A young man with dark hair, wearing an orange long-sleeved shirt and a high-visibility green safety vest, is focused on his work. He is looking down at a piece of machinery or a tool he is using. The background is slightly blurred, showing what appears to be an industrial or workshop setting. The overall tone is professional and focused.

RESEARCH PAPER SERIES NO. 2024-03

**Issues in Philippine TVET:
Responsiveness to Industry Demand
and Barriers to Access among
Disadvantaged Youth**

Aniceto C. Orbeta Jr.
John Paul P. Corpus

Research Paper Series No. 2024-03

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Philippine Institute for Development Studies
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List of Acronyms

CAT	Competency Assessment Tool
CALABARZON	Cavite, Batangas, Laguna, Rizal, and Quezon
COC	Certificate of Competency
COVID-19	coronavirus disease 2019
DTS	Dual Training System
JDVP-TVL	Joint Delivery Voucher Program-Technical Vocational Livelihood
JHS	junior high school
ICT	information and communications technology
LGU	local government unit
Mbps	megabits per second
NC	National Certificate
NCR	National Capital Region
NEET	not in employment, education, or training
NGO	nongovernment organization
NTESDP	National Technical Education and Skills Development Plan
NTR	No Training Regulation
PBEd	Philippine Business for Education
PCA	Philippine Constructors Association
PTC	Provincial Training Center
QSO	Qualifications and Standards Office
SHS	senior high school
STEP	Special Training for Employment Program
TESDA	Technical Education and Skills Development Authority
TR	Training Regulation
TTI	TESDA Technology Institutions
TVET	technical and vocational education and training
TVL	technical vocational livelihood

TWSP	Training for Work Scholarship Program
UAQTE	Universal Access to Quality Tertiary Education
WTR	With Training Regulation
YWPH	Youthworks PH

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The authors acknowledge the anonymous reviewer for the invaluable input to improve the clarity and organization of the paper. They also acknowledge the support provided by the Philippine Business for Education and the Technical Education and Skills Development Authority.

Abstract

Technical and vocational education and training (TVET) plays a key role in producing a skilled labor force and providing a pathway for youth to gain productive employment. This study assesses TVET's responsiveness to industry needs using qualitative interviews of enterprise-based training providers from the construction, manufacturing, and tourism sectors. Among the issues raised include (1) difficulties in attracting students to participate in construction training programs due to the sector's poor image; (2) gaps in training quality, especially in public training institutions, owing to outdated facilities and trainers lacking up-to-date industry knowhow; and (3) underdeveloped soft skills among young employees. Further, this study examines the barriers that keep youth not in employment, education, or training (NEET) from participating in vocational education. Data was collected through a rapid online survey of young trainees or training applicants who were or had been NEET at the time of the survey. Many respondents self-identified as poor and cited the lack of financial resources for education as the main hindrance to pursuing TVET, followed by the lack of information on training programs. Hence, the study recommends using information campaigns and scholarships to attract learners to train for in-demand occupations, strengthening soft skills instruction, incentivizing industry practitioners to join the TVET sector as trainees, and promoting enterprise-based training programs. Meanwhile, enabling greater training participation among NEET calls for financial assistance programs with adequate allowances and information dissemination initiatives about training and job opportunities.

Introduction

Technical and vocational education and training (TVET) plays a key role in producing skilled workers in midlevel trades and occupations. In 2020, close to 600,000 Filipinos graduated from a TVET program, and nearly 300,000 obtained National Certificate (NC). TVET also offers disadvantaged youth an alternative to college education as a pathway to employment. In 2022, about 2.5 million young people (12.6% of the total youth population) were not in employment, education, or training (NEET).¹ This group of disengaged youth tends to belong to low-income households, have secondary education, and be economically inactive (Orbeta et al. 2021). Vocational education can be a tool for engaging NEET and integrating them into the labor market. To fulfill these roles, TVET must be responsive to the labor market's requirements for skills and competencies in the workplace and be accessible to young learners from disadvantaged backgrounds.

This paper addresses both of these themes, drawing from two studies (Orbeta and Corpus 2021; Orbeta et al. 2021) conducted for the Philippine Business for Education (PBE) and the Technical Education and Skills Development Authority (TESDA) under their policy partnership to improve the relevance and quality of training programs for disadvantaged Filipino youth. It has two components: one is an assessment of TVET's responsiveness to the labor demands of Philippine industry, while the other is an investigation of the barriers faced by NEET from pursuing TVET. The first component focuses on construction, manufacturing, and tourism, which are priority sectors of YouthWorks PH (YWPH). The YWPH is a five-year workforce development program (2018–2023) funded by the United States Agency for International Development and implemented by PBE that provides enterprise-based training and soft skills coaching to NEET ages 18–30 in selected sectors and areas in the country (i.e., Greater Manila Area, Cebu City, Cagayan de Oro City, General Santos City, and Zamboanga). It also provides training and internet/communications allowances and a digital learning device to program beneficiaries.

The following sections provide the research framework guiding the paper; present an overview of the TVET landscape in the Philippines, focusing on the governance of the TVET sector and the supply and demand for TVET programs; discuss the findings for the two research questions; and put forward recommendations.

¹ Calculated using the average of the NEET population and NEET rate (or the proportion of NEET among the youth) statistics from the January, April, July, and October 2022 rounds of the Labor Force Survey (PSA 2022)

Research Framework

Figure 1 presents the research framework characterizing the responsiveness of TVET to industry needs and the barriers that hinder youth NEET from pursuing TVET. This framework is designed to contextualize the research within the broader environment of skill production.

Understanding the employment, education, and training outcomes of marginalized youth entails looking at the underlying economic development structure, the education and training environment, and the household decisions on schooling and training (cf. Orbeta 2002). It also requires cataloging the programs available to the youth. The underlying general economic development determines the industrial structure that, in turn, determines the demand for skills. On the flip side is the supply of skills, which is the product of the interaction of education and training institutions' course offerings and households' enrollment and participation decisions. Unsatisfied with market outcomes, government and nongovernment organizations often implement programs to improve the youth's educational and employment outcomes. The services offered to the youth characterize the programs. The final outcomes are (a) school/training attendance, (b) employment and unemployment, and (c) wage and income of youth workers.

While the framework provides the general environment for the NEET, this study focuses on the training landscape. In describing the training landscape, only cells B, C, E, and F in Figure 1 are covered.

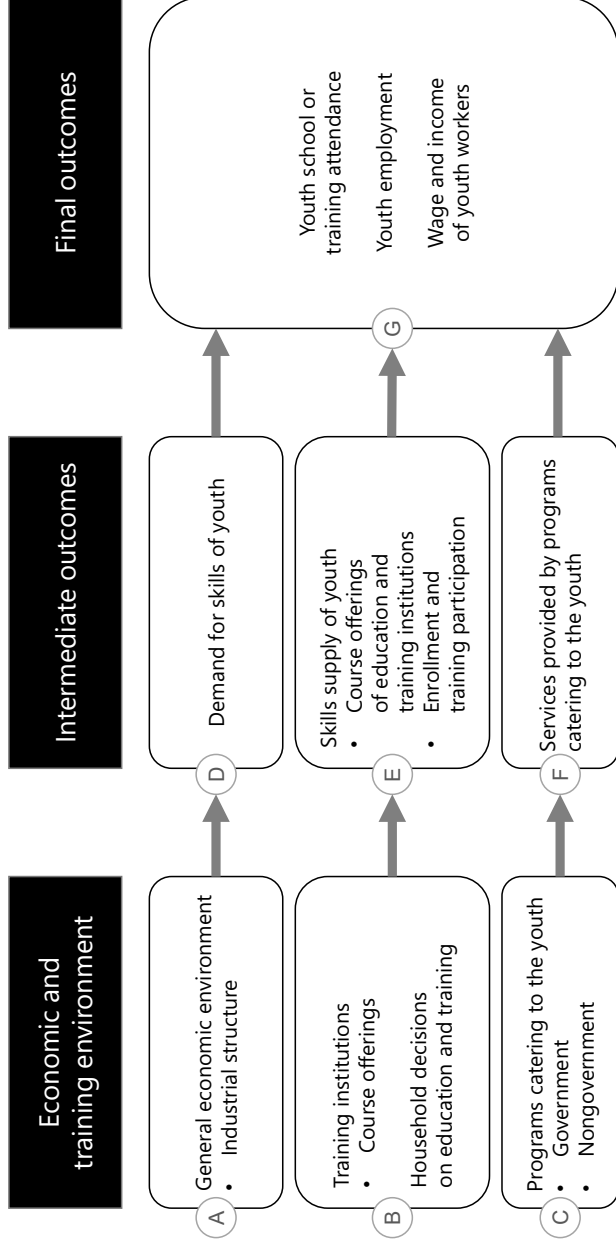
Overview of TVET Landscape²

Governance

The government manages the country's TVET system through TESDA, established in 1994 through Republic Act (RA) 7796. TESDA sets policy directions, regulates TVET provision and certification, and implements programs to ensure inclusivity in technical education. Its highest policymaking body is the TESDA Board, which has 22 members consisting of representatives from the government (8, including the labor secretary as board chair), employers (4), business and investors (2), workers (6), and educators (2).

² This section draws from the discussion of Orbeta and Esguerra (2016) on the same subject.

Figure 1. Research framework



Source: Authors' illustration

TESDA works with stakeholders to formulate the National Technical Education and Skills Development Plan (NTESDP), a medium-term plan guiding TVET sector's strategic direction. The 2018–2022 NTESDP³ had two thrusts: (1) global competitiveness and workforce readiness and (2) social equity for workforce inclusion and poverty reduction (TESDA 2018b). The plan also identified seven priority sectors: tourism; construction; information and communications technology (ICT) and business process management; transport, communication, and storage; agriculture, fisheries, and forestry; manufacturing; and health, wellness, and other social services.

