

---

---

Social Considerations:

Through the managerial and supervisory capability available in the firm, the firm is expected to better develop skilled and highly competent manpower. With the consistent practice of productive engineering systems, it is hoped that the industry shall produce highly competent and productive workers - workers who take pride in their work, possess the initiative in continuously developing their skills and competence, and are willing to share their skills and competence with other co-workers.

The improvement of company performance should also lead to the improvement of workers' wages. It has been observed that regional wages in the industry are only 50 - 60% of those of the National Capital Region (NCR). The improvement of productivity should not only raise the NCR wage levels without inflationary effects, but more importantly, bring up the regional wage levels at par with NCR's.

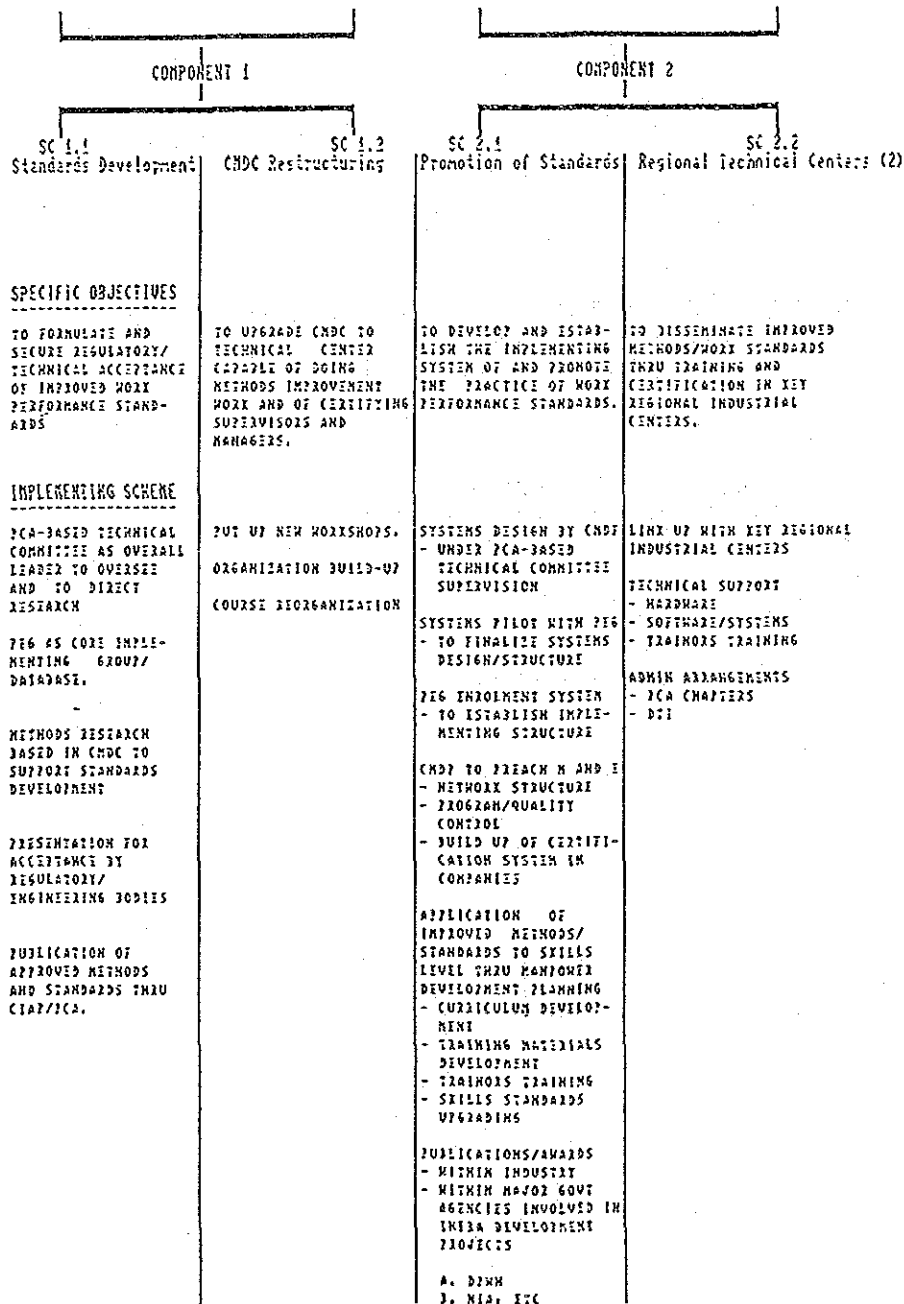
Furthermore, the construction industry provides a transitory role in terms of developing human potential for the other industries. Most of the workers in the regions are agricultural workers. The construction of infrastructure projects around the regional industrial zones would provide an effective training ground for the agricultural workers to acquire new skills and competence required in an industrial setting. These same workers shall be available to the factories that would rise in and around the industrial zones, hence enhancing the attraction of the area to potential investors.

## GENERAL OUTLINE

PROJECT TITLE: NATIONAL CONSTRUCTION PRODUCTIVITY DEVELOPMENT PROJECT

## PROJECT OBJECTIVES:

1. To develop and establish a system of formulating and certifying national level of work performance standards for construction owners, managers/supervisors and engineers.
2. To promote and disseminate work performance standards among construction owners, managers/supervisors and engineers by way of training and certification.



