

**MESSAGE OF THE DEPARTMENT OF LABOR AND EMPLOYMENT**  
**13<sup>th</sup> Conference of Philippine Schools Overseas**  
***“21st Century Learning: Reengineering Education for the New Millenium”***  
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The Department of Labor and Employment extends its greetings of well-wishes to all participants of this conference and its sincere appreciation to the Commission on Filipinos Overseas for hosting and organizing this event.

The world outside the classroom walls thrives on a set of values and traditions that are subsumed in a culture called competition. It is an ever changing world. Our question is: “Are our children prepared for this world of perpetual and constant change?”

According to the ADB, the relatively high levels of youth education in the Philippines influence the kind of jobs that young people demand, and also the kind of investments that are poured into the country. On the part of the DOLE, we have, in partnership with industry, identified 13 industries as key employment generators, or KEGs. These KEGS have the potential to generate employment and absorb the bulk of the workforce in the years to come. These are agribusiness, banking and finance, construction, education, health and wellness, hotel restaurant and tourism, information technology-business process management, mining, manufacturing, power and utilities, ownership, dwellings and real estate, transport and logistics, and wholesale and retail trade.

Let’s go on a brief tour of the local labor market. We have around 37.455 million employed and about 2.635 million unemployed Filipinos as of January 2015. Of the unemployed, 47 percent, or 1.246

million are unemployed young people, aged 15-24 years old. The good news is that this number of young, unemployed Filipinos is going down, as is the national level of unemployment. Another good news is that, according to the ADB, 42 percent of the Filipino youth between ages 20 to 24 have some college years or education, compared to 33 percent in 1991. In fact, our labor force is increasingly educated compared to other middle-income economies. 53 percent of our labor force have graduated from high school or higher, compared with 30 percent in Thailand, and 26 percent in Indonesia. What do these numbers tell us?

Our Philippine Schools Overseas play a very significant role and influence in the journey of our children in looking forward to something meaningful and rewarding in their lives and in choosing their profession, in deciding on employment or entrepreneurship, and in achieving their full potential. Access to employment opportunities in the labor market all depends on --- career plans, skills and competencies, even in shaping a personal mission. It also depends very greatly in attitude and behaviour towards work.

John Maxwell, the leadership guru, wrote that “our attitude may not be the asset that makes us great leaders, but without good ones we will never reach our full potential.” Maxwell cited the study of Robert Half International, a consulting firm, who had asked the vice presidents and personnel directors at 100 of America’s largest companies to name the single greatest reason for firing an employee. Of the seven answers to the question, five were all attitude problems: (1) inability to get along with other workers, 17 percent; (2) dishonesty or lying, 12 percent; (3) negative attitude, 10 percent; (4) lack of motivation, 7 percent; and (5) failure or refusal to follow instructions, 7 percent. Although the top reason was incompetence at 30 percent, the 70 percent are all attitudinal.

The Carnegie Institute had analysed the records of 10,000 persons and concluded that 15 percent of success is technical training; the other 85 percent is due to personality, and the primary personality trait identified was attitude.

Our young graduates and professionals need to have a good grasp of labor market information as well as to master effective strategies on job searches. A recent study of the Asian Development Bank points out that job search behaviour of young Filipinos is one of the major factors that influence the pattern and speed of school-to-work transition, the average length in months or years for them to find their first jobs. The responses to the surveys I earlier mentioned confirm what the ADB study refers to as ‘job search behaviour’.

In sum, when asked the question: “What do employers in the labor market look for their prospective workers?”, the answers could be, firstly, employers expect their prospective workers to be industrious, systematic, time-conscious, innovative, and values-driven. Employers expect their prospective workers to be competent, and to live a culture of personal honesty, integrity, and loyalty to the organization. They expect to see in their prospective workers basic technical competencies required of the job and non-technical or life skills that everyone needs to excel at work.

We have the K-12, or the Enhanced Basic Education Act, which responds to the demand for quality education, improved educational system, and enhanced learning infrastructure. This aligns our basic education with the rest of the world’s, and put us at par with global standards. In response to the 2015 ASEAN Economic Integration, we have already adopted eight Mutual Recognition Agreements of which seven are regulated professions—engineering, architecture, surveying, accountancy, nursing, dentistry, and medical services, and one of the professionals and skilled workers in the tourism industry. We have developed the Philippine Qualifications Framework, or PQF, to set

the education standard and skills development process attuned with the labor mobility framework of the ASEAN Qualifications Framework. The PQF is a national policy that describes the levels of educational qualifications and sets the standards for qualifications outcomes.