TESDA ensures the quality of TVET through the following regulatory processes:

- ***Development of Training Regulations (TRs).*** TRs define the required competencies to attain occupation-based qualifications called NCs. TRs also specify the standards for delivering training programs designed around these qualifications and the arrangements for assessing and certifying learners. As of May 2022, there were 314 programs covered by a TR or with Training Regulation (WTR). These include programs for TVET trainers and assessors. TRs are developed by TESDA with the involvement of experts from the private sector and are issued by the TESDA Board (see Appendix A for a discussion of the process).
- ***Mandatory registration of TVET programs.*** To ensure compliance with the prescribed TR standards, public and private TVET providers must register their training programs to the Unified TVET Program Registration and Accreditation System. TESDA evaluates training curricula, inspects facilities, and awards certificates of program registration to compliant institutions.
- ***Competency assessment and certification of graduates.*** TESDA certifies graduates who meet the required competencies through the Philippine TVET Competency Assessment and Certification System. Students who complete WTR programs and TVET trainers and assessors themselves must undergo a competency assessment to gain a certificate. Assessments are

³ This is the fourth NTESDP. The 2023–2028 plan is being developed as of writing.

conducted in accredited centers using competency assessment tools (CATs) that TESDA developed for each TR. An NC is awarded to candidates who demonstrate all competencies that make up a qualification, while a Certificate of Competency (COC) is issued to those who only do so for some units of competency. NCs are valid for five years and renewable subject to reassessment. There are four NC levels representing increasing levels of knowledge and skill, competency application (from routine to nonroutine), and independence.

Finally, TESDA promotes access to TVET by participating directly in training provision and providing scholarship programs. As of end-2021, TESDA administered 199 TESDA technology institutions (TTIs), consisting of regional and provincial training centers, agricultural schools, fishery schools, and trade schools (TESDA 2021b).

TESDA also operates several scholarship programs (Box 1) covering training and assessment costs, a general allowance, and other benefits like free entrepreneurship training and allowances for learning materials (Table 1). Many of these programs are mandated by law to advance various aims such as to support access to TVET among postsecondary students and disadvantaged groups, promote employment or self-employment, produce skilled workers in key employment-generating sectors, or assist workers adversely affected by government reforms. The three largest scholarships in terms of budget and beneficiaries are the Training for Work Scholarship Program (TWSP), the Special Training for Employment Program, and the programs of the Universal Access to Quality Tertiary Education Act (UAQTEA or RA 10931) for TVET (see Appendix B for eligibility criteria, budget, and beneficiaries). Based on TESDA's tracer survey of TVET graduates (TESDA 2021a), about 36 percent of graduates in TESDA-recognized programs in 2020 were beneficiaries of a TESDA scholarship.

TVET providers and programs

TVET in formal education first occurs at the secondary level of basic education, which is governed by the Department of Education (DepEd). TVET courses are taken by junior high school (JHS) students (Grades 9 and 10) under their Technology and Livelihood Education subject, and by senior high school (SHS) students (Grades 11 and 12) in

the Technical-Vocational-Livelihood (TVL) track as their specialized subjects. Students who take WTR courses can earn either a COC or an NC. In School Year (SY) 2017–2018, 6,911 schools or 62.3 percent of schools offering SHS had a TVL track, most of which were public schools (65.2%).⁴ In SY 2020–2021, nearly a third (30.7%) of the 3.2 million SHS students were in the TVL track, of which a quarter were enrolled in public schools (DepEd n.d.).

⁴Calculated based on DepEd data presented in Brillantes et al. (2019).

Box 1. TESDA scholarship programs and allocation

The Technical Education and Skills Development Authority (TESDA) operates the following scholarship programs:

- **Training for Work Scholarship Program.** It aims to produce skilled workers in key employment-generating industries. It started as a program under the Office of the President in 2006 and was mainstreamed into the regular budget in 2008 (TESDA n.d.).
- **Private Education Student Financial Assistance.** It assists poor and deserving students taking postsecondary programs in private institutions, with TESDA administering the scholarship for the TVET sector. The scholarship is mandated by Republic Act (RA) 8545 or the amended Government Assistance to Students and Teachers in Private Education Act.
- **Free TVET in state-run technical vocational institutions (TVIs).** The Universal Access to Quality Tertiary Education (UAQTEA) or RA 10931 provides free higher and technical-vocational education in public education institutions. TESDA administers the TVET component of the program in state-run TVIs.
- **Tertiary Education Subsidy (TES).** Established by the UAQTEA, TESDA administers the TVET component of this program. TES supports learners taking registered TVET programs in recognized private TVIs subject to prioritization and availability of funds.

Box 1 (continued)

- **Special Training for Employment Program.** It supports community-based (commonly short-term) training programs to promote employment through entrepreneurship or self-employment.
- **Tulong-Trabaho Scholarship Program (TTSP).** The *Tulong-Trabaho Act* (RA 11230) established the program to strengthen workers' qualifications and address skills and job mismatches. The TTSP finances selected training programs that TESDA identified based on current labor market information.
- **Rice Extension Services Program (RESP).** The Rice Tariffication Law (RA 11203) established the Rice Competitiveness Enhancement Fund (RCEF) to support various programs aimed at improving the competitiveness of farmers amid the liberalization of rice importation. TESDA receives 70 percent of RCEF's PHP 1 billion budget for extension services. The RESP supports training programs related to rice production and new and emerging technologies.
- **Tsuper Iskolar Program.** Funded by the Department of Transportation and implemented by TESDA, the program supports skills training for public transportation workers affected by the Public Utility Vehicle Modernization Program.
- **Barangay Kabuhayan Skills Training Program.** It provides training scholarships to fourth, fifth, and sixth class municipality residents in support of the Barangay Livelihood and Skills Training Act (RA 9509).

Benefit coverage

Table 1 summarizes the benefits currently included in these scholarship programs. All scholarships cover the cost of training and competency assessment and provide allowances to trainees. Some programs provide other benefits, such as free entrepreneurship training and allowances for learning materials.

Box 1 (continued)

Scholarship allocation. TESDA allocates scholarship slots to eligible training providers based on the budget, skill priorities, beneficiary targets, and training capacity of providers. Training providers included in the scholarship allocation are selected based on their absorptive capacity and previous record in scholarship utilization, billing compliance, and graduates' assessment and employment performance. Training costs are paid directly to TVIs upon program completion, while allowances are released directly to learners (TESDA 2023b).

Source: Authors' compilation

At the postsecondary level, a trainee can take TVET programs lasting a few months up to three years (for diploma programs) in TESDA-accredited training providers. Meanwhile, nonformal vocational education (commonly targeted to specific social groups) usually takes the form of community-based training. Administrative data revealed that over 90 percent of the 4,434 TESDA-registered TVET providers in 2020 were private and consisted largely of technical vocational institutions (TVIs) (Figure 2 Panel A). Public sector institutions comprised less than a tenth of training providers, mainly TTIs and local government units (LGUs).

Tourism-related TVET programs are the most widely offered in the country, accounting for a quarter of the 16,620 programs offered in 2020 based on administrative data (Figure 2 Panel B). Other sectors in the top 10 with the widest program offerings (out of 25 occupational sectors) included agriculture, forestry, and fishing; metals and engineering; electrical and electronics; human health or health care; construction; automotive and land transportation; social, community development, and other services; and information and communication technology. Nine out of 10 offered TVET programs belonged to these sectors.

TVET graduates

Based on TESDA's annual survey of TVET graduates, produced about 2 million vocational graduates annually in 2018 and 2019. The outturn fell below 600,000 in 2020 due to the COVID-19 pandemic (Table 2 Panel A).

Table 1. Benefit coverage of TESDA scholarship programs as of February 2023 (in PHP)

	TWSP	STEP	PESFA	UAQTEA	TTSP	RESP	Tsuper Iskolar	BKTSP
Free training	✓	✓	✓	✓	✓	✓	✓	✓
Free national assessment	✓	✓	✓	✓	✓	✓	✓	✓
General allowance	160*	160*	160*	9,000‡	160*	160*	350**	160*
Entrepreneurship training		✓				✓	✓	
Starter toolkits		✓						
Workshop uniform allowance				✓				
Accident insurance				✓				
Books/learning materials allowance			500	5,000‡				
Other school fees				P350‡				

TESDA = Technical Education and Skills Development Authority; TWSP = Training for Work Scholarship Program; STEP = Special Training for Employment Program; PESFA = Private Education Student Financial Assistance; UAQTEA = Universal Access to Quality Tertiary Education Act; TTSP = Tulong Trabaho Scholarship Program; RESP = Rice Extension Services Program; BKTSP = Barangay Kabuhayan Skills Training Program

* Daily

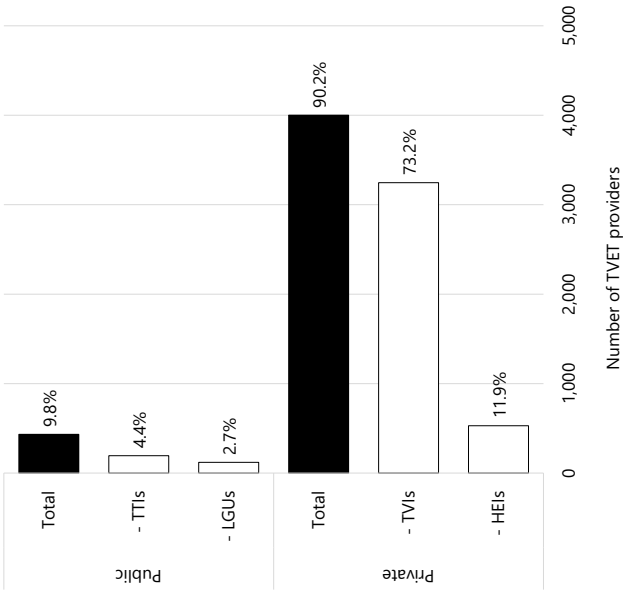
** Daily for a maximum of 35 days

‡ Semestral benefit for three-year diploma programs

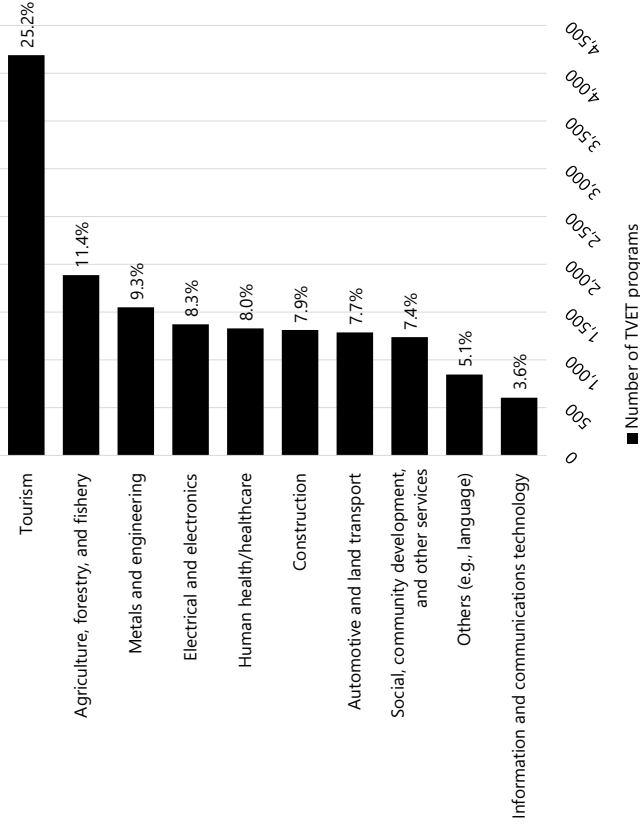
Source: TESDA (2023b)

