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Lipa City...Emerging City for All Seasons???

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Philippine Institute for Development Studies Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas

Lipa City...Emerging City for all Seasons???

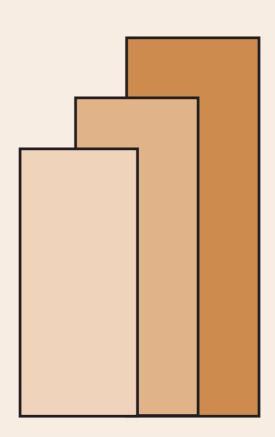
Janet S. Cuenca and Ma. Libertad Dometita

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ABSTRACT

The paper focuses on the socio-economic development experience of Lipa in its journey to being an emerging city. Specifically, it presents the urbanization process in the city particularly the demographic and socio-economic process with emphasis on the changing economic structure as well as the living condition of the populace. In addition, it investigates whether booming economic activities are attracting migrants and creating revenue-raising opportunities, which in turn will finance increasing demand for basic services. Lastly, the study attempts to identify the issues and challenges that come along with urbanization as well as the city's potentials for further economic development. These factors will determine whether Lipa City remains a promising city or transforms into a highly urbanized one.

Keyword: Lipa City, emerging city, urbanization, local governance

EXECUTIVE SUMMARY

Lipa City is an agricultural city with more than 70 percent of agricultural land. However, Lipenos do not engage much in agricultural activities nowadays due to their growing interest in doing commerce and trade. It is evident in its shrinking agricultural land. The waning interest in doing farm work resulted in deficient agricultural production particularly rice and vegetable production. Nevertheless, the slowdown can also be attributed to other factors such as cost of production inputs and prevalence of calamities to name a few. Agri-industrial activities such as poultry and livestock, on the other hand, have helped boost the economy. The advent of commercial establishments in the 1980's signalled the city's leaning towards urbanization. Since then, the commercial sector has become increasingly important in the city's economic development. Commercial area is now a lot bigger and more and more business establishments mushroomed the succeeding years. Economic activities include trading of agricultural products, agri-based finished products, hardwares, office and school supplies but most of these products come from outside of the local market.

Lipa City's strategic location proves to be an economic bonus as it is able to obtain the spillover effects of the development in Metro Manila and Batangas City. Similarly, its centralized location makes Lipa City not only the commercial center but the financial center of the Region as well. The increasing number of financial institutions particularly banks, an indicator of conducive business environment, is apparent in the city. Other financial institutions that can be found in the place include lending investors, pawnshops, and credit cooperatives. These financial institutions play important role in the growth of the business sector especially the small- and medium-scale industries. In addition, the presence of LIMA Industrial Estate (economic zone), PKI, Nestle Philippines and other multi-national companies (MNCs) has fuelled the economic development in Lipa City. Along with economic development comes other aspect of urbanization. Owing to the city's geographic location, the city is now a haven for government institutions. Regional and provincial offices can be found in the area. The city is also considered an education center because of the various educational institutions in all levels of education that are located in the city. Also, the city is a site for a number of health facilities such as well-equipped hospitals, private medical and dental clinics, and diagnostic laboratories.

As Lipa City moves towards urbanization, it should be prepared to cope up with the issues and challenges that come along with it lest the city will not be able to reap the full benefits of economic growth and development. Managing urban growth is a major concern which the city government will have to confront head on. The current administration's ability and will power to generate own-source revenue will determine its capacity to ensure that Lipeños are receiving quality basic social services such as education, health and social welfare services, not to mention the benefits that Lipa City Government is getting from the auspices of some politicians and other external sources. Considering that the current local

chief executive is on her last term, the sustainability of financial assistance from external sources such as countrywide development fund is not guaranteed. Thus, the city government must be able to maximize the taxing powers given to local governments as specified in the Local Government Code.

