

Chapter 13

Reaching for the Demographic Dividend

A population structure with a large working-age population (those aged 15-64) is a preferred situation in the pursuit of development. This situation implies a larger number of people of the working age supporting a smaller number of the young and old-age “dependents”. The large workforce can generate increasingly higher production and income for the region and its population. A country or region which has reached this position is said to have made the so-called “demographic transition”, which provides a window of opportunity for higher economic growth to take place - the “demographic dividend”¹. Optimizing the demographic dividend is one of the key strategies in the Regional Development Plan (RDP) to raise the economy's potential growth.

Reaping the Demographic Dividend

Government plays a vital role in guaranteeing the creation of the demographic dividend. Unfortunately for the Philippines and Central Visayas, efforts towards creating the right kind of policy environment to accelerate the demographic transition have not been sustained. Hence, the region as with the country as a whole is still in the first phase of demographic transition characterized by a yet large proportion of the population belonging to the 0-14 year age bracket and a large dependency burden. Figure 13.1 shows the distribution of population in Central Visayas by age group and sex in 2000 and 2010. The shift to the second phase, characterized by a bigger proportion of the population composed of the working age with a smaller dependent population, is contingent on how the region manages

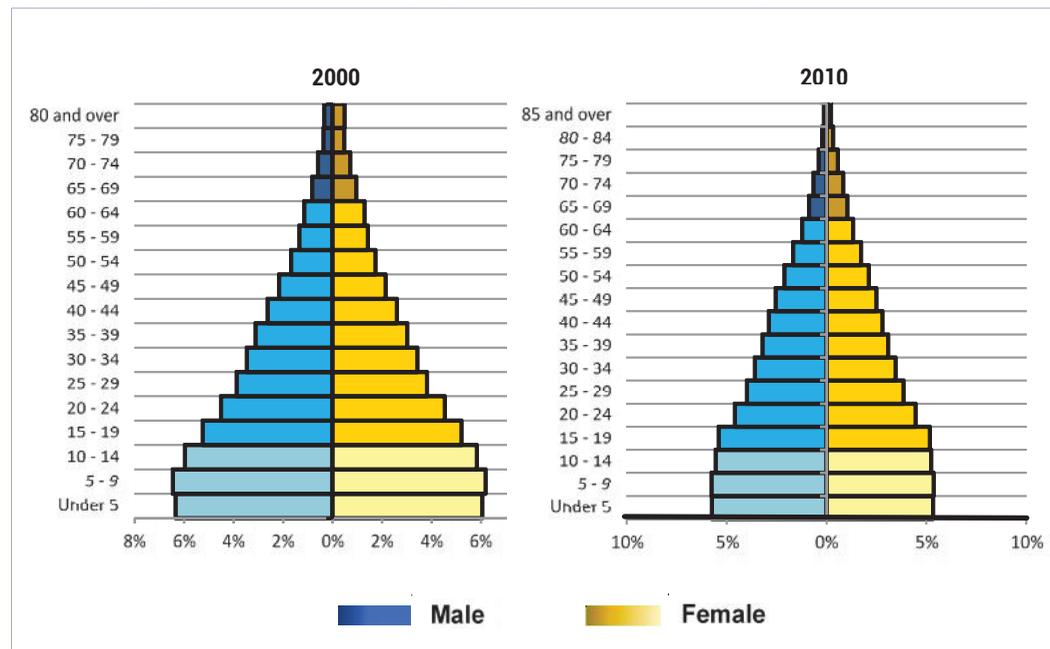
population growth. A business-as-usual stance will take the region until at least 2050 to begin to benefit from the demographic dividend. On the other hand, a sound population program such as the Responsible Parenthood and Reproductive Health (RPRH) Law coupled with adequate investment on the youth's development will enable the region to reap the demographic dividend starting possibly in the 2030s through the 2040s.