Figure 2. TVET providers and programs, 2020

A. Types of TESDA-registered TVET providers



B. TVET occupational sectors with most number of registered programs, top 10



TVET = technical and vocational education and training; TESDA = Technical Education and Skills Development Authority; TTI = TESDA Technology Institution; LGU = local government unit; TVI = technical vocational institution; HEI = higher education institution; ICT = information and communications technology
 Note: The bars illustrate frequencies indicated by the horizontal axes (number of TVET providers for Panel A and number of TVET programs for Panel B), while the percentages next to the bars are shares in the total of each category. TTIs and LGUs account for the greatest number of public training providers, as do TVIs and HEIs with respect to private training providers. Other TVET provider subtypes are fewer and thus omitted for simplicity.
 Source: TESDA (2021a)

Table 2. TVET graduates and certified graduates, 2018–2020

	2018	2019	2020
A. TVET graduates			
Frequency (thousand)	2,074.4	1,919.0	591.5
Age group (percent)			
15–24	40.3	43.1	28.4
25–34	29.0	27.6	31.3
35–44	17.3	16.0	19.4
45–54	9.0	8.5	12.1
55–64	3.7	4.1	7.4
65 and above	0.8	0.7	1.3
Provider type (percent)			
Public	52.7	60.5	57.7
Private	47.3	39.5	42.3
Mode of training delivery (percent)			
Institution-based	62.4	56.2	64.4
Enterprise-based	1.8	3.3	1.8
Community-based	35.8	40.5	33.8
Program type of graduates (percent)			
With training regulation	73.2	58.7	60.2
No training regulation	10.5	4.1	11.4
Not registered	16.3	37.2	28.3
B. Certified WTR program graduates			
Frequency (thousand)	1,351.0	1,014.3	295.8
Certification type (percent)			
Certificate of Competency	6.3	3.4	5.8
National Certificate I	6.6	6.9	10.2
National Certificate II	79.8	84.1	80.0
National Certificate III	6.4	4.2	3.1
National Certificate IV	0.0	0.2	0.0
Trainers Methodology I	0.9	1.1	0.8
Trainers Methodology II	0.0	0.0	0.1

TVET = technical and vocational education and training

Note: In Panel B, the distribution of certification types shown refer to certified TVET graduates for the years 2018 and 2019, and to certified TVET graduates of WTR programs for the year 2020.

Sources: TESDA (2019b, 2020a, 2021a, 2021b, and 2021c)

Youth ages 15–24 comprised the largest subgroup (about 40%) of TVET graduates in 2018 and 2019. However, their share declined to just 28.4 percent in 2020 due to outdoor mobility restrictions, which were stricter for people below 21 years old.

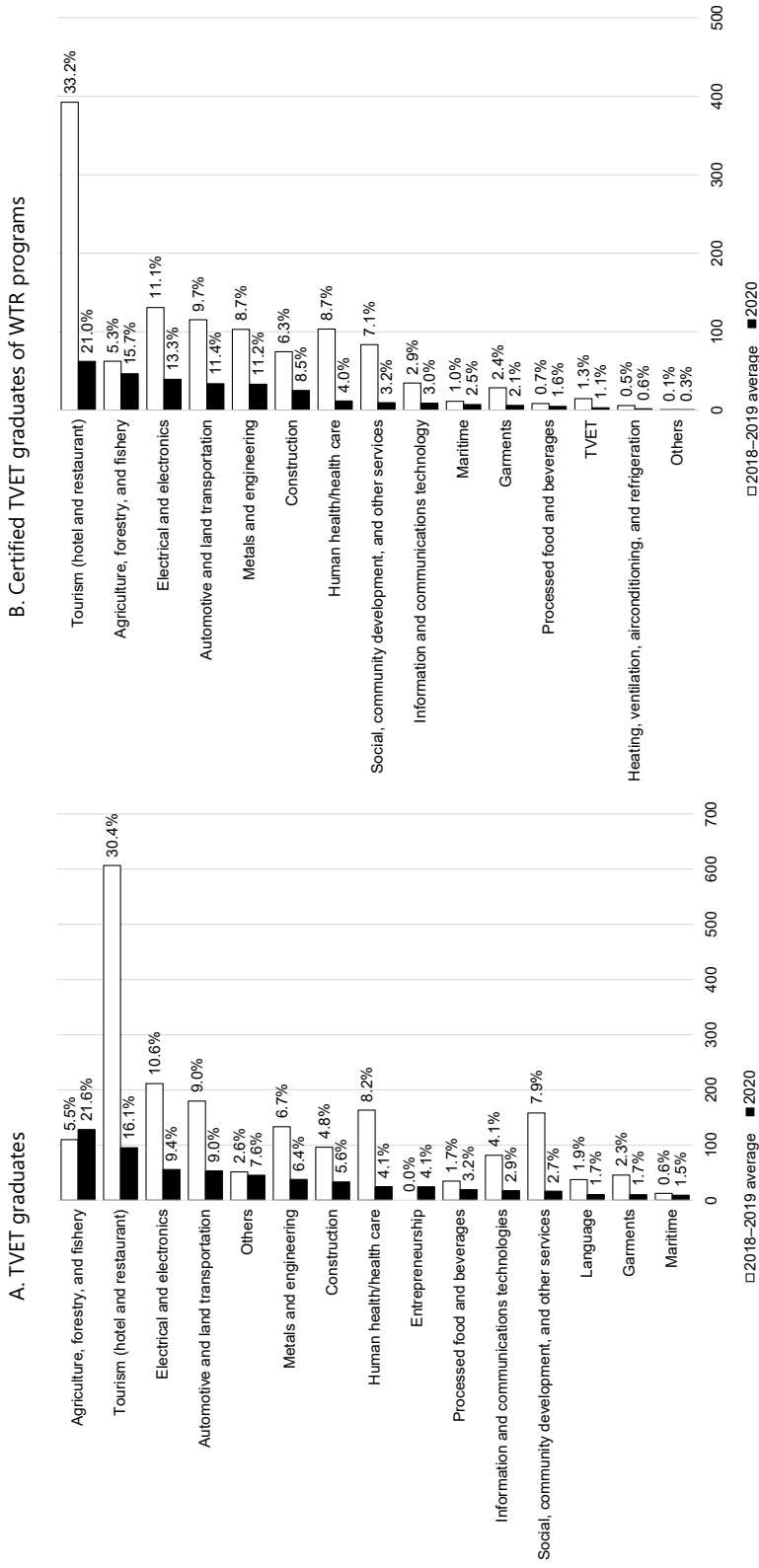
In terms of mode of delivery, around 3 in 5 TVET graduates in 2018 to 2020 attended institution-based programs, which are delivered by formal training institutions such as TVIs and TTIs. Nearly 2 out of 5 graduated from community-based programs, which are often shorter programs targeting poor and marginalized groups and delivered in communities in partnership with LGUs or nongovernment organizations. Notably, only a marginal share of TVET graduates (about 2%) come from enterprise-based programs, such as apprenticeships, learnerships, and dual training programs.⁵ Despite the predominance of private TVET providers, most training graduates (close to 60%) attended public institutions.

Graduates of WTR programs comprised between 60–70 percent of TVET graduates from 2018 to 2020. Around 80–90 percent of WTR program graduates passed the assessment required to obtain an NC (Table 2 Panel B), and about four-fifths of certified TVET graduates achieved a Level II qualification.

Sectorally, TVET graduates before the pandemic were concentrated in tourism-related programs, accounting for 3 out of 10 graduates in 2018 and 2019 (Figure 3 Panel A). This share halved in 2020 as enrollment fell, affecting mainly nonagricultural training programs during the height of pandemic restrictions. Other top producers of TVET graduates in the immediate pre-pandemic years were programs in electrical and electronics, automotive and land transportation, human health or health care, social and community development and other services, and metals and engineering. Tourism-related programs similarly accounted for the largest share of certified TVET graduates before the pandemic at 33 percent, although this proportion dipped to 21 percent in 2020 (Figure 3 Panel B).

⁵ Under apprenticeship and learnership programs, the apprentice or learner enters a contract with a participating enterprise, which provides workplace training (and theoretical instruction, in the case of apprenticeships) lasting 4–6 months for apprenticeships and 3 months at most for learnerships. The apprentice or learner receives at least 75 percent of the minimum wage during the training (TESDA 2020e). In dual training programs, trainees receive in-school theoretical instruction and in-company practical training (comprising 40% and 60% of the program, respectively) through an accredited TVI and its partner establishment. Trainees receive an allowance equivalent to 75 percent of the minimum wage for days spent in the company, which could be paid in cash or a combination of cash and in-kind benefits (TESDA 2012).

