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# Assessing the readiness of Filipino MRA-supported professions to participate in the mobility of skilled labor in the ASEAN region: Lessons for APEC economies

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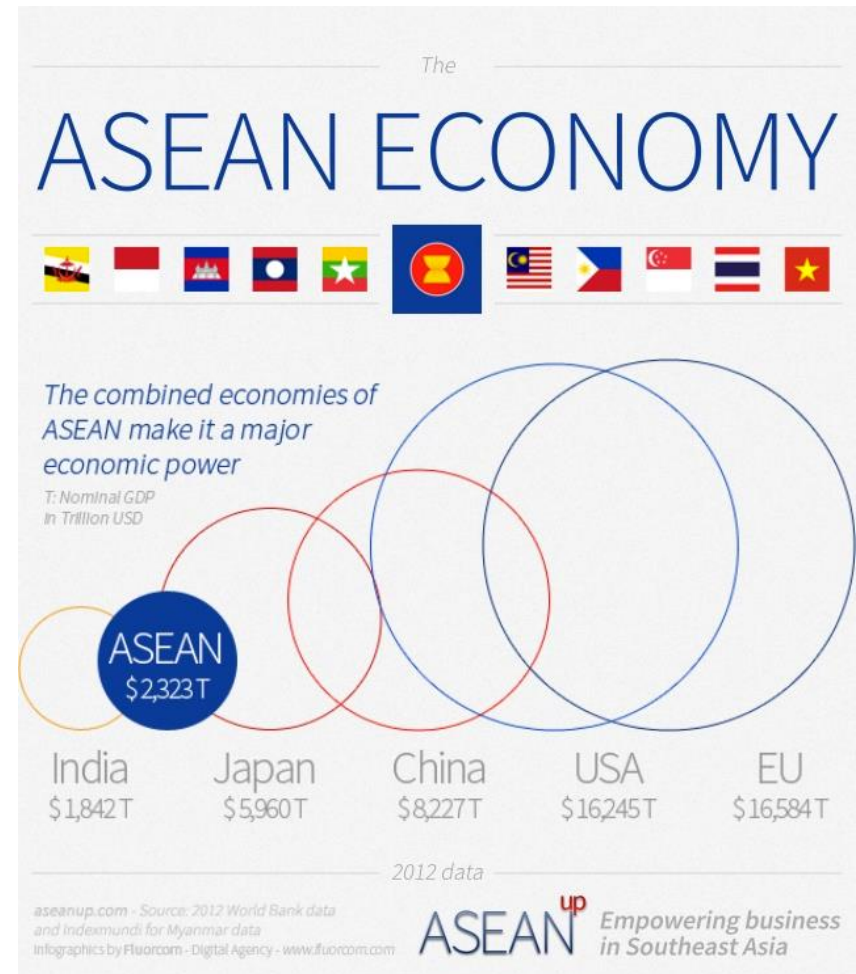
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# Introduction

- **ASEAN Economic Community**
  - Trade Competitiveness
  - Skilled Labor Mobility
  - Mutual Recognition Arrangements
  - Compliance with MRAs



# Introduction: Trade Competitiveness

- Fukunaga (2015)
  - Liberalization
    - reduction or elimination of tariff and non-tariff barriers
  - Deregulation
    - reduction or dismantling of monopoly power and other domestic rules
- Tullao (2018)
  - invite foreign players that can expand income and employment among economies
  - respond to external pressures of competition.

# Introduction: Skilled Labor Mobility

- General Agreement on Trade in Services
- Modes of Supply
  - Mode 1: Cross Border Transactions
  - Mode 2: Consumption Abroad
  - Mode 3: Commercial Presence
  - Mode 4: Movement of Natural Persons
    - covers natural persons who are either service suppliers (e.g., independent professionals) or who work for a service supplier and who are present in another WTO member to supply a service.

