

Employment Effects of Rural and Community Development in the Philippines

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THE PURPOSE of this paper is to describe the main features of an ILO research project carried out in the Philippines from February 1964 to December 1966 with the object of assessing the impact on employment of community development programmes in that country. The project comprised the following stages:

(1) A review, on the basis of existing information, of the background and present situation of the Philippine Community Development Programme, of its major aims with particular reference to explicit (or implicit) employment objectives, of the measures taken to achieve these objectives, and of the results obtained.

(2) The planning and carrying out of a case study in a number of villages (community development villages and villages not covered by community development programmes) in order to obtain a detailed picture of changes in patterns and levels of employment that have occurred during a specified period of time, to determine the reasons for these changes and to assess the influence of community development programmes in this respect.

(3) The drawing up of recommendations concerning measures which might be taken to strengthen the employment impact of community development programmes, and the assessment of the major problems involved in the measurement of the employment effects.

This research was undertaken in response to a generally felt need, often expressed by governments and international organisations, for a better knowledge of the actual effects, particularly in terms of employ-

¹ ILO expert in charge of the research project described in the article.

ment promotion, of rural development activities in general and community development programmes in particular. The Philippines were selected for two main reasons, first because rural underemployment was widespread; and second because of the considerable experience acquired in the Philippines in rural and community development activities. The project was planned in close consultation with the United Nations Economic Commission for Asia and the Far East (ECAFE), which also provided technical advice during implementation. The various public, semi-public and private agencies and university institutions concerned with or responsible for community development in the Philippines lent their full collaboration throughout the project, especially during planning and implementation of the case study. The costs were jointly borne by the Philippine Government and the ILO.

The main body of this paper is divided into four sections. The first presents background information on the employment situation in the country, with particular reference to rural areas. The second attempts to review the employment effects of major rural development programmes in the Philippines as a whole, and to make a general assessment of the impact of community development programmes on rural employment. The third section deals with the case study, its design and its major findings. Finally, the fourth section sets forth a number of conclusions drawn from the research project, including certain general recommendations.

Employment situation and trends

During the inter-censal period 1948-60 the population of the Philippines grew at an average annual rate of 3.18 per cent. According to projections made by the Bureau of the Census and Statistics, this growth rate is likely to increase from about 3.3 per cent in the early 1960s to between 3.5 and 3.6 per cent in the latter part of the decade. This would represent an absolute increase of about 10 million people, from 27,410,000 in 1960 to 37,158,000 in 1969. Data on past and projected trends show that the annual rate of growth of the labour force was 2.8 per cent between 1948 and 1960, thus lagging somewhat behind the growth of population. This trend has very likely continued in the 1960s. Table I gives projections for population, labour force and participation rates from 1963 to 1969.

Agriculture is still the largest source of employment in the Philippines. In 1960 about 61 per cent of the "experienced" labour force was in agriculture, the "experienced" labour force consisting of employed workers plus the unemployed who had worked for at least two consecutive weeks during the year on a full-time basis. This proportion was virtually unchanged in 1962, but declined to about 58 per cent in 1964.

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TABLE I. PROJECTED POPULATION AND LABOUR FORCE AND PARTICIPATION RATES, 1963-69

Year	Population (thousands)	Labour force (thousands)	Participation rate
1963	30 241	10 233	33.8
1964	31 270	10 547	33.7
1965	32 345	10 821	33.5
1966	33 477	11 099	33.2
1967	34 656	11 379	32.8
1968	35 883	11 660	32.5
1969	37 158	11 943	32.1

Source: Bureau of the Census and Statistics.

Unemployment and underemployment are widespread. According to the Philippine Statistical Survey of Households (PSSH), in October 1960 approximately 2,445,000 persons, or 27 per cent of the Philippine labour force, were unemployed or underemployed. Of these, 577,000, or 6 per cent of the labour force, were without any work. The majority (59 per cent) of the unemployed were in the age group 10 to 24 years old, followed by those 25 to 44 years old, who accounted for 28 per cent of the totally unemployed. The underemployed (1,868,000 or 21 per cent of the labour force) comprised the 1,067,000 persons working less than forty hours per week and 801,000 persons working forty hours or more per week. In spite of relatively long hours of work, the latter were regarded as underemployed since they stated that they were searching for additional work because of inadequate earnings.

In May 1963 and May 1964 the number of unemployed was 871,000 and 724,000, or 7.7 and 6.4 per cent of the labour force respectively; 3,150,000 and 2,930,000, or 28 and 25 per cent of the labour force, were underemployed. Whereas the rate of unemployment was virtually the same in 1964 as in 1960 (6.4 per cent as against 6.0 per cent), the rate of underemployment would seem to have taken an upward turn during the same period (25 per cent as against 21 per cent).

That underemployment is indeed a typical feature of rural areas in the Philippines, associated with sluggish production and persistently low output per head, is well known. The slight relative decrease in employment in agriculture has apparently not resulted in any productivity increase. On the contrary, since the proportion of the labour force in agriculture dropped from 59 per cent in 1957 to 57 per cent in 1965, while the percentage of national income produced by agriculture dropped from 38 to 33, labour productivity in agriculture appears to have declined during the period, though the data available do not allow for the role that price variations of commodities and inputs may have played during that period.

It should be pointed out that according to the concepts of underemployment used in the PSSH, employed persons indicating that they want additional work are considered visibly underemployed if they are working less than forty hours per week, and invisibly underemployed if they are working forty hours or more per week. The adoption of the forty-hour week as the dividing line between visible and invisible underemployment tends to deflate the number of the visibly underemployed, since it is based on industrial conditions, whereas in agriculture the traditional working day extends from sunrise to sunset and legal working hours are forty-eight per week.¹ If the forty-eight-hour criterion is applied to the original PSSH data the situation as regards visible and invisible underemployment in agriculture is as shown in table II.