Figure 3. Sectoral distribution of TVET graduates and certified graduates, 2018–2020



TVET = technical and vocational education and training
 Note: The bars illustrate frequencies (number of graduates and number of certified WTR program graduates, both in thousands) measured by the horizontal axes, while percentages next to the bars are shares in the total of each category.
 Sources: TESDA (2019b, 2020a, and 2021b)

In terms of programs leading to an NC, 3 out of the 5 WTR programs in 2018 with the greatest number of graduates belonged to the tourism sector, namely, Bread and Pastry Production NC II, Food and Beverage Services NC II, and Cookery NC II (Table 3). Top WTR programs from other sectors included Shielded Metal Arc Welding NC II (metals and engineering), *Hilot* or Wellness Massage NC II (human health or health care), and Housekeeping NC II (social, community development, and other services). Together, the top 15 WTR programs in 2018 accounted for 62 percent of the year’s WTR program graduates.

Table 3. Top 15 WTR programs by number of graduates, 2018

Qualification	Occupational Sector	Percent
Bread and Pastry Production NC II	Tourism (hotel and restaurant)	7.82
Shielded Metal Arc Welding NC II	Metals and engineering	6.02
Food and Beverage Services NC II	Tourism (hotel and restaurant)	5.97
<i>Hilot</i> (Wellness Massage) NC II	Human health and health care	5.25
Cookery NC II	Tourism (hotel and restaurant)	5.22
Housekeeping NC II	Social, community development, and other services	4.86
Driving NC II	Automotive services	4.24
Computer Systems Servicing NC II	Electronics and electrical	4.16
Shielded Metal Arc Welding NC I	Metals and engineering	4.10
Electrical Installation and Maintenance NC II	Electronics and electrical	2.99
Contact Center Services NC II	Information and communications technology	2.95
Dressmaking NC II	Garments	2.21
Automotive Servicing NC I	Automotive services	2.18
Organic Agriculture Production NC II	Agriculture, forestry, and fisheries	2.08
Bookkeeping NC III	Social, community development, and other services	2.01

WTR = with Training Regulation; NC = National Certificate
 Source: TESDA (2019a)

Perceptions of TVET Responsiveness to Industry Demand

Methodology

Focus group discussions (FGDs) and key informant interviews (KIIs) were conducted in November–December 2020 to gather stakeholders' views on the responsiveness of TVET programs to industry demand. There were 21 participants, mainly training providers from YWPH priority sectors, including representatives from 2 manufacturing firms, 1 hospitality firm, 1 construction firm, and 1 conglomerate involved in construction, real estate, and hospitality. Also among the respondents were representatives from 1 manpower agency, 1 human resource association, and 1 nongovernment organization (NGO). Representatives from TESDA and the Department of Labor and Employment (DOLE) were also involved in the study. Because of pandemic restrictions, all data collection activities were done via online video conferencing. The consent of all informants was secured before conducting the FGDs and KIIs.

Due to time and resource constraints, the respondents from the training provider sector were limited to YWPH program partners. The research team was unable to interview a more diverse set of firms in the priority sectors and a more varied collection of training providers, including more institution-based and community-based training providers. The selection of respondents limits the range of perspectives captured by the study.

Description of respondents

Four of the five firms interviewed run training programs, most leading to an NC qualification. For instance, a construction company offers NC II programs on carpentry, masonry, and heavy equipment operation. In contrast, a hospitality firm offers NC II programs on food and beverage services and housekeeping. Meanwhile, a manufacturing firm offers a program on fish processing, which only leads to a training certificate.

Other firms (hospitality and manufacturing) provide apprenticeship programs wherein trainees are paid 75 percent of the minimum wage. In another firm (construction), the trainees are new hires who undergo training before starting their jobs. Some firms operate their own training school through financing from their corporate foundation and/or by

utilizing government TVET scholarships such as the TWSP or the Private Education Student Financial Assistance. One training school runs an SHS TVL track offering home economics and industrial arts courses. It also provides skills training to SHS cross-enrollees from partner national high schools through DepEd's Joint Delivery Voucher Program-Technical Vocational Livelihood (JDVP-TVL). The JDVP-TVL grants tuition vouchers amounting to PHP 12,550, including PHP 550 assessment cost, per beneficiary. It targets Grade 12 TVL students in public schools that are unable to implement the TVL specialization, allowing beneficiaries to cross-enroll in other schools or TVIs that can.

Firms get trainees by partnering with high schools, LGUs, government agencies, or other firms. One company accepts apprentices from student beneficiaries of DOLE's Special Program for the Employment of Students (SPES), which links students and out-of-school youth ages 15–30 from poor families with formal employment lasting 20–52 working days and enables them to earn extra income (minimum wage, 40% of which is subsidized by DOLE) to finance their education. Other trainees are walk-in applicants. Firms absorb some or all trainees upon completion of their training. Those with apprenticeship programs hire apprentices who have completed the program and the prescribed probationary period. In the case of the SHS program, only about half of students proceed to employment, while the rest pursue a college education.

The sole respondent from the NGO sector runs training programs targeting poor communities in Manila. They provide automotive and bread and pastry production training in partnership with technical-vocational schools and TESDA. To take advantage of the COVID-19 pandemic, the NGO started a training program on producing face masks and personal protective equipment. Trainees are provided with a sewing machine and starter kits to allow them to produce and sell the products themselves.

Findings

Respondents from the private sector had varied responses when asked whether they consider training programs responsive to industry needs. The responses touched on the supply of skilled workers; sufficiency of government scholarships in covering the costs borne by learners and training schools; quality of training curricula, schools, and instructors; industry-government dialogue; and flight of skilled workers.

Low demand for construction-related training among the youth

The two construction firms noted the low demand for construction-related training programs among young people, as they tend to prefer jobs in hospitality and tourism. One firm reported experiencing difficulties in finding students for their construction programs despite offering free tuition and employment. To get trainees, the other firm reported conducting recruitment drives in provinces where construction jobs attract more students.

The respondents attributed the low demand in the sector to unfavorable perceptions of construction jobs among the youth and their parents. Construction jobs are viewed as lowly, dirty, and dead-end jobs. To address this, respondents recommended educating parents and students through information campaigns that highlight better conditions in construction jobs. They noted that construction workers nowadays tend to earn higher wages and increasingly use power tools instead of hand tools. Information drives can also communicate opportunities for career advancement in the sector. For instance, one respondent cited the case of a construction training graduate who started as a rank-and-file employee and rose to become a manager by earning an engineering degree through the Commission on Higher Education's Expanded Tertiary Education and Equivalency Program, which provides equivalent college-level credits to the knowledge and skills gained from at least five years of relevant work. The government may also help by providing more scholarships for construction-related training programs.

Lack of allowance support and insufficient scholarship amount

Firms raised concerns about inadequate government financial assistance. For instance, one firm reported that even though TESDA's TWSP provides free tuition, young people are still reluctant to undergo training without an allowance to support them.⁶ The firm had approached other government agencies that could provide allowances but was unsuccessful in finding a partner. Some respondents also said the scholarships or vouchers barely cover training program costs, including trainers' salaries and training materials. The firm running an SHS TVL track reported that the JDVP-TVL fell short of covering training costs, with the gap being

⁶ An allowance benefit was included in the TWSP only in June 2020, a few months prior to the interviews for this study (TESDA 2020d).

bridged by funding from the company's foundation. Training providers without backing from a corporate foundation have a harder time making ends meet.

Another respondent reported an unsuccessful partnership effort between TESDA and an industry association. TESDA would have provided TWSP slots to trainees nominated by firms, while firms would have hired at least 80 percent of the graduates. However, the scholarship amount became an issue as it covers only half of the actual training cost. As a result, no training institution was willing to provide the training. Respondents recommended that the government revisit the size and coverage of the financial assistance packages it offers.

Giving greater emphasis on soft skills and work attitudes

Some respondents asserted that in addition to hard skills, training programs should teach soft skills, including communication skills, work attitude, and discipline. One respondent noted that many workers do not move beyond entry-level positions because they lack communication skills and discipline. Meanwhile, one informant in the manufacturing sector claimed that their production jobs are relatively easy to learn, and they value workers who are disciplined, hardworking, and willing to follow instructions. However, the respondent observed that younger workers tend to fall short of discipline and compliance with authority.

Updating existing TRs

Some informants noted the need to update TRs, as they may have fallen behind current industry practices or technologies. One respondent noted that the Carpentry NC II course still requires hand tools, such as hammers and saws, when their company has already shifted to using power tools.⁷ Similarly, the NC II course for transmission linemen still requires a wooden pole⁸ when most utility poles are now concrete and require a different set of equipment. Meanwhile, a hospitality firm observed that the sector is fast-changing in terms of tourist demands

⁷ At the time of the interview, crosscut saws and claw hammers (hand tools) and portable circular saws (a type of power tools) were among the required tools for Carpentry NC II (TESDA 2018d).

⁸ At the time of the interview, the TR for Transmission Line Installation and Maintenance NC II required the use of a steel pole (TESDA 2017d, p.68).

and technologies, which necessitates updating of TRs to keep up with current trends. However, the respondent did not specify which TRs need updating.⁹

Concerns about the quality of training schools

The hospitality sector informant observed that the TRs for the sector are not being implemented uniformly nationwide, and the facilities in many training schools are not up to par with industry standards. These issues result in differences in the quality of training graduates or the lack of required job skills among graduates. The informant noted the importance of ensuring that industry standards are taught uniformly in schools to help tourism establishments keep pace with changing standards.

Another firm running a training school echoed a similar sentiment. The informants reported that their TWSP allocation from TESDA decreased significantly because of the government's thrust to maximize the utilization of TESDA Provincial Training Centers (PTCs). However, they expressed concerns about the quality of training provided in PTCs, noting that trainers in PTCs are not industry-based and may not be in touch with the latest technology. Their impression of PTCs and public schools in general, based on their interactions with public school students, is that they lack the necessary equipment and facilities. While public schools help ensure access to TVET, especially in rural areas with fewer private schools, their linkage with industry must be improved to ensure they provide up-to-date training.

Flight of skilled workers

Some respondents from the construction and hospitality sectors noted that many workers leave their companies to work in bigger cities or leave the country to work overseas after gaining qualifications, such as NCs and employment experience. The flight of skilled workers contributes to labor supply gaps and necessitates training programs that continuously produce qualified workers. A construction sector respondent suggested

⁹ The top five WTR tourism-related qualifications in 2018, with the date of promulgation, were: Bread and Pastry Production NC II (July 2009), Food and Beverage Services NC II (December 2013), Cookery NC II (October 2014), Housekeeping NC II (December 2013), and Events Management Services NC III (November 2007). These TRs have not been amended since their promulgation (TESDA 2022d).

increasing the number of construction trainees so that a substantial number of graduates remain in the country even if many go overseas. However, the low demand for construction-related training programs remains a hurdle.