# Introduction: MRAs and Compliance

- Mutual Recognition Arrangements
  - framework arrangements established in support of liberalizing and facilitating trade in services.
- Objectives:
  - to facilitate mobility of skilled labor and professionals in the region.
  - To work towards the adoption of best practices on standards and qualifications

# Introduction: MRAs and Compliance

- As of the moment, there are eight MRAs in ASEAN covering the following:
  - engineering services (December 2005);
  - nursing services (December 2006);
  - architectural services (November 2007)
  - surveying qualifications (November 2007)
  - dental practitioners (February 2009);
  - Medical practitioners (February 2009);
  - accountancy services (February 2009);
  - and tourism professionals (November 2012).
- These MRA frameworks have been formalized among AMS for the mutual recognition of education and experiences obtained in the eight priority sectors.
- Through these recognition mechanisms (i.e., equivalence of registration, licensing requirements, reciprocity requirements), MRAs are able to contribute to the mobility of skilled professionals within the region.

# Two-pronged Research Question

- Are Filipino professions with MRA support (i.e., accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals) ready to participate in the mobility of skilled professionals in ASEAN?
  - How can we assure that Filipino professionals under accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals, are prepared, in terms of education, continuing professional education, licensure examinations, experience and others, to be compliant with the existing MRAs for each profession?

# General Objective

- To review the HRD dimension of the various MRAs of the Philippines with the ASEAN region in order to explore how can the Philippines prepare its skilled professionals, particularly those under accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals, to take advantage of participating in the ASEAN labor market given existing MRAs and the establishment of the AEC allowing for easier labor mobility.

# Specific Objectives

- To explore the contributions of MRAs in improving the quality of professionals in ASEAN;
- To review the best practices in the areas of accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals in the Philippines that can be shared with other professionals so they can also attain regional and international comparability;
- To identify the challenges facing Filipino professionals under accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals in complying with their respective MRAs;
- To create policy recommendations that can enhance the identified best practices and address the challenges of Filipino professionals under accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals so they can reap the benefits of the mobility of professionals in the region.

# Scope and Limitation

- Our study will cover the Philippines for the five priority sectors namely accountancy services, medical practitioners, architectural services, engineering services, and tourism professionals.

<u>MRA-groupings</u> (Hamanaka & Jusoh, 2016)		
<u><b>HIGHLY REGULATED</b></u> Dental Services Nursing Services Medical Practitioners	<u><b>REGULATED</b></u> Accountancy Architecture Engineering Services	<u><b>UNREGULATED</b></u> Tourism Professionals

**Figure 1.** *MRA-groupings according to Hamanaka and Jusoh (2016).*

**Table 2.** *Distribution of OFWs by Major Occupation Group and Remittances – Professionals*

<b>Year</b>	<b>Number of OFWs – Professionals (in thousands)</b>	<b>% to total deployment</b>	<b>Total Cash Remittance of OFWs - Professional (in million PHP)</b>	<b>% to total receipts</b>
2001	78.00*	9.49	5,123.40*	13.30
2002	86.00*	10.08	7,295.66*	15.73
2003	75.00	9.24	6,305.00	12.90
2004	67.00	7.05	5,549.00	9.88
2005	118.10	8.90	8,092.00	13.47
2006	130.29	8.60	9,119.00	12.02
2007	150.24	8.60	9,422.00	11.50
2008	192.19	9.60	15,122.00	14.55
2009	193.11	10.10	16,500.00	16.09
2010	202.26	9.90	13,512.00	12.89
2011	228.75	10.60	19,808.00	17.36
2012	275.28	12.40	24,784.00	20.63
2013	266.22	11.60	18,912.00	15.93
2014	264.48	11.40	20,545.00	16.20
2015	232.47	9.50	19,865.00	14.65
2016	203.84	9.10	19,840.00	13.59

\* Figure covers April to September 2001.

