

DOST-MIRDC Gives Attention to Cavite's Industries

By: Jim Patrick S.D. Erispe

In the recently concluded industry dialogue, "An Afternoon with Cavite's Leading Economic Drivers: A Virtual Industry Dialogue," held on May 6, 2022, the Department of Science and Technology-Metals Industry Research and Development Center (DOST-MIRDC) had the opportunity to converse with some of Cavite's leading economic forces, government officials, and academic personalities.

What factors drive business dynamics in the province of Cavite? Here are some of the points discussed in the dialogue:

Cavite has a rapidly growing population. Affordable properties in residential real estate, the availability of the province's rich resources, and numerous industrial estates that offer a paradise for skilled workers are among the reasons why Cavite is such an attractive place to live in.

Cavite is home to a large number of economic and industrial zones, most of which are Philippine Economic Zone Authority (PEZA)-owned or PEZA-accredited. Companies in Cavite that opt to locate in PEZA are recipients of numerous incentives. Ms. Rose Cabailo, OIC, Department Manager of the PEZA, cited some advantages enjoyed by PEZA locators: ease of doing business, one-stop-shop transactions due to the presence of various government agencies such as the Bureau of Customs, and a tax holiday for a specific period, to name a few.

Mr. Rommel Baldevarona of Sanno Philippines Manufacturing Corp. added, "If you register something like a pioneering technology or product, you will receive additional tax holidays. This type of benefit is one of the advantages of being a member of PEZA."

Agriculture remains to be Cavite's primary industry. Ms. Anna Pamela Nova of the Office of the Provincial Agriculturist Cavite shared that many Caviteños, particularly the retirees, are venturing into farming. To support those who are willing to plant but do not have enough space for their plots, she shared their office provides lectures on hydroponics. Another support that farmers get is from PhilMech which provides agricultural equipment.

In response to the information about the Cavite agriculture industry, Ms. Candy Lanzuela of the Metalworking Association of the Philippines (MIAP) asked the Provincial Agriculturist Cavite if there is a way for the metals industry players to get information about the equipment requirements of the Department of Agriculture (DA) for 2022. Ms. Lanzuela also inquired if it is possible for the DA to include the industry in pre-procurement planning. This, according to Ms. Lanzuela, is to ensure that the industry can better meet the DA's requirements.

Engr. Jonathan Q. Puerto, Deputy Executive Director for Technical Services of the MIRDC, shared that the DA is currently accrediting providers or suppliers of agricultural machinery. "The new government program permits local governments to determine their

own agricultural equipment needs," Engr. Puerto further commented as he responds to the inquiry of Ms. Lanzuela.

The metals industry representatives during the dialogue aired the industry's concerns. Mr. Jimmy Chan of Maximetal Industries Inc., Mr. Dennis Chan of Famous Secret, and Mr. Rommel Baldevarona brought up the fact that the benefits of being a PEZA locator are diminishing and that the prices of raw materials are increasing every week. They also shared that they are facing human resource-related issues such as a limited talent pool, costly training of employees, and employees who prefer to return to the province due to the pandemic. Many businesses had to close because of these problems.

The industry players pointed out that the minimum wage given to our workers is not competitive, that is why Filipino skilled workers are continuously pirated by other countries. Mr. Dennis Chan compared our status with Vietnam. "Vietnam's economy is growing faster than the Philippines," said Mr. Chan. He further added that the best way to destroy a country is not by bombing it, but by hiring its people. Once the skilled workers are gone, there will be no human resources to take care of the economy.

Regarding the issue of insufficient people to hire, Mr. Tosh Eleazar of the Philippine Welding Society (PWS) stated that they have been continuously training welders and will soon bring their training program to Cavite. This is the PWS' response to the lack of skilled laborers reported by the industry.

In the school year 2020-2021, the province of Cavite had 117,782 senior high school students. The Technical-Vocational-Livelihood (TVL) track was chosen by a quarter of the students (25.83 percent). TVL is believed to be the best course for students who want to start working immediately after graduation.

The Cavite academe representative in the dialogue, Dr. Jose Lisama of Cavite State University, shared his thoughts about how they contribute to addressing the need for human resources, "Our senior high school students are currently in Grade 11. It is encouraging to learn that Cavite industries welcome high school graduates. We anticipate forming partnerships with these industries in the coming years."

Although other companies in the metals, engineering, and allied industries have closed down as a result of the pandemic, many are still in operation and have adjusted to the new normal. The metals industry representatives voiced some of their suggestions on how the government can provide better assistance to MSMEs. They suggested that the government take a paradigm shift and for the Department of Trade and Industry to offer incentives to businesses that employ modern technologies.

Cavite is a province with a lot to offer – its people, resources, and economic development. The dialogue, which served as a springboard for launching the industry study that will be conducted by the Center in 2022, gathered insights that reflect the commitment and support of various industries to help sustain the province's robust economy. With science and technology support in every way, Caviteños and their stakeholders can look forward to a brighter and more promising economy.

The 2022 MIRDC industry study entitled “Capabilities, Market Opportunities, and Business Landscapes among Metalworking Industry Players in Cavite” aims to bring out facts and insights from the industry players themselves. From these, we envision the industry study report that the Center will publish before the end of 2022 to be a useful reference such as for planning, decision-making for both the government and business sectors, and curriculum design for the academe.