Assessment and Challenges

Factors such as population growth and distribution, health, education, employment, and finances affect the prospects for reaping the demographic dividend. The region faces a number of challenges in these areas that need to be addressed.

¹ National Economic and Development Authority, *Philippine Development Plan 2017-2022*, 13-1.

Figure 13.1 Population Distribution by Age Group and Sex: Central Visayas, 2000 and 2010



Source of basic data: Philippine Statistics Authority, *Census of Population and Housing 2000 and 2010*

The regional population continues to increase and is unevenly distributed across provinces.

Central Visayas is the fifth most populous region in the Philippines. The 2015 Census records the population of the region to be 7,396,898, which is about 7.3 percent of the country’s total. While the pace of growth is slowing down, from an annual average of 1.77 percent in 2000-2010 to 1.70 percent in 2010-2015, the region’s growth rate is still the sixth fastest in the country and is slightly higher than the national average of 1.72 percent. If the current rate of growth persists, the region’s population is expected to double in about 40 years or by year 2057.

The population of Central Visayas is distributed unevenly among the region’s provinces. Cebu accounted for more than 63 percent (4,632,359) of the region’s total population in 2015 while the remaining 37 percent was distributed among the three other provinces of the region. In addition, of the 4.6 million people in Cebu, 62 percent reside within the Metro Cebu area. Between 2010 and 2015, the population of Metro Cebu grew by 2.23 percent, while that outside of Metro Cebu grew by only 1.99 percent.

The young continues to dominate the region’s population age structure.

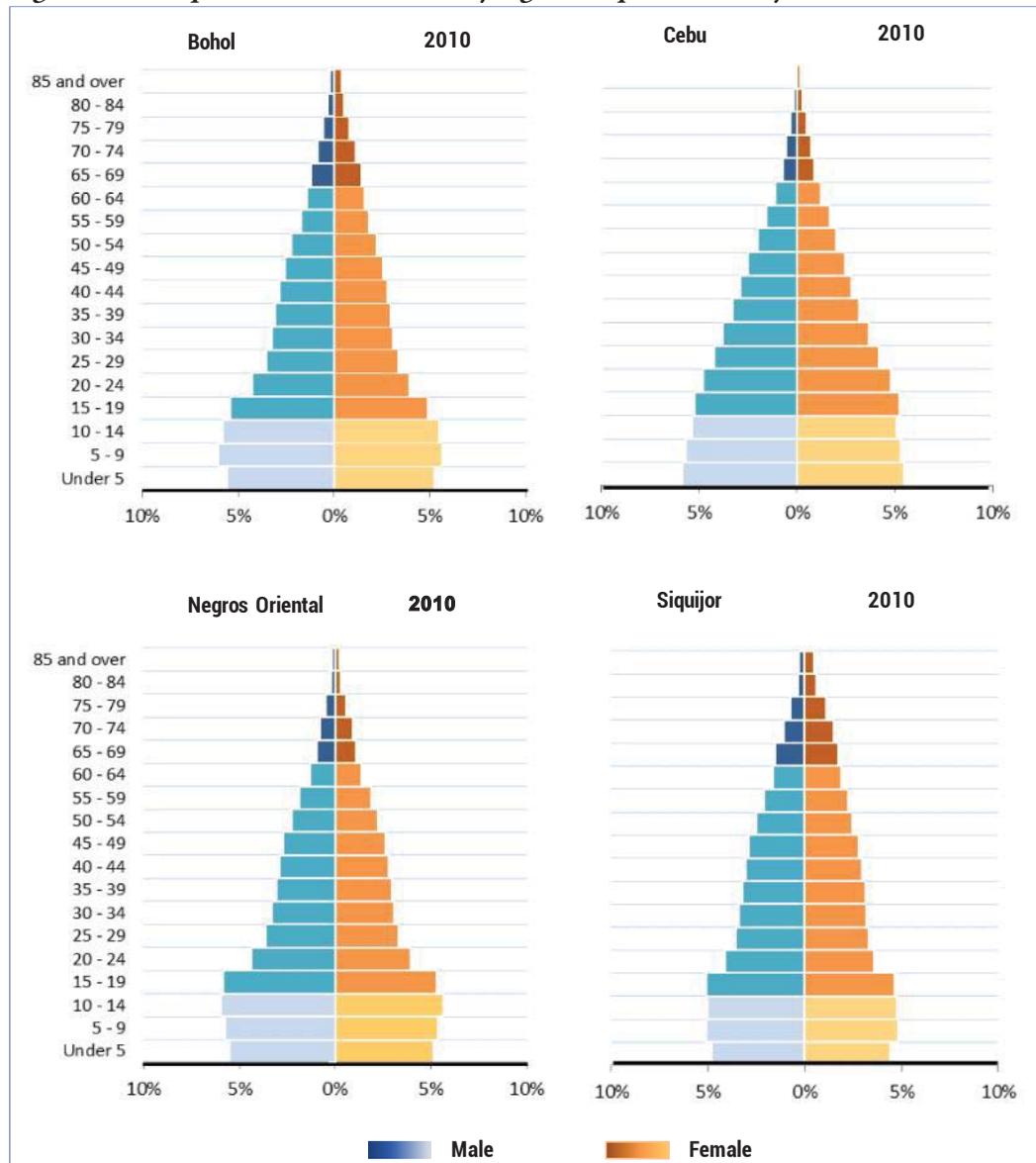
The region has a relatively young population with 43.6 percent of the population below 20 years old in 2010 (see *Figure 13.1*). A young population is largely the result of large families or high fertility rate. Having a young population means a continuing increase in population due to the large groups of young women who will later enter the childbearing years and contribute to the fertility level. This also explains the large number of young dependents. In 2010, there were about 62 dependents (53 young and 9 old) for every 100 working-age persons in the region.