**Source:** Survey on Overseas Filipinos (SOF), Philippine Statistical Authority (PSA) (<https://psa.gov.ph>)

**Table 1: Deployment of Professional Technical and Related Workers**

<b>Profession</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Accountants	380	309	266	410	317	586	1,009	1,041	858	725
Architects and Town Planners	133	128	114	161	162	295	420	496	554	481
Dentists	58	62	40	89	70	71	102	111	139	109
Doctors Medical	61	129	112	96	97	171	168	217	224	176
Engineers*	2,653	2,456	2,080	2,562	3,004	4,824	6,529	8,545	6,948	6,463
Nurses Professional Surveyors / Geodetic Engineers	13,536	11,867	8,968	8,611	7,094	13,525	9,178	11,495	13,014	12,082
<b>Professional Technical and Related Workers</b>	<b>97,517</b>	<b>99,688</b>	<b>78,956</b>	<b>94,147</b>	<b>60,317</b>	<b>41,258</b>	<b>43,225</b>	<b>49,649</b>	<b>47,886</b>	<b>41,835</b>

\* Sum of Engineers Ship's, Engineers Mining / Mineral Mining, Engineers Mechanical, Engineers Industrial, Engineers Elctrical and Electronics, Engineers Civil, Engineers Chemical, Engineers (NEC).

