



LABOR MARKET INFORMATION

Transport and Logistics Sector

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Transport and Logistics

As of December 2018

I. Background

- Transport covers air, water, and mass transport, while logistics covers the development and operation of airports and seaports, passengers/inter-modal terminals, cargo terminals, container yards, and warehouses. Logistics also deals with the aspects of procurement, maintenance and transportation of goods and persons safely from one place to another (Jobsfit 2022 Report).
- In the 2016 Annual Survey of Philippine Business and Industry (ASPBI) – Transportation and Storage Sector, its gross income reached PHP572.2 billion, while its expense amounted to PHP489.1 billion. A total of 2,860 establishments that employed a total of 191,817 workers were engaged in the transport, storage and communication activities. The value added per worker is estimated at PHP1.1 million.
- The Philippine Employment Projection Model (PEPM) 2013-2022 reports the following Net Employment and Average Employment Growth Rate for the sector:

Occupation	Net Employment (Thousands)	Average Employment Growth Rate
Land transport and transport via pipelines	500	3.3
Warehousing, storage and support act for transport	55	2.6
Postal and courier activities	9	2.1
Air transport	1	0.6
Water transport	-5	-0.9

- The DOLE Project JobsFit 2022 has reported the following in-demand and hard-to fill occupations for the transport and logistics sector:

In-Demand	Hard-to-Fill
Administrative Clerk	Engineering Manager
Automotive Painter	Master Mechanic
Human Resource Assistant	Parts Pricing
Ticket Issuing/Travel Clerk	
Ticket Teller	



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Issues and challenges

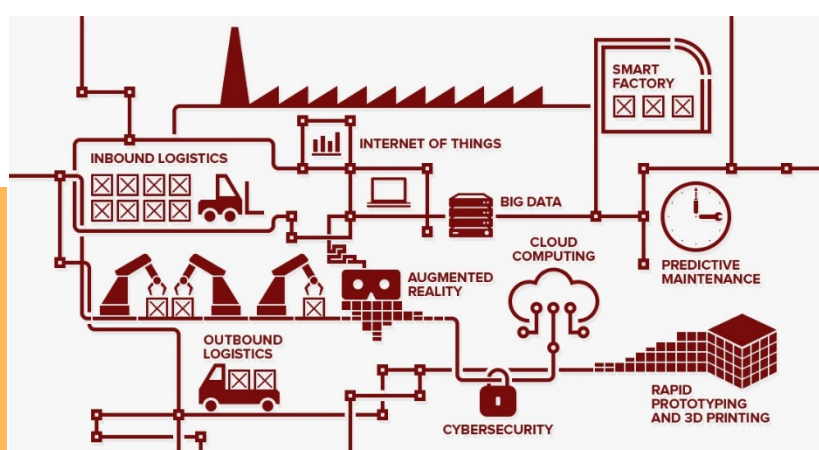
- According to a 2016 report by the Department of Trade and Industry, the Philippines has the highest cost for logistics in the ASEAN region, mainly due to its geography (i.e. the country is an archipelago) and its arduous regulations .
- Traffic congestion remains to be another issue, as it severely impacts the performance of the Industry as a whole. It is believed that road saturation will lead to a 250% increase in transportation costs by 2030, if nothing is done about it today.
- The World Economic Forum reports that in the Logistics sector, there is a shortage of managers in developing countries. However, the most widespread shortage is on qualified truck drivers.

In addition to this, the following advances in the Services Sector have resulted in the need for new kinds of skills:

- **“Vehicle sharing”** services such as Grab, making traditional (small-scale) land transportation services redundant
- **E-Commerce**, which streamlines the buying and selling of products online, demand faster deliveries
- **Automation**, particularly in essential positions in logistics firms, now require competency in logistics software among workers.

Those affected by these advances must continually retrain and relearn skills, and perhaps even learn brand-new skills, in order to remain ahead of the curb.

Logistics and the Fourth Industrial Revolution (4IR)



- Small-scale jobs may be augmented with computers and robotics, thus allowing logistics providers to focus more on distribution and delivery of goods.
- It is also possible for the manufacturing and distribution of products to be carried out by the same entity, thus blurring the boundaries inherent in the global supply chain even more.
- Data will be gathered and utilized on a greater level throughout the entire supply chain. The interconnectedness of devices will allow logistics providers to manage complex operations in real-time, manufacturers will be able to gather customer-related data and tailor products based on their preferences, etc.



