%	18.8%
Companies	0.0%	0.0%	6.0%	0.2%
ODA	'	'	'	'
Income generation	0.8%	0.5%	7.1%	1.9%
Average expenditure per provider	8,403,974	2,901,435	1,968,391	2,267,078
Staff	81.2%	82.6%	53.9%	56.4%
Other current	17.8%	15.4%	39.5%	38.3%
Trainees allowance	0.0%	0.0%	1.6%	0.2%
Students services	1.0%	2.0%	5.0%	5.1%
Unit cost per batch	575,272	207,245	196,412	130,498
Unit cost per trainee	20,308	7,437	10,204	8,152
Unit cost per hour (lecture+practicum)	645	173	255	271
Average fee per trainee	340	1,618	6,968	6,123

Most trainees enrolled in long courses in private institutions covered by the survey are in the computing training area. However, significant numbers of trainees are also enrolled in areas such as tourism, electronics, automotive, maritime and electrical.

In public institutions, unit costs per trainee range from approximately Php10,000 for computer courses to approximately Php39,000 for the agriculture, forestry, fishery area. Unit costs appear to be higher in private institutions for almost all trade areas except for civil engineering and tourism. The most expensive cost per trainee in private institutions is almost Php138,000 for refrigeration and air-conditioning.

Classification by cost level is difficult for long-term courses due to significant variations between public and private providers for several training areas.

Table 10.9 Cost per trainee by trade area for long-term courses in institution-based training

Trade Areas	Enrolment		Cost per student (Php)	
	Public	Private	Public	Private
Agriculture, forestry, fishery	1,424	-	38,994	-
Automotive	2,450	1,889	11,606	22,423
Civil engineering, construction	483	171	18,202	13,618
Electrical	2,167	1,093	14,824	30,835
Electronics	2,686	2,125	15,366	25,258
Garments	238	25	29,744	ns
Maritime	98	1,230	ns	15,950
Mechanical	665	316	21,717	82,524
Metal works	401	250	21,822	117,278
Refrigeration and air-con	455	229	14,683	137,538
Telecommunications	-	435	-	19,895
Wood works, furniture	113	12	21,180	ns
Commercial, business administration	-	406	-	30,931
Computer	3,880	10,968	10,380	13,675
Health and related	419	771	13,337	19,587
Tourism, hotel and restaurant	1,401	3,307	19,564	10,957
Food trades/technology	1,034	242	19,989	72,337

11 Providers' relationships with trainees, enterprises and with TESDA

11.1 Training Fees

Upon enrolment in training institutions, students have to pay tuition and miscellaneous fees. Tuition fees refer to the direct cost of instruction and training. Miscellaneous fees are other necessary costs that support education such as registration fees, laboratory fees, library fees, athletic fees, and medical/dental fees. A study commissioned by TESDA found that up to 11 items were charged under miscellaneous fees. Furthermore, the study found that TESDA schools and training centers have no standard rates. The situation is the same in private schools, where fees are not regulated by TESDA.

Private training institutions face more difficulties in collecting training fees than their public counterparts. Consequently, nearly half of the private institutions recognize default payment as a major problem for the financial management of the institution. Among the public institutions, only public HEIs experience the same problem.

Table 11.1 Issues in fees payment

	Difficulty collecting training fees	Default payment a major problem
Public institution-based		
- TESDA RTC/PTC	9%	0%
- TESDA-administered schools	31%	4%
- Public HEIs	50%	13%
- ATI	18%	9%
Private institution-based		
- Private TVET	76%	49%
- Private HEIs	75%	46%

From a financial management point of view, schools are left with no choice when an individual does not pay on time. Although the problem is more acute in private schools, the public sector also suffers from students dropping out of school due to financial reasons.

Table 11.2 Percentage of TVET providers with students paying late

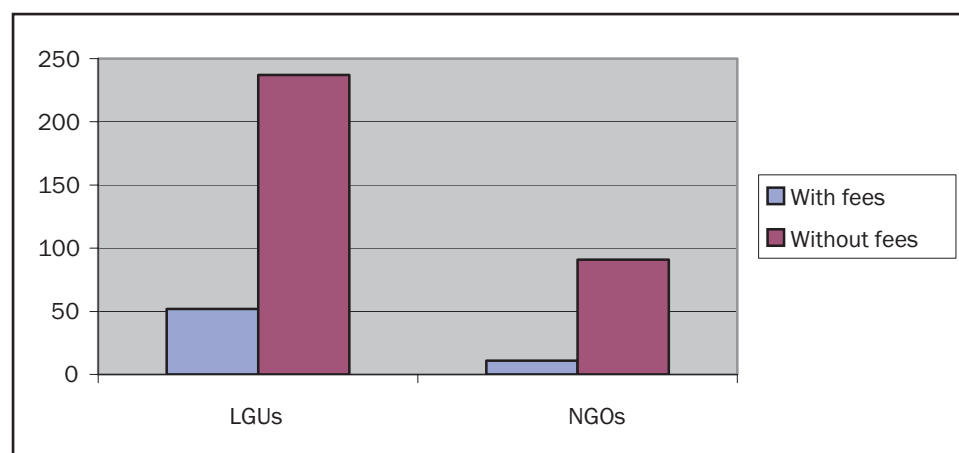
Category of Responses	Public	Private
No Problem	67%	23%
1-10% of students	8%	14%
11-30% of students	7%	29%
31-50% of students	9%	18%
More than 50%	5%	13%
Did not answer	4%	3%
All training providers	100%	100%

Table 11.3 Percentage of TVET providers with students dropping out due to financial reasons

Category of Responses	Public	Private
No Problem	38%	9%
1-10% of students	43%	60%
11-30% of students	9%	23%
31-50% of students	5%	2%
More than 50%	0%	4%
Did not answer	5%	2%
All training providers	100%	100%

Collection of training fees in community-based training does not seem to be a concern considering that most courses offered (84%) are free of charge. However, the term ‘free’ must be understood in the sense that the LGUs and NGOs rarely collect training fees but request the trainees to bring their own ‘consumables’ or materials to be used during their course of participation. Nevertheless, the LGUs (with the supportive role of the NGOs) provide access to skills training to some poor constituents, who could not otherwise afford to pay the actual cost of training or the training fees charged in private training institutions. In this regard, community-based training is considered a pro-poor activity.