TABLE II. NUMBERS UNDEREMPLOYED IN AGRICULTURE, 1956/57 TO 1963/64

Year	Visible	Invisible	Total
1956-57	782 688	209 312	992 000
1962-63	962 240	589 760	1 552 000
1963-64	1 041 440	798 560	1 840 000

From 1956 to 1964 underemployment—both visible and invisible—showed an upward trend. Invisible underemployment increased at a higher rate since the percentage of underemployed to the total number at work in agriculture rose by 0.4 for the visibly underemployed (from 17.9 to 18.3) and by 9.3 for the invisibly underemployed (from 4.7 to 14.0). This indicates that agriculture, the principal source of employment in the Philippines, is characterised by a low degree of utilisation of its labour force.

Table III presents an estimate of the over-all degree of under-utilisation in agriculture which was arrived at by adding the available man-days of the visibly underemployed and the available man-days of the unemployed. It should be pointed out, however, that the figures underestimate the underutilisation of agricultural labour, since the invisibly underemployed are not included; and that labour underutilisation in agriculture is only a part of total labour underutilisation in rural areas. In October 1963, for example, the experienced unemployed in agriculture comprised 38 per cent of the experienced rural unemployed, and the inexperienced in agriculture about 80 per cent of the rural inexperienced.

¹ Under the Minimum Wages Act (Republic Act No. 602 of 6 April 1951) normal working hours for agricultural workers are from sunrise to sunset, and the enactment of R.A. No. 3844 of 8 August 1963, which lays down equality of rights and opportunities between farm and industrial workers (section 39), allows a working time of eight hours daily on six days in the week (section 43).

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TABLE III. UNEMPLOYED (EXPERIENCED AND INEXPERIENCED) AND VISIBLY UNDEREMPLOYED IN AGRICULTURE: NUMBER AND MAN-DAYS
(ANNUAL AVERAGE, 1956-63)

Category	Number	Per-centage	Man-days	Per-centage
Visibly underemployed . . .	876 487	84.9	82 456 434	63.6
Experienced unemployed ¹ .	52 500	5.1	15 907 500 ³	12.3
Inexperienced unemployed ² .	103 000	10.0	31 209 000 ³	24.1
Total . . .	1 031 987	100.0	129 572 934	100.0

¹ Unemployed with at least two consecutive weeks' full-time work experience.

² Unemployed never having worked before, i.e. new entrants to the agricultural labour force.

³ Calculated on basis of 303 man-days per year.

Employment objectives, and achievements of rural and community development programmes

Rural development programmes

Though rural development programmes date back to before the Second World War ¹, concern with rural development received considerable impetus only after the election of President Magsaysay in 1953, when a larger flow of resources was channelled into the barrios.²

In 1954 the National Resettlement and Rehabilitation Administration (NARRA) was created, and one year later the President signed the Land Reform Act, providing *inter alia* for the setting up of the Land Tenure Administration for the acquisition and redistribution of private agricultural lands.

During the nine years of its operation, from 1954/55 to 1962/63, NARRA resettled ³ 17,258 families (or an average of 1,918 families per year) and rehabilitated a further 13,428 families of squatters or of farmers settled by previous agencies.

On the average each new settler family was composed of six members, three of whom constituted the family labour force; of these three, only

¹ The immediate post-war period was characterised by agrarian unrest. The so-called Hukbalahap, or People's Army, which was a militant peasant movement organised as a resistance force against the Japanese, demanded radical socio-economic reforms, particularly in the systems of land ownership and tenure. The People's Army supported its demands with armed action.

² The barrio, or village settlement, is the geopolitical subdivision of the municipality, and is composed of a group of families which are homogeneous socially and culturally.

³ Resettlement promoted by NARRA was on family farms, with government aid and guidance at all stages. NARRA placed great emphasis on community development methods in its resettlement programme.

1.5 were employed while 1.5 were unemployed. It may also be assumed that, because of the seasonal nature of agriculture, the 1.5 employed spent 195 days on both farm and non-farm work at the rate of twenty-six work-days per month per unit. This gives a total of 2,877 persons employed per year (1.5 working member in each of the 1,918 families) and about 561,000 man-days of average annual employment generated by the NARRA programme. Even though this calculation provides only a very rough estimate of the employment impact of NARRA, it can be concluded that its contribution towards alleviating unemployment and underemployment was very modest. Unemployment and underemployment in the country averaged about 130 million man-days in the period 1956-63, of which 561,000 man-days represent not more than 0.44 per cent.

Because of the high cost of settlement, and since the powers and functions of NARRA were not consistent with the Agricultural Land Reform Code enacted in August 1963¹, NARRA was abolished and its equipment, appropriations and supplies taken over by the Land Authority created by the Code. The Land Tenure Administration was likewise incorporated into the new agency. During the following three years (1963/64 to 1965/66) the average annual employment created by the Land Authority amounted to a mere 66,000 man-days.

In 1962 a programme directly concerned with employment promotion, though covering both rural and urban areas, was initiated with the enactment of the Emergency Employment Administration (EEA), which aimed at relieving the unemployment and underemployment situation through the creation of employment additional to the job opportunities provided for in the economic programme. The law even allowed the EEA "to demechanise construction and maintenance operations of the government as much as possible by utilising manpower and draft animal power instead of labour-saving machines, wherever permissible, if such a policy is not uneconomic".

The bulk of EEA activities was concentrated on public works, especially road construction, which proved to be the biggest absorber of unutilised labour. These public works projects created some employment for about 262,200 persons in 1962/63 and a little more than 133,300 persons in 1963/64. Almost 98 per cent of these were unskilled labourers employed on a monthly rotation basis² in order to extend the benefits of the programme to as many as possible of the unemployed and underemployed available at the project site.

¹ The Agricultural Land Reform Code set forth a unified agrarian reform programme with the principal aim of abolishing the share-tenancy system and promoting the ownership of land by those who actually cultivate it.

² The criterion of rotating the labourers on a monthly basis was applied to all types of projects, except those having an important training component in which the training period normally exceeded thirty days.

From these figures the EEA concluded that it had generated employment amounting to about 10,866,000 man-days in 1962/63 and 4 million man-days in 1963/64, as far as unskilled labour was concerned. Related to the level of agricultural unemployment and visible underemployment as estimated by the PSSH, this was a substantial achievement. The inherent weakness of the EEA, however, was that its activities overlapped with those of the specialised government agencies. Moreover, it tried to undertake too many projects, incommensurate with the available resources in staff and equipment.

