



TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

LABOR MARKET INTELLIGENCE REPORT

CONSTRUCTION

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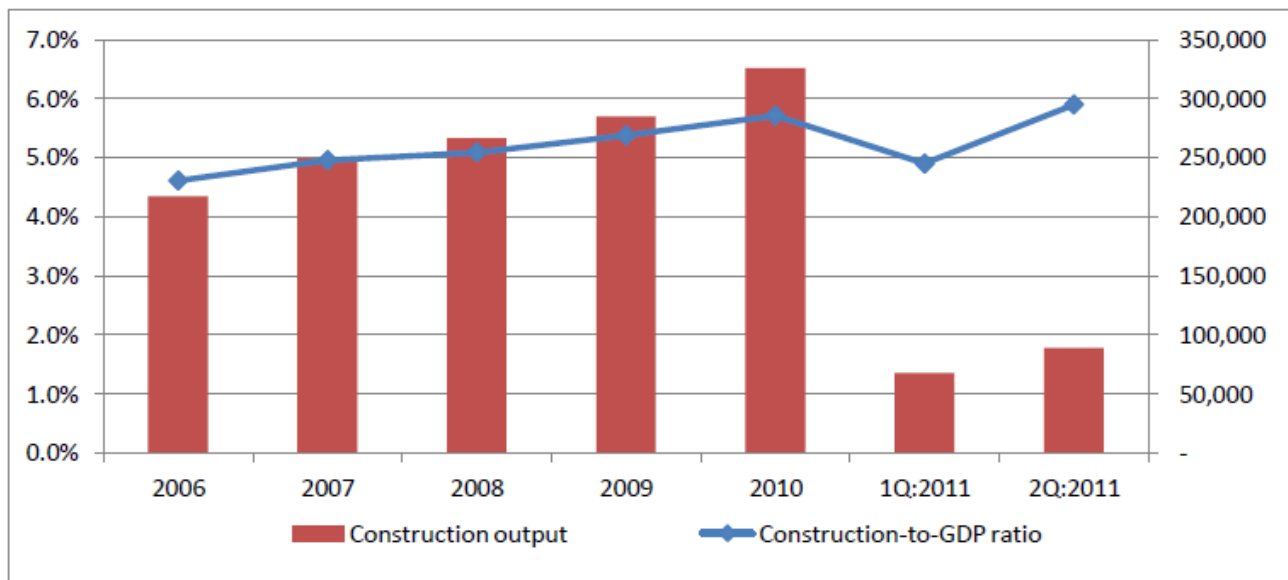
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CONSTRUCTION

PROFILE

The construction industry in the Philippines comprises five sectors of construction service industry, namely: 1) site preparation; 2) general engineering construction; 3) building installations; 4) other building completion activities; and 5) renting of construction or demolition equipment with operators. The Construction Industry in the Philippines (CIAP) takes the lead role to promote, accelerate and regulate the industry. The CIAP was created on November 28, 1980 by virtue of Presidential Decree 1746 as amended by Executive Order (EO) together with its four implementing boards, namely: 1) Philippine Contractors Accreditation Board (PCAB); 2) Philippine Overseas Construction Board (POCB); 3) Philippine Domestic Construction Board (POCB); and 4) Construction Industry Arbitration Commission (CIAC).

Construction Output (in million Php) and share to total GDP



Source: National Statistical Coordination Board

- The Construction industry continues to land on the top 5 industries in terms of total number of workers. The graph shows the steady increase of the share of the construction industry to the total GDP. The Philippine Construction Industry reports that from 2006-2010, the construction industry contributed an average of 5.2% to GDP. Moreover, the construction industry posted an average growth rate of 10.5%, outgrowing GDP growth rate, which only averaged 4.9%. After slowing down in 2008 and 2009 (mainly because of lackluster performance in global and domestic economies), construction industry has bounced back remarkably in 2010 with a growth rate of 14.3%.

- The construction industry is expected to benefit greatly from the anticipated infrastructure projects with the government's increased public spending on Public-Private Partnership Programs. The Public-Private Partnership Center created by virtue of Executive Order No. 8, 2010 serves as the government's facilitator and catalyst in pursuing and delivering PPP projects. It champions the country's PPP Program by enabling national agencies and local government units in all aspects of project preparation.

The PPP Center lists the following pipeline projects for 2012 and beyond:

Project	Implementing Agency	Estimated Project Cost
1. LRT Line 1 South extension and Operation Maintenance	DOTC	Php 59.20 billion
2. NAIA Expressway Project Phase II	DPWH	Php 15.85 billion
3. PPP for School Infrastructure Project Phase I	DepEd	Php 16.42 billion
4. Cavite-Laguna Expressway (CALAX)	DPWH	Php 43.33 billion (Private sector Php 21.71 million)
5. NLEX-SLEX Connector Road	DPWH	Php 21.20 billion
6. Mactan-Cebu International Airport Passenger Terminal building	DOTC	Php 10.277 billion (Phase 1) Php 11.995 billion (Phase 2: future expansion)
7. Automatic Fare Collection System	DOTC	Php 1.80 billion
8. Modernization of the Orthopedic Center	DOH	Php 5.70 billion
9. Vaccine Self-Sufficiency Project (Phase II)	DOH	Php 453 million
10. Rehabilitation, Operation and Maintenance of Angat Hydro-Electric Power Plant Auxiliary Turbines 4 and 5	MWSS	Php 1.155 billion
11. Integrated Transport System	DOTC	To be determined
12. New Centennial Water Source Project	MWSS	To be determined
13. Bulacan Bulk Water supply Project	MWSS	To be determined
14. Enhanced Operation and Maintenance of the New Bohol (Panglao) Airport Development	DOTC	To be determined
15. Operation and Maintenance of the Laguindigan Airport	DOTC	To be determined
16. Operation and maintenance of the Puerto Princesa Airport	DOTC	To be determined

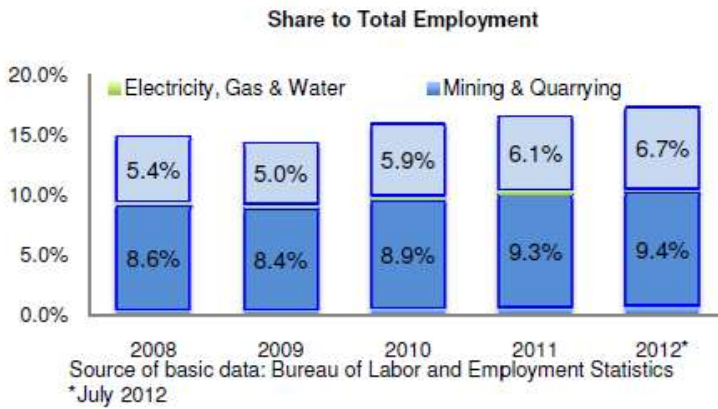
17. Operation and Maintenance of the LRT Line 2	DOTC	To be determined
18. Rehabilitation of the Quirino Highway Project	DPWH	To be determined
19. Establishment of the Cold Chain Systems Covering Strategic Ares in the Philippines	DA	Php 1.50 billion
20. Grains Central Project	DA	Php 400 million
21. Talisay City Plaza Complex Heritage Restoration and Redevelopment Project	City Government of Talisay	To be determined
22. El Nido Solid and Liquid Waste Management Facility	El Nido Municipal Government	To be determined

- The following Construction statistics from the National Statistics Office (NSO) for the second quarter of 2012 gives positive indication of the growth in the sector:
 - The total number of new construction projects from approved building permits nationwide reached 30,614 during the second quarter of 2012. This number registered an increase of 11.2 percent compared to 27,525 construction projects during the same quarter in 2011.
 - Residential-type building recorded a total of 21,118 construction projects, up by 10.6 percent from previous year's total residential construction of 19,995.
 - Non-residential construction also grew by 15.5 percent to 3,937 from 3,409 during the same quarter of 2011.
 - Among the country's 17 regions, number of construction projects in CALABARZON (Region IVA) remained highest at 6,683, accounting for 21.8 percent of the total. Central Luzon (Region III) and National Capital Region (NCR) occupied second and third spots with 3,741 (12.2%) and 3,523 (11.5%) construction projects, respectively. Central Visayas (Region VII) ranked fourth with 3,252 constructions and Davao Region (Region XI), ranked fifth with 2,499. Figure 2 displays the distribution of construction projects by region for the second quarter of 2012.
 - Aggregate value of construction projects during the second quarter of 2012 reached PHP60.9 billion. This value recorded 9.4 percent growth from PHP55.7 billion posted during the same quarter of 2011.

JOB OPPORTUNITIES IN THE INDUSTRY

- The Philippine Construction Association in its September 2012 Country Report provided a positive outlook of the construction industry which remains a major source of jobs in the economy. From 6.1% share in total employment in 2011, construction industry has

generated more jobs and further increased its share to 6.7% based on latest estimates of employment data.



**Employment – Industry Sector
(‘000 people)**

Industry	2008	2009	2010	2011	2012*
Mining & Quarrying	158	152	199	223	263
Manufacturing	2,926	2,849	3,033	3,176	3,195
Electricity, Gas & Water	130	134	150	143	113
Construction	1,833	1,721	2,017	2,066	2,293
Total Economy	34,089	35,062	36,035	37,191	37,584

- Overseas demand for construction workers and its related fields continue with the data generated from POEA of approved job orders position showing 3,191 construction job opportunities from various countries.