## SUMMARY TABLE OF PROJECT RESOURCES

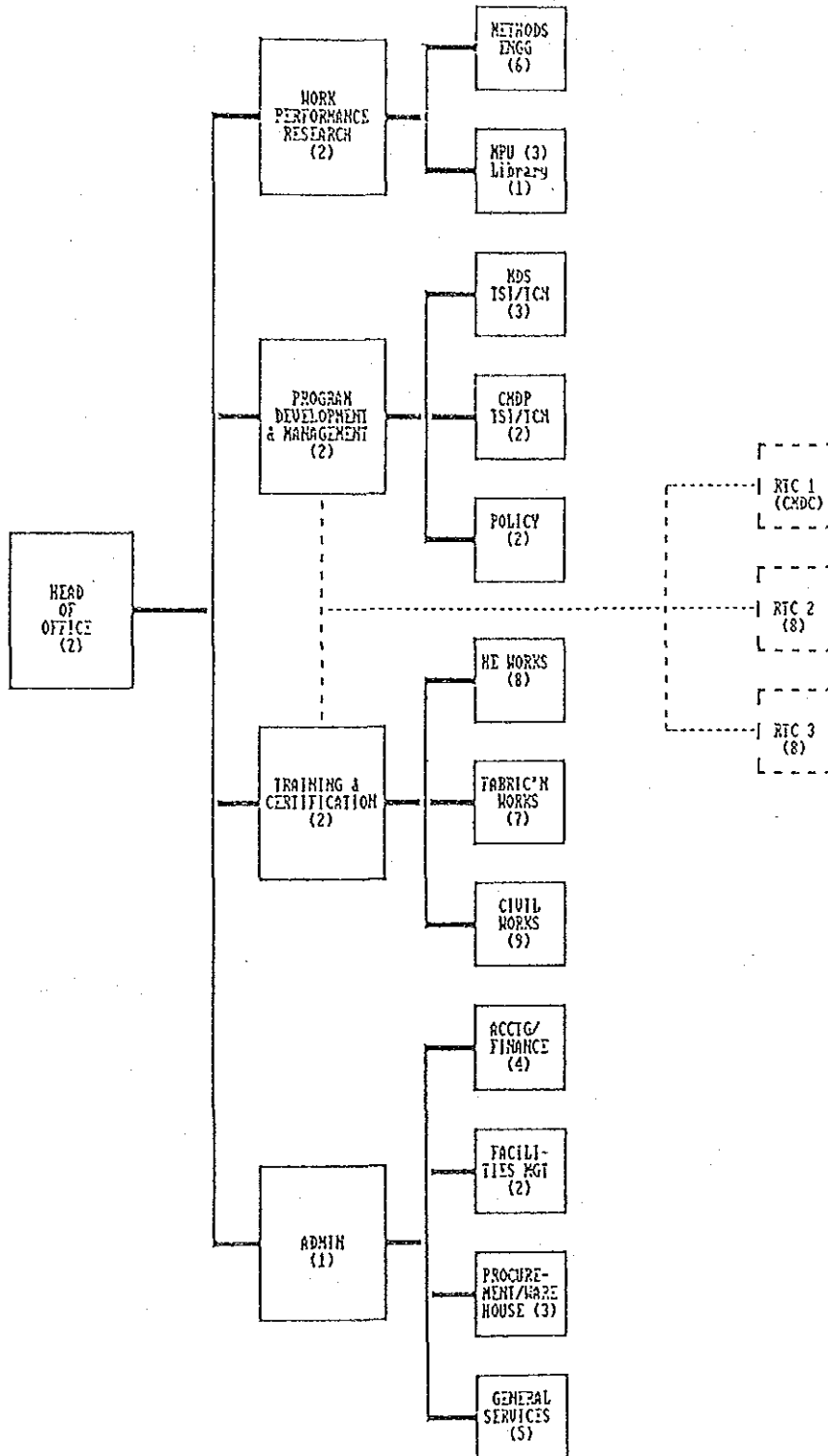
COMPONENT NO.	GENERAL ADMIN.	1.1	1.2	2.1	2.2
SPECIFIC OBJECTIVES	To manage project.	To formulate and secure regulatory/technical acceptance of improved work performance standards.	To upgrade CMDC to technical center capable of doing methods improvement work and of certifying supervisors and managers.	To develop and establish the implementing system of and promote the practice of work performance standards	To disseminate improved methods in key Regional Industrial Center
LINKAGES	PCA	PCA, Regulatory/Engg Societies, Engineering Colleges	Government Infra Agencies, Contractors	PCA, CIAP, University, Training Institutions	Regional Training Centers, PCA Chapters, OII Local Office, Technical Inst
PLACE OF ACTIVITIES	CHDF/C	CHDF/C	CMDC	CHDF/C	CHDF/C
EQUIPMENT	1 Set Microwave Communication System/Software 1 Wagon Office Machines (both at CHDF/C)	Work Measurement Machines for Field Work 2 Engg Work Stations (IBM compatible) & Related software for operations analysis 3 Vehicles w/ Communication Equipment Testing Eqpt for validation of work performance in RE Operations, fabrication, RC construction Information Handling & Storage System	Research Eqpt/Tools for fabrication Workshop including Pre-fab steel & Concrete Structures Upgrading of Civil Works & RE Research Eqpt/Tools Research Software, Parts & Materials AV Machines (in-center & off-center) 2 Microbuses	Upgrading of Existing Training Materials Production & Storage System	1 Set Training Eqpt and Tools for REO/M & RC Training 1 Set AV Eqpt (in and off-center) 1 Set Communication and Office Eqpt
EXPERTS (6 LTES & 40 STES)	2 Long Term Experts o 1 Chief Adviser o 1 Project Coordinator	1 LTE for Construction Work Methods Research (Civil Works) 1 LTE for Computer Analysis of Work Methods Short Term Experts (Work Study & VE) 5 Computer Analysis 3 REO 3 Fabrication 2 Concreting 3 Formworks 2 Rebar 2 Foundation Works 2 Architectural Works	1 LTE for Construction Training (Mechanical works) Short Term Experts 2 Steel Fabrication / 6 Roads, Dams & Bridges Constn. Foundation Works & Architectural Works 2 Construction Supervisory Training & Certification	1 LTE for Construction Productivity Policies & Programs Short Term Experts 5 Construction Mgt 3 Policy & Program Formulation for Construction Productivity	