Another agency entrusted with the creation of employment, both in urban and in rural areas, is the National Cottage Industries Development Authority (NADICA), which was established in June 1962.¹ It is responsible for a wide range of activities. Besides providing technical assistance and undertaking research and training programmes designed to improve cottage industry products, NACIDA is also entrusted with the improvement and development of marketing, the granting of loans to producers and the periodical evaluation of skills, machinery and equipment.

In the nine months of the fiscal year 1962/63 following its establishment, NACIDA organised and put into operation nine Regional Institutes² as well as four pilot advisory services covering about 1,584,000 workers in cottage industries. A number of training projects undertaken with the financial assistance of the EEA and covering more than 33,000 trainees were also completed.

NACIDA continued to expand its operations in the following years. By June 1964, 9,261 units with a total capitalisation of 28.9 million pesos and employing 25,495 workers were receiving NACIDA's assistance. Thus, the average investment was about 3,130 pesos per unit and 1,137 pesos per worker.

Viewed in the context of the employment objectives of the 1963-67 socio-economic programme, the over-all performance of NACIDA was not negligible. The manufacturing sector was expected to create some 160,000 jobs annually. Assuming that the proportion of employment in "small lower size units" was maintained at the level of about 14 per cent of total industrial employment (as at the beginning of the programme period), in each of the first two years of its existence NACIDA created nearly 57 per cent of the 22,400 jobs to be created annually under the programme.

The impact of NACIDA's activities on rural employment is not easy to assess, since it is not known what proportion of the workers came from the unemployed or underemployed categories, and how many

¹ Republic Act No. 3470. Basically, NACIDA promotes and assists small units employing five to twenty workers and having a capitalisation of less than 5,000 pesos (designated "small lower size units").

² These Regional Institutes are responsible for carrying out research, standardisation of products and the solution of regional problems involved in industrial promotion.

from rural or urban areas. However, it may be assumed that 75 per cent of the total employment created was in rural areas and that on the average the people engaged in small-scale industries worked for 200 days per year. On these assumptions NACIDA generated 364,000 man-days of employment in 1962/63 and 3,460,000 in 1963/64.

Finally, among measures having a direct impact on rural unemployment and underemployment, mention should be made of the Public Works Programme run by the Department of Public Works and Communications. This programme was initiated late in 1962/63 as a flexible instrument for offsetting cyclical unemployment due to fluctuations in exports. In the opinion of the planners, this flexibility could be achieved by proper timing and spreading of small-scale labour-intensive projects which could be completed within a few months. More than three-fourths of these projects were located in rural areas.

During the four-year period (1963/64 to 1966/67) the total expenditure incurred on eight major public works items (viz. main roads, feeder roads, national buildings, schools, shore protection, river control, portworks and miscellaneous rural development projects) was 171.8 million pesos, out of which 54.3 million pesos or 31.4 per cent was the share of labour. The total employment generated was about 10.9 million man-days, or about 2.7 million man-days per year. Man-days per 1,000 pesos of expenditure were highest in feeder road and bridge construction (141), followed by river control (90), portworks and shore protection (60). The average annual generation of employment per 1,000 pesos of expenditure was 56 man-days per project. The volume of employment generated in rural areas can be roughly assessed at three-quarters of the total volume, i.e. 8.2 million man-days or a little more than 2 million man-days per year. However, the implementation of the Public Works Programme suffered from the inadequate and untimely release of budgeted funds. As a result the employment impact of the programme declined gradually and it was practically shelved in 1967.

Community development programmes

The two main agencies responsible for community development in the Philippines are the Presidential Assistant on Community Development established in January 1950, and the non-governmental Philippine Rural Reconstruction Movement organised in 1952 by a group of civic leaders. In addition to these agencies, many others such as the Bureau of Agricultural Extension, the Department of Health, the Bureau of Public Schools, YMCA work camps, etc., have used community development techniques in some of their programmes.

In the early 1950s the need to co-ordinate and consolidate all these independent and sometimes overlapping efforts was badly felt. This resulted in a number of proposals made by civic leaders and govern-

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mental officials to formulate a coherent national programme for community development and create co-ordinating machinery for its implementation. After several years of discussions and negotiations, a draft national programme was submitted to and approved by President Magsaysay.

The objectives set for the Philippine Community Development Programme were as follows: (a) to assist in the development of self-government in the barrios; (b) to increase the productivity and income of the rural population through accelerated self-help development of agriculture and other industries; (c) to expedite construction, largely on a self-help basis, of feeder roads to connect all barrios with principal highways; (d) to expand public services to barrios to an extent commensurate with those now available in poblaciones (municipal towns); (e) to promote better co-ordination of government services at all levels; (f) to improve, through the maximum utilisation of self-help, rural facilities for education, water supply, irrigation, health, sanitation, housing and recreation; (g) to increase educational and vocational opportunities for the adult population in rural areas; (h) to increase citizen awareness and action with respect to enforcement of laws on farm tenancy, labour and other subjects; (i) to take any other steps conducive to improving the morale of the barrio residents and to strengthen their sense of participation in the economic life of the nation; (j) to serve as a centre of training in community development for selected persons or groups from other countries in south-east Asia. It will be noted that except for a brief mention of maximum utilisation of self-help, no reference is made in this enumeration of objectives to employment targets.

Responsibility for attaining these objectives was entrusted to the Presidential Assistant on Community Development (PACD) which, in addition to planning and implementing community development activities, was also put in charge of the difficult task of co-ordinating the programme with those of the many other agencies concerned with rural development and public works. Despite the recognised importance of the programme and the significant part that it was assigned to play in mobilising human and material resources at the barrio level, it was not included in the rural and agricultural component of the 1963-67 socio-economic development programme.¹

While the activities of the Philippine Rural Reconstruction Movement (PRRM) were also not integrated with the national policy for rural development, this agency did not encounter the difficulties that might have been expected to arise from its unofficial nature. On the contrary, paradoxical as it may seem, co-operation between the PRRM

¹ Nor was this the case in the preceding plans, with the exception of the Three-Year Programme of Economic and Social Development, 1959/60 to 1961/62.

and the government agencies active in the rural development field was apparently more effective than in the case of the PACD.