Figure 13.2 shows the population pyramids of the provinces in Central Visayas in 2010. In general, all four pyramids (with their broad bases and slim tops) depict a relatively young population. Siquijor had the youngest population with a median age of 22.7 years, while Bohol had the oldest population with median age of 23.7 years. Cebu had the largest proportion of the working-age population (62.8%), which is not surprising considering that most economic opportunities are

concentrated in the province. Cebu also accounts for the smallest share of the elderly population (aged 65 years and over). In contrast, Siquijor had the largest proportion of the elderly (9.4%) due partly to outmigration of the working-age population and to its status as a favored destination of retirees.

Fertility is on a decline albeit slow. The total fertility rate (TFR) of the region declined slightly from 3.7 children per woman in 1998 to 3.2 in 2013.² The 2013 TFR is higher than the national TFR of 3.0 children per woman.³ Given that the region had the same TFR as that of the country as a whole in 1998 but ended with a higher TFR in

Figure 13.2 Population Distribution by Age Group, Sex, and by Province: 2010



Source: Philippine Statistics Authority, *Census of Population and Housing, 2010*

² Philippines Statistics Authority, *National Demographic and Health Survey, 1998 and 2013*.

³ Total Fertility Rate (TFR) is the total number of births a woman would have by the end of her childbearing period.

⁴ Dennis S. Mapa et. al., "Is Income Growth Enough to Reduce Total Fertility Rate in the Philippines? Empirical evidence from Regional Panel Data," *UPSS Working Paper No. 2012-065*.

2013 indicates a slow pace of fertility decline in Central Visayas. Notably, the region's TFR is also one child above the replacement fertility rate of 2.1 children which is considered as that rate where demographic dividend is created.⁴

The decline in fertility, albeit slow, has changed the age structure of the regional population. *Figure 13.1* shows a narrowing of the proportion of male and female children under 15 years of age from 2000 to 2010. Where this (younger) age group constituted 37 percent of the total population of the region in 2000, its share contracted to 33 percent in 2010. While an increasing share of the productive or working age group (15-64 years old), from 58 percent in 2000 to 62 percent in 2010, was recorded. The elderly group (65 years old and over) also saw its share of the total regional population slightly increasing to 5.3 percent in 2010 from 5.0 percent in 2000 as more of the population lived longer.