SUMMARY TABLE OF PROJECT RESOURCES

COMPONENT NO.	GENERAL ADMIN.	1.1	1.2	2.1	2.2
C/P TRAINING (40)	1 Project Director	Work Study & VE 3 Computer Analysis 2 Earthworks 2 Fabrication Works 6 Civil Works 1 Architectural Works	2 Steel Fabrication 6 Roads, Dams & Bridges Constn, Foundation Works & Architectural Works 2 Construction Supervisory Training & Certification	4 Construction Hgt 1 Construction Productivity Policy & Program 1 Training Halls Production & Storage Systems	From RTC: 3 HEO/H 6 RC
C/P ORGANIZATION CMDF (64) RTCS (24)	CMDF ManCom (2) Administrative Division (15)	Work Performance Research Division (12)	Training & Certification Division (26)	Program Devt & Hgt Division (9)	Per RTC 1 Program Director 2 Trainers (HEO/H) 2 Trainers for Civil Works: 1 Carpentry 1 RC 2 Technicians 1 Clerk-Typist
Equipment Provision (Y Million)					
JICA					
Eqpt/Tools	18.5	47.0	244.0	25.0	80.0
Parts/Materials	0.5	10.0	65.0	10.0	20.0
Total	19.0	57.0	309.0	35.0	100.0
GRAND TOTAL: Y 520					
PHILIPPINES					
Operating Expenses	103.0	69.5	129.0	19.0	30.0
Capital Outlay	0.5	7.5	15.0		
Total	103.5	77.0	144.0	19.0	30.0 (Counterpart Institution)
GRAND TOTAL: Y375.5					

TABLE OF ORGANIZATION

ANNEX C



TOTAL STAFF: 64 (including Head of Office & Assistant)  
 RATIO OF TECHNICAL EMPLOYEES TO NON-TECHNICAL: 60/43

## COMPUTATION OF ESTIMATED COST SAVINGS &amp; ROI

YEAR	OUTPUT	NO. OF COMPANIES	CUMULATIVE NO. OF COMPANIES	AVE. CUMULATIVE CONSTR'N VOLUME	TOTAL CONSTRUCTION VOLUME/YEAR	COST SAVINGS RATIO	COST SAVINGS
1992	PILOT	10	10	1.25 + 0.30 + 0.02	P 1.57 B	5%	P 0.0785 B
1993	300	30	40	5.00 + 1.20 + 0.08	6.23	10%	0.6250
1994	600	60	100	7.58 + 5.00 + 0.20	12.70	15%	1.9050
1995	1200	120	220	8.25 + 8.88 + 0.99	18.04	18%	3.2472
1996	1500	150	370	9.25 + 11.10 + 2.22	22.57	20%	4.5140
	3600				P 61.16 B		P 10.372 B

EXPECTED BENEFITS = P 10.3727B

TOTAL PROJECT COST = P 209M

RETURN ON INVESTMENT =  $\frac{P 10.3727B}{0.2090B} = 49X$

## ASSUMPTIONS:

- For every company, an average of ten (10) contractors/engineers/managers are trained.
- Estimated Average Construction Volume Expected Per Year
 

For large companies,	P 250 M/yr.
For medium companies,	100 M/yr.
For small companies,	10 M/yr.
- PEG Ratio of Membership: PEG membership is expected to reflect the national profile of registered contractors. Initially, the large companies will participate due to their existing interests and capabilities. At the end of five years, only 9% of total registered companies are expected to be covered by the project.

---

---

In 1992 and 1993,

50% are large companies.  
30% are medium companies.  
20% are small companies.

In 1994,

30% are large companies.  
50% are medium companies.  
20% are small companies.

In 1995,

15% are large companies.  
40% are medium companies.  
45% are small companies.

In 1996,

10% are large companies.  
30% are medium companies.  
60% are small companies.

#### 4. Estimated Cost Savings Ratio

The figures are calibrated based on existing CMDC technologies, some of which have been applied to the Mega Mall Project owned by Shoemart, Inc. and done by D.M. Consunji, Inc. In that project, CMDC rebarworks methods showed a 30% improvement in labor productivity and a proportionate savings rate in materials between July 1989 and February 1990.

1992	5%
1993	10%
1994	15%
1995	18%
1996	20%

---

PROCEDURES (Example: 1993)

1. To get the number of companies, divide number of output by ten (10). (Assumption No. 1).

$$\begin{array}{r} 300 \\ \text{---} \\ 10 \end{array} = 30 \text{ companies}$$

2. To get the total construction volume per year, (a) multiply the cumulative number of companies by the PEG ratios. Then, (b) multiply the results with its corresponding average construction volume per year. (c) Get the sum total.