The PRRM programme had two major components—the Minimum Additional Income (MAC) programme and the Model Farm Family (MFF) programme. The MAC programme concentrated, with the full co-operation and support of the barrio people, on practical measures to increase family income through the better utilisation of land resources and family labour. At the beginning of the MAC programme, the minimum additional income target was fixed at 200 pesos per family annually. In view of the encouraging results achieved in all PRRM-assisted barrios, this target was raised to 400 pesos in 1963.

During the period 1959/60 to 1963/64 PRRM activities covered on the average 110 barrios a year, each with twenty-four MAC family projects. The relatively small number of barrios included (there are about 30,000 in the Philippines) is explained by the PRRM's deliberate policy of achieving maximum impact with the limited funds available by avoiding dispersion of efforts and reducing overhead expenses.

The results of the MAC programme are shown in table IV. It can be seen from lines 2 and 3 that the income generation effect of all investments, excluding labour input, was considerable. On average, one peso invested had a gross marginal return of four to six times over the period under consideration, resulting in substantial increases in the farmers' gross income (from 30 to 45 per cent above the income in the previous year). As far as labour input effect is concerned, the PRRM estimated the number of man-days contributed by the farm families. These estimates are shown in line 4, while line 5 provides an estimate of the value of the labour contribution obtained by multiplying the figures of line 4 by 2.5 pesos, the minimum wage fixed by the law. This calculation was made to provide a rough indication of total project costs, though these labour costs are probably overstated in view of the fact that the legal wage most likely exceeded the real labour cost of underemployed farm family members.

When compared with over-all unemployment and underemployment in rural areas, the employment impact of the MAC programme was less impressive. Table IV shows that the total number of man-days generated by MAC projects was 64,262 in 1962/63 and 162,652 in 1963/64 (the first two years of the five-year programme), or 0.04 and 0.13 per cent respectively of the total number of man-days needed for unemployed and underemployed in agriculture taken together. However, if the MAC employment performance is related to the average number of man-days of unemployed and underemployed per barrio, the achievement of the MAC projects may be considered as very encouraging, as can be seen from table V.

The Model Farm Family (MFF) programme, started in 1959, is more concerned with changes in the attitudes and outlook of rural

TABLE IV. RESULTS OF THE MINIMUM ADDITIONAL INCOME (MAC) PROGRAMME OF THE PHILIPPINE RURAL RECONSTRUCTION MOVEMENT (PRRM), 1957/58 TO 1963/64

Item	1957/58	1958/59	1959/60	1960/61	1961/62	1962/63	1963/64
1. Number of demonstration farmers participating ¹	253	563	1 365	2 997	2 997	1 397	4 396
2. Average additional gross income per farmer (pesos)	341.20	321.24	235.26	371.97	192.00	380.00	306.95
3. Average cost per project, excluding labour cost (pesos)	66.00	65.00	48.00	73.50	38.50	75.00	60.50
4. Estimated labour contribution per project (man-days)	42	38	28	45	23	46	37
5. Estimated cash value of labour contribution per project (pesos) .	105.00	95.00	70.00	112.50	57.50	115.00	92.50
6. Estimated average cost per project, including labour costs (pesos)	171.00	160.00	118.00	186.00	96.00	190.00	153.00
7. Total man-days created by MAC	10 676	21 394	38 220	134 865	68 931	64 262	162 652

¹ All are new demonstration farmers. The number of farmers is equal to the number of projects.

TABLE V. CONTRIBUTION OF THE MINIMUM ADDITIONAL INCOME (MAC) PROGRAMME TO EMPLOYMENT IN BARRIOS COVERED BY THE COMMUNITY DEVELOPMENT PROGRAMME

Item	1962/63	1963/64
1. Total number of barrios	28 714	28 921
2. Average man-days of unemployment and under-employment per barrio	5 353	4 434
3. Barrios covered by MAC	135	118
4. Man-days generated per barrio by MAC . . .	480	1 378
5. Item 3 as a percentage of item 1	0.5	0.4
6. Item 4 as a percentage of item 2	9.0	31.1

families, though it now sets concrete targets. The model farm family was defined as one that has overcome the interrelated problems of poverty, illiteracy, disease and inertia, by achieving a high degree of development in accordance with the criteria set by the PRRM for a model farm family.¹ The "livelihood" target of this definition relates it to the income objective (and implicitly to the employment objective) of community development.

The most up-to-date information on the achievements of the MFF programme relates to the first nine months of 1963. During this period, 22,701 farm and non-farm families participated in the programme, representing 135 PRRM-assisted barrios. Of these, 13,234 were reported to have been developed into model families. In addition to these achievements, the MFF programme had the great merit of promoting self-government among the barrio people. These activities so impressed the Government that they inspired the promulgation of the Barrio Charter under Republic Act No. 2370 of 1960, which introduced, among other things, the establishment of barrio government machinery, ordinance-making power and the power to levy certain taxes.

The activities of the Presidential Assistant on Community Development (PACD) are classified into two groups, namely Grants-in-Aid Projects (GIA) and Non-Grants-in-Aid Projects (Non-GIA). Under the former scheme, the barrio people share at least 50 per cent of project costs, the balance being covered by the local government, technical government agencies and the PACD. Locally available material, donated land sites and voluntary labour constitute the people's contribution, while government assistance, never in cash, includes processed materials

¹ The concept of the model farm family was later extended to include families of landless agricultural workers and rural non-farm families.

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and technical services. The Non-GIA programme is implemented with the minimum of government assistance. The share of the Government in these purely self-help undertakings takes the form mostly of technical help and supervision, with barrio people defraying all costs, labour and materials.

At the start of its operations in 1956/57 the PACD covered 665 barrios with 215 field workers and 124 other staff members. In its second year of existence, the agency expanded its activities considerably by operating in 3,258 barrios and making great efforts to co-ordinate the work of about twenty government agencies engaged in rural development. Progress, in terms of the number of barrios covered, was substantial in the following years until a peak was reached in 1960/61. From this period on, there was a reverse trend which continued till 1963/64, the last fiscal year for which adequate information is available.