Note: As of February 2019, data available for OFW deployment per skill is from 1992 to 2010.

**Source:** Philippine Overseas Employment Administration (POEA) (<https://poea.gov.ph>)

**Table 5.** *Indicator of knowledge capital – number of publications in Elsevier Scopus journals (1996-2017)*

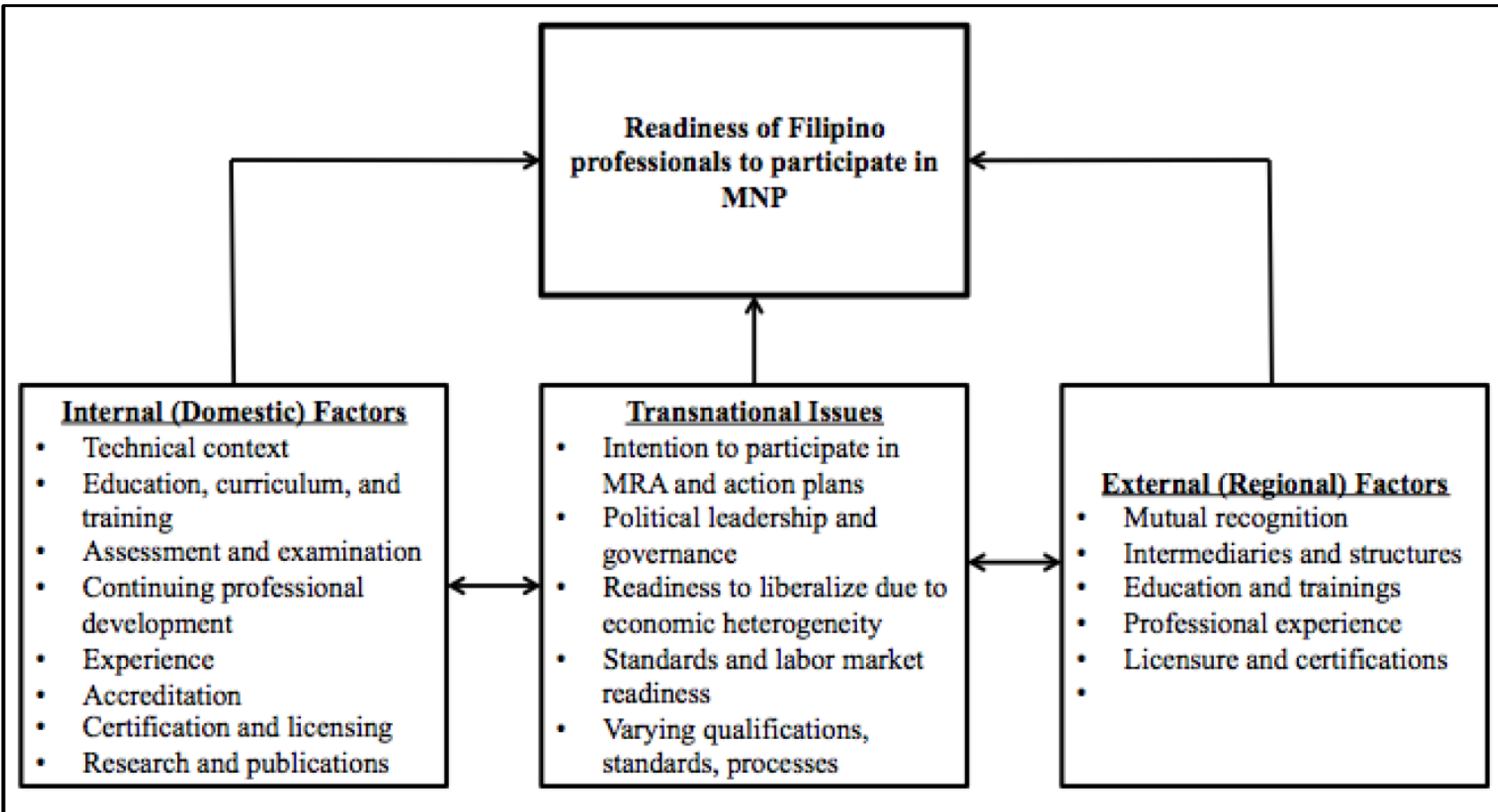
<b>Country</b>	<b>Accounting</b>	<b>Architecture</b>	<b>Chemical Engineering</b>	<b>Engineering</b>	<b>Medicine</b>	<b>Tourism</b>
<b>Brunei Darussalam</b>	6	4	6	6	909	6
<b>Cambodia</b>	4	2	9	4	1,924	9
<b>Indonesia</b>	149	146	80	149	10,506	80
<b>Lao PDR</b>	-	2	10	-	1,025	10
<b>Myanmar</b>	-	-	-	-	831	-
<b>Malaysia</b>	915	485	505	915	38,565	505
<b>the Philippines</b>	146	17	28	146	6,952	28
<b>Singapore</b>	803	588	336	803	54,582	336
<b>Thailand</b>	130	183	253	130	50,902	253
<b>Viet Nam</b>	43	66	48	43	8,217	48