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❑ Emerging Skills

- E-Commerce
- Industrial and Production Engineers
- Innovation Professionals
- Logistics Software
- Order Tracker/Coordinator
- Process Automation Specialists
- Product Managers
- Sales and Marketing Professionals
- Service and Solutions Designer
- Supply Chain and Logistics Specialists
- Transport Network Vehicle Service (TNVS) Driver
- Vehicle Sharing Services
- “flying taxis” (flying passenger vehicle)

II. TVET Capacity

❑ Training Regulations

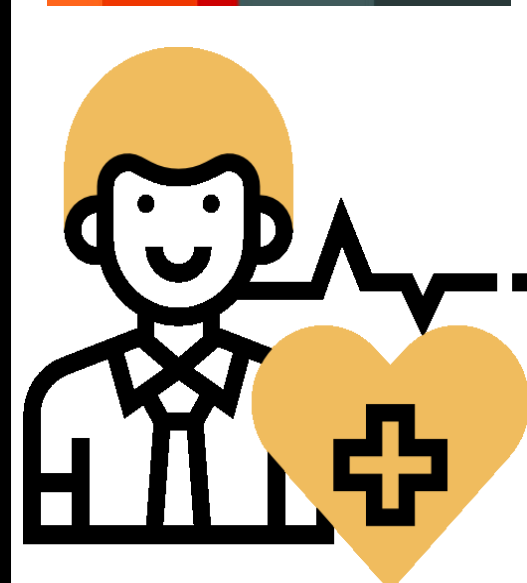
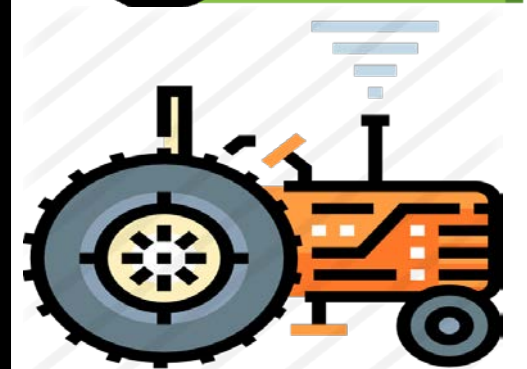
- Below is the list of relevant Training Regulations (TRs) for the Transport and Logistics Sector

In-Demand/Hard-to-Fill Jobs	Sector	TESDA TRs
Automotive Painter	Automotive and Land Transport	Automotive Body Painting/Finishing NC II
Master Mechanic		Auto Engine Rebuilding NC II
		Automotive Servicing NC I
		Automotive Servicing NC II
		Automotive Servicing NC III
		Automotive Servicing NC IV
		Motorcycle/Small Engine Servicing NC II
Administrative Clerk	Tourism (Hotel and Restaurant)	Front Office Services NC II
Ticket Issuing/Travel Clerk		
Ticket Teller		
Others	Automotive and Land Transport	Driving NC II
		Driving (Passenger Bus/Straight Truck) NC III
		Driving (Articulated Vehicle) NC III
	Logistics	Warehousing Services NC II

Source: QSO

Enrolled and Graduates on Relevant Qualifications January to December 2018

SECTOR	Enrolled	Graduates
AUTOMOTIVE AND LAND TRANSPORTATION	338,774	293,350
TOURISM (HOTEL AND RESTAURANT)	7,316	6,270



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II. TVET Capacity

Assessed and Certified on Relevant Qualifications January to December 2018

Qualification	Total Assessed	Total Certified
Automotive Servicing NC I	42,044	38,442
Automotive Servicing NC II	35,565	32,242
Automotive Servicing NC III	676	591
Automotive Servicing NC IV	1,167	954
Driving NC II	56,634	52,351
Driving (Articulated Vehicle) NC III	31	25
Driving (Passenger Bus/Straight Truck) NC III	2,190	2,119
Motorcycle/Small Engine Servicing NC II	6,865	6,378
Front Office Services NC II	894	770