This decline was attributed mainly to a reduction in the number of barrios to be covered by each barrio development worker, a reduction considered necessary to achieve better results by intensifying the activity of the field staff.

The results of the PACD projects are shown in table VI. It will be seen from item 1 that there was a considerable decrease in the number of projects completed in 1962/63 and 1963/64. The downward trend is noticeable in respect of all categories of projects between 1956/57 and 1963/64. The drop was particularly significant in projects concerned with the improvement of barrio roads. Since benefits from these projects accruing to idle workers were mostly of an indirect nature, there was not much enthusiasm on the part of workers to participate in them. Another reason might be that increasing financial resources were devoted during 1962/63 and 1963/64 to expanding the complex training activities of the agency, covering pre-service, in-service and supervisory training, orientation courses and lay leadership training.

In contrast with the PRRM, the PACD operations were not concentrated in a compact geographical area but were dispersed in proportion to the total population of the three major regions, i.e. Luzon, Visayas, and Mindanao. The dispersion of PACD activities, it was stated by this agency, sought to achieve the widest possible demonstration effect of model barrios which would be emulated by the neighbouring barrios. Also, the PACD expected that the barrios would "select themselves", i.e. the PACD would step in wherever a request for assistance came from the barrio councils. However, no machinery existed to disseminate the experience of model barrios, nor did available funds make it possible to meet the numerous demands for assistance put forward by the barrio councils.

The decrease in the number of completed projects was accompanied by a decline in the employment opportunities created by the PACD programme from an annual average of 363,538 man-days in the

TABLE VI. ACHIEVEMENTS OF THE PACD, 1956/57 TO 1963/64

Item	Category ¹	1956/57 to 1961/62		1962/63	1963/64
		Total	Annual average		
1. Number of projects	I	23 294	3 882	1 178	596
	II	6 355	1 059	872	338
	III	7 533	1 255	935	474
	IV	200	33	8	1
2. Average cost per project, 1956/57 to 1963/64 (pesos) ²	I	←————— 641 —————→			
	II	←————— 957 —————→			
	III	←————— 1 100 —————→			
	IV	←————— 21 205 —————→			
3. Estimated labour contribution per project (man-days) .	I	—	44	60	41
	II	—	79	87	77
	III	—	50	60	55
	IV	—	1 426	1 305	1 563
4. Cash value of labour contribution per project (pesos) ³ .	I	—	110	150	102
	II	—	197	217	191
	III	—	125	150	137
	IV	—	3 565	3 262	3 907
5. Estimated cash value per project of inputs other than labour contribution, 1956/57 to 1963/64 (pesos) ²	I	←————— 314 —————→			
	II	←————— 424 —————→			
	III	←————— 371 —————→			
	IV	←————— 1 878 —————→			
6. Employment created by PACD (man-days)	I	1 020 639	170 106	70 149	24 441
	II	500 089	83 348	76 631	26 094
	III	378 087	63 015	56 501	25 932
	IV	282 418	47 069	10 440	1 563
Total . . .		2 181 233	363 538	213 721	78 030

¹ Category I: Increased income and production. II: Public improvements. III: Health and sanitation. IV: Barrio roads. ² Separate data for 1956/57 to 1961/62, 1962/63 and 1963/64 not available. ³ Obtained by multiplying man-days by 2.5 pesos, the minimum wage fixed by law.

period 1956/57-1961/62 to 213,721 and 78,030 in 1962/63 and 1963/64 respectively—as is shown in the last line of table VI. Thus, in the first two years of the five-year economic programme, the PACD contribution in terms of man-days created was only 0.14 and 0.06 per cent of the total number of man-days required by unemployed and underemployed agricultural labour, as estimated by the PSSH.

If assessed in relation to the number of man-days of unemployed and underemployed labour per barrio, as shown in table VII, the employment performance of the PACD in 1962/63 and 1963/64 is quite modest and does not compare favourably with the PRRM achievements (see table V).

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TABLE VII. CONTRIBUTION OF THE PRESIDENTIAL ASSISTANT ON COMMUNITY DEVELOPMENT (PACD) TO EMPLOYMENT IN BARRIOS COVERED BY THE COMMUNITY DEVELOPMENT PROGRAMME

Item	1962/63	1963/64
1. Total number of barrios	28 714	28 921
2. Average man-days of unemployment and under-employment per barrio	5 353	4 434
3. Barrios covered by PACD	5 503	3 315
4. Man-days generated per barrio by PACD . . .	38	24
5. Item 3 as a percentage of item 1	19.16	11.46
6. Item 4 as a percentage of item 2	0.71	0.54

The impact of rural and community development programmes

The over-all impact of the various rural development programmes and measures, including community development programmes, is shown in table VIII. The reference period considered covers only two years, 1962/63 and 1963/64; for other years comparison is not possible since data for all programmes are not available.

TABLE VIII. IMPACT OF RURAL AND COMMUNITY DEVELOPMENT PROGRAMMES ON RURAL EMPLOYMENT, 1962/63 AND 1963/64

(In man-days)

Item	1962/63	1963/64
1. Total agricultural unemployment and under-employment (PSSH estimates)	153 694 528	128 243 235
2. Land settlement (NARRA 1962/63, Land Authority 1963/64)	561 000 ¹	66 000 ²
3. Cottage industries (NACIDA)	364 000	3 460 000
4. Emergency employment (EEA)	10 866 000	4 000 000
5. Public Works Programme	1 000 000 ³	2 000 000 ³
6. Community development (PACD and PRRM) .	277 983	240 682
7. Total employment generated (items 2 to 6) . .	13 068 983	9 766 682
8. Item 6 as a percentage of item 7	2.1	2.4
9. Item 7 as a percentage of item 1	8.5	7.6

¹ Annual average employment created during the period 1954/55 to 1962/63. ² Annual average employment created during the period 1963/64 to 1965/66. ³ The programme began late in 1962/63; the annual average employment created in the period 1963/64 to 1966/67 is 2 million man-days.

The project comparison therefore provides no more than a very rough and tentative indication of the magnitude of the rural unemployment and underemployment problem and of the employment impact of the various programmes. There are other factors which make the comparison problematic. First of all, the PSSH estimates in line 1 are derived from the situation at a particular point in time (October) and, in the absence of quantitative information on variations of unemployment due to seasonal factors, the extent to which they deviate from the true number of idle man-days during the years shown can only be guessed.