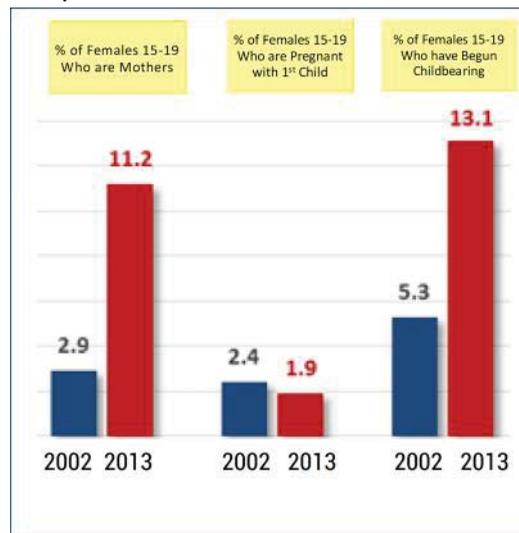
Teenage fertility rose sharply in the past decade. The 2013 Young Adult Fertility and Sexuality Survey (YAFSS) shows an upsurge in teenage fertility in the region in the past 10 years (*see Figure 13.3*). About 11.2 percent of females aged 15-19 in the region were already mothers in

2013, up from just 2.9 percent a decade ago. In addition, 13.1 percent of the females aged 15-19 have begun childbearing, up from a low of 5.3 percent in 2002. While teen fertility is increasing in the region, it is still, however, below the national level of 13.6 percent.

In 2013, the percentage of teenagers who have begun childbearing is noted to increase with age, from 2.1 percent among those age 15 years to 35.7 percent among those age 19 years (*see Figure 13.4*). The increase was much more pronounced in the last 10 years. Starting at age 17, the proportion of teenagers who have begun childbearing rose dramatically, doubling at age 18 and rising by more than 50 percent at age 19.

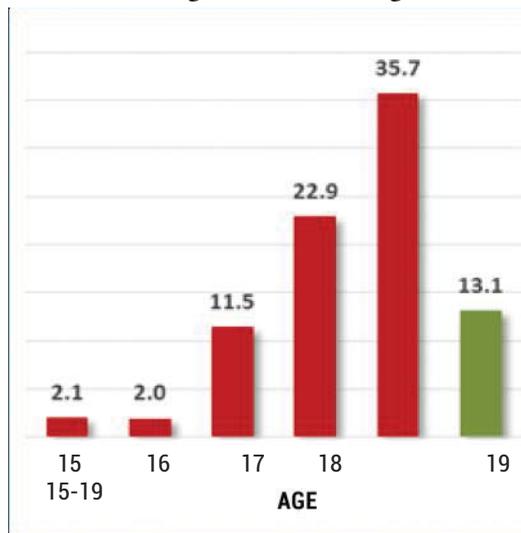
Women in Central Visayas have more children than they wanted. Unwanted births are defined by the National Demographic and Health Studies as those that exceed the number considered as the ideal family size by women. The total wanted fertility rate (TWR) represents the level of fertility that theoretically would result if all unwanted births were prevented. A comparison of the TFR with the total wanted fertility indicates the unwanted births. In 2013,

Figure 13.3 Teenage Fertility: Central Visayas, 2002 and 2013



Source: 2013 Young Adult Fertility and Sexuality Study

Figure 13.4 Percent of Female Teenagers Who Have Begun Childbearing



Source: 2013 Young Adult Fertility and Sexuality Study

the region's TWFR is 2.2 children, lower than the actual TFR of 3.2 children per woman. This implies that if all unwanted births are avoided, the TFR of the region would drop to 2.2 children per woman, which is close to the "replacement fertility" level of 2.1 children.