Figure 11.1 Number of community-based training courses, with and without fees



11.2 Student services

Expenditures on ‘student services’ (i.e. school meals, dormitories, medical/dental, guidance and library) have been consistently low (2 per cent on the national scale) in the financing priorities of all types of training providers. However, the lack of services while students are ‘in-school’ is made up for, to some extent, the services provided when they are about to leave school. Most training institutions help their trainees find suitable jobs, either through placement assistance (where a school coordinator liaises with companies) or through ‘jobs fairs’ (where companies are gathered and students ‘shop’ for their ideal job). Likewise, most schools, whether public or private, stay in touch with their former students. The school coordinators (who most likely helped in finding employment) stay in touch with their former students when visiting companies and seeking employment opportunities for the next set of graduating students. Loyal and grateful graduates of the school reciprocate these efforts by attending alumni homecomings and sometimes assisting trainees.

Table 11.4 Provision of students’ services

	With dormitories	With job placement	Monitoring of graduates
Public institution-based			
- TESDA RTC/PTC	43%	100%	87%
- TESDA-administered schools	35%	96%	96%
- Public HEIs	38%	81%	56%
- ATI	73%		55%
Private institution-based			
- Private TVET	7%	91%	89%
- Private HEIs	12%	79%	72%

11.3 Linkages with Enterprises

One of the positive changes brought about by the adoption of the Dual Training System in 1994 was the increased awareness among schools of the need to link-up with companies to make training more attuned to the needs of the enterprises. Developing a close relationship between schools and companies can be manifested in the following: (a) company involvement in school management/decision making; (b) company involvement in curriculum development/upgrading; (c) schools providing customized training to companies; and (d) sending students to undergo on-the-job training (OJT) in companies.

Table 11.5 Linkages with enterprises

	Employers participate in		School provides customized training programmes	Difficult to find places for OJT placements	Schools and companies have sustained linkages
	school management	curriculum development			
Public institution-based					
– TESDA RTC/PTC	39%	70%	61%	52%	87%
– TAS	35%	77%	23%	54%	96%
– Public HEIs	38%	69%	19%	44%	81%
– ATI	9%	27%	18%	9%	36%
Private institution-based					
– Private TVET	51%	51%	18%	31%	73%
– Private HEIs	37%	51%	35%	25%	67%

Most schools (except ATIs) maintain good partnerships with several companies. Public institutions had an average of 12 partner companies and private schools had six.

School planning and management

Private schools are more open to employers being involved in the planning and management of the training institutions (44 per cent of private institution-based TVET providers had some kind of employers' involvement in their schools compared to 33 per cent in public institution-based TVET Providers). Soon, more public institutions, specifically TESDA's Regional and Provincial Training Centers, are expected to increase their cooperation with the employers' groups with the adoption of the 'co-management' arrangement with industry associations, enabling these associations to conduct training programmes using the available facilities and equipment in the TESDA training centers. The cost of running the training centers is financially shared under this arrangement, which is envisioned to lead to a planned devolution.

Curriculum development

More than half of all providers consider the wisdom of the companies in improving the relevance of their training curricula. The four most common ways of involving companies in curriculum development are: (i) to review curriculum then consult companies; (ii) to incorporate industry recommendations; (iii) to conduct needs assessment; and (iv) to adopt curricula developed by industry. In the survey, most TESDA institutions indicated strong employer participation in this area.

Provision of customized training programmes

Another indicator of a good partnership/linkage with enterprises is when a training institution is requested to develop and provide “customized training programmes”. This means developing specific training programmes intended for employees. In 2002, TESDA’s Regional Training Centers received more requests from companies (six out of ten) than any other training institutions (three out of ten). This could be reflective of the type of equipment available as well as the degree of skills specialization developed in the Regional Training Centers that make them more attuned to the needs of the industries.

OJT

Even before the Dual Training System (DTS) came to the Philippines, ‘On-The-Job Training’ (OJT) was already a common practice for many schools. It is intended to be a practical supplement to what is learnt in school. It is also a requirement for graduation. Students typically undergo a period of on-the-job training that is usually not more than three months long. Ideally, schools should identify students’ placements, but there are instances when it is difficult to find OJT places (45 per cent of public institution-based TVET providers and 28 per cent of Private institution-based TVET providers expressed this problem) due to (i) limited number of industries in their area; (ii) reluctance of industries to accept OJT students due to financial constraints; and (iii) long distances between industrial areas and schools.

11.4 Donations

Donations are non-financial contributions in the form of either physical goods (i.e. books, equipment) or services (i.e. instructors did not get honoraria). In the survey, the institutions were asked to list the donations and their estimated equivalent price they received. On average, the LGUs received the most donations, twice other types of training institutions. However, the TESDA Regional and Provincial Training Centers (RTC/PTC) got the most in terms of the financial value of donations (see *Table 11.6*).

Table 11.6 Donations to providers

	Total amount	No. of institutions	Amount per institution
Community-based			
- LGUs	3,689,904	38	97,103
- NGOs	1,218,735	19	64,144
Public institution-based			
- TESDA RTC/PTC	2,732,104	23	118,787
- TESDA-administered schools	1,192,633	26	45,871
- Public HEIs	1,057,061	16	66,066
- ATI	543,858	11	49,442
Private institution-based			
- Private TVET	2,557,700	55	46,504
- Private HEIs	845,958	57	14,841

There are many TVET donors. TESDA and NGOs donated most (54), followed by individual donations (51), companies (48), foreign sources (45) and LGUs (41). Looking at the patterns of donors and

recipients, TESDA favored the LGUs the most with 42 donations, while the LGUs and NGOs tend to support their own type of institution. Company donations were given to all but TESDA-administered schools and private higher education institutions received the highest number of company donations.