The only reliable statement that can be made is that in the month of May, which falls within the peak period of agricultural activity, the volume of employment is about 5 per cent greater than in October, which is in the slack season. It should also be recalled that the PSSH estimates reflect the level of agricultural—and not rural—unemployment and underemployment, and that they do not include the invisibly underemployed.

Secondly, the total figures arrived at in line 7 are sums made up of various items which are not homogeneous. For example, to add the man-days of employment generated by NARRA and the Land Authority and NACIDA to those created by the EEA and the Public Works Programme is rather arbitrary. The former set of figures provides an estimate of man-days of permanent employment, while the latter provides an estimate of temporary, and in some cases pure relief, employment. Investments under the NARRA, Land Authority and NACIDA schemes are also likely to have had a much greater multiplier effect in generating indirect employment (and incomes) than those of the EEA and the Public Works Programme.

Thirdly, the impact on employment of the numerous training programmes administered by the various agencies has not been assessed. The effects of these programmes are not easily quantifiable and the information available is scanty and fragmentary.

Despite all these limitations, this comparison may be useful in that it gives a rough idea of the order of magnitude of the employment problems in the first two years of the socio-economic programme ended in 1967, and of the employment impact of community development and rural development programmes.

The case study

The broad objective of the case study was to complement available information on the impact of community development programmes on employment by gathering relevant facts and data through systematic surveys at the village level. It also aimed at obtaining a more detailed picture of the nature and magnitude of unemployment and under-

employment at the barrio level, as a basis for planning concrete remedial action. Over-all responsibility was in the hands of the Department of Labour, and a working party, called the Evaluation Committee, was formed to plan and launch the study, which comprised two distinct parts—an evaluation survey and an opinion survey.

The evaluation survey

The major problem in this type of survey is to isolate the effects of the subject under consideration, i.e. the Community Development Programme, from those of other extraneous factors. In the case in question, an attempt was made to do so by comparing changes in a barrio under the influence of the programme (experimental barrio) with that in a barrio that had no community development programme (control barrio) over a specified length of time. Assuming that all barrios were developing to some extent, the effects of the community development programme could be expressed in terms of the difference in the rate of change over the period between the experimental and the control barrios.

For the case study, five pairs of barrios were selected from five of the nine regions into which the Philippines are subdivided. The experimental barrios were selected on the basis of field observations and background information supplied by the PACD and the PRRM. The base year adopted was the fiscal year from July 1961 to June 1962, and only those barrios were considered for selection where community development programmes had been introduced during that period.

In order to ensure that the experimental and control barrios were identical in each province, the matching was based on such selected factors as geographical location, crop patterns, social organisation and population size. Both experimental and control barrios were further characterised by the absence of development projects of national or provincial importance. Care was also taken to select the control barrios from an area not less than 20 kilometres from the outer boundary of the experimental unit in order to minimise the possible radiation effects of community development programmes.

Considering the major objectives of the Community Development Programme in the Philippines, changes may be expected to have taken place primarily in (i) education and training, (ii) employment and occupational mobility, (iii) land use and farming techniques, and (iv) agricultural production and household income. The survey therefore concentrated on assessing changes in these aspects and tried to quantify them by using a number of key indicators. If the percentage change in the variable under consideration was greater in the experimental barrio than in the control barrio, the difference between the two percentages (residual percentage effect) was taken to indicate the influence of the community development programme.

TABLE IX. SUMMARY OF IMPACT OF COMMUNITY DEVELOPMENT

Item	No. of paired barrios with positive effect	Impact of community development
<i>Educational attainment :</i>		
Primary	2	Negligible
Secondary	2	Negligible
Functional literacy	3	Moderate
<i>Employment (primary occupation) :</i>		
Employed persons (proportion to total population) . . .	3	Moderate
Weeks worked:		
Up to 50	2	— ¹
43 to 50	4	Appreciable
Over 50	2	Negligible
Employed persons wanting and looking for additional work	1	— ¹
<i>Employment (secondary occupation) :</i>		
Weeks worked (20-42)	5	Appreciable
<i>Improved agricultural practices :</i>		
Farm equipment:		
Ploughs	5	Appreciable
Harrows	3	Moderate
All others	3	Moderate
Land improvement:		
Fencing and hedging	2	Negligible
Agricultural chemicals	0	— ¹
All others	2	Negligible
Methods of cultivation:		
Certified seeds	2	Negligible
Rice culture	2	Negligible
<i>Aggregate gross income :</i>		
Total income (all sources)	3	— ¹
Non-agricultural income	3	Moderate

¹ In these cases no appreciation is given because the sum of the residual effects in all paired barrios was nil or negative.

It was considered that the effect of the community development programme would be regarded as *appreciable* with respect to those items for which all five or at least four of the paired barrios had a positive residual percentage effect; if three paired barrios had a positive residual percentage effect, the impact was considered *moderate*; when two or

fewer of the five paired barrios had a positive residual percentage effect, the impact was considered *negligible*.¹

The analysis revealed that the over-all impact of community development in the barrios under consideration during the survey period was rather weak. However, the findings appear to indicate that community development had a favourable effect on the number of weeks worked in primary occupations. Visible underemployment was reduced through subsidiary employment in secondary occupations. The impact of the Community Development Programme on education and employment, agricultural practices and gross household income is summarised in table IX.

The opinion survey

The purpose of the opinion survey was to obtain information that might be used to make community development programmes more effective. It was felt that an appraisal of the attitudes of barrio people would make it possible to judge the extent to which they were willing to try new ideas, to diagnose and overcome some of the economic and social difficulties arising in programme implementation, and to measure achievements in terms of the degree of satisfaction felt and expressed.

The survey was restricted to 241 households, i.e. 10 per cent. of the total number of households in the experimental and control barrios.