$$\begin{array}{l} \text{(a)} \quad 40 \times 50\% = 20 \text{ large companies} \\ \quad \quad 40 \times 30\% = 12 \text{ medium companies} \\ \quad \quad 40 \times 20\% = 8 \text{ small companies} \end{array}$$

$$\begin{array}{l} \text{(b)} \quad 20 \times \text{P } 250\text{M/yr} = \text{P } 5.00\text{B} \\ \quad \quad 12 \times \text{P } 100\text{M/yr} = 1.20 \\ \quad \quad \quad \quad \quad \quad = 0.08 \end{array}$$

$$\text{(c) Total Constn Volume} = \text{P } 6.28\text{B}$$

3. To get the cost savings, multiply the total construction volume per year by the cost savings ratio.

$$\text{P } 6.28\text{B} \times 10\% = \text{P } 0.628\text{B}$$



## CMDF BUDGET

CMDF  
1991-1996 PROJECTION OF OPERATING EXPENSES  
(P 000.00's)

	1991	1992	1993	1994	1995	1996
PERSONAL SERVICES	P 5,000.00	P 5,500.00	P 5,800.00	P 5,800.00	P 5,800.00	P 5,800.00
MAINTENANCE AND OTHER OPERATING EXPENSES	<u>5,000.00</u>	<u>5,800.00</u>	<u>6,400.00</u>	<u>7,000.00</u>	<u>7,700.00</u>	<u>8,500.00</u>
TOTAL OPERATING EXPENSES	<u>P10,000.00</u>	<u>P11,300.00</u>	<u>P12,200.00</u>	<u>P12,800.00</u>	<u>P13,500.00</u>	<u>P14,300.00</u>
NO. OF STAFF	64	64	68	68	63	68

## ASSUMPTIONS:

## PERSONNEL

- Increase of 4 personnel in 1993
- 10% Salary increase projected in 1992

MAINTENANCE AND OTHER  
OPERATING EXPENSES

- 10% Inflationary increase provided every year

## SELECTED STATISTICS

## A. REGIONAL EMPLOYMENT IN THE CONSTRUCTION SECTOR

YEAR	NCR	IV	VII	X	XI
1985	127	139	57	36	33
1986	112	125	38	28	39
1987	155	133	65	36	31
1988	166	169	66	29	46
1989	162	181	77	37	54

Source: UPBRF Five-Year Manpower Development Plan for the Construction Sector

## B. REGIONAL DISTRIBUTION OF LICENSED CONTRACTORS

YEAR	NCR	IV	VII	X	XI
1985-86	1184	174	136	66	127
86-87	1561	245	166	88	146
87-88	1736	323	227	132	168
88-89	1913	395	240	147	180
89-90	1475	361	197	149	166

Source: UPBRF Five-Year Manpower Development Plan for the Construction Sector

## C. NUMBER OF LICENSED CONTRACTORS BY CATEGORY

YEAR	AAA	AA	A	B	C	D	TRADE
85-86	16	41	355	516	480	1018	216
86-87	17	53	355	663	643	1404	339
87-88	21	50	366	705	804	1803	622
88-89	24	51	404	766	995	2155	562
89-90	19	24	283	628	1014	1857	463

Source: CIAP/Philippine Construction Industry in the 80s

SPECIFIC USES OF MAJOR EQUIPMENT  
IN EACH PROGRAM COMPONENT

1. One (1) set microwave communication system
  - \* To link with PCA, industry linkages and regional centers for faster gathering, processing and transfer of data.
2. Wagon
  - \* To transport trainees for project site observation and on-the-job training.
3. Work measurement machine for field work
  - \* For research work to establish actual performance measurements in the field.
4. Engineering work stations
  - \* For data processing, analysis and research using simulation techniques.
  - \* To enable engineers to share data and have access to the same files via networking.
5. Vehicles with communication equipment
  - \* For mobility in field research.
6. Testing equipment in HE operations, fabrication, RC construction
  - \* For validation of work performance.
7. Information handling and storage system
  - \* For easy access and retrieval of researched data/reference files.
8. Prototype equipment/tools for fabrication workshop including pre-fab steel and concrete structures
  - \* To develop improved methods in fabrication/erection works.

---

---

SPECIFIC USES OF MAJOR EQUIPMENT  
IN EACH PROGRAM COMPONENT

9. Upgrading of civil works and HE research equipment/tools
  - \* To have research/certification capability in this area.
10. Software, parts and materials, AV machines
  - \* To augment the dissemination of improved work methods
11. Microbuses
  - \* For easy mobility and transport of employees and contractors/supervisors for testing.
12. Upgrading of existing software production and storage system
  - \* To augment/enhance/improve dissemination capability.



PRESIDENTIAL DECREE NO. 1746  
(As Amended by Executive Order  
679 & 768)  
REGULATING THE CONSTRUCTION  
INDUSTRY AUTHORITY

724

PRESIDENTIAL DECREE NO. 1746  
(As Amended by Executive Order Nos.  
679 & 768)

## CREATING THE CONSTRUCTION INDUSTRY AUTHORITY OF THE PHILIPPINES

WHEREAS, the construction industry constitutes an important segment of the industrial sector and contributes significantly to the gross national product of the Philippines;

WHEREAS, construction is now a major industry, accounting for more than five hundred thousand workers and providing livelihood to more than three million Filipinos;

WHEREAS, the construction industry has begun to venture into international markets, generating foreign exchange and providing greater employment to Filipino workers;

WHEREAS, the orderly growth and development of the construction industry and the upgrading of the capability of construction contractors are in consonance with national interest and will benefit both public and private sector;

WHEREAS, the continued growth and development of the construction industry requires an increasing number of skilled construction workers; and

WHEREAS, such growth and development have been hampered by the lack of cohesive government policies and the absence of a central agency to deal with the problems of the industry and to coordinate with other government agencies on matters affecting the industry;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree the creation of the Construction Industry Authority of the Philippines (CIAP) designed to promote, accelerate and regulate the growth and development of the construction industry as follows:

SECTION Composition. There is hereby established a Construction Industry Authority of the Philippines (CIAP) which shall be composed of the Minister of Trade and Industry as Chairman, the Minister of Public Works and Highways, the Minister of Transportation and Communication, the Minister of Labor and Employment, the Chairmen of the different agencies under the CIAP namely: The Philippine Contractors Accreditation Board (PCAB), the Philippine Overseas Construction Board (POCB), the Philippine Domestic Construction Board (PDCB), the Construction Manpower Development Foundation (CMDF); the President of the Philippine Constructors Association Incorporated (PCA), and one representative of the private construction sector to be appointed by the President, as members. The Chairman may designate a special construction industry representative in the Middle East who will become an ex-officio member of the Board. The Chairman shall, also, designate a Vice-Chairman from among the members.