Further, urbanization also spawns other development issues, which include but are not limited to solid waste management, pollution, traffic jam, and informal settlement. Although the city government is exerting effort to address these issues, admittedly, there is more to be done particularly when it comes to traffic congestion, solid waste management, growing population of squatters, influx of migrant workers, and continued urban growth and expansion. The increasing economic activity and the limited road capacity in the area cause traffic congestion in the city particularly in areas near commercial establishments and schools. On the other hand, various industries operating in the city pose hazards to the environment. Keeping the balance between the city's environment and natural resources and economic development is a major concern.

Moreover, many of the informal settlers are located in danger zone, i.e., along creeks (estero) and railroad track sites. Squatters along creeks contribute to water pollution due to the waste they generate. On the one hand, squatters along railroad ways are prone to accidents which may be due to mechanical problems or negligence on the part of the community. As regard migration, potential workers in the city are now facing steep competition with the influx of migrant workers from nearby municipalities. Lipeños will have to equip themselves lest competent workers from other localities will crowd them out. Further, the continuous urban growth and expansion may result in problems in food security as agricultural land is converted into urban land such as residential, commercial and industrial land. The conversion of land must be properly regulated by the city's comprehensive land use plan. Also, small industries (e.g. minimarts and stores in the marketplace) will have to compete well, which is oftentimes not the case, with big shopping malls. Otherwise, they will run the risk of losing their customers.

Nevertheless, the city has potentials which if properly utilized will bring Lipa from being an emerging city to a highly urbanized one. The good performance of Lipa City in terms of education is noteworthy. The city is really serious in improving its educational system because it believes that education is a powerful tool to fight against poverty. Consequently, Lipa can offer highly competent human or manpower resources. On the one hand, the state of health facilities in the city is also commendable with all its health centers accredited by DOH as Sentrong Sigla. The presence of well-equipped hospitals and a number of private medical and dental clinics as well as diagnostic laboratories is beneficial not only to the Lipeños but also to the people of nearby municipalities. Further, a good sense of strong cooperation among Lipeños is evident with the existence of various cooperative and civic organizations that are actively participating in local government initiated activities.

LIPA CITY... EMERGING CITY FOR ALL SEASONS???

Janet S. Cuenca and Ma. Libertad Dometita¹

I. Introduction

Located at the center of Region IV right in the heart of Batangas Province, Lipa City is accessible from Metro Manila via the South Luzon Expressway and the Southern Tagalog Access Road (STAR) Tollway with travel time of about one and a half hours. Also, it is thirty-minute drive from Batangas City where an international port is located. The boundary of Lipa City includes the Municipality of Sto. Tomas in the northeast; San Pablo City and the Municipality of San Antonio, Quezon Province in the east; Municipalities of Padre Garcia and Rosario in the southeast; Ibaan and San Jose in the southwest; Municipalities of Cuenca and Mataasnakahoy and the Taal Lake in the west and the Municipalities of Balete and Malvar in the northwest (CPDO, 1996).

As early as 1887, Queen Isabella of Spain elevated the town of Lipa² to a city with the name of "Villa de Lipa" due to the prosperity brought about by the booming coffee industry. However, the city was reverted into a municipality in 1895. It became a chartered city on June 20, 1947 under Republic Act No. 162 sponsored by Former Speaker Jose P. Laurel and was inaugurated as one on August 31, 1947 (CPDO, 1987). In 1948, Lipa City was set in the limelight because of the "Miraculous Shower of Rose Petals" in Mt. Carmel Church and for the apparition of the Blessed Virgin Mary as Mary Mediatrix of all Grace to a Carmelite novice. With all the churches, religious shrines, convents and retreat facilities in the city, it is nicknamed the "Little Rome of the Philippines." At the same time, Lipa City is also dubbed as the "City for all Seasons" owing to its celebrity mayor who is known as the "Star for all Seasons" and more importantly, due to the city's economic development. From a highly agricultural city, Lipa City gears towards urbanization. Considered as a mid-sized city, it ranked 6th in the Asian Institute of Management's Philippine Cities Competitiveness Ranking Project in 2002. Although the position was not maintained in 2003, Lipa City was still in the list of top 13 cities from among 50 cities in the country.