11.5 Linkages with TESDA

In view of TESDA's regulatory role on the training market, it is important to understand its relations with the providers. One way of assessing these linkages is to consider the feed-back provided on TESDA's services by training institutions that participated in this survey. The responses of the training providers relate to the following aspects: (a) scholarships; (b) other support given to institutions; (c) skills assessment; (d) programme registration; (e) skills competition; (f) monitoring; and (g) submission of reports.

Table 11.7 Feed-back on TESDA's services

	Support received from TESDA	Skills assessment is useful	Programme registration is effective	Participated in skills competition	Monitored/visited by TESDA	Submitted reports to TESDA
Community-based						
– LGUs	73%	100%	89%	38%	89%	84%
– NGOs	53%	79%	74%	11%	63%	63%
Public institution-based						
– TESDA RTC/PTC	39%	74%	87%	57%	61%	78%
– TAS	38%	92%	85%	62%	88%	96%
– Public HEIs	13%	100%	81%	56%	75%	81%
– ATI*	18%	27%	9%	9%	27%	55%
Private institution-based						
– Private TVET	24%	85%	84%	53%	85%	96%
– Private HEIs	19%	89%	86%	44%	89%	93%

* The consistent low percentage for ATI is not a sign of disagreement with the issues being discussed but more appropriately reflects their unfamiliarity with TESDA, as most ATI answered 'not applicable'. Since the table only showed the number of institutions answering 'yes', this explains further the low average of ATI responses.

Scholarships

Given the magnitude of the poor families in the country, it is common in almost all schools to find students who receive scholarship assistance. This assistance comes from many donors (government, corporations, NGOs, foundations, individuals, etc.) in varying forms – some are full-scholarships, others are partial (mainly tuition fee is paid). Among the institutions, TESDA regional and provincial training centers (RTCs/PTCs) have the highest number of trainees receiving full-scholarships (see *Table 11.8* below).

The government has a nationwide scholarship system called Private Education Student Financial Assistance (PESFA). It is designed to provide financial assistance to students who do not have access to public schools either because of geographical reasons (public school is very far from the residence) or because classrooms are already over-crowded (which is often the case in urban areas). During the 2002-2003 school year, TESDA granted a total of 13,512 scholarships, about 7 per cent of the total TVET enrolment.

Table 11.8 Trainees' scholarships

	Average number of students per institution with		Having difficulty obtaining funds for TESDA scholars
	Full scholarship	Partial scholarship	
Public institution-based			
– TESDA RTC/PTC	28.61	-	-
– TESDA-administered schools	11.85	16.73	27%
– Public HEIs	7.25	5.44	13%
– ATI	0.09	-	-
Private institution-based			
– Private TVET	7.11	5.33	16%
– Private HEIs	4.65	5.46	28%

The provincial offices of TESDA are responsible for the distribution of scholarship assistance, a total of Php14,500 or US\$264 per student in 2002-2003 (the breakdown is shown in *Table 11.9*). The tuition fees are given directly to the schools, and the students receive the rest. Only a few schools indicated that they experience delays in obtaining funds from TESDA.

Table 11.9 TESDA scholarship assistance under PESFA

	In Php	In US\$
Tuition fee	9,000	164
Student allowance (Php 500 x 10 months)	5,000	91
Book allowance	500	9
Total	14,500	264

There are also other sources of scholarship assistance that come from other government agencies, NGOs, private foundations and even those provided by the schools themselves. Since schools are not required to submit reports regarding scholarships to TESDA or to any government agency, it is not possible to assess the total number of TVET scholars (in addition to PESFA scholars).

Other forms of support

TESDA was able to provide a substantial number of contributions to many training institutions, amounting to 54 donations (see Section on donations). The types of support range from financial aid, to consolidating institutional capacities through training of trainers or provision of supplies and equipment. However, support varies according to institution type. For example, 73 per cent of LGUs received assistance from TESDA compared to 53 per cent of NGOs. The issue seems to be whether other training institutions such as SUCs, ATI, private TVET and HEI deserve more attention and more substantial assistance from TESDA.

Skills assessment

Providers expressed a clear interest in the **TESDA Occupation Certification and Qualification System** or **TOCQS**, a system that encourages individuals to have their skills assessed and recognized. Almost all institutions agree that skills assessment will be very useful to their trainees.

For the very few who think otherwise, their opinion is that the assessment package is already outdated and that industries in general do not really require the TESDA skills assessment certificate for hiring purposes. One NGO raised the issue that the trainees' level of writing skills are not taken into account in the TOCQS examinations.

Programme registration

The process of programme registration is viewed as effective. This also means that the Unified TVET Programme Registration and Accreditation System or UTPRAS (see details under TVET reforms), which aims to ensure quality assurance in the TVET sector, has effectively encouraged institutions to register and be accredited as shown in the significant increase in registered programmes over the last three years. However, a few private TVET institutions commented that too much paper work is involved.

Table 11.10 Number of registered training courses under UTPRAS

	Number	Growth
2000	1,419	
2001	2,531	78 %
2002	6,235	146 %

Source: TESDA.

Skills competitions

Outside the TVET sector, very few people have heard of skills competitions. But for many training providers, this is an important event where the best training institutions showcase their best products – students display their skills at world-class standards. TESDA plays a major role in encouraging and selecting institutions to participate, and at times provides financial support. As the national TVET authority, it organizes skills competitions at the district, regional and national levels. Winners of the national skills competition are also sent as the country's delegates to the Association of South East Asian Nations (ASEAN) Skills Competition as well as to the World Skills Competition, where the Philippines have won in more than one occasion. TESDA has also successfully tapped the interest and the financial and technical support of a number of companies during the preparation for skills competitions as well as in the actual events.