**Source:** Scimago Country Rank (<http://www.scimagojr.com/countryrank.php>)

# Significance of the Study

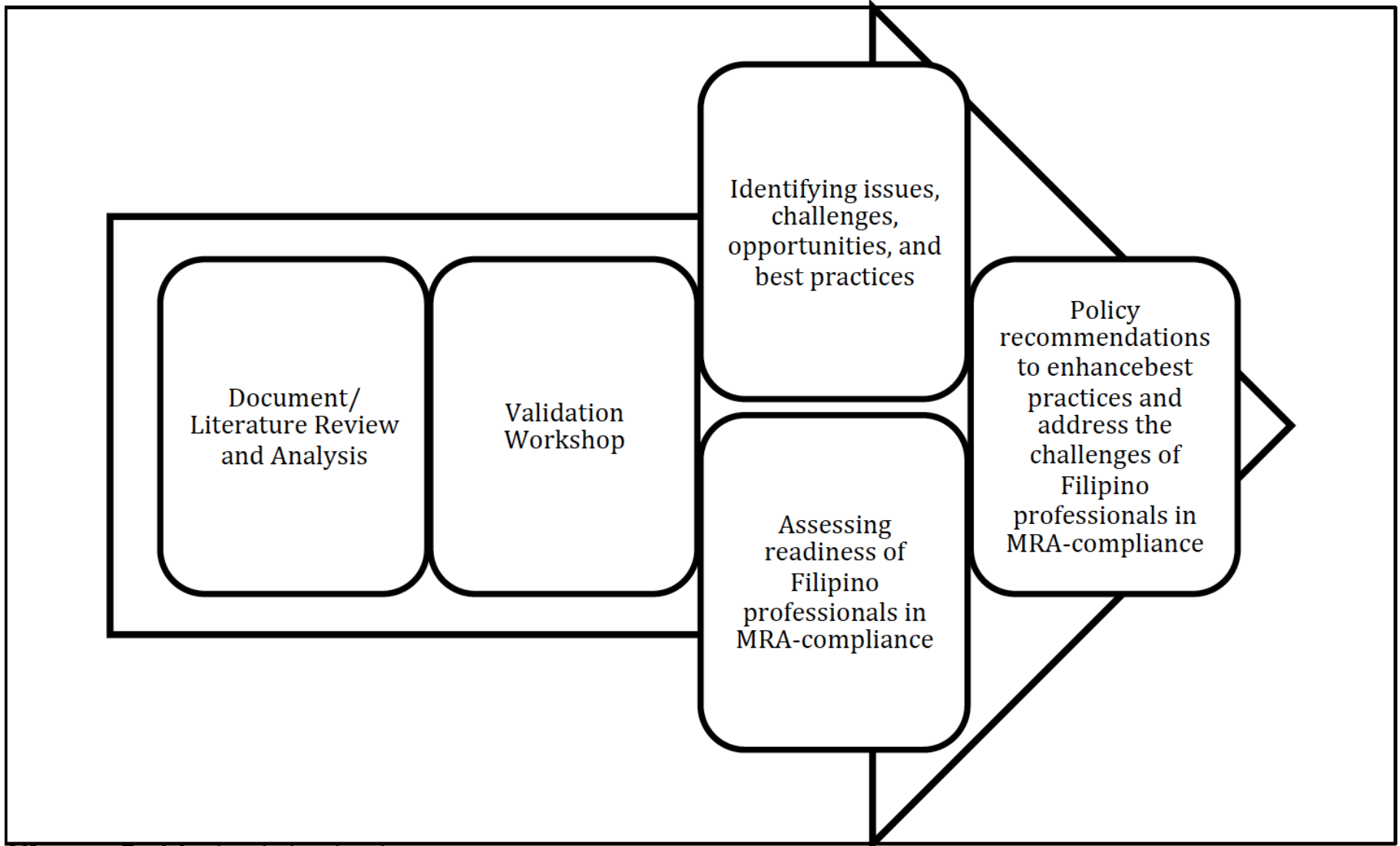
- Results will provide another lens in analyzing MNP and the mobility of skilled workers through MRAs.
- Results can also highlight several major policy relevance, implications, and strategies towards wealth formation through various forms and levels of training and education (i.e., professional courses in tertiary education) and research and development.
- Emphasize the importance of HRD as a critical aspect of MRA compliance and competitiveness.

# Conceptual Framework



**Figure 4.** *Factors affecting readiness of Filipino professionals to participate in MNP*

# Methodology



**Figure 5.** *Methodological outcomes.*

# Initial Findings

- We have seen that MRAs have compelled professionals to continuously improve on their respective crafts.
- Requirements stipulated in MRAs compelled sending countries to upgrade their educational systems, training, accreditation, certifications, licensing, and professional regulatory frameworks to enforce a higher standards in the conduct of professional service.
- Filipino professionals are ready to participate in the mobility of labor in the region.

# Initial Findings

- We found that no single AMS serves as benchmark for best practices.
- Varying levels of development among AMS - not yet willing to relinquish full control over their professional standards.
- On the aspects of: education, curriculum, training; assessment and examination; accreditation; and certification and licensing, Filipino professionals are ready for MNP.
- The generation of knowledge through research stimulates technological development and the creation new practices that upgrade human resource practices.

# Initial Findings

- To sustain this readiness, there is a need to continuously augment and improve on the education of faculties handling professional degree programs not only through developmental CPD but also through research and publication.
- CPD should be developmental rather than regulatory
- Although not all are practicable, research outputs can generate patents, innovations, and new methodologies that can contribute to the development of society in the long run.

# Lessons for APEC Economies

- There is a link between MRAs and HRD through the development of social capital
  - strengthen associations of APEC universities towards benchmarking of curriculum, pedagogies, and learning standards.
- **The coming together of regulators and professional organizations should complement the discussions of HEIs so that together, they can strengthen the program design, delivery, and quality control of professional degree programs.**

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# THANK YOU

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Chinese