This paper aims to present the socio-economic development experience of Lipa in its journey to being an emerging city. In addition, it investigates whether booming economic activities are attracting migrants and creating revenue-raising opportunities, which in turn will finance increasing demand for basic services. Lastly, the study attempts to identify the issues and challenges that come along with urbanization as well as the city's potentials for further economic development. These factors will determine whether Lipa City remains a promising city or transforms into a highly urbanized one.

Section II presents the urbanization process in the city particularly the demographic and socio-economic process with emphasis on the changing

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² Birthplace of the coffee industry in the Philippines

economic structure and living condition of the populace. Section III focuses on the city's local governance, i.e., its response to the changes in terms of revenue generation and resource allocation as well as institutional capability building. Lastly, Section IV delves into governance issues and challenges that accompany urbanization and on the lighter side, the city's potentials for further economic advancement. It also ends the paper with some recommendations.

II. Urbanization Process

A. Demographic Process

Population growth and size

Results from the 1903 population census (POPCEN) until 2000 POPCEN show that the city is growing in terms of population size **(Table 1)**. The population size from 1960 to 2000 reveals a steadily increasing population count.

Table 1. Total Population and Average Population Growth Rate of Lipa City 1903-2000

Year	Total Population	Period	PGR	National PGR
1903	37,934			
1918	46,677	1903-1918	1.33	2.03
1939	45,175	1918-1939	-0.16	2.11
1948	49,884	1939-1948	1.02	2.07
1960	69,036	1948-1960	2.90	2.89
1970	93,971	1960-1970	3.05	3.08
1980	12,1166	1970-1980	2.69	2.71
1990	160,117	1980-1990	2.83	2.35
1995	177,894	1990-1995	2.12	2.32
2000	218,447	1995-2000	4.50	2.36

Source: NSO

It is also rapid in terms of population growth rate (PGR) especially during the last 20 years. In 1960, its PGR of 2.9 percent was not at par with the national average of 2.89 percent. Based on both 1990 and 2000 POPCEN, the city growth rate was already higher than the national average.

There are also prominent declines in the PGRs. The first one was the negative growth during 1918-1939, which also led to the population decrease. It was attributed to the separation of Malvar and Mataas na Kahoy from Lipa to become independent municipalities. Second, there was also a decrease from 3.05 percent to 2.69 percent in 1970-1980, which can be attributed to the separation of Balete from the city in 1972 to become another municipality. The Philippines average PGR also dramatically decreased during this period, which can be attributed to the institutionalization of a national population program and having intensive family planning program.

What is very striking is the 4.5 percent PGR in 1995-2000. The figure is more than double than the previous period's average and it is very much higher than the PGR of the capital city of Batangas, the province of Batangas, the entire Region 4 and the country. **Table 2** shows the comparison.

Table 2. Comparative PGRs, 1990-1995, 1995-2000 & 1990-2000

	1990-1995	1995-2000	1990-2000
Philippines	2.32	2.36	*
Southern Tagalog	3.53	3.72	*
Batangas Province	2.20	3.02	2.58
Batangas City	2.58	3.39	2.96
Malvar	2.57	3.56	3.03
Lipa City	1.99	4.50	3.15

Source: NSO

One sources of growth is births. The Crude Birth rates (CBR) of Lipa from 1996-2000 is shown in **Table 3**. On the average, it shows a more or less stable plateau rate. At the national level in 1997, CBR registered at the rate of 21. 94 (NSO, 2001). Hence, during the same year, Lipa's CBR is higher than the national figure.

Table 3. Crude Birth Rates, 1996-2000

Year	Rate
1996	23
1997	25.75
1998	22.41
1999	23.58
2000	23.79

Moreover, with the 4.5 percent PGR, Lipa City is 7th in rank among Philippine cities on population growth increase (CPDO, 2000). If this PGR prevails over time the population of Lipa would double in only 15.4 years. Knowing this, it is essential to pose the question if within 15 years (after year 2000), would Lipa be able to develop enough, produce enough, strengthen their capacity enough so that they can accommodate the bigger population at higher standards of living.