It appears that participation in skills competitions is often given to institution-based training providers offer medium and long-term courses (i.e. TESDA RTC/PTC, TASDA-Administered Schools, public and private HEIs and private TVET) but the participation of community-based training providers is very limited. The LGUs and NGOs provided several reasons for not participating in skills competitions, namely: (a) lack of time to prepare or due to inappropriate schedule; (b) late or no invitation to the event; (c) no knowledge about competitions organized in their area; and (d) lack of interested trainees.

One of the objectives of skills competitions is to raise the overall quality of training provision by increasing the competitiveness of training providers. TESDA could possibly organize skills competitions intended for community-based training providers or add an event or category to include the LGUs and NGOs in the regularly organized skills competitions. However, the actual impact of these competitions on quality remains to be assessed.

Monitoring visits

Most training providers feel that TESDA has been actively and regularly monitoring them through its network of regional and provincial offices (not training centers). In addition to planned and expected visits, non-TESDA institutions recorded a total of 402 unannounced visits, which aimed to ensure consistent compliance with training standards.

Table 11.11 Number of unannounced visits

	Total	Average
LGU	150	5
NGO	43	2
SUC	25	2
ATI	16	1
Private TVET	93	2
Private HEI	75	1
Total	402	

Submission of reports to TESDA

Most training providers submitted reports to TESDA. NGOs and Agricultural Training Institutes (ATI) should be encouraged to submit reports especially considering the significant numbers of their TVET outputs. Those institutions that did not submit reports gave a very simple reason – their programmes are not monitored by TESDA. However, encouraging active submission of reports by both TESDA and non-TESDA institutions may also help TESDA to further improve its monitoring function and develop its regulatory role.

12 Comparative perspectives and issues for funding policy

12.1 The Philippines' TVET funding model

The central debate on TVET funding relates to the sharing of responsibilities between key stakeholders: government, employers and individuals. Countries have responded to this central question differently depending on the organization and objectives of the TVET sector. For instance, in some OECD countries, funding training through targeted programmes for the unemployed has been a significant approach, in addition to the traditional financing of public technical and vocational schools. But beyond structural factors, such as the composition of the delivery system and the level of unemployment, much of the debate appears to be inspired by different broader policy options regarding the size of the public sector and the level of government intervention.

With the rapid globalization and the expansion of market-based values and principles, many countries have witnessed the gradual withdrawal of government from some areas of direct service provision, including education and training. Individuals and employers are increasingly being expected to make decisions about the nature of training that will best address their needs.

As a result, in recent years, increasing policy attention has been given to ways of introducing more competition among TVET providers with the aim of reducing government costs and improving efficiency. In this framework, increasing reliance on private provision must contribute to a wider range of choices among training providers. Similarly, the promotion of company-based training is expected to improve effectiveness and to drive down the costs of training.

In each country, funding mechanisms must be related to the TVET policy and planning environment and the particular combination of interventionist and non-interventionist approaches. In the Philippines, provision is mainly funded and operated by the private sector. Direct government transfers to publicly owned providers only represent a small part of the allocation pattern.

The analysis of TVET expenditures in the Philippines lends itself to the identification of three main market sectors by funding mode:

- A regulated sector in which access to government funds is limited to public (primarily TESDA) institutions, and in which resource allocation and training delivery are subject to relatively high levels of government planning and regulation;
- A partially regulated or quasi-market sector in which public funds are allocated to public and private providers via regulated processes such as funding submissions. These funding programmes are subject to partial government regulation (i.e. provider registration and course accreditation) and co-ordinated at the local level, in particular community-based programmes;
- An open-market or commercial sector in which trainees directly purchase training programmes from providers under free market conditions, providers being in direct competition for clients and resources and delivering training relatively free from government regulation.

12.2 Is the level of expenditures in TVET adequate?

As already mentioned there is no single answer to the question of how the costs of training should be distributed among governments, employers and individuals. Data on total education expenditure and on its distribution between governments and the private sector therefore provide a backdrop for international comparisons.

According to UNESCO-UIS published statistics, total government expenditures on education in the Philippines represented 5.3 per cent share of GDP in 2003. This ranks the country among the highest levels of educational spending, in relative terms, recorded in Asia, relatively close to the OECD average (*Table 12.1*).

The Philippine government's expenditures on education represented 17 per cent of total public expenditures budget, above the OECD average but much less than some other East Asian countries such as Malaysia and Thailand.

Table 12.1 Education expenditure as a percentage of public expenditure and GDP for selected Asian countries

Country	Financial year	Public expenditure on education as a percentage of total public expenditure	Public expenditure on education as a percentage of GDP	Total expenditure on education as a percentage of GDP
Indonesia	2003	**	1,1	1,5
Japan	2002/2003	10,7	3,7	4,8
Malaysia	2003	28,0	8,0	**
Philippines	2003	17,2	3,2	5,3
Republic of Korea	2003	15,0	4,6	7,5
Thailand	2003/2004	40,0	**	5,8
OECD mean	2003	13,3	5,5	5,9

Source: UNESCO Institute for Statistics. 2006.

Unfortunately, no equivalent figures are available for TVET. Indeed, international comparisons on the relative level of public and private expenditure on TVET are extremely difficult to make because of variations in the definition and scope of the sector. At the international level, in most countries the availability of statistics on investment in training is low (Galhardi, 2002). A survey conducted by ILO in 2002 in 18 countries from Asia and the Pacific, Latin America and the Caribbean, the Middle East and Africa concluded that "(...) statistics on (...) expenditures in training activities are only beginning to emerge in the majority of countries surveyed" (Galhardi, Mangozho, 2003). This situation affects policy formulation and monitoring at the national level as well as international comparisons (Galhardi, 2002).