SECTION Powers and Objectives. The Construction Industry Authority of the Philippines shall promote, accelerate and regulate the growth and development of the construction industry in conformity with national goals.

Specifically, the Authority shall have the following powers and objectives:

- a. To evolve an overall strategy and exercise centralized authority for the optimum development of the construction industry;
- b. To monitor and study the operations of the construction industry both here and abroad, to identify its needs, problems and opportunities and to recommend and/or implement policies, legislations, programs and measures to support the development of the industry;
- c. To rationalize investments in the construction industry in accordance with national investment priorities and development needs;
- d. To establish criteria for the classification and categorization of contractors which accurately reflect their contracting capacity and performance capability;
- e. To enforce relevant and reasonable rules and requirements, as well as implement practicable and efficient procedures for prequalification of public projects;
- f. To recommend and encourage the adoption of equitable and realistic contract conditions for construction;
- g. To seek the adoption of credit and other financing policies necessary for sustaining the continued and orderly development of the construction industry and for supporting Filipino contractors particularly those involved in overseas construction;
- h. To identify and recommend other incentives necessary to support overseas construction;
- i. To establish procedures, guidelines and criteria for fair and expeditious adjudication and settlement of claims and disputes in contract implementation;
- j. To promote construction manpower training to supplement the manpower training efforts of the private sector, through the centralization of programming and coordination of activities of all government agencies;
- k. To establish a funding mechanism with the private sector to promote and develop the construction industry;
- l. To perform such other functions necessary to achieve its objectives.

**SECTION 3** Organization. The Authority shall be attached to the Ministry of Trade and Industry for policy and program coordination. It shall exercise authority with respect to the government agencies that conduct business with or exercise regulatory powers over the construction industry. It shall exercise jurisdiction and supervision over the following agencies which shall act as its implementing arms:

- a. The Philippine Contractors Accreditation Board
- b. The Philippine Overseas Construction Board
- c. The Philippine Domestic Construction Board

SECTION 4 The Philippine Contractors Accreditation Board (PCAB). There is hereby created a Philippine Contractors Accreditation Board (PCAB) under the jurisdiction and supervision of the Authority. The Philippine Contractors Licensing Board is hereby abolished and all its funds and records are hereby transferred to the PCAB.

a. Composition. The Board shall be composed of a Chairman and two (2) members to be appointed by the President upon recommendation of the Authority. The present Board of the Philippine Contractors Licensing Board shall continue to hold office as the Board of the PCAB until their respective successors have been duly appointed.

b. Functions. The PCAB shall perform the present functions of the Philippine Licensing Board until such time as its other functions, powers and duties are issued by the Authority.

SECTION 5 The Philippine Overseas Construction Board (POCB). The Philippine Overseas Construction Board (POCB) created under P.D. 1167, as amended, is hereby placed under the jurisdiction and supervision of the Authority. It shall continue to perform its present functions and shall perform additional functions as may be assigned by the Authority.

SECTION 6 The Philippine Domestic Construction Board (PDCB). There is hereby created a Philippine Domestic Construction Board (PDCB) under the jurisdiction and supervision of the Authority.

a. Composition. The Board shall be composed of a Chairman and four (4) members to be appointed by the President upon recommendation of the Authority.

b. Functions. The PDCB shall formulate, recommend and implement policies, guidelines, plans and programs for the efficient implementation of public and private construction in the country. Specifically, it shall:

1. Formulate and recommend appropriate policies and guidelines for prequalification, bidding and contract award for public infrastructure projects;
2. Monitor and evaluate information on the status of public construction projects as well as on the performance and contracting capacity of contractors engaged in such projects;
3. Adjudicate and settle claims and disputes in the implementation of public construction contracts and for this purpose, formulate and adopt the necessary rules and regulations subject to the approval of the President;
4. Formulate and recommend approximate and standardized contract terms/conditions and guidelines for determining contract price adjustments in private construction;
5. Formulate and recommend rules and procedures for the adjudication and settlement of claims and disputes in the implementation of contracts in private construction;
6. Perform such other functions as may be assigned by the Authority.

SECTION 7 The Construction Manpower Development Foundation (CMDF). There is hereby created a Construction Manpower Development Foundation (CMDF) which shall serve as the manpower development arm of the Authority.



a. Composition. The Foundation shall have a Board of Directors to be composed of a Chairman and four (4) members to be appointed by the Minister of Trade and Industry upon recommendation of the Authority.

b. Functions. The Foundation shall perform the following functions:

1. Draw up an overall construction manpower development plan and relevant strategies;
2. Develop and implement manpower training programs for the construction industry;
3. Formulate and adopt construction skills and standards and establish skills testing and certification facilities in coordination with the National Manpower and Youth Council (NMYC);
4. Recommend appropriate policies and measures to rationalize training and export of trained manpower in the construction industry in coordination with the Ministry of Labor and Employment (MOLE) and other pertinent government agencies;
5. Develop a funding mechanism in cooperation with the construction industry to enable it to carry out its functions by collecting fees and undertaking income-generating activities;
6. Borrow from financing institutions to support its operations;
7. Performs such other functions as may be assigned by the Authority.