Distribution

The crude birth rate, according to the city health office, is stable while crude death rate had actually increased. Hence, the rapid growth (i.e. 4.5% PGR) can only be attributed to in-migration. This is also best explained by the booming economy, because within this period the LIMA Technology Park was established. Malvar's PGR (the other municipality hosting LIMA situated in southwest of Lipa), also testifies the same pattern (Table 2).

Table 4. Population Density

Year	Population	Area	Density			
1903	37,934	29028.67	1.31			
1918	46,677	29028.67	1.61			
1939	45,175	23170.67	1.95			
1948	49,884	23170.67	2.15			
1960	69,036	23170.67	2.98			
1970	93,971	23170.67	4.06			
1980	121,166	20666.67	5.86			
1995	177,894	20940.00	8.50			
2000	218,447	20940.00	10.43			

Source: 1897 SEP, CPDO, Lipa City (1903-1980); NSO (computed, 1995-2000)

As of 1995 POPCEN, the city hosts 10.7 percent of the total population of Batangas province. Population density is also increasing as shown in **Table 4**. Using 2000 POPCEN, there are 10.4 persons per hectare. The density of Lipa is consistently increasing in trend.

Table 5. Rural-urban distribution, 1975-1995

Year	Total	Urban Rural		% Urban	% rural
	Population	Population	Population		
1975	106,094	18,330	87,764	17.28	82.72
1980	121,166	22,750	98,416	18.78	81.22
1990	160,117	24,972	135,145	15.6	84.4
1995	177,894	21,324	156,570	12	88

Though indeed urbanizing as a whole, the city's urban-rural distribution (in terms of percent urban), still indicates its being a rural city (**Table 5**). Pending the details of 2000 POPCEN, it can be deduced that the population migrating to Lipa are settled in its rural barangays.

Demographic Characteristics

"Age-sex structure is considered a fundamental attribute of population composition. The analysis of such structure often yields necessary clues for the reproduction dynamics of a population. Sex and age, together with marital composition, acts as primary determinants of vital events such as births and marriages" (NSO, 2000).

Sex ratio in 2000 is 101.3. This slight predominance of males than females in Lipa City has been consistent with 1980, 1995 and 2000 ratios. This is true for total and household population and observed in most age-groups. Females oftenly outnumber males only in age groups above 50. Furthermore, this sex ratio of Lipa is similarly evident with most provinces and cities and also with the entire country (Table 6).

Table 6: Sex Ratio, 1995

Philippines	101.5
Region 4	101.5
Batangas province	101.3

The city remained to have a young population (**Table 7**). The proportion to the total population in 1995, for both males and females, was highest for the youngest age group of 5 and under. Such proportion declines with the increase in age.

Table 7. Percent Distribution of Population by Age Group, Sex , Lipa City, 1995

			pulation	,	H _e	•	Population	
Age Group, Sex		Pe	ercent to 1	Total		Pe	ercent to 1	Total
	Number	Both Sexes	Male	Female	Number	Both Sexes	Male	Female
All Ages	177,894	100.00	50.49	49.50	177,243	100.0	50.40	49.6
Under 1	5,058	2.84	1.46	1.38	5,058	2.85	1.47	1.38
1-4	19,243	10.82	5.62	5.20	19,235	10.85	5.64	5.22
5-9	21,528	12.10	6.25	5.85	21,508	12.13	6.26	5.87
10-14	19,730	11.09	5.69	5.40	19,644	11.08	5.67	5.41
15-19	18,957	10.66	5.39	5.27	18,794	10.60	5.32	5.28
20-24	17,074	9.60	4.81	4.79	16,911	9.54	4.75	4.79
25-29	15,907	8.94	4.49	4.45	15,841	8.94	4.48	4.46
30-34	13,204	7.42	3.78	3.64	13,165	7.43	3.78	3.65
35-39	11,473	6.45	3.36	3.09	11,455	6.46	3.36	3.10
40-44	9,216	5.18	2.60	2.58	9,201	5.19	2.61	2.58
45-49	7,053	3.96	1.99	1.98	7,037	3.97	1.99	1.98
50-54	5,107	2.87	1.41	1.46	5,095	2.87	1.41	1.46
55-59	4,019	2.26	1.07	1.18	4,006	2.26	1.08	1.18
60-64	3,461	1.95	0.88	1.06	3,452	1.95	0.89	1.06
65-69	2,545	1.43	0.66	0.77	2,532	1.43	0.66	0.77
70-74	1,796	1.01	0.45	0.56	1,792	1.01	0.45	0.56
75-79	1,233	0.69	0.29	0.40	1,231	0.69	0.29	0.40
80-84	762	0.43	0.16	0.27	759	0.43	0.16	0.27
85 and								
over	528	0.30	0.13	0.17	527	0.30	0.13	0.17