Disparities in health and nutrition outcomes across provinces and among segments of the regional population remain. While there had been marked improvements in the general health conditions of Central Visayans as indicated by increasing life expectancy rates and lower infant and child mortality rates, inequities remain across provinces and cities. In terms of life expectancy rates and maternal mortality rates, the provinces of Siquijor and Negros Oriental continue to lag behind Bohol and Cebu (*see Table 13.1*). In the area of infant and child health, the provinces of Cebu and Siquijor have significantly lower infant and under five mortality rates compared to Bohol and Negros Oriental, suggesting that the former

two provinces were more effective in implementing programs for addressing the most common causes of death among infant and children (*see Table 13.2*).

On the nutritional status of children, while a high prevalence of stunting, which denotes the prevalence of malnutrition, appears to be a common issue in all provinces in Central Visayas, data from the National Nutrition Council suggest that malnutrition is particularly more serious in the Cities of Bais and Guihulngan in Negros Oriental. Prevalence of underweight, wasted, and stunted children is higher in Bais and Guihulngan compared to other cities in the region. The high prevalence of stunting and other forms of undernutrition is cause for concern because it impacts on the quality of the region's future workers. Such conditions which are associated with diminished mental ability and learning capacity as well as increased risks of nutrition-related chronic diseases affect the ability of an individual to be productive.

Table 13.1 Life Expectancy at Birth by Gender and by Province, 2010 - 2015

PROVINCE	MALE			FEMALE		
	2010-2015	2005-2010	2000-2005	2010-2015	2005-2010	2000-2005
Bohol	68.28	66.78	65.28	73.73	72.53	71.03
Cebu	70.39	69.19	67.99	75.78	74.58	73.38
Negros Oriental	66.50	65.00	63.00	71.72	69.72	63.00
Siquijor	65.93	63.93	61.63	70.75	68.75	66.45