Selected Overseas Employment Demand

Skills/ Occupational Needs	Job Order Balance	Countries of Destination
Construction-related works	2,474	Saudi Arabia, United Arab Emirates (UAE), Qatar, Malaysia, Japan, Bahrain
Carpenter Construction	37	Saudi Arabia, United Arab Emirates
Draftsman Building Construction	5	Saudi Arabia
Driver Construction Equipment	3	Saudi Arabia
Electrician Construction	1	Saudi Arabia
Engineer Construction (All types)	77	Saudi Arabia, Ghana, Japan, Australia, Singapore, Libya, UAE, Iran
Fitter Construction	34	Saudi Arabia
Foreman Construction(All types)	58	Republic of Djbouti, Haiti, Papua New Guinea, Saudi Arabia, Brunei, UAE, Angola
Installer Construction	12	Saudi Arabia
Manager Construction (All types)	67	UAE, Libya, Saudi Arabia, Thailand, Papua New Guinea, Nigeria, Singapore, Qatar
Mechanic Construction Equipment	50	UAE, Angola,
Molder Construction	6	Japan

Skills/ Occupational Needs	Job Order Balance	Countries of Destination
Operator Construction Equipment, Construction Information Management System	23	Qatar, Iran, Kuwait, Cuba
Painter Construction	27	Japan, Saudi Arabia
Planner, Coordinator Construction	3	Kuwait, South Africa
Reinforcing Bar Construction	35	Japan
Rigger Construction	3	Papua New Guinea
Steel Erector, Steel Fixer Construction	6	Saudi Arabia
Superintendent Construction	6	East Timor, UAE
Supervisor Construction (All types)	222	Saudi Arabia, Kuwait, Libya, Papua New Guinea, Qatar, Malaysia
Technician Construction, Technician Laboratory	38	Qatar, Saudi Arabia, East Timor
Welder Metallic Construction	4	Saudi Arabia

Source: POEA Job Order Balance from January-December 28,2012

TVET SUPPLY

- It can be gleaned that job opportunities abound in the local and overseas labour market in the construction sector with TVET output matching the demand for workers.

Number of Persons Assessed and Certified in the Construction Sector by Qualification, 2008 – 2012 (October)

Qualification	January to October 2012		2008 to 2012 (October)		Certification Rate
	Assessed	Certified	Assessed	Certified	
Building Wiring Installation NC II	10	10	45815	38309	83.62%
Carpentry NC II	2786	2449	10987	9777	88.99%
Carpentry NC III	41	40	107	228	213.08%
Construction Painting NC II	328	283	1877	1750	93.23%
Construction Painting NC III	0	0	1	28	2800.00%
Electrical Installation and Maintenance NC II	13270	11410	13950	25770	184.73%
Electrical Installation and Maintenance NC III	584	473	732	1466	200.27%
Electrical Installation and Maintenance NC IV	0	0	0	1	
Heavy Equipment Servicing	144	127	603	526	87.23%

Qualification	January to October 2012		2008 to 2012 (October)		Certification Rate
	Assessed	Certified	Assessed	Certified	
(Mechanical) NC II					
HEO (Articulated Off-Highway Dump Truck) NC II	9	9	112	233	208.04%
HEO (Backhoe Loader) NC II	510	485	2034	1801	88.54%
HEO (Bulldozer) NC II	399	345	1868	1629	87.21%
HEO (Concrete Pump) NC II	0	0	8	8	100.00%
HEO (Container Stacker) NC II	0	0	0	0	
HEO (Crawler Crane) NC II	11	11	111	317	285.59%
HEO (Forklift) NC II	799	712	3258	2717	83.39%
HEO (Gantry Crane) NC II	12	11	547	710	129.80%
HEO (Hydraulic Excavator) NC II	597	514	2668	2408	90.25%
HEO (Motor Grader) NC II	272	269	1056	919	87.03%
HEO (Paver) NC II	0	0	0	9	
HEO (Rigid Off-Highway Dump Truck) NC II	46	42	337	457	135.61%
HEO (Rigid On-Highway Dump Truck) NC II	483	470	1201	1091	90.84%
HEO (Road Roller) NC II	37	33	303	255	84.16%
HEO (Rough Terrain Crane) NC II	90	90	503	496	98.61%
HEO (Screed) NC I	0	0	3	39	
HEO (Tower Crane) NC II	82	81	225	222	98.67%
HEO (Transit Mixer) NC II	0	0	1	35	3500.00%
HEO (Truck Mounted Crane) NC II	172	166	910	1009	110.88%
HEO (Wheel Loader) NC II	811	721	3573	3831	107.22%
Masonry NC I	459	435	2088	1866	89.37%
Masonry NC II	1725	1397	6536	7269	111.21%
Masonry NC III	0	0	6	86	1433.33%
Pipefitting NC II	1427	1340	6021	6008	99.78%
Plumbing NC I	22	22	708	832	117.51%
Plumbing NC II	2065	1846	10297	8977	87.18%
Plumbing NC III	17	13	43	95	220.93%
PV Systems Design NC III	0	0	0	0	
PV Systems Servicing NC III	0	0	0	0	
PV Systems Installation NC II	0	0	0	20	
Reinforced Steel Bar Installation NC II	154	117	680	538	79.12%
Rigging NC I	191	186	968	1155	119.32%

Qualification	January to October 2012		2008 to 2012 (October)		Certification Rate
	Assessed	Certified	Assessed	Certified	
Scaffold Erection NC II	863	824	3847	4175	108.53%
Structural Erection NC II	0	0	40	31	
Technical Drafting NC II	853	781	1247	1761	141.22%
Tile Setting NC II	248	246	908	1045	115.09%

Source: Competency Assessment and Certification Office (CACO), TESDA

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