The Foundation shall coordinate its activities and work program with the NMYC, the Bureau of Employment Services of the MOLE, the POEB and the Ministry of Education and Culture (MEC).

**SECTION 8 Executive Office.** The Authority shall have an Executive Office headed by a full-time Executive Director to be appointed by the Chairman.

The Executive Office shall maintain a technical, legal and management staff to assist the Executive Director in the performance of these duties and responsibilities.

The Executive Director shall report directly to the Authority on matters pertaining to and/or concerning the Authority and shall be responsible for monitoring and implementation of the policies and programs of the Authority, particularly by the four (4) agencies of the Authority, for the purposes of ensuring effectiveness and proper coordination.

The PCAB, the PDCB and the CMDF shall establish their own Secretariats to service their respective Boards and to assist the Authority in the execution of its functions and responsibilities, subject to pertinent budgetary organization, compensation and civil service rules and regulations. Each of the three (3) agency Secretariats shall be headed by their respective Executive Officers to be appointed by the Chairman of the Authority upon recommendation of their respective Boards. The POEB shall continue to maintain its Executive Staff.

All relevant agencies of the government involved in the development and promotion of the construction industry are hereby directed to coordinate with the Authority in the execution of its functions.

**SECTION 9 Compensation.** The Authority shall fix (a) per diems of the Chairmen and the members of the different Boards of the implementing agencies; and (b) the salaries and allowances of the Executive Director, the staff of the Executive Office as well as the office of the different Secretariats under the Authority, subject to pertinent budget, compensation, organization and civil service rules and regulations.

SECTION 10 Meetings. The Authority and the Boards of the implementing agencies shall meet as often as is necessary but not less than once a quarter. Special meetings may be called by the respective Chairmen. The presence of the majority of the members of the Authority or the Boards of the implementing agencies shall constitute a quorum.

SECTION 11 Rules and Regulations. The Authority shall issue such rules and regulations as may be necessary for the implementation of the general provisions of this Decree.

SECTION 12 Funding. The amount of five million pesos (P5,000,000) is hereby authorized to be released from the Special Activities Fund to cover the operating and capital expenses of the CIAP and its implementing agencies for CY 1981, subject to Section 40 of P.D. No. 117.

The Authority and its implementing agencies are hereby empowered to collect fees and undertake income-generating activities as may be necessary in the execution of its functions and responsibilities. The Authority and its implementing agencies are hereby authorized to use its income to finance its operations, the provisions of law, to the contrary, notwithstanding.

SECTION 13 Separability Clause. The provisions of this Decree are declared to be separable and if any provision or the application thereof is held invalid or unconstitutional, the validity of the other provisions shall not be affected.

SECTION 14 Repealing Clause. All provisions of existing laws, proclamations, decrees, letters of instruction with this Decree are hereby repealed or modified accordingly.

SECTION 15 Effectivity Clause. This Decree shall take effect immediately.

Done in the city of Manila, this 28th day of November in the Year of Our Lord nineteen hundred and eighty.

(SGD.) FERDINAND E. MARCOS  
President of the Philippines

By the President:

(SGD.) JOAQUIN T. VENUS, JR.  
Presidential Assistant

## LABOR RESOURCE

## RESOLUTION NO. 43

## INDUSTRY'S ROLE IN MANPOWER DEVELOPMENT

WHEREAS there is an expected substantial increase in skilled labor force requirements as a result of a projected increase in construction projects in the next five to ten years;

WHEREAS the industry perceives that the shortage of skilled labor force has contributed to reduced productivity of the industry which, in turn has reduced its effectiveness as a partner of the government in its development and industrialization efforts;

WHEREAS the industry survey has indicated that there is a serious lack of interest of workers to join the labor force as a result of lack of career path, adverse working conditions, low social regard of the occupation and lack of industry participation in the development of manpower;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the construction industry through a strong industry association, the PCA, lead in the rebuilding and upgrading of construction labor resource through the establishment of:

1. A Productivity Program and provide the mechanism to institutionalize the program;
2. A Manpower Development System supported by a Skills Certification System that will provide the motivation for a worker's improvement and mobility;
3. The leadership in the planning, production, and control of labor resources in partnership with the government through the established industry board.

RESOLVED, FURTHER, that the industry through PCA take immediate action to operationalize these steps with the formation of a productivity measurement project and a project to revive the apprenticeship system;

RESOLVED, FINALLY, that the industry institutionalize its efforts up to a regional level, providing logistical support in partnership with the government, working together to bring about a vision of providing and maintaining the country's physical infrastructure at the highest quality and most reasonable cost possible, to contribute to the much needed development of the country.