Note: 2000 Census-based National, Regional, and Provincial Projections

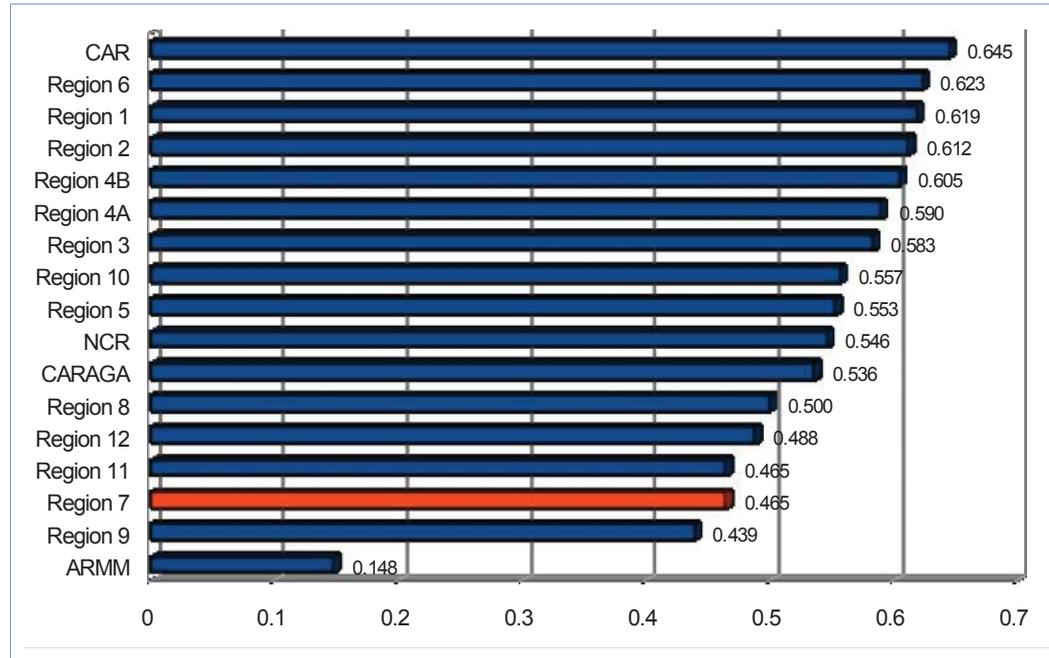
Source: Philippine Statistics Authority

Table 13.2 Infant and Under Five Mortality Rates, By Province, 2016

PROVINCE	INFANT MORTALITY RATE	UNDER FIVE MORTALITY RATE
	(Per 1,000 Live Births)	(Per 10,000 Live Births)
Bohol	9.99	11.08
Cebu	0.52	0.89
Negros Oriental	10.09	13.83
Siquijor	1.93	6.76

Source: Department of Health, partial data

Figure 13.5 Philippine Youth Development Index Regional Scores, 2014



Source: *Philippine Youth Development Index Report 2014*

There is slow development of the region’s youth based on a low Youth Development Index. The young people are a country’s major human resource for development. They have the potential to further drive the growth of the economy if nurtured well. Harnessing their potential to become active agents of development entails building their capacities to participate in the development process by providing them access to quality health, education, training, and employment opportunities.

The 2014 Philippine Youth Development Index (PYDI) Report shows that Central Visayas ranked near the bottom in terms of overall youth development (*see Figure 13.5*). Youth development, as measured by PYDI, refers to the expansion of opportunities and choices for the youth towards a successful transition into adulthood. It assesses the situation of Filipino youth in four dimensions, namely: education, employment, health, and participation in politics and society. With a PYDI of 0.465 in 2014, the third lowest among the regions in the country,

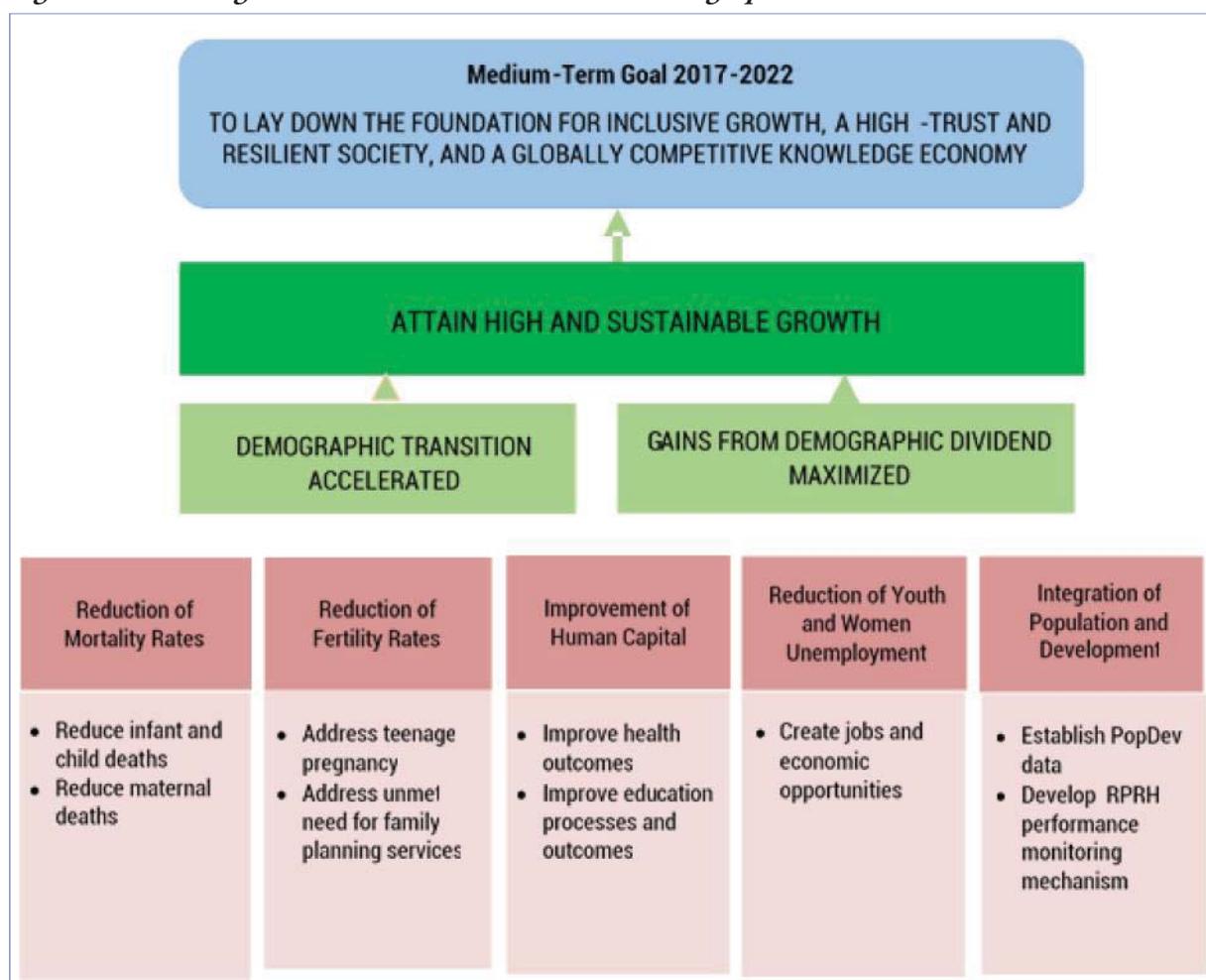
the level of development of the region’s youth is considered low.