Tapping industry practitioners as trainers and assessors

One of the recommendations raised was for TESDA to give preference to current industry practitioners over government employees or retired industry practitioners to become trainers and assessors. Furthermore, current practitioners should be accredited immediately and exempted from undergoing training and assessment. In response, TESDA informants explained that TVET assessors and trainers must still undergo training and assessment to gain and be certified in their pedagogical skills. Moreover, they noted that industry experience is already required to become a trainer or assessor, although being a current industry practitioner is not (see Box 2). Finally, they pointed out the practice of invoking the “grandfather clause”, which certifies industry practitioners involved in developing the assessment tools.

Box 2. Requirements for TVET trainers and competency assessors

Trainers and assessors for WTR TVET programs must hold a National TVET Trainer Certificate (NTTC) Level I. In addition, assessors must separately possess a competency assessor accreditation from TESDA. The validity of the NTTC and assessor accreditation coincides with that of the underlying National Certificate (NC). Each requirement is discussed below.

National TVET Trainer Certificate. To qualify for an NTTC I, candidates must have:

1. An NC (at least Level II) in the same qualification and level to be taught;
2. A Trainers Methodology Certificate I (TMC I), achieved by passing the assessment for the Trainers Methodology Level I (TM I) program; and,
3. Industry work experience, as specified in the TR of the qualification to be handled (TESDA 2014).

Box 2 (continued)

The TM I program is a 264-hour WTR program that teaches competencies for facilitating training sessions and conducting competency assessments. Requirements 1 and 3 (i.e., NC and industry experience) are also necessary to gain admission to a TM I course.

Industry work experience is an optional requirement for trainers in most WTR programs. Out of the 264 WTR TVET programs in 2017, only 93 required trainers to have industry work experience. The required length of experience ranges from six months to five years (see Annex A of TESDA 2017a).

In 2017, TESDA institutionalized a work experience equivalency system, which credits work experience to experience gained in teaching, industry immersion, technical consulting, and international training. Trainers can use these credits to fulfill the work experience mandated by the qualification they are teaching (TESDA 2017a, 2017c).

In 2019, TESDA relaxed work experience rules for TM I enrollment and NTTC provision. Candidates with insufficient experience were allowed to enroll in the TM I course, provided they met the program's other entry requirements. After securing their TMC I, they can be issued a Provisional NTTC (PNTTC), which allows them to practice while meeting the work experience requirement within a grace period lasting two years or the length of the required work experience, whichever is longer (TESDA 2019c).

Competency assessor accreditation. To gain accreditation, assessors must be practitioners or instructors of the relevant occupations for at least two years or possess the work experience required in the TR. New assessors and renewing assessors for TRs that have undergone amendment are also required to have conducted supervised assessments (TESDA 2020c).

Enhancing industry-government dialogue and industry voice in the TESDA Board

A respondent suggested regular conversations between the government and the industry and education sectors should be organized for industry players to convey their specific needs better. The respondent, who belongs to the construction sector, also suggested that the construction sector be given a seat on the TESDA Board.

It is worth noting that in March 2021, TESDA announced an effort to institutionalize the participation of industry groups, labor groups, and learning institutions in the governance of TVET by establishing industry boards in selected pilot sectors (TESDA 2021d). These industry boards—modeled after sectoral skills councils in other countries—are envisioned to provide TESDA with labor market information to aid policy and provide inputs to the learning content of TVET, among other functions.

Experience in requesting new NC qualifications

One of the construction sector respondents mentioned that TESDA supported the Philippine Constructors Association’s (PCA) request to develop competency standards for the qualifications of Construction Trade Supervision Level IV (2018), Construction Site Supervision Level IV (2018), and Basic 3D Building Information Management Level III (2020). The first two qualifications were developed to meet industry demand for construction supervisors given the government’s flagship infrastructure projects under the Build, Build, Build (TESDA 2018c). All three qualifications lead to a training certificate but not an NC. Training providers may use the competency standards to develop training curricula for these qualifications and register their programs to TESDA as “No Training Regulation” programs. TESDA also supported PCA by allocating scholarships for these programs.

Barriers to NEET Participation in TVET

TVET offers a pathway for NEET to reengage in education and gain employment. However, NEET may face barriers to pursuing TVET. This section presents the results of the rapid online survey conducted by Orbeta et al. 2021 to gather the views of TVET applicants and trainees who were NEET on the hurdles they experienced.

Methodology

The survey's target respondents were (1) current applicants to TVET programs in TESDA Technology Institutions (TTIs),¹⁰ (2) current TVET trainees in TTIs, (3) current applicants to YWPH program, (4) current YWPH trainees, and (5) unsuccessful YWPH applicants.

To be eligible to participate in the survey, applicants and trainees must be NEET ages 15–24 at the time of their application to the TTI or YWPH and had not participated in any technical-vocational training course. Unsuccessful YPWH applicants are those who had completed the application but were not offered a program slot based on the recruitment officer's decision.

A questionnaire was designed for each respondent type, with four main sections: (1) personal information, (2) family information, (3) barriers to training, and (4) information about the training being taken or applied for. Screener questions were included to ensure that the respondents met the eligibility criteria. The online questionnaires were built and hosted on SurveyMonkey. Links to access the online questionnaires were disseminated to target respondents with the assistance of TESDA and PBEd/YWPH staff. Each survey ran for two weeks in March 2021. Data was collected exclusively from respondents who consented to participate in the survey, which is the very first question asked in the questionnaires.

Description of the sample

The survey collected 1,688 valid responses. Table 4 shows the distribution of responses by respondent type. Three out of five respondents (61.1%) were TESDA trainees, giving them an outsize influence on the distribution of responses across the full sample. They are followed by TESDA applicants (22.1%), YWPH applicants (10.4%), and YWPH trainees (5.9%). A very small number of respondents are YWPH unsuccessful applicants ($n=8$).

In terms of regional distribution (see Appendix C), over half of the respondents were in just five regions: Western Visayas (17.1%), Bicol (11%), CALABARZON [Cavite, Laguna, Batangas, Rizal, and Quezon] (10.2%), Central Luzon (9.3%), and NCR [National Capital Region] (8.5%).

¹⁰ TESDA administered 158 TTIs in 17 regions in the month prior to the survey (February 2021).

Table 4. Survey respondents

Respondent	Frequency	Percent
TESDA trainees	1,031	61.1
TESDA applicants	373	22.1
YouthWorks PH applicants	176	10.4
YouthWorks PH trainees	100	5.9
YouthWorks PH unsuccessful applicants	8	0.5
Total	1,688	100

TESDA = Technical Education and Skills Development Authority
 Source: Orbeta et al. 2021

Compared to other respondents, TESDA respondents were more broadly distributed across the 17 regions, with Western Visayas accounting for the largest share. In contrast, most YWPH respondents were concentrated in just three regions: NCR, Central Luzon, and CALABARZON.

Looking at the survey respondents’ profile (see Appendix D), males comprised a slight majority (53%), while females comprised most YWPH respondents. Respondents were 20.9 years old on average, and the vast majority were single (94%). Most identified as the family head’s child (80.1%). In terms of educational attainment, most completed upper secondary (41.5%), and a notably large share of respondents reached bachelor level (27.8%). Moreover, 44 percent regarded their family as poor, while 53.3 percent located their family between poor and nonpoor.

Desire to learn technical-vocational skills (46.9%) was the top reason for pursuing technical-vocational training, which was the main motivation for 52 percent of TESDA applicants and 48.6 percent of TESDA trainees. This was followed by the desire to get a job after the training (38.3%), which was the top motivation for 46.6 percent of YWPH applicants and 41 percent of YWPH trainees. Meanwhile, getting a better job than the one they had before was the main motivation for 5.4 percent of respondents (Table 5).

Table 5. Main reason for pursuing technical and vocational training (%)

	All	TESDA applicants	TESDA trainees	YWPH applicants	YWPH trainees	YWPH previous applicants
N	1,688	373	1,031	176	100	8
Learn tech-voc skills	46.9	52.0	48.6	34.7	32.0	50.0
Get a job after	38.3	37.3	36.9	46.6	41.0	50.0
Promotion or better job than before	5.4	3.2	4.8	9.7	13.0	0.0
Training is free	4.3	3.8	5.0	2.3	2.0	0.0
Friend recommendation	1.5	0.8	1.5	2.3	3.0	0.0
Keep oneself busy	1.2	1.6	0.8	1.1	4.0	0.0
Friend also in training	0.4	0.5	0.5	0.0	0.0	0.0
What family wants	0.4	0.0	0.5	0.0	1.0	0.0
Other reasons	1.7	0.8	1.6	3.4	4.0	0.0

TESDA = Technical Education and Skills Development Authority; YWPH = YouthWorks PH; tech-voc = technical-vocational
Source: Orbeta et al. 2021

Findings

Barriers to pursuing TVET

When asked about the factors that hindered them from pursuing TVET before applying to a training program, most respondents cited at least one hurdle (Table 6). Meanwhile, a notably large share reported not experiencing any hindrance (35.6%), particularly among TESDA trainees (40.3%). Among those who faced barriers, financial constraints appeared to be the main obstacle that inhibited their pursuit of training. Nearly half of respondents reported being held back by a lack of funds for either tuition or allowance (47.5%). This result is quite understandable given the large share of respondents who identified as belonging to a poor family. Other obstacles reported include insufficient information about available training programs (12.6%), housework or caring duties (11%), employment or job seeking (10%), and school accessibility (7.9%). A substantial share of YWPH trainee respondents were constrained by housework or caring duties (26%) and by working or finding employment (21%).

Challenges experienced by trainees

The survey also asked TESDA and YWPH trainees to identify challenges they experienced during their training (Table 7). Three-quarters of respondents reported experiencing at least one challenge. The top response was lack of or poor internet connection (36.1%), indicating that many trainees had to use the internet during their training. Relatedly, 22.5 percent reported experiencing problems with their digital device (e.g., laptop or desktop computer). Internet connectivity and digital device issues were also the top two concerns among YWPH trainees, who are particularly dependent on the internet and digital devices since the program's soft skills training component is delivered online. Trainees are loaned a digital device and provided with a monthly internet allowance to be able to participate in the online soft skills training.