The Philippines, as a major country of origin of professionals and skilled workers, has the advantage of having Filipinos known the world over for being hardworking, committed, competent, language proficient, and jolly. We Filipinos are as much local as we are global. We carry on our shoulders the need to sustain our reputation in language proficiency, strong work ethics, strong technical skills, and our flexibility. But this generation, like the one before, is going to face a long-standing problem engendered by international migration: movement restriction. Even if millions of Filipinos are leaving for abroad every year, data shows that migration is steady, not increasing, at a global rate of only 3 percent. Here in Asia, the proportion is merely 1.5 percent of the population. So you have to consider very hard this real possibility: not all who are graduating today will be able to make their niche overseas even if they dream of it.

This is not, of course, a cause to despair. Come December 2015 when the ASEAN Economic Community comes into being, there is an expected free flow of goods, capital, services, and skilled workers among the ten economies of the ASEAN. In six of these ten countries—Cambodia, Indonesia, Lao PDR, Philippines, Thailand, and Vietnam—the International Labor Organisation estimates that 14 million jobs will be created, 3.1 million of whom will come from our country. But there is a warning. Many of the jobs will be in the vulnerable skills. The ILO also noted that opportunities will not be evenly distributed between countries, economic sectors, gender, and skills. We all have to watch out for these developments because aside from greater connectivity, economic and employment growth will be driven by other forces, such as ageing populations in developed countries; talent shortages; and increasing pressure for movement of

workers from less-developed, but labor-rich, countries to higher-income, but self-deficient, economies.

For example, the 2013 survey results of the Manpower Group showed that the difficulty in hiring workers with job-ready qualifications is most felt in Japan, Hong Kong, and India, which have reported acute degrees of shortages in such occupations as sales representatives, engineers, technicians, management executives, accounting and finance, information technology, skilled trade workers, sales managers, laborers, and specialists in the field of research and development.

This is why there is a real need for our youth to be a boost to our longer-term economic growth. Our young will contribute to the country's so-called 'youth dividend'. As we speak, the Philippines is already reaping the fruits of the government's strategic investments in human resource development, started in 2010 after President Aquino's administration assumed public office. Take note that in that year, our budget for education and manpower development was set at P235.2 billion. In 2014, it was P389.6 billion. This year, we have a budget of P410.2 billion.

We had invested huge financial resources in health to access universal access to healthcare. Our conditional cash transfer program now covers six million households to ensure social protection for the poor and the vulnerable. Altogether, social services get the biggest share in the government budget compared to defense and military spending and debt servicing during the past administration. The fruits of these investments are our graduates, in terms of employability as workers with skills set that meet industry needs—job-ready—and readily-absorbable by the labor market.

If our youth join the labor market and take only between six months to nine months after graduation to find their first regular job, thereby contributing to our sustained economic growth, then all the programs of the government to address the job-skills gap; all its investments to develop world-class productive workers, will have been worth every cent.

Because of our youth, the Philippines is now hitting the so-called demographic “sweet spot”, as projected by the population projections of the United Nations, which said that countries with strategic investments in their human resources; young population; and education system that produces skills set needed by industries, will reap the demographic dividend of sustained annual economic growth rates averaging 7.3 percent in the next ten years, and this “sweet spot” is said to last approximately 35 years.

The Institute of Chartered Accountants in England & Wales has adjudged the country as one of “the brightest sparks in the ASEAN region”. Just a few weeks ago, we registered an 8.5 points improvement in labor freedom, one of the 10 economic freedoms yearly measured in countries around the world by the Heritage Foundation and the Wall Street Journal through their Economic Freedom Index. We have earned investment upgrade status from three major credit rating agencies—Standard & Poor’s, Fitch, and Moody’s, which now view our country as credit-worthy. Our global rankings have improved in many of the economic and business indicators. In the 2015 Global Competitiveness Index (GCI) of the World Economic Forum, we have sustained our progress in improving our global competitiveness, particularly in labor market efficiency, one of the 12 pillars of the GCI.

This is, therefore, an opportunity we should not miss. Our Youth will step onto the world of work much prouder as a Filipino than in the past. But here lies the challenge that we should be ready to face. To have our youth equip themselves with the right values, the right work attitude, the right skills set and be job-ready.

This generation is now known as “millennials”. Our children are “millennials” because they are career-minded young people who grew up in an age of high-performance computers, smartphones, and tablets, and whose first pre-occupancy the moment they wake up in the morning is whether they have an Internet connection. They inhabit a social media environment. We should not only teach and encourage our youth to be innovative and creative but we should be a guide to them to be excellent workers. Excellence in doing ordinary things in extra-ordinary ways. Captain Nathan Algren of the movie, “The Last Samurai”, said: “They are an extraordinary people. From the moment they wake, they devote themselves to the perfection of whatever they pursue.” So, it will be good for our youth to know who they really are; what are they good at; and what is their real purpose in life.

Finally, and the most important, let us remind our youth that work is a gift from God to His children. Our work, whatever it will be, is intended to serve the good of others, the good of the community and, most of all, the good of our nation and country. It has been said that “If education is a public value, then work is a public good.”

Thank you and God bless us all.