---

---

RESOLUTION NO. 44

SUPPLY OF LABOR REQUIREMENTS

WHEREAS the educational institutions have the potential to supply the construction industry demand of 120,000 new workers a year or 600,000 in five years;

WHEREAS the budgetary allocation of the 165 trade vocational education institutions could allow for training of only 2,000 entry level labor force/year;

WHEREAS the trade vocational institutions have the capability of producing graduates in three months who are multi-skilled or are able to do masonry, rebar, and carpentry;

WHEREAS the training cost is estimated at P9,000 per capita or a total estimated cost of P1.2 B per annum to produce 130,000 workers;

WHEREAS the industry is clearly recognized as the clients of the vocational education institutes necessitating full participation in course development, by specifying the quality and type of manpower demanded, sharing of training and extension facilities, and assisting in placement and demand projections;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED to request the industry to create a study committee to look into the ways and means of funding short-term skills training programs, and to come up with recommendations within six months;

RESOLVED, FURTHER, that the committee thus created consider as many schemes as possible, example of which may be any of the following:

1. SSS advances training cost and collects after the trainees are absorbed by private industry;
2. Levy on government to government contracts;
3. Construction sector to come up with own levy scheme, settling aside at least 2% in project cost estimates for manpower development;

---

RESOLUTION NO. 44

SUPPLY OF LABOR REQUIREMENTS

RESOLVED, FURTHER, to request vocational institutions restructure their course offerings to directly address, the manpower specifications prescribed by industry in the locations where they are critically needed and for DECS to consider the development of proper work attitudes and values in the elementary program and basic skills orientation in the high school program;

RESOLVED, FINALLY, to request the Regional Technical Institutes, in consortium with the National Manpower and Youth Secretariat, to offer upgrading programs for deserving employees selected by Industry as scholars.

---

---

RESOLUTION NO. 45

GOVERNMENT-INDUSTRY PARTNERSHIP IN THE UPLIFTMENT  
OF CONSTRUCTION WORKERS

WHEREAS there is a serious decline in the interest of workers to enter the construction industry due to the unglamorous image of the construction worker;

WHEREAS manpower development is hampered by hiring on a project basis, differing wage standards, migratory workers and the traditional hiring practices by leadmen/foremen;

WHEREAS there is not unified framework in the development of the worker in the industry;

WHEREAS the workers in the construction industry is unorganized because of the industry's peculiarities;

WHEREAS a classification indexed to wage where productivity, positive values and attitudes are factored as an acceptable framework for labor and government productivity and wage policy issues;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to address the Filipino construction workingmen to:

1. Encourage Filipino workers to band together for the development and protection of their crafts through a skills guild system where members can share their knowledge and skills with other members;
2. Upgrade his own skills by following a skills certification program to be administered jointly by the industry and the government;

RESOLVED, FURTHER, that the industry address the trend towards higher wages with a system that will eliminate sub-standard performance and reward on the other hand quality performances;

RESOLVED, FURTHER, that the industry and government rationalize the Apprenticeship Program as a training system;

RESOLVED, FURTHER, that the industry recognize the importance and benefits of the skills standards and certification system;

RESOLVED, FINALLY, that the industry police its ranks in the enforcement of fair labor laws and working conditions to bestow dignity on the construction workingmen.

---

---

1991 - 1995 . EMPLOYMENT DEVELOPMENT PLAN  
(SKILLFUL COLLIER)

DIMENSIONS	OBJECTIVES	STRATEGIES	POLICIES
General	To produce and retain a manpower base high in occupational pride and work excellence, sufficient in number to support the country's infrastructure plans		
Specific	1. To increase and maintain an increasing level of manpower  - Committed to construction careers  - Level of technical excellence	1. Focus development on manpower's attitudes and values towards greater productivity and quality	1. The government thru the Department of Education shall endeavor to instill and develop love of labor as well as quality/productivity attitudes at the earliest educational level possible.  2. All training/manpower development programs, from basic to upgrading to supervisory level shall develop and enhance quality/productivity work attitude equally with technical knowledge and skills.  3. The owners and managers of the industry shall at all times foster, promote and enhance attitudes leading to improved quality/productivity.
		B. Industry must provide construction careers attractive to manpower	1. The skills certification system shall serve as the key mechanism in providing career mobility and occupational pride and technical excellence among construction labor. Workers who pass the necessary tests and performance rating shall be allowed to reach a foreman rank in the shortest reasonable time.  2. Wages shall be indexed to certified skills level, such wage levels to vary with market and economic conditions. Corollary, the traditional hiring, retention and promotion policies of the industry shall be scrapped in favor of the skills certification system.  3. The industry shall endeavor to provide improvements in working conditions particularly with regard to safety and the provision of tools and equipment.

1991 - 1995 MANPOWER DEVELOPMENT PLAN  
(SERIAL OFFICE)

DIMENSIONS :	OBJECTIVES :	STRATEGIES :	POLICIES :
II. To build up a supply capacity by year 5 of: - 120,000/yr. entry level workers - 50,000/yr. for upgrading workers - 6,000/yr. for engineering supervisors/managers	C. Mobilize all institutions both public and private to develop manpower on a coordinated basis under the leadership of the industry	<ol style="list-style-type: none"> <li>1. Manpower planning, monitoring, testing and certification shall be undertaken by the existing duly constituted industry manpower development board/CMDF. The board shall include representation from all the major government agencies engaged in construction training. The planning and controlling process shall follow the process established under the umbrella of the national agency responsible for human resource development. The processes of the board shall be carried out through the regional level through an appropriate institutional framework.</li> <li>2. The allocation of manpower development responsibilities among the supplier agencies shall be in accordance with the supplier's existing capacities and expertise recognized by the industry.</li> <li>3. Priority on the budget utilization by supplier agencies shall be given to improvement of capability and the financing of training implementation rather than expansion of facilities, in accordance with the duly approved Manpower Development Plan.</li> <li>4. Quantity and quality specifications for programs/courses/curricula will be made by industry on a regional basis through its chapters in coordination with the regional officials of RMTC, DSCS-6171 and 611.</li> </ol>	