These responses are no surprise as pandemic restrictions to in-person classes forced the shift to online and blended learning even as Filipino households' access to the internet and computers remained low.

Table 6. Factors that hindered respondents from pursuing technical and vocational training before applying for or starting training (%)

	All	TESDA applicants	TESDA trainees	YWPH applicants	YWPH trainees	YWPH previous applications
N	1,688	373	1,031	176	100	8
No funds for tuition or allowance*	47.5	59.8	42.3	50.0	49.0	75.0
No hindrance	35.6	24.9	40.3	34.7	31.0	12.5
No funds for tuition	35.3	45.8	30.9	38.6	34.0	37.5
No funds for allowance	34.2	43.4	29.2	39.2	39.0	75.0
No information	12.6	10.5	12.2	15.9	17.0	25.0
Housework or caring duties**	11.0	8.8	10.1	12.5	26.0	0.0
Working or seeking work***	10.0	8.8	9.6	8.5	21.0	0.0
Housework	8.1	7.5	7.4	8.5	18.0	0.0
School accessibility	7.9	9.1	7.6	8.5	7.0	0.0
Working	5.8	5.6	5.8	3.4	11.0	0.0
Caring duties	5.3	3.2	4.7	7.4	17.0	0.0
Seeking work	5.2	3.8	5.0	5.1	14.0	0.0
No plans yet	4.1	2.1	4.6	4.0	7.0	0.0

Table 6 (continued)

	All	TESDA applicants	TESDA trainees	YWPH applicants	YWPH trainees	YWPH previous applications
No interest in TVET	2.4	2.4	2.8	1.1	1.0	0.0
Parents don't approve	1.2	0.3	1.8	0.6	1.0	0.0
Poor image of TVET	0.9	0.8	1.1	0.0	1.0	0.0
Sick/injured	0.6	0.8	0.6	0.0	1.0	0.0
Disability	0.6	0.0	0.7	0.6	1.0	12.5
Other reasons	2.2	2.1	1.1	6.8	5.0	12.5

TESDA = Technical Education and Skills Development Authority; YWPH = YouthWorks PH; TVET = technical and vocational education and training

* "No funds for tuition or allowance" combines responses for "No funds for tuition" and "No funds for allowance".

** "Housework or caring duties" combines responses for "Housework" and "Caring duties".

*** "Working and seeking work" combines responses for "Working" and "Seeking work".

Note: Shares do not sum to 100 percent as multiple responses were allowed, except when "No hindrance" is chosen.

Source: Orbeta et al. (2021)

Barriers to NEET Participation in TVET

Table 7. Challenges experienced during training (%)

	All	TESDA trainees	YWPH trainees
<i>N</i>	1,688	1,031	100
Poor or no internet connectivity	36.1	33.6	62.0
None	25.1	26.1	15.0
No or insufficient allowance	23.5	23.4	25.0
Digital device issues	22.5	21.1	36.0
Busy with housework	11.8	11.2	18.0
Busy working	9.7	8.9	18.0
Lockdown	8.4	8.4	8.0
Unconducive to study at home	8.3	6.8	24.0
Personal or family problems	8.1	7.6	14.0
Venue inaccessible	7.3	7.3	7.0
Caring duties	5.2	4.6	12.0
Issue with training tools	3.6	3.1	9.0
Disaster	2.8	3.0	1.0
Picking up skills	2.7	2.9	1.0
Following lessons	2.5	2.5	2.0
Health issues	1.9	1.7	3.0
Issue with training facilities	1.5	1.6	1.0
Lack interest	1.1	1.2	0.0
Issue with training instructor	1.1	1.1	1.0
No electricity at home	1.0	0.9	2.0
Family tragedy	0.9	0.9	1.0
Venue closed	0.6	0.7	0.0
Pregnancy	0.4	0.4	0.0
Other reasons	1.6	1.5	3.0

TESDA = Technical Education and Skills Development Authority

Source: Orbeta et al. 2021

The National ICT Households Survey 2019 revealed that before the pandemic, just 17.7 percent of households had an internet connection at home, with affordability and availability being the major barriers.¹¹

¹¹ The top reasons for not having internet at home were high cost of subscription (53%), high cost of equipment (34%), and unavailability of internet in the area (19%) (Albert et al. 2021).

Moreover, most households (85%) relied on mobile phones to access the internet, as only 23.8 percent had a computer (Albert et al. 2021). However, the country's mobile internet speed is among the slowest in Southeast Asia. According to the Speedtest Global Index Ookla (2023), the Philippines' median mobile download speed in April 2023 (25.3 megabits per second [Mbps]) was the fourth slowest in Southeast Asia (excluding Timor-Leste), ahead of just Cambodia, Myanmar, and Indonesia. Globally, its median mobile download speed ranked 86th out of 138 countries. In contrast, the country's median fixed broadband download speed in the same month (92.1 Mbps) did better, ranking fourth in Southeast Asia and 42nd out of 180 countries.

Meanwhile, 23.5 percent of respondents said they had to hurdle not having or having inadequate allowance during training. This category covers all possible sources of allowance, including family or scholarship. All TESDA scholarship programs notably offer a general allowance benefit, most of which are valued at PHP 160 per day.¹² In 2020, TESDA introduced a “new normal” allowance across all scholarships to cover internet and protective equipment expenses.¹³ It also extended a uniform allowance benefit to all scholarships in 2022.¹⁴ These new allowances appear to have been discontinued in 2023.

Interventions to encourage TVET participation

Finally, respondents were asked to identify specific forms of assistance that could help or encourage youth to pursue TVET (Table 8). The top five responses were allowance support (57.5%), information on available jobs (55.5%), tuition support (47.7%), assistance in finding employment (47.3%), and information on TVET programs (39.2%). These results dovetail with the fact that many respondents experienced financial and informational constraints as hindrances to TVET participation. Employment facilitation assistance also figures strongly since getting a job is one of the top motivations for pursuing technical-vocation education.

¹² As of 2023, the UAQTEA scholarships provide a general allowance of PHP 9,000 per semester for students in three-year diploma programs (TESDA 2023a).

¹³ The allowances were initially worth PHP 1,000 in total but were reduced to PHP 500 in 2022.

¹⁴ The workshop uniform allowance, previously limited to UAQTEA, was worth PHP 500.

Table 8. Assistance to help youth pursue technical-vocational training (%)

	All	TESDA applicants	TESDA trainees	YWPH applicants	YWPH trainees	YWPH previous applicants
N	1,688	373	1,031	176	100	8
Allowance support	57.5	61.7	53.7	64.2	68.0	75.0
Information on jobs	55.5	46.4	54.7	69.3	73.0	62.5
Tuition support	47.7	52.5	43.4	59.7	52.0	75.0
Job search support	47.3	37.8	46.4	61.4	66.0	62.5
Information on TVET programs	39.2	27.6	39.1	51.7	60.0	62.5
More accessible venue	32.3	27.9	28.6	51.1	51.0	75.0
Information on TVET providers	29.0	18.8	27.7	41.5	56.0	50.0
Assessment fee support	25.8	23.6	23.2	37.5	41.0	25.0
Counselling support	21.9	13.1	19.6	40.9	42.0	50.0
Convincing parents	9.5	6.7	9.1	16.5	11.0	12.5
Other support	1.8	1.6	1.8	2.3	1.0	0.0

TESDA = Technical Education and Skills Development Authority; YWPH = YouthWorks PH; TVET = technical and vocational education and training

Note: Shares do not sum to 100 percent, as multiple responses were allowed.

Source: Orbeta et al. (2021)

Discussion and Recommendations

TVET's responsiveness to industry demand

This study gathered the perceptions of private TVET providers (mostly enterprise-based) about the responsiveness of TVET to industry needs. The responses gathered from qualitative interviews touched on a range of areas.

First is the problem of attracting TVET learners and, ergo, skilled workers. The (erstwhile) lack of allowance support discouraged potential students, especially those from low-income backgrounds, from attending training. However, introducing an allowance benefit across all TESDA scholarship programs could have alleviated this concern. Informants also relayed a lack of demand for construction training programs due to the poor image of jobs in the sector, posing a challenge for filling vacancies.

The low social standing of TVET, compared with academic education is prevalent in many developed and developing countries, albeit in varying degrees (UNESCO-UNEVOC 2018). The low regard for TVET among young people and parents stems partly from aspirations for social mobility and perceptions (whether right or wrong) that occupations associated with vocational education are “dirty”, “low-paid”, and “menial”. In contrast, jobs associated with academic education are viewed as “relatively more comfortable”, “stable”, and “better-paid” (UNESCO-UNEVOC 2018; Billet 2020). This preference is also at play within TVET sectors. For instance, between construction- and tourism-related vocational programs, the latter is the most popular in the country.

Second are concerns about the sufficiency of public TVET financing programs, with training schools that receive public funding to deliver training programs reportedly straining to manage costs.

Third are negative perceptions about the adequacy of education that learners receive due to the quality of trainers, training facilities, and TRs. In public training schools, trainers are said to lack exposure to current industry practices, and training equipment and facilities are outdated. TRs for some programs reportedly still require training equipment that has already fallen out of use in the workplace. These weaknesses result in graduates with inadequate technical preparation. Equally important are

basic competencies such as communication and organizational abilities, which some informants found new hires to be lacking, bringing attention to the quality of training in soft skills that trainees undergo.

Gaps in training quality in terms of industry relevance have also been observed in other countries in Southeast Asia (e.g., Mustapha (2017) for Malaysia, OECD and ADB (2015) for Indonesia, and ADB (2020) for Vietnam, and OECD (2021) for Thailand). In the Philippines, ADB (2021) identified several factors affecting the quality of education in TESDA-administered training schools. These include the small budget for capital outlays,¹⁵ which constrains schools' ability to improve their training facilities and equipment; a limited number of trainers and facilitators; and a declining number of competency assessors due to difficulties in meeting industry work requirements and departure to teach SHS-TVL track instead.