Even among the OECD countries, only a few such as Australia, France, Germany, do publish TVET expenditures. According to the Australian National Training Authority (ANTA, 1999) expenditure on TVET by governments, employers and individuals was estimated at the equivalent of approximately 1.5 per cent of gross domestic product in Australia. Enterprises contributed 45 per cent of funding, with governments and individuals contributing 44 per cent and 11 per cent respectively. As a

proportion of total government spending on education in Australia, the TVET sector represents around 10 per cent.

For France, it is estimated that global TVET expenditures represented 1.77 per cent of GDP in 1999, including 1.04 for initial TVET. That year, TVET constituted 23.3 per cent of total education and training expenditures, 13.7 per cent when considering initial TVET only (MoE data).

For Germany, it is estimated that total enterprise training costs represented about 0.71 per cent of nominal gross domestic product in 1995 (Hummelsheim and Timmermann, 2000). Although the dual system is dominant in that country and enterprise bears most of the cost of in-company training, this does not include all TVET expenditures. Other authors put the German figure closer to 1.2 per cent of gross domestic product (Selby Smith *et al.*, 2001).

Compared to these countries, the Philippines appear to have a relatively low level of expenditure on TVET. This can be related to the modest degree of state intervention as compared to other systems (see *Table 12.2*).

Table 12.2 Types of initial VET by funding sources and country

Initial VET	Funding	Countries
School-based • Basic VET in compulsory education • VET in post-compulsory education	Government Government	Sweden, UK Denmark, Finland, France, Netherlands, USA
Work-based • Apprenticeships • Labour market programmes	Employers, government, students Government, employers	Germany, Austria, Netherlands, UK France, UK, Sweden

Source: Curtain, 2001 (p. 10).

The degree of state intervention is related to the importance given to market mechanisms and to ensuring equity. It also relates to the financing capacity of the government.

TVET would appear to be an essential instrument to address high rates of unemployment and underemployment, as well as increasing poverty levels (see *Part I*). However, the relatively low level of TVET expenditures suggests that the country's capacity to meet the training needs may be insufficient.

This finding may indicate a lack of integration between TVET, labour market and poverty reduction policies. It also possibly reflects an overall deficit in funding levels.

The current level of government spending on TVET and the magnitude of the training challenges open a debate over whether a market-based approach adequately addresses the longer term social and economic needs of the country or concentrates too much on the immediate needs of the formal sector of the economy.

Conclusion

Effective planning and management of the TVET sector requires adequate information. At a time when significant questions are being raised about spending on TVET, a more comprehensive information system is much needed. In a context of strong fiscal constraints, funding becomes a central focus of the policy debate on TVET. Adequate instruments are required to allow decision-makers to monitor expenditures, compare spending with available resources and analyze how expenditures are shared between national and local governments, enterprises, NGOs, individuals and official development assistance.

A comprehensive TVET financial information system would allow a complete, accurate, and timely display of the distribution and use of resources. Such a system would seem essential to an understanding of how resources are being spent but also of how they can be used more effectively. Yet, few countries currently have such an information system able to provide the data necessary to answer questions about key areas of training finance including:

- How much is spent on TVET?
- Who pays for TVET?
- How are funds used?
- What are the average costs of TVET?

This study offers a way to measure the level of expenditures for technical and vocational education and training in the Philippines and to analyze the funding and the costs of the different types of training as well as for the various categories of providers. By assessing national expenditures for TVET with the objective of full coverage of public and private spending, and with the calculation of unit costs per batch, trainee or teaching hour, the study contributes to filling the gap of limited financial data and to organizing information in a coherent framework useful for analysis and comparisons.

The study had to address several technical issues due mainly to the lack of details in the providers' accounts. The methodology developed in this study could be used in the future for further evaluations of TVET funding and costs in order to analyze variations and trends over time. Then a regular information system on expenditures could be created, completing the already existing database on providers, courses and trainees in all delivery modes. Monitoring is an area that needs enhancement. Addressing the need to benchmark data across time would lay the groundwork for monitoring expenditures and costs data over time.

The level of expenditures for TVET activities in the Philippines can be considered as rather low when compared to other countries, especially industrialized countries. TVET funding in the Philippines relies to a large extent on fees paid by trainees, more than on resources from TESDA or from companies. Those responsible for TVET public policies and for the funding policies for social sectors will find elements to better inform their decision-making in this study. Further research would however be needed to study how TVET resources are linked to trainees' achievement, employment prospects and to social and gender equity (equity, access, relevance).

Specifically the study would like to offer some recommendations to increase the level of TVET investments in the Philippines:

- Scholarship is one policy area that could be explored to increase assistance to the private sector and somehow balance the tuition fees paid by the TVET students/trainees.
- Promotion and government support of company-based programmes (such as apprenticeship) should be enhanced to further increase private sector participation in TVET. Given the financial situation of the country, government funding becomes one of the major policy issues.

Beyond the Philippines, the methodology developed for this survey could be applied by other countries wishing to improve data on TVET expenditures, an area in which statistics are particularly lacking.