Source: SEDC 1995 Census of Population

More than half (59.29%) of the total population in 1995 were in the productive age group (15-64). About a third (36.85) was under 15 and only 3.9 percent were at least 65 years old. This major age structure was different from what was in 1980. Both the productive and elderly groups had actually decreased as compared to 1980 while the major young age group increased (**Table 8**).

Table 8
Comparative Percent Distribution of Major age groups in Lipa City
1980 & 1995

Year	% Distribution						
	0-14 15-64 65+						
1980	27.87	67.97	4.16				
1995	36.85	59.29	3.86				
Philippines (1995)	38.4	58.1	3.5				

The 1995 age structure of Lipa almost follows the same percent distribution compared to the Philippines (Table 9). The city's productive age population is higher than the national proportion.

Using 2000 POPCEN, there are about 67 total dependents per 100 persons in the productive age group. About 56 are young (0-14 age) dependents, while 7 are elderly dependents. Below is the table on dependency ratios.

Table 9 Dependency Ratio, 2000

beperidency kano, 2000							
Ratio	Age group	Number					
Young dependency ratio	60	0-14	78,947				
Old dependency ratio	7	65+	8,617				
Total dependency ratio	67	0-14 & 65+	81,562				
		15-64	130,883				

B. Socio-economic Development

Lipa City is an agricultural city with more than 70 percent agricultural land. In 1995, 79 percent of the total land area was allotted to agricultural activities (**Table 10**). The crops of the city include coffee, coconut, rice, corn, and sugarcane. Coffee, known as *kapeng barako*, used to be the major crop of the city. Out of the 12,285 hectares of agricultural land in 1987, 44 percent was planted to coffee. The said portion is, in fact, 26 percent of the city's total land area (**Table 11**). Interestingly, Lipa City was acclaimed as the top coffee producer of the world during the earlier years. It was also known for having the finest bean quality. Consequently, the city generated good income from the coffee industry and earned honor as well.

However, the city has not sustained its coffee production. Coffee production took the back seat as the farmers prioritized coconut production. In 1998, 32 percent of the 14,826 hectares agricultural land was planted to coconut while only 18 percent was planted to coffee. Coconut production amounted to 7,173 metric tons. From **Table 12**, it can be gleaned that although the largest portion of the agricultural land was used for coconut production, it was the fruit trees, with only 11 percent of agricultural land, which yielded most, i.e., 9,930 metric tons. On the other hand, coffee production, with second largest share in agricultural land, was much lower, i.e., 1,597 metric tons. For the ensuing year, coconut production grew more than double of the 1998 figure. It can be considered a significant improvement in coconut production to think that the land area actually declined from 4,782 hectares in 1998 to 3,270 hectares in 1999. Thus, coconut has become the city's major crop leaving coffee in the second position.