The sparse participation of enterprises in training provision in the Philippines appears to be part of the problem. Enterprise-based programs account for a meager share of TVET enrollment, with most learners attending institution-based providers. However, as OECD (2010) noted, TVET based in education institutions can be far removed from developments occurring in the actual world of work. Moreover, adjusting training capacity to these changes by purchasing new training equipment and retraining or replacing trainers is costly and takes time. Work-based training is relatively more cost-effective as it utilizes equipment and human capital that firms already possess and use in their operations (OECD 2010).

Thus, the following initiatives are recommended to improve TVET's responsiveness to industry demand. The first is for industry associations to pursue information campaigns targeted at youth and parents to encourage greater interest in construction-related jobs and other in-demand middle-skills jobs with low uptake. The government can help by partnering with industry associations in these campaigns and prioritizing scholarship slots for sought-after qualifications. Efforts to improve the image of TVET as a viable pathway for employment should also be pursued.

¹⁵ On average, capital outlays comprised just 7.5 percent of TESDA's budget for implementing TVET programs in 2019–2023 (Republic Acts 11260, 11465, 11518, 11639, and 11936).

The second is to strengthen the instruction of basic competencies for soft skills and organizational skills to prepare learners better to thrive in the workplace. A review of the basic competencies involving communication and organizational skills as contained in TRs merits consideration. Basic education must also be strengthened as it lays the foundation for other basic work skills, such as literacy and numeracy. Trainers should also be provided with funding opportunities to update their teaching skills.

The third is to encourage the recruitment of industry practitioners as trainers and assessors and to promote the exposure of school-based trainers and assessors to industry practices. Industry practitioners should be incentivized to join the TVET workforce by providing scholarships for the Trainers Methodology Level I course, offering attractive compensation, and permitting part-time industry work. In addition, TESDA and the private sector should work together to create more funded industry immersion programs and provide incentives to encourage regular industry exposure among school-based trainers and assessors. In 2017, TESDA instituted the Regional Program on Industry Immersion of Trainers to support trainers' industry immersion within their region, lasting at least one week or 40 hours. However, the program was geared at helping TVET trainers meet the required length of industry work experience to be granted a trainer certificate rather than supporting trainers' regular industry immersion in general (see TESDA 2017b).

The fourth is to continue promoting regular dialogue between the government, employers, workers, and TVET providers to help ensure that TVET policies remain responsive to various sectors' needs. Such dialogues can assist efforts to keep TRs up to speed with the evolving skills requirements of the labor market. These are also opportunities to facilitate exchange around the cost requirements of training delivery, which could be useful for ensuring that TESDA scholarships are adequately valued. The institutionalization of TESDA industry boards is a positive step toward enhancing such a dialogue and fostering shared responsibility for developing TVET in the country.

The fifth is to promote the greater participation of enterprises as training providers. Among the different modes of training delivery, enterprise-based training provides the best environment for students to acquire technical skills on prevailing work methods along with personal

and social competencies needed in the workplace. The government, the education sector, and industry associations should work together to foster greater awareness of enterprise-based programs and forge partnerships between companies and training schools that can implement such programs. A comprehensive assessment of the implementation of enterprise-based programs should also be carried out to understand the root causes of anemic business participation in training provision and formulate appropriate policy solutions. The assessment could include analyzing the incentives for firms engaging in training provision. The benefits are possibly not large enough to induce participation. In a cost-benefit analysis of the Dual Training System (DTS) by Mapa et al. (2016), it was estimated that the program's costs outweigh its short-term benefits to firms (i.e., trainees' productive contribution to the company's output during training). However, costs are smaller relative to both short-term and long-term benefits (i.e., savings on hiring and onboarding costs and productivity differences between DTS-trained and non-trained workers, assuming the company retains trainees for three months). The average net benefit to large firms (i.e., those with at least 200 employees) was estimated to be PHP 3,486 per trainee.

Barriers to TVET participation among NEET

Meanwhile, through a rapid online survey of current and former NEET, this study generated evidence on the barriers that keep disadvantaged youth from participating in TVET, the challenges trainees experience during training, and interventions that can encourage youth participation in TVET. While the survey is nonrepresentative, the responses nonetheless provide useful information for policymakers.

Given that 2 out of 5 respondents self-identified as poor, financial constraints—being short in funds for tuition or allowance—were understandably the most prevalent hindrance to TVET participation, having been faced by nearly half of the sample. The importance of financial assistance was echoed in the FGDs with training providers, who reported that the (erstwhile) absence of a training allowance on a certain TESDA scholarship discouraged the participation of potential students.

Over a tenth of respondents were also hindered by the lack of information about training programs. Moreover, having poor or no internet connectivity was the most frequently cited challenge that

trainees faced while on training, reliving the divide in internet access and weak internet reliability as learners shifted to online learning amid pandemic restrictions.

Promoting TVET among NEET calls for initiatives that address barriers to participation. Foremost are scholarship programs providing tuition and stipend support to help alleviate learners' limited financial resources. Although TESDA operates several such programs, the survey found that having insufficient or no allowance was a challenge faced by a quarter of respondents in training, even among those in TESDA-run schools where eligible students enjoy the Free TVET program and its associated benefits. The government may consider examining the adequacy of the allowance benefit of TESDA scholarship programs or providing allowances as standalone assistance to those who would otherwise not qualify for a TESDA scholarship offering the full package of benefits.

Other forms of assistance to encourage youth to engage in TVET include providing information on vocational training and jobs, which can be relayed through career guidance programs informed by labor market intelligence, and conducting job facilitation assistance that will aid the transition from training to employment. These could address issues of lack of information and job-seeking motivation of TVET learners.

Finally, although in-person classes have mostly resumed with the easing of pandemic restrictions, access to the internet and digital devices remains essential for TVET in a post-pandemic world as tools for acquiring information, pursuing flexible modes of learning, and learning digital skills. Thus, efforts to close the divide in access to digital technologies need to be pursued. For training programs with an online learning component, YWPH's strategy of providing low-income learners with internet allowance along with access to a digital learning device is worth emulating. Meanwhile, efforts to widen internet access and improve the reliability and affordability of internet services in the country should be continued, particularly through policy reforms that promote greater competition and investment in the ICT sector (see Albert et al. 2021, Serafica and Oren 2022).

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Appendices

Appendix A. Training regulation content and development process

Content of training regulations

Training regulations have four sections. The first section specifies the qualification (e.g., Masonry NC II), lists the associated competencies, and identifies the occupations in which qualification holders are competent to be employed.

The second section describes the qualification's competency standards. This consists of units of competency, defined as the occupational functions that a person who possesses the qualification must be able to perform. There are three sets of competencies representing increasing degrees of specialization: basic competencies, which are universally applicable; common competencies, which are industry-specific; and core competencies, which are occupation-specific.

The last two sections describe arrangements for training and assessment and certification. Training arrangements refer to guidelines for training programs, including curriculum design, training delivery methods, trainee entry requirements, training facilities, training tools and materials, and trainers' qualifications. The last section contains information on the competencies to be assessed and the required qualifications for assessment applicants.

TR development process

TR development starts with TESDA conducting sectoral consultations with industry associations and relevant government agencies to identify skills requirements. TR development can also be initiated by industry recommendations, through TESDA's research on emerging skills, or through the passage of a law requiring the development of a qualification.

The TESDA Board's Direction Setting Committee considers industry recommendations and deliberates on occupation-based qualifications to prioritize based on industry needs, national applicability, employment and investment generation potential, and suitability of the qualification to be standardized and certified (TESDA 2019e). Then, the TESDA Board issues a resolution formalizing the prioritization of qualifications

for TR development. This signals TESDA's Qualifications and Standards Office (QSO) to initiate the TR development process.

For each priority qualification, the QSO organizes a panel of (six to eight) technical experts nominated by relevant industry organizations. The experts are primarily responsible for developing the TR, while TESDA facilitates the process. Once complete, the draft TR undergoes validation with other industry practitioners and stakeholders. TESDA regional offices, provincial offices, and/or TTIs assist in organizing the validation workshops. The experts finalize the TR based on feedback received from the validation. Afterward, the TR is endorsed to QSO's Competency Programs and Systems Development Division, which develops the TR's corresponding CATs.

The TESDA Board's Standards Setting and Systems Development Committee subjects the TR and CATs to deliberation. Then, the TESDA Board's Executive Committee endorses the TR to the full TESDA Board for promulgation. Subsequently, the TESDA central office disseminates the promulgated TR to its regional offices, provincial offices, and TTIs. Developing the TR itself commonly takes 1.5–2 months, but this varies depending on the number of units of competency to be developed.

TRs undergo a mandatory triennial review. Various factors are considered for updating TRs, including technological changes, environmental or occupational health and safety standards, and compliance with regional competency standards or international conventions and protocols. Considering the aforementioned factors, TRs may be reviewed within the three-year review cycle upon industry request. Experts are reconvened, and the TR is amended if updates are necessary. From there, the subsequent steps are the same as for a new TR. Once promulgated, the amended TR supplants the previous version. Existing NC holders of the qualification must undergo a competency assessment for the new TR once their NC expires.

Regular attendance in meetings by the commissioned experts was mentioned as a challenge in TR development. Experts are unavailable at times because they have full-time jobs. This, in turn, can slow down the process.

Source: Authors' analysis of Training Regulations and interview with TESDA key informants.