Appendix

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	TESDA																									millions pesos			
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL	
	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	trainees allowanc	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowanc	Students	capital		
Community based - LGU	4	13	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	13	-	-		3
Community-based NGOs and Foundations	-	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13	-	-	-	13	
TESDA Regional centres	4	2	-	-	-	21	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25	15	-	-	-	40	
TESDA Provincial centres	25	8	-	-	1	33	15	-	25	-	-	-	-	-	-	-	-	-	-	-	-	-	58	23	-	-	26	107	
Tesda administered schools	50	13	-	3	-	15	6	1	1	528	115	-	6	23	-	-	-	-	-	-	-	-	593	134	-	10	24	761	
Agriculture and other GvtTraining Institute	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Private Technical and Vocational Institution	-	1	-	-	-	-	7	-	-	-	83	-	-	-	-	-	-	-	-	-	-	-	-	91	-	-	-	91	
Private Higher Education Institutions	-	1	-	-	-	-	1	-	-	-	107	-	-	-	-	-	-	-	-	-	-	-	-	109	-	-	-	109	
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	496	461	22	-	-	496	461	-	-	22	979	
Total	83	51	-	3	4	69	42	1	26	528	305	-	6	23	-	-	-	496	461	22	-	-	1176	859	-	10	75	2120	

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	Local Government Units																									millions pesos		
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	trainees allowanc	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowanc	Students	capital	
Community based - LGU	1	1344	-	1	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1344	-	1	3	
Community-based NGOs and Foundations	-	2	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	1	3
TESDA Regional centres	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
TESDA Provincial centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tesda administered schools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agriculture and other GvtTraining Institute	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	2
Public Higher Education Institutions	-	-	-	-	-	19	3	-	10	124	12	-	27	-	-	-	-	-	-	-	-	-	143	15	-	-	37	195
Private Technical and Vocational Institution	-	-	-	-	-	-	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	1	2
Private Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1	1348	-	1	4	19	4	-	10	124	19	-	28	-	-	-	-	-	-	-	-	-	144	1371	-	1	42	1558

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	Other Government Agencies																									millions pesos		
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	trainees allowanc	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowanc	Students	capital	
Community based - LGU	-	62	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62	-	-	3	
Community-based NGOs and Foundations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA Regional centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA Provincial centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tesda administered schools	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
Agriculture and other GvtTraining Institute	102	39	-	7	2	45	16	3	8	149	86	-	2	6	-	-	-	-	-	-	-	-	296	141	-	12	16	465
Public Higher Education Institutions	4	1	-	-	1	3	-	-	-	171	32	-	7	10	-	-	-	-	-	-	-	-	178	33	-	7	11	229
Private Technical and Vocational Institution	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	3
Private Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	106	102	-	7	6	48	16	3	8	320	122	-	9	16	-	-	-	-	-	-	-	-	474	240	-	19	30	763

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	ODA loans																									millions pesos		
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	trainees allowanc	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowanc	Students	capital	
Community based - LGU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community-based NGOs and Foundations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA Regional centres	-	3	-	-	3	-	6	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	-	9	18
TESDA Provincial centres	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1
Tesda administered schools	-	-	-	-	13	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17	17
Agriculture and other GvtTraining Institute	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private Technical and Vocational Institution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	117	646	-	117	-	-	646	763
Total	-	3	-	-	16	-	6	-	11	-	-	-	-	-	-	-	-	-	-	-	117	646	-	126	-	-	673	799

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	Households																									millions pesos		
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	trainees allowanc	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowanc	Students	capital	
Community based - LGU	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	-	-	-	7
Community-based NGOs and Foundations	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
TESDA Regional centres	-	2	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	3
TESDA Provincial centres	-	2	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	4
Tesda administered schools	-	5	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18	-	-	-	18
Agriculture and other GvtTraining Institute	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Higher Education Institutions	-	1	-	-	-	-	1	-	-	-	-	-	-	107	-	-	-	-	-	-	-	-	-	109	-	-	-	109
Private Technical and Vocational Institution	-	49	-	-	-	-	217	-	-	-	-	-	-	1 357	-	-	-	-	-	-	-	-	-	1 623	-	-	-	1 623
Private Higher Education Institutions	-	36	-	-	-	-	100	-	-	-	-	-	-	1 317	-	-	-	-	-	-	-	-	-	1 453	-	-	-	1 453
Companies	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	104	-	-	-	-	322	-	-	-	-	-	-	2 793	-	-	-	-	-	-	-	-	-	3 219	-	-	-	3 219

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	Non Government Organizations																									millions pesos		
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowanc	Students	capital	Staff	Other current	trainees allowanc	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowanc	Students	capital	
Community based - LGU	1	45	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	45	-	1	1	48
Community-based NGOs and Foundations	-	54	-	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54	-	-	5	59
TESDA Regional centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA Provincial centres	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1
Tesda administered schools	-	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Agriculture and other GvtTraining Institute	-	3	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	-	5
Public Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private Technical and Vocational Institution	-	8	-	-	1	-	1	-	3	-	284	-	19	-	-	-	-	-	-	-	-	-	-	293	-	-	23	316
Private Higher Education Institutions	-	2	-	-	-	-	4	-	-	-	327	-	2	-	-	-	-	-	-	-	-	-	-	333	-	-	2	335
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1	112	-	1	7	-	8	-	3	-	617	-	21	-	-	-	-	-	-	-	-	-	1	737	-	1	31	770

National expenditure for TVET in 2002
Expenditures of funding units

Funding unit :	Companies																									millions pesos				
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL		
	Staff	Other current	trainees allowance	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowance	Students	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowance	Students	capital			
Community based - LGU	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1			
Community-based NGOs and Foundations	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3			
TESDA Regional centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
TESDA Provincial centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Tesda administered schools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Agriculture and other Govt Training Institute	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Public Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Private Technical and Vocational Institution	-	22	-	-	-	-	17	-	1	-	92	21	-	6	-	-	-	-	-	-	-	-	-	131	21	-	7	159		
Private Higher Education Institutions	-	-	-	-	-	-	1	-	-	-	1	3	-	1	-	-	-	-	-	-	-	-	-	2	3	-	1	6		
Companies	27	10	210	-	-	-	-	-	-	-	-	-	-	-	323	344	676	-	-	-	-	-	350	354	886	-	-	1 590		
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total	27	33	210	-	3	-	18	-	1	-	93	24	-	7	323	344	676	-	-	-	-	-	350	488	910	-	11	1 759		