Strategic Framework

Demographic dividend, while essential to economic growth, does not occur spontaneously. It needs to be planned. And government with its policy making powers plays a vital role in creating the right kind of environment to guarantee the creation of this demographic dividend.

To hasten the demographic transition and reap the demographic dividend, it is essential that mortality and fertility rates are brought down as rapidly as possible. It is also important that the adults are employed so they will be productive citizens and not mere dependents. Through proactive government policies especially in the areas of health services, reproductive health, education, and employment services, the desired outcomes could be accelerated.

Figure 13.6 Strategic Framework to Maximize the Demographic Dividend



Targets

Table 13.3 shows the indicators and targets for the plan period 2017-2022 to maximize the demographic dividend.

Table 13.3 Plan Targets to Maximize the Demographic Dividend

INDICATORS	BASELINE	END OF PLAN TARGET 2022
Accelerate demographic transition		
Total Fertility Rate	3.2*	2.1
Proportion of adolescents who have begun childbearing	13.1*	
Contraceptive prevalence rate for modern FP	34.0*	52
Maximize gains from the demographic dividend		
Maternal mortality rate per 100,000 live births	62.1	53.5
Under-five Mortality Rate per 1,000 live births	6.4	9.6

* Baseline is 2013

Strategies

Reduction of Mortality Rates

Lowering the mortality rates among infants, young children, and women will be given particular attention in the RDP. This will be achieved through the implementation of a sustained universal health care program. Unserved/underserved areas will also be given priority in the provision of health facilities and in the assignment of human resource for health. Since the local government units play a major role in the provision of health services especially at the local level, their capability in the area will also be strengthened. Chapter 10 provides detailed discussion on other proposed strategies to reduce mortality rates.

Reduction of Fertility Rates

Central Visayas will work for the sustained implementation of the population management and reproductive health policies and programs in the region as a major strategy to lower fertility levels. Couples and individuals will be assisted to gain access to information and services that will help them achieve their desired family size within the context of responsible parenthood and informed choice.