Questions covering the following points were asked: (i) the biggest family problem; (ii) who should be responsible for helping barrio people; (iii) which was the most helpful agency in specified tasks; (iv) expectations regarding new methods of production and their results; (v) how employment opportunities can best be created; (vi) reactions to a proposed tax levy for barrio development; (vii) the need for change of occupation; (viii) attitudes towards children according to family occupation; (ix) career preferences for children undergoing secondary education; (x) awareness of accomplishments of the Community Development Programme; (xi) community development projects considered most useful for development in experimental barrios; and (xii) success achieved by community development in creating employment opportunities in experimental barrios.

It may be worth while to quote some of the more interesting answers of the barrio people.

Among the biggest family problems, "holding too small to support the family" ranked first in experimental barrios, followed by "no job opportunities for totally unemployed members" and "lack of reading centre and reading materials", while in control barrios landlessness was

¹ Except where the sum of the residual effects in all paired barrios was nil or negative.

considered the biggest problem, followed by the small size of holdings and lack of employment opportunities for family members seeking additional work.

The organisation of cottage industries and government assistance in the form of public works projects were the most frequently suggested solutions to the problems of unemployment and underemployment in both experimental and control barrios. The most important difference between experimental and control barrios concerned the role of the Government (public works projects), which was ranked fourth by experimental barrios and first by control barrios.

The barrio people were also asked what, in their opinion, were the main objectives of community development. Both experimental and control barrios emphasised the objective of stimulating people to help themselves, but a greater proportion of people gave this answer in the control than in the experimental barrios. Understandably, the replies in experimental barrios were more comprehensive and covered the whole range of community development activities, including employment promotion, though this ranked only fifth in the objectives listed. Control barrios, on the contrary, showed a complete unawareness of this activity.

Conclusions and implications

The major objective of this research project was to assess the employment effects of community development programmes in a country which has acquired considerable experience in planning and implementing these programmes. In addition to compiling and analysing existing factual and statistical material on rural development programmes, and particularly community development, the project included a case study designed to obtain a first-hand picture of the employment implications of community development programmes.

There were two main reasons for adopting this particular approach. Firstly, case studies offer the possibility of studying, in greater depth and in a specific area, the process of economic and social change over a period of time and not merely at a given point of time. Secondly, they provide qualitative information in respect of developments and trends which, for the most part, cannot be grasped and stated statistically, such as attitudes and motivations.

An additional important reason for choosing this particular approach was shortage of funds, time and expertise. Case studies are considerably less expensive than full-scale sample surveys, not to speak of censuses, and they can be organised and carried out in a relatively short period of time. This is particularly important if rapid results are necessary for policy purposes. Finally, they do not place unrealistic demands on resources in terms of field personnel—supervisors and investigators.

Therefore, this research approach presents an undeniable interest for developing countries, though it is recognised that it has a number of limitations, which have been discussed earlier.

Major conclusions

The primary conclusion which may be drawn from the research project is that the over-all impact of community development programmes on rural employment has been rather modest. The rough estimates made in the second section are eloquent in this respect. They show that in the first two years of the last five-year economic programme (1962/63 and 1963/64) the PACD and the PRRM together created employment opportunities amounting to only about 0.2 per cent of the total number of man-days of unemployment and underemployment in agriculture. However, separate assessment of the performance of the two agencies in relation to the average number of man-days of unemployment and underemployment in the barrios where they operated provides quite a different picture. While the employment promotion effect of the PACD was negligible (0.71 and 0.54 per cent of the total number of man-days needed in 1962/63 and 1963/64), the PRRM was able (through its MAC programme) to provide employment to 9 per cent of the barrios' under-utilised labour expressed in man-days in 1962/63 and 31.1 per cent in 1963/64. It seems clear that the PRRM approach, namely regional concentration of financial and staff resources in a small number of villages, is likely to have a greater employment impact in individual barrios than the PACD approach based on dispersion of resources over a greater number of barrios.

However, the real test of the relative employment- and income-creating advantages of one community development programme over another would be in the different unit costs incurred under each programme. Analysis of data on returns on resources invested in community development in terms of employment and income, and on the labour-intensity of community development projects, would permit a thorough assessment of community development projects and enable planners and policy-makers to decide whether programmes should be reoriented and policies changed. Unfortunately this was not possible, owing to the scarcity or complete absence of the relevant data. Analysis of tables V and VIII permits only a few partial and tentative conclusions, the validity of which would need further testing. It can, for example, be said that the projects of the MAC programme were much more labour-intensive than the PACD projects, and that they had quite a substantial effect both on income and on employment. On the other hand, nothing can be inferred in this respect from the results of the PACD projects, though they had the merit of greatly stimulating the mobilisation of material resources of the barrios for productive and infrastructural investment.

From all this follows the second conclusion to be drawn from the study, namely the need for systematic, built-in machinery for project evaluation, based on the establishment and maintenance of a simple but accurate data collection system in the field.

The third major conclusion answers the questions: Why was the employment content of community development programmes so modest? How was community development tied in with socio-economic planning? What was the employment impact of the other major rural development programmes?

Within the framework of community development in the Philippines, employment was not pursued as an objective in itself. The explicitly stated objectives were the attainment of higher production and income, and the growth of community capital formation. Although these objectives obviously have important employment implications, the consequence of giving them prominence was that rural employment problems were relegated to a secondary position. This neglect of employment considerations is also due to the fact that successive national plans during the past decade (including the Five-Year Integrated Socio-Economic Programme, 1962/63 to 1966/67) have not assigned to community development programmes any specific role in promoting employment at the national or local level. Indeed, community development programmes always operated *outside* the economic plans. This divorce between economic planning and community development also resulted in lack of co-ordination, duplication of effort, overlapping of programmes and latent or even open conflict between agencies implementing their programmes within the plan and within the framework of self-help activities.

Table VIII shows that the employment impact of rural development programmes, including community development, in the first two years of the five-year socio-economic programme was rather modest. In terms of man-days of employment, they met only about 8 per cent of total needs in agriculture. In addition, most of the jobs created were temporary or seasonal ones provided through the EEA and the Public Works Programme¹, which also operated outside the plan. Moreover, the employment impact of the programmes of the other agencies for rural development (mainly NARRA, the Land Authority and NACIDA) functioning within the framework of the plan also appears to have been rather modest. The major reason for this certainly lies in the high cost of land settlement schemes (NARRA and the Land Authority) and of creating jobs in small-scale industries.