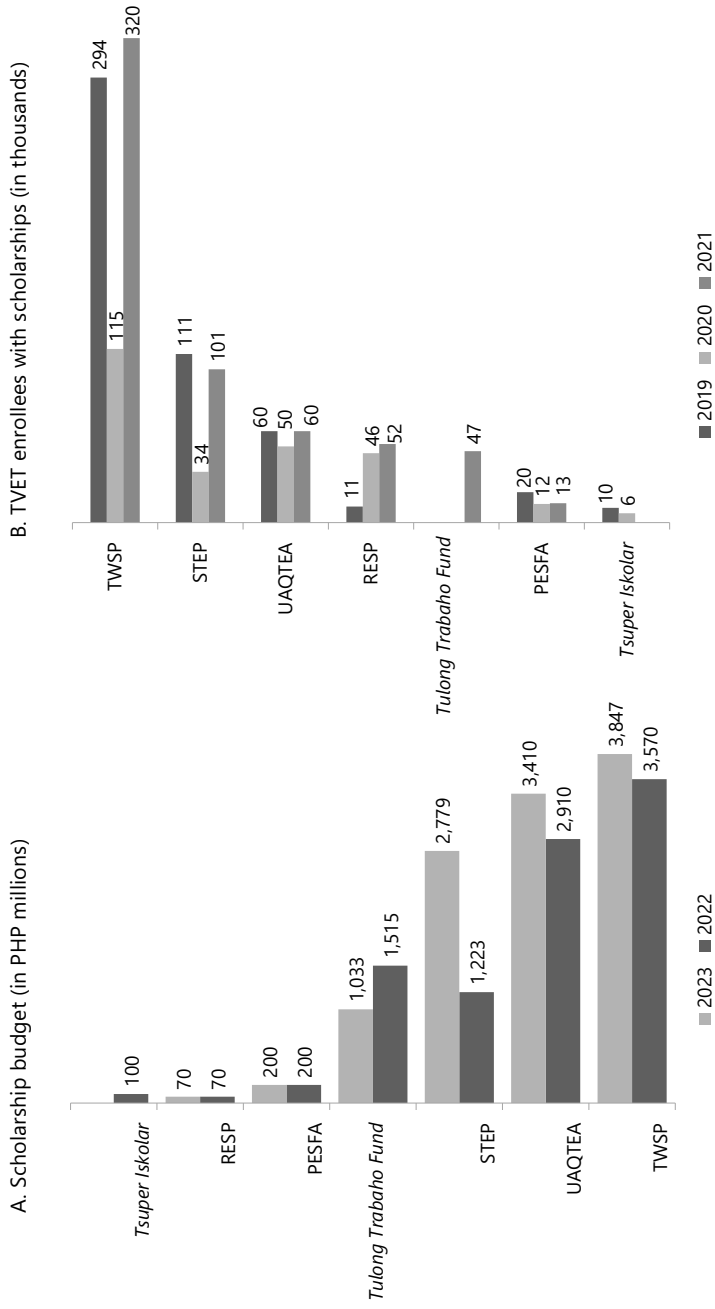
Appendix B. TESDA scholarship programs: Eligibility criteria, budget, and number of beneficiaries

TESDA also operates several scholarship programs. The eligibility criteria, budget, and target beneficiaries of these programs (TESDA 2018a; 2020b; 2022c; 2023b) are listed below.

- ***Training for Work Scholarship Program.*** Beneficiaries must be at least 18 years old at the end of the training program.
- ***Private Education Student Financial Assistance.*** Beneficiaries must have completed high school and belong to a family with less than PHP 300,000 annual income.
- ***Free TVET in state-run TVIs.*** Beneficiaries must be new and existing students in registered TVET programs in state-run TVIs who comply with school admission and retention policies. Learners entering diploma programs in TVET must have completed SHS. Holders of a bachelor's degree or a certificate equivalent to NC III or higher or who have failed any TVET course are ineligible.
- ***Tertiary Education Subsidy.*** Beneficiaries must not have received other government-funded student financial assistance programs outside of Free TVET. For learners in cities or municipalities with public post-secondary institutions, priority is given to those from families included in the Department of Social Welfare and Development's poverty registry or those who can demonstrate financial need through documents establishing family income.
- ***Special Training for Employment Program.*** Beneficiaries must be at least 15 years old at the start of the training program.
- ***Tulong Trabaho Scholarship Program.*** Beneficiaries must be at least 15 years of age and not in employment, education, or training (including displaced workers and the long-term unemployed) or currently employed and intend to develop their skills. Recipients may apply or be nominated by TESDA-recognized industry boards or associations, subject to screening.

- ***Rice Extension Services Program.*** Target beneficiaries are primarily rice farmers listed in the Registry System for Basic Sectors in Agriculture of the Department of Agriculture, rice farmer cooperatives and associations, and beneficiaries of the Rice Competitiveness Enhancement Fund's seed and mechanization programs.
- ***Tsuper Iskolar Program.*** Beneficiaries must be at least 18 years old at the end of the training program, have reached high school, and have reading and writing abilities.
- ***Barangay Kabuhayan Skills Training Program.*** Beneficiaries should reside in target municipalities and be at least 15 years of age.

Figure 1. TESDA scholarship budget and beneficiaries



TESDA = Technical Education and Skills Development Authority; TWSP = Training for Work Scholarship Program; UAQTEA = Universal Access to Quality Tertiary Education Act; STEP = Special Training for Employment Program; PESFA = Private Education Student Financial Assistance; RESP = Rice Extension Services Program
 Sources: Republic Acts 11639 and 11936; TESDA (2021a, 2021c, and 2022a)

Appendix C. Regional distribution of online survey respondents

	All	TESDA Applicants	TESDA Trainees	YWPH applicants	YWPH trainees	YWPH previous applicants
N	1688	373	1,031	176	100	8
Region VI	17.1	27.6	17.0	2.3	7.0	0.0
Region V	11.0	9.1	14.2	2.3	2.0	0.0
Region IV-A	10.2	3.8	8.4	31.3	15.0	12.5
Region III	9.3	8.6	7.7	11.9	24.0	12.5
NCR	8.5	0.5	3.0	41.5	33.0	62.5
Region I	5.9	9.7	5.9	0.6	1.0	0.0
Region VII	5.9	8.6	6.3	0.6	0.0	12.5
Region X	5.5	4.0	7.5	0.6	0.0	0.0
Region II	5.3	6.7	6.1	0.6	0.0	0.0
Region XIII	4.3	5.9	4.7	1.1	0.0	0.0
Region IV-B	4.2	3.2	5.5	1.1	0.0	0.0
CAR	3.9	4.6	4.6	0.0	1.0	0.0
Region VIII	2.8	4.0	2.7	2.8	0.0	0.0
Region IX	2.1	2.9	2.3	0.0	0.0	0.0
Region XI	1.5	0.3	2.4	0.0	0.0	0.0
Region XII	1.5	0.5	0.0	3.4	17.0	0.0
BARMM	1.1	0.0	1.7	0.0	0.0	0.0

N = sample size; TESDA = Technical Education and Skills Development Authority; YWPH = YouthWorks PH; NCR = National Capital Region; CAR = Cordillera Administrative Region; BARMM = Bangsamoro Autonomous Region in Muslim Mindanao

* Refusals are omitted.

** No grade completed and preprimary level are omitted.

*** Other relationships to the family head are omitted.

Source: Orbeta et al. (2021)

Appendix D. Profile of online survey respondents

	All	TESDA applicants	TESDA trainees	YWPH applicants	YWPH trainees	YWPH applicants	YWPH trainees	YWPH previous applicants
N	1,688	373	1,031	176	100	8		
Sex								
Male (%)	53.0	57.9	55.7	33.5	42.0	50.0		
Female (%)	47.0	42.1	44.3	66.5	58.0	50.0		
Age								
Age (mean, years)	20.9	20.8	20.9	20.7	21.1	20.6		
15-16 (%)	0.7	0.8	0.9	0.0	0.0	0.0		
17-18 (%)	10.2	15.0	9.3	7.4	7.0	0.0		
19-20 (%)	34.7	30.6	33.4	48.9	36.0	62.5		
21-22 (%)	30.8	27.4	33.6	23.3	29.0	25.0		
23-24 (%)	23.6	26.3	22.9	20.5	28.0	12.5		
Marital status*								
Single (%)	94.0	95.7	95.3	84.1	91.0	100.0		
Ever-married/-partnered (%)	5.5	4.0	4.1	15.3	9.0	0.0		

Appendix D (continued)

	All	TESDA applicants	TESDA trainees	YWPH applicants	YWPH trainees	YWPH previous applicants
Educational attainment**						
Primary (%)	0.4	0.8	0.4	0.0	0.0	0.0
Lower secondary (%)	28.1	26.0	27.4	36.9	29.0	25.0
Upper secondary (%)	41.5	37.5	45.2	34.7	27.0	75.0
Postsecondary (%)	1.8	1.3	1.8	2.8	2.0	0.0
Bachelor level (%)	27.8	34.3	24.7	25.0	42.0	0.0
Master's level (%)	0.2	0.0	0.2	0.6	0.0	0.0
Relationship to the family head***						
Head (%)	2.0	1.3	1.8	4.6	3.0	0.0
Spouse (%)	3.7	3.2	2.3	11.4	7.0	0.0
Son or daughter (%)	80.1	84.5	81.9	64.8	73.0	75.0
Self-rated poverty						
Poor (%)	44.0	48.5	41.7	43.2	50.0	75.0
On the line (%)	53.3	47.5	55.9	54.6	49.0	25.0
Not poor (%)	2.7	4.0	2.4	2.3	1.0	0.0

N = sample size; TESDA = Technical Education and Skills Development Authority; YWPH = YouthWorks PH

* Refusals are omitted.

** No grade completed and preprimary level are omitted.


*** Other relationships to the family head are omitted.

Source: Orbeta et al. (2021)

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Technical and vocational education and training (TVET) plays a key role in producing a skilled labor force and providing a pathway for youth to gain productive employment. This study assesses TVET's responsiveness to industry needs using qualitative interviews of enterprise-based training providers from the construction, manufacturing, and tourism sectors. Among the issues raised include (1) difficulties in attracting students to participate in construction training programs due to the sector's poor image; (2) gaps in training quality, especially in public training institutions, owing to outdated facilities and trainers lacking up-to-date industry knowhow; and (3) underdeveloped soft skills among young employees. Further, this study examines the barriers that keep youth not in employment, education, or training (NEET) from participating in vocational education. Data was collected through a rapid online survey of young trainees or training applicants who were or had been NEET at the time of the survey. Many respondents self-identified as poor and cited the lack of financial resources for education as the main hindrance to pursuing TVET, followed by the lack of information on training programs. Hence, the study recommends using information campaigns and scholarships to attract learners to train for in-demand occupations, strengthening soft skills instruction, incentivizing industry practitioners to join the TVET sector as trainees, and promoting enterprise-based training programs. Meanwhile, enabling greater training participation among NEET calls for financial assistance programs with adequate allowances and information dissemination initiatives about training and job opportunities.



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