OBJECTIVES	STRATEGY	OUTPUT	TIMETABLE	ACCOUNTABILITY
<p>A. BASIC LEVEL TRAINING</p> <p>1. To restructure its Technician Training to Basic level</p>	<p>1.1 Shorten pre-service training time from 2 years to 6 months to reproduce new multi-skilled construction workers.</p> <p>1.2 Develop new curricula/courses and produce related teaching materials.</p> <p>1.3 Expand facilities for construction technology:</p> <ul style="list-style-type: none"> <li>- Carpentry</li> <li>- Masonry</li> <li>- Rebar</li> </ul> <p>1.4 Increase budget allocations to finance restructuring of technician training.</p>	<p>6-month multi-skills training program:</p> <ul style="list-style-type: none"> <li>- Carpentry</li> <li>- Masonry</li> <li>- Rebar</li> </ul>	<p>1st Quarter 1991</p>	<p>DECS - BTPS</p>
<p>2. To set-up apprenticeship program to provide hands-on training to workers of basic programs</p>	<p>2.1 Design apprenticeship system according to the rules and regulations set by the law which shall include minimum allowances for food and transportation.</p> <p>2.2 Acceptance by the industry.</p> <p>2.3 Adoption of the system by both manpower suppliers and industry.</p>	<p>1.1 6 month Apprenticeship Program</p>	<p>1st Q 1991</p>	<p>DECS / PCA RMYC - IMO</p>

OBJECTIVES	STRATEGY	OUTPUT	TIMETABLE	ACCOUNTABILITY
<p><b>D. UPGRADING LEVEL TRAINING</b></p>				
<p>1. Increase capacity of emp- power suppliers to upgrade 300,000 existing construc- tion workers over a period of five (5) years.</p>	<p>1.1 Stretch NNYC's training capacity to 16 batches per day.</p> <p>- Hire additional 375 part-time trainers to augment existing 13 trainers.</p>	<p>1.1 05,500 upgraded workers using NNYC facilities</p> <p>1.2 375 Part-time trainers trained over 5 years</p>	<p>Start 1991</p>	<p>NYC - RHTC</p> <p>NYC - RHTC</p>
<p>2. Set-up Testing and Certi- fication System</p>	<p>1.2 Formally structure in-plant training.</p> <p>2.1 Development of skills and testing standards in coordination with the Industry</p> <p>2.2 Validation of standards by the Industry.</p> <p>2.3 Development and operation of Certi- fication Systems in coordination with CHDF/NNYC</p>	<p>1.3 427,500 upgraded workers (in- plant training).</p> <p>2.1 Skills and Tests Standards</p>	<p>Ongoing</p>	<p>PCA</p> <p>RHTC</p> <p>PCA</p> <p>PCA</p>

OBJECTIVES	STRATEGY	OUTPUT	TIMETABLE	ACCOUNTABILITY
C. TECHNOLOGY/MANAGEMENT TRAINING				
1. To train entry level engineering supervisors up to 6,000/year by year 5	1.1 Maximize CHDC capacity  1.2 TCR-CHDC level technology to select engineering colleges in regions, supported by appropriate cadet engineer OJT with industry	SDP  SDP - TTP	Ongoing  Start 1991	CHDC  CHDC/PCA
2. Institutionalize development of construction managers	2.1 CHDP - UPRAC - DISU - AIH - Others in the regions	CHDP	Ongoing	CHDP/PCA
3. Develop and promote productivity/quality achievements thru improved technology/construction methods	3.1 FDP - DAP linked - JICA 2/1LO - Research  3.2 ISI		Ongoing	CHDP/PCA  CHDC  CHDP/PCA

OBJECTIVES	STRATEGY	OUTPUT	TIMETABLE	ACCOUNTABILITY
<p><b>D. MANPOWER DEVELOPMENT MANAGEMENT</b></p> <p>1. HD is overall coordinated on a national scale up to the regional level between industry and concerned government institutions</p>	<p>1.1 CHRF as HD Board, with PCA, DCS, NYC follow NYC Council processes</p> <p>1.2 Use of Regional Manpower Councils</p> <p>1.3 CHRF/DCS/NYC participates in PCA committees:</p> <p>labor Resource R &amp; E</p>	<p>1.1 Plans/Plan Changes Curricula Results</p>	<p>1990 started</p> <p>Starts 1991</p> <p>Ongoing</p>	<p>CHRF/PCA JICA Chapters</p>
<p><b>E. MANPOWER DEVELOPMENT SYSTEM</b></p> <p>1. More attractive career</p>	<p>1.1 HD's career path under dual training system</p> <ul style="list-style-type: none"> <li>- job titles/job descriptions</li> <li>- clear path</li> </ul> <p>1.2 Working conditions improved</p> <ul style="list-style-type: none"> <li>- wages/salary levels</li> <li>- safety</li> <li>- tools and equipment</li> </ul>			<p>PCA</p> <p>PCA</p>

Glossary:

AIM	- Asian Institute of Management
CIAP	- Construction Industry Association of the Philippines
CMDC	- Construction Manpower Development Center
CMDF	- Construction Manpower Development Foundation
CMDP	- Construction Management Development Program
DECS-BTVE	- Department of Education, Culture, and Sports - Bureau of Technical and Vocational Education
DTI	- Department of Trade and Industry
EPZs	- Export Processing Zones
JICA	- Japan International Cooperation Agency
NCR	- National Capital Region
NIC	- Newly Industrialized Country
NMYC	- National Manpower and Youth Council
PCA	- Philippine Constructors' Association
PEG	- Productivity Exponent Group
PHRDC	- Philippine Human Resources Development Center
RIC	- Regional Industrial Center
RTC	- Regional Training Center
UP-NEC	- University of the Philippines - National Engineering Center





JICA