Thus, no specific agency (with the exception of the EEA, which was more concerned with relief), operating either within or outside the plan

¹ Implementation of the EEA and Public Works Programmes suffered many setbacks and these programmes were practically abandoned during the recent plan period.

framework, was explicitly entrusted with employment promotion. The lack of a co-ordinated rural employment policy and of clearly defined rural employment objectives, and hence of a purposeful, coherent and continuous programme of action under the over-all responsibility of a single authority, no doubt explains to a large extent the very modest employment effects achieved by various rural development programmes, including community development programmes. It is of course open to conjecture whether better results would have been obtained if community development programmes had been assigned specific employment objectives and given responsibility for planning and carrying out the necessary action. However, since one of the primary objectives of community development programmes is the mobilisation of human and material resources at the local level, it appears self-evident that their implementation should be closely linked with specific employment objectives.

Implications for other developing countries

As regards the applicability to other countries of the methods of study used in the Philippines, it should first be pointed out that, because of the approach adopted, the results of the research are in no way statistically representative outside the selected barrios. Moreover, owing to the short time span between the base and terminal years, only very tentative conclusions could be drawn regarding the employment effects of community development programmes.

The case study approach is particularly suited to countries or areas where village settlement is prevalent.

Where isolated farm holdings are the rule, survey costs would certainly be higher and other research methods might be preferable. Moreover, it would be more difficult in such cases to assess the social impact of rural development programmes.

The number of villages included in the study obviously has a determining influence on the amount of work to be done and hence on survey costs. From the statistical viewpoint, this number is not an important criterion; it will be determined rather by the need for the case study to cover the whole country by including one or more villages from each region considered typical on geographical, agronomic, ethnic or other grounds.

Once the question of coverage, in the light of the existing diversity of rural conditions, is decided, it remains to be seen whether a full census or sample techniques should be envisaged. It is at this stage that the availability of qualified survey staff and the costs involved need to be carefully considered in relation to the usefulness of the results that are expected of the survey.

As regards the Philippines project, total survey costs amounted to US\$10,600. From a financial viewpoint, case studies of this kind may be

considered within the reach of all developing countries. To the above expenses must be added the cost of experts, which in this specific case was borne by the ILO.

While planning, preparation and preliminary testing lasted five or six months, the field work was carried out in about four months; processing and tabulations took another four months. However, the planning of such a study must be preceded by analysis of available documents and statistics to identify major gaps in information. This background work is essential in order to define the objectives, scope and nature of the field work and to work out appropriate techniques. How much time it requires depends on the amount and quality of information available in a given country. From experience in the Philippines and in other countries where the ILO has undertaken comparable research projects, it appears that at least six months are needed for background analysis. It can therefore be concluded that a research project of the kind described in this paper might require a total of between twenty and twenty-four months.

Finally, a number of general recommendations will be put forward which may be of interest to developing countries carrying out or planning to carry out community development programmes.

(1) It appears to be highly desirable to integrate a country's community development programme with the national development plan as a whole, to provide effective co-ordinating machinery for the programme and, in addition to its other more socially oriented activities, assign to it specific income and employment objectives, particularly at the village level.

(2) Both short- and long-term employment objectives can be attained only if pursued through direct measures to motivate and give incentives to the rural community for self-help, with emphasis on individual families or economic groups. Self-interest of particular families or groups might be used as a springboard for wider community action.

(3) Priority may be given to genuine investment projects which produce more food, more goods and more work for the underemployed on a continuing basis, and which hold for the farmer the very great attraction of direct benefits obtained from the increased value of his land.

(4) It is well to recognise that there are definite limits to the possibilities of utilising idle rural manpower on a voluntary basis in self-help community development activities. Therefore, in order to increase the rate of employment promotion through community development programmes, whether in the field of production improvements or in community capital formation and investments, the scope of the self-help concept might be broadened so as to include selective remuneration for

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workers who do not directly benefit from community development projects, though wages paid might be somewhat lower than prevailing wage rates.

(5) One method of expanding work opportunities through self-help projects would be for the community development programmes to include the promotion of diversified farming: in the case of coconut plantations, for example, farmers could be encouraged to raise livestock and/or food crops under the groves, and to introduce systematic inter-cropping of coconut trees with perennial crops like pineapple, banana, papaya, coffee, cacao and cassava.

(6) Promotion of cottage and small-scale industry of the more modern type with a view to providing alternative permanent employment might better be left to a body responsible for promoting full-time employment for rural workers whose unutilised labour has the smallest alternative use value in other enterprises. On the other hand, cottage and minor industries of the traditional type, offering subsidiary or supplementary employment, may be undertaken by community development agencies, as a means of reducing underemployment among those members of the farm family labour force whose partly unutilised labour has the greatest alternative use value in enterprises ancillary to agriculture.

(7) It might be advisable to pay greater attention than hitherto to the mobilisation of unutilised labour for investment in infrastructure, and particularly in minor irrigation projects (agricultural capital formation) which widen employment opportunities and integrate productive effort.

(8) Consideration might be given to organising unemployed out-of-school youth into voluntary Youth Work Brigades which would give vocational training to help young entrants to the labour force to find jobs, while at the same time providing employment on short-term labour-intensive public works projects as a supplement to the national development effort.

(9) In order to increase labour investment through self-help projects local councils might be encouraged to levy a development tax, preferably payable in work (say six to twelve man-days per adult per year). This form of investment should be weighed against other investment alternatives. One of its advantages would be that workers would live and work in their own communities on projects that obviously benefit them individually and collectively.

(10) Machinery for systematic and periodic evaluation should be made an integral part of the planning and implementation of community development programmes. Evaluation should cover each project in its "before" and "after" phase. It should attempt to measure both

economic and social changes induced by community development activities; appraise the functioning of local organisations; and assess the performance of the operational machinery of the programme.

(11) While data collection and analysis during the implementation of projects might be more appropriately entrusted to community development agencies by means of periodic field reports supplemented by quick opinion surveys and interviews with villagers and local leaders, target-setting and final evaluation of projects should be made the responsibility of an objective body, adequately staffed and financed.