National expenditure for TVET in 2002
Expenditures of funding units

Income generated by providers	millions pesos																											
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowance	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowance	Students	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowance	Students	capital	
Community based - LGU	-	29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29	-	-	-	
Community-based NGOs and Foundations	-	12	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	-	4	-	16
TESDA Regional centres	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	3
TESDA Provincial centres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tesda administered schools	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	-	-	6	-	6
Agriculture and other Govt Training Institute	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	4
Public Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	2	-	2
Private Technical and Vocational Institution	-	-	-	4	-	-	-	37	-	-	-	142	-	-	-	-	-	-	-	-	-	-	-	-	-	183	-	183
Private Higher Education Institutions	-	-	-	-	-	-	-	-	-	-	-	33	-	-	-	-	-	-	-	-	-	-	-	-	-	33	-	33
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	41	-	12	-	-	-	40	-	-	-	183	-	-	-	-	-	-	-	-	-	-	-	41	-	235	-	276

National expenditure for TVET in 2002
Expenditures of funding units

TOTAL All funding sources	millions pesos																											
	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			general administration			Support to TVET		Total					TOTAL
	Staff	Other current	trainees allowance	Students	capital	Staff	Other current	Students	capital	Staff	Other current	trainees allowance	Students	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	Staff	Other current	trainees allowance	Students	capital	
Community based - LGU	6	1 501	-	2	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	1 501	-	2	10	
Community-based NGOs and Foundations	-	82	-	4	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82	-	4	9	95
TESDA Regional centres	4	7	-	-	3	21	21	3	6	-	-	-	-	-	-	-	-	-	-	-	-	-	25	28	-	3	9	65
TESDA Provincial centres	25	10	-	-	1	33	18	-	26	-	-	-	-	-	-	-	-	-	-	-	-	-	58	28	-	-	27	113
Tesda administered schools	50	18	-	3	13	15	7	1	5	528	134	-	12	23	-	-	-	-	-	-	-	-	593	159	-	16	41	809
Agriculture and other Govt Training Institute	102	44	-	11	2	45	18	3	8	149	86	-	2	6	-	-	-	-	-	-	-	-	296	148	-	16	16	476
Public Higher Education Institutions	4	2	-	-	1	22	4	-	10	295	151	-	9	37	-	-	-	-	-	-	-	-	321	157	-	9	48	535
Private Technical and Vocational Institution	-	80	-	4	1	-	242	37	4	-	1 820	21	142	26	-	-	-	-	-	-	-	-	-	2 142	21	183	31	2 377
Private Higher Education Institutions	-	39	-	-	-	-	106	-	-	-	1 758	3	33	3	-	-	-	-	-	-	-	-	-	1 903	3	33	3	1 942
Companies	27	11	210	-	-	-	-	-	-	-	-	-	-	-	323	344	676	-	-	-	-	-	350	355	886	-	-	1 591
TESDA offices (central/Regional/Provincia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	496	461	22	117	646	496	578	-	-	1 742
Total	218	1 794	210	24	40	136	416	44	59	972	3 949	24	198	95	323	344	676	496	461	22	117	646	2 145	7 081	910	266	862	11 264

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : Community based - LGU

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	
RESOURCES																							
TESDA	4	13	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20
LGU	1	1 344	-	1	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 349
Other Gvt Agencies	-	62	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trainees	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7
NGO's	1	45	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48
Companies	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Income generation	-	29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29
Total	6	1 501	-	2	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 519
EXPENDITURES	1 088	216	-	133	50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 487

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : Community-based NGOs and Foundations

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	
RESOURCES																							
TESDA	-	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13
LGU	-	2	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
Other Gvt Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trainees	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
NGO's	-	54	-	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59
Companies	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
Income generation	-	12	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16
Total	-	82	-	4	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95
EXPENDITURES	40	9	-	2	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	71

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : TESDA regional centers

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL	
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital		
RESOURCES																								
TESDA	4	2	-	-	-	21	13	-	-	-	-	-	-	-	-	-	-	-						40
LGU	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-						1
Other Gvt Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
ODA loans	-	3	-	-	3	-	6	-	6	-	-	-	-	-	-	-	-	-						18
Trainees	-	2	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-						3
NGO's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Income generation	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-						3
Total	4	7	-	-	3	21	21	3	6	-	-	-	-	-	-	-	-	-						65
EXPENDITURES	4	5	-	-	3	22	20	-	7	-	-	-	-	-	-	-	-	-						61

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : TESDA provincial centers

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL	
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital		
RESOURCES																								
TESDA	25	8	-	-	1	33	15	-	25	-	-	-	-	-	-	-	-	-						107
LGU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Other Gvt Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
ODA loans	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-						1
Trainees	-	2	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-						4
NGO's	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-						1
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Income generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Total	25	10	-	-	1	33	18	-	26	-	-	-	-	-	-	-	-	-						113
EXPENDITURES	25	9	-	-	2	33	16	-	27	-	-	-	-	-	-	-	-	-						112

National expenditure for TVET in 2002
Funding and expenditures of providers

Provider : **TESDA administered schools**

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL		
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital			
RESOURCES																									
TESDA	50	13	-	3	-	15	6	1	1	528	115	-	6	23	-	-	-								761
LGU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Other Gvt Agencies	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-								1
ODA loans	-	-	-	-	13	-	-	-	4	-	-	-	-	-	-	-	-								17
Trainees	-	5	-	-	-	-	1	-	-	-	12	-	-	-	-	-	-								18
NGO's	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-								6
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Income generation	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-								6
Total	50	18	-	3	13	15	7	1	5	528	134	-	12	23	-	-	-								809
EXPENDITURES	53	13	-	4	14	15	7	1	5	529	116	-	7	23	-	-	-								787