Address teenage pregnancy. In response to the growing challenges of teenage pregnancy, the national government will partner with the local government units as well as stakeholders in establishing teen centers and in implementing responsive programs and services for the youth. Teenage pregnancy has a social implication since it decreases opportunities for the youth to become socially and economically productive individuals. The teen centers will be the hub for services from both the national government and the LGUs geared towards educating and empowering the young people with knowledge and skills to exercise responsible teen sexuality, avoid early sexual encounters, and prevent teenage pregnancy, Sexually Transmitted Infections (STI), Human Immunodeficiency Virus (HIV) and Acquired Immune Deficiency Syndrome (AIDs). Free

counseling and health services provision and referrals will be one of the key features of the teen centers.

Address unmet need for family planning services. Various studies show that the burden of unmet family planning services is greater in certain areas, sectors, and groups of people, i.e., rural areas, poor households, female teenagers. A strategy that will focus interventions in selected high burden areas will allow agencies to maximize gains in the implementation of the Responsible Parenthood and Reproductive Health (RPRH) Law without dissipating limited resources.

Improvement of Quality of Human Capital

Optimizing the increasing labor force for more productive economic output requires a quality human resource. Human capital development will be accelerated through improved provision of quality health and education services and training, and full, productive and decent employment. (*See Chapter 10*).

Improve health outcomes. The region will increase investments in health facilities, giving priority to underserved and unserved areas in the construction of day-care centers, health centers, hospitals, and water and sanitation facilities.

The high level of unmet needs for various RPRH services also indicate that current programs are unable to reach all the intended beneficiaries. One reason may be that most RPRH services are still delivered mainly through the public sector which is constrained by lack of manpower and supply shortages. The national and local governments will be assisted in partnering with private providers and civil society organizations to expand its reach in the delivery of health services.

Improve education processes and outcomes. The significance of education in reducing fertility is well documented. Higher education accompanied by increased income is perhaps the most reliable way of managing the region's population. Increased investment in education facilities will be a major strategy to improve

education outcomes as well as the quality of the labor force. Existing manpower resources will also be augmented to support the full implementation of the K-12 program. The government will likewise fast-track the hiring/ deployment of teachers in schools that do not or barely meet the standard teacher-pupil ratio.

Reduction of Unemployment Especially Among Youth and Women

Create jobs and economic opportunities. Job creation in the industrial, agricultural, and service sectors will be facilitated by the government. Policies and strategies that will increase the capacity of the youth and women to participate in the labor market will also be implemented. The region will ensure that its labor force including the prospective ones will have access to education and training that will enable them to qualify in jobs that provide full, decent and productive employment.

Strengthened Integration of Population and Development

To ensure that demographic dynamics particularly those related to the demographic dividend are considered in sustainable economic and other development initiatives, the integration of population factors in all development initiatives will be promoted.

Establish sub-national population and development data for planning and program formulation. Regional and sub-regional demographic data needed for planning and formulating appropriate interventions at the local level to optimize the demographic dividend will be strengthened. The use of population data will be promoted particularly in planning interventions in health, education, employment, infrastructure, and economic development.

Develop a performance monitoring mechanism for RPRH implementation. The performance monitoring mechanism will describe what indicators will be used as performance measures, how these indicators will be measured, how often these would be collected, and how these will be analyzed and reported. The development of the performance monitoring mechanism will help guide implementers on what adjustments can be made to improve implementation as well as guide oversight mechanisms to ensure that RPRH implementation is on track.

Legislative Agenda

Table 13.4 presents the legislative actions needed to support the effective implementation of the strategies.

Table 13.4 Legislative Agenda to Maximize the Demographic Dividend, 2017-2022

LEGISLATIVE AGENDA	RATIONALE
Local Population Development Act	This will provide for the establishment and operation of population offices to ensure the effective implementation of population management strategies and measures at the local level.
Strengthening of the National Population and Development Policy	A comprehensive policy for population and development will address the fragmentation of government efforts and initiatives for population and development. It will ensure that population and development is mainstreamed.