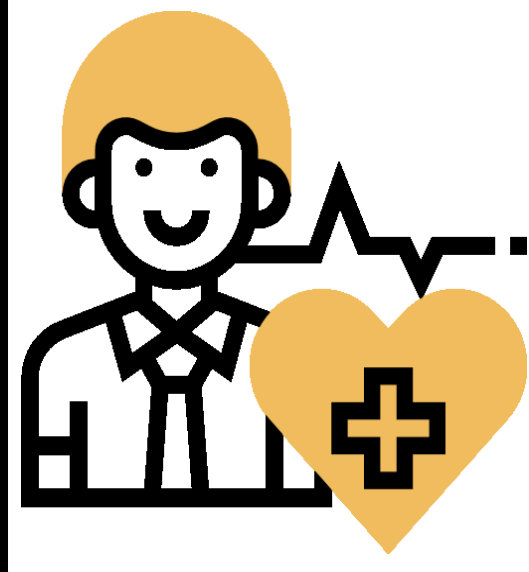
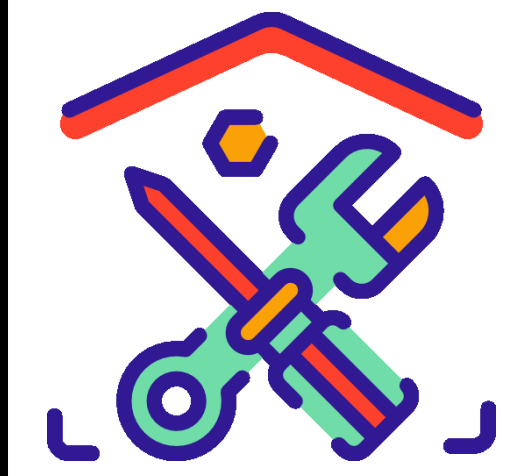
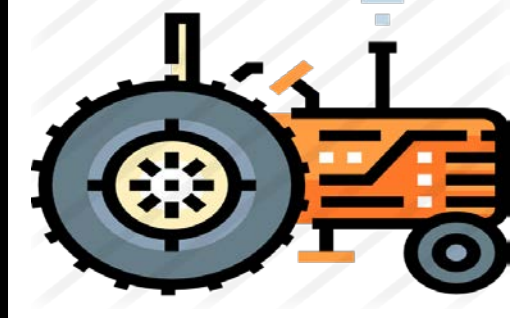
TVIs and Assessment Centers (ACs) as of December 2018

Qualification	TVIs	ACs
Automotive Servicing NC I	335	201
Automotive Servicing NC II	348	210
Automotive Servicing NC III	12	12
Automotive Servicing NC IV	6	10
Driving NC II	351	233
Driving (Articulated Vehicle) NC III	7	16
Driving (Passenger Bus/Straight Truck) NC III	26	56
Motorcycle/Small Engine Servicing NC II	115	89
Front Office Services NC II	9	7

Trainers/Assessors

NTTC Holders and Certified Assessors As of December 2018

Qualification	Total NTTC	Total CA
Automotive Servicing NC I	-	378
Automotive Servicing NC II	974	403
Automotive Servicing NC III	922	18
Automotive Servicing NC IV	83	13
Driving NC II	33	429
Driving (Articulated Vehicle) NC III	39	19
Driving (Passenger Bus/Straight Truck) NC III	141	84
Motorcycle/Small Engine Servicing NC II	353	150
Front Office Services NC II	52	177



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❑ NTESDP Action Programming

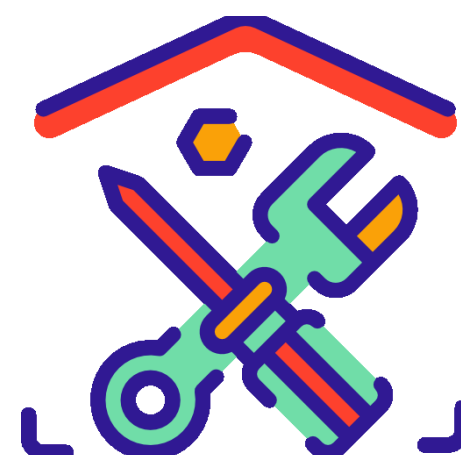
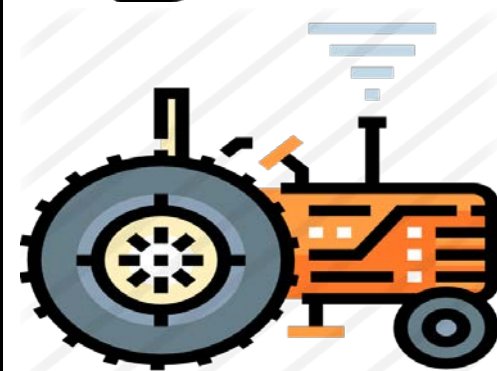
- One of the issues raised by the stakeholders of the transport and logistics sector is the scarcity of quality drivers. The industry decided to focus on the skills development of drivers since they are the primary need of the industry and has high demand. Competencies on defensive driving, including psychological tests prior to enrolment and certification should be considered.

❑ Conclusion/Recommendation

- For the TRs in the sector with low or no utilization, TESDA should check on the reasons/gaps such as program registration, as well as availability of assessors and trainers, and address them accordingly.
- Further consultation with the industry is necessary in relation to the emerging skills in the transport and logistics sector, especially in the development of TRs. Should there be immediate need for workers with these skills, TESDA may consider developing competency standards and offering trainings as No Training Regulation.

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SERIES OF 2019

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