National expenditure for TVET in 2002
Funding and expenditures of providers

Provider : **Agriculture and other Government Training centers**

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL		
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital			
RESOURCES																									
TESDA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
LGU	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								2
Other Gvt Agencies	102	39	-	7	2	45	16	3	8	149	86	-	2	6	-	-	-								465
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Trainees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
NGO's	-	3	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-								5
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Income generation	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-								4
Total	102	44	-	11	2	45	18	3	8	149	86	-	2	6	-	-	-								476
EXPENDITURES	103	46	-	8	2	45	19	4	8	149	86	-	2	6	-	-	-								478

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : Public Higher Education Institutions

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	
RESOURCES																							
TESDA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
LGU	-	-	-	-	-	19	3	-	10	124	12	-	-	27	-	-	-						195
Other Gvrt Agencies	4	1	-	-	1	3	-	-	-	171	32	-	7	10	-	-	-						229
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Trainees	-	1	-	-	-	-	1	-	-	-	107	-	-	-	-	-	-						109
NGO's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Income generation	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-						2
Total	4	2	-	-	1	22	4	-	10	295	151	-	9	37	-	-	-						535
EXPENDITURES	5	1	-	-	1	22	4	-	10	295	55	-	7	37	-	-	-						437

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : Private Technical and Vocational Institutions

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	
RESOURCES																							
TESDA	-	1	-	-	-	-	7	-	-	-	83	-	-	-	-	-	-						91
LGU	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	-	-						2
Other Gvrt Agencies	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	-						3
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						-
Trainees	-	49	-	-	-	-	217	-	-	-	1 357	-	-	-	-	-	-						1 623
NGO's	-	8	-	-	1	-	1	-	3	-	284	-	-	19	-	-	-						316
Companies	-	22	-	-	-	-	17	-	1	-	92	21	-	6	-	-	-						159
Income generation	-	-	-	4	-	-	-	37	-	-	-	-	142	-	-	-	-						183
Total	-	80	-	4	1	-	242	37	4	-	1 820	21	142	26	-	-	-						2 377
EXPENDITURES	41	41	-	2	16	92	81	7	59	731	536	21	68	487	-	-	-						2 182

National expenditure for TVET in 2002
Funding and expenditures of providers

Provider : Private Higher Education Institutions

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL	
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital		
RESOURCES																								
TESDA	-	1	-	-	-	-	1	-	-	-	107	-	-	-	-	-	-							109
LGU	-	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	-							6
Other Gvt Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
Trainees	-	36	-	-	-	-	100	-	-	-	1 317	-	-	-	-	-	-							1 453
NGO's	-	2	-	-	-	-	4	-	-	-	327	-	-	2	-	-	-							335
Companies	-	-	-	-	-	-	1	-	-	-	1	3	-	1	-	-	-							6
Income generation	-	-	-	-	-	-	-	-	-	-	-	-	33	-	-	-	-							33
Total	-	39	-	-	-	-	106	-	-	-	1 758	3	33	3	-	-	-							1 942
EXPENDITURES	11	14	-	1	2	32	21	3	8	789	536	3	71	310	-	-	-							1 801

National expenditure for TVET in 2002
Funding and expenditures of providers

Provider : Companies

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL	
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital		
RESOURCES																								
TESDA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
LGU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
Other Gvt Agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
ODA loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
Trainees	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							1
NGO's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
Companies	27	10	210	-	-	-	-	-	-	-	-	-	-	-	323	344	676							1 590
Income generation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							-
Total	27	11	210	-	-	-	-	-	-	-	-	-	-	-	323	344	676							1 591
EXPENDITURES	27	11	210	-	-	-	-	-	-	-	-	-	-	-	323	344	676							1 591

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : TESDA offices

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	
RESOURCES																							
TESDA																		496	461	22			979
LGU																							-
Other Gvt Agencies																							-
ODA loans																					117	646	763
Trainees																							-
NGO's																							-
Companies																							-
Income generation																							-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	496	461	22	117	646	1 742
EXPENDITURES																		496	461	22	117	646	1 742

**National expenditure for TVET in 2002
Funding and expenditures of providers**

Provider : TOTAL all Providers

	short courses (less than 3 months)					Courses 3 to 9 months				Courses 1 to 3 years					Apprenticeship and learnership			General administration			Support to TVET		TOTAL
	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	Students services	capital	Staff	Other current	trainees allowance	Students services	capital	Staff	Other current	trainees allowance	Staff	Other current	capital	Current	Capital	
RESOURCES																							
TESDA	83	51	-	3	4	69	42	1	26	528	305	-	6	23	-	-	-	496	461	22	-	-	2 120
LGU	1	1 348	-	1	4	19	4	-	10	124	19	-	-	28	-	-	-	-	-	-	-	-	1 558
Other Gvt Agencies	106	102	-	7	6	48	16	3	8	320	122	-	9	16	-	-	-	-	-	-	-	-	763
ODA loans	-	3	-	-	16	-	6	-	11	-	-	-	-	-	-	-	-	-	-	-	117	646	799
Trainees	-	104	-	-	-	-	322	-	-	-	2 793	-	-	-	-	-	-	-	-	-	-	-	3 219
NGO's	1	112	-	1	7	-	8	-	3	-	617	-	-	21	-	-	-	-	-	-	-	-	770
Companies	27	33	210	-	3	-	18	-	1	-	93	24	-	7	323	344	676	-	-	-	-	-	1 759
Income generation	-	41	-	12	-	-	-	40	-	-	-	-	183	-	-	-	-	-	-	-	-	-	276
Total	218	1 794	210	24	40	136	416	44	59	972	3 949	24	198	95	323	344	676	496	461	22	117	646	11 264
EXPENDITURES	1 397	365	210	150	110	261	168	15	124	2 493	1 329	24	155	863	323	344	676	496	461	22	117	646	10 749

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