Table 10
Existing Land Use
Lipa City, In Hectares

	Land	Area	Percenta	ge Share
	1995	1999	1995	1999
Built-up Area	2,263	3,355	10.81	16.02
Residential	1,807	2,634	8.63	12.58
Institutional	68	94	0.32	0.45
Commercial	30	105	0.14	0.50
Functional Open Space	359	521	1.71	2.49
Parks and Recreation	9	182	0.04	0.87
Cemetery/Memorial Parks	20	25	0.10	0.12
Dumpsite	7	2	0.03	0.01
Utilities (Power, Water, etc)	2	0	0.01	0.00
Quarry	23	23	0.11	0.11
Military	298	289	1.42	1.38
Agricultural	16,557	15,133	79.07	72.27
Forest	1,275	1,275	6.09	6.09
Industrial	57	335	0.27	1.60
Agro-Industrial	277	268	1.32	1.28
Infrastructure (roads and bridges)	224	287	1.07	1.37
Creeks	287	287	1.37	1.37
Total	20,940	20,940	100	100

Sources:

1995 - Lipa City 1996 Comprehensive Land Use Plan

1999 - Lipa City 2000 Facts and Figures

Table 11 Agricultural Land Uses Lipa City, 1987

Land Uses	Area Occupied (Has)	Percent to Total Agricultural Land	
Coffee	5,408	44.02%	26.17%
Coconut	2,330	18.97%	11.27%
Rice	1,465	11.93%	7.09%
Corn	805	6.55%	3.90%
Sugarcane	750	6.11%	3.63%
Black Pepper	390	3.17%	1.89%
Lanzones	347	2.82%	1.68%
Mango	302	2.46%	1.46%
Banana	290	2.36%	1.40%
Citrus	21	0.17%	0.10%
Vegetables	127	1.03%	0.61%
Root crops	50	0.41%	0.24%
Total	12,285	100%	59.44%
Total Land Area			20,666.66

Source: 1987 Lipa City Socio-economic Profile

Table 12
Total Land Area Cultivated and Average Crop Production

	1	998			1999	
Kind of Crop	Crop Production	Land Area	Percent	Crop Production	n Land Area	ı Percent
	(m.t.)	(Ha.)	Share	(m.t.)	(Ha.)	Share
Rice	514	304	2.05	676	387	3.52
Corn	4,732	653	4.40	7,226	770	7.00
Sugarcane	-	724	4.88	-	268	2.44
Coconut	7,173	4,782	32.25	16,186	3,270	29.74
Banana	5,565	742	5.00	2,560	317	2.88
Mango	5,095	443	2.99	4,928	448	4.07
Citrus	2,520	126	0.85	1,805	95	0.86
Lanzones	1,798	666	4.49	1,888	609	5.54
Blackpepper	644	758	5.11	592	697	6.34
Rootcrops	3,406	262	1.77	1,560	122	1.11
Coffee	1,597	2,662	17.95	1,056	1,761	16.01
Vegetables	2,011	216	1.46	2,066	252	2.29
Other Fruit Trees	9,930	1,655	11.16	8,400	1,200	10.91
Other crops	2,083	833	5.62	2,080	800	7.28
Total		14,826	100.00		10,996	100.00

Sources:

Lipa City 1998 Socio-Economic Profile

Lipa City 2000 Facts and Figures

Nevertheless, Lipeños do not engage much in agricultural activities at present due to their growing interest in business. Commerce and trade is viewed as economically advantageous and profitable. This is evident in the shrinking agricultural land, i.e., from 16,557 hectares in 1995 to 15,133 hectares in 1999 (Table 10) as portions of agricultural land are converted for urban purposes such as residential, commercial, and industrial purposes. The diminishing interest of farmers in agricultural activities resulted in deficient production particularly rice and vegetable production. It should be noted, however, that the slowdown in agricultural production could also be attributed to other factors such as high cost of production inputs; inefficient marketing system; attitude of farms towards modern farming practices; unstable prices of agricultural products; prevalence of calamities, pests and diseases; and insufficient water supply or irrigation (CLUP, 1996).

Agri-industrial activities such as poultry and livestock, on the other hand, have helped boost the economy. There are a number of poultry and livestock raisers in the city (Table 13). Although the supply is more than the actual demand of Lipeños, prices of meat get higher because of the tendency of big livestock raisers to export their produce to neighboring towns and provinces leaving the backyard raisers and raisers from outside the city as the only source of meat for local vendors.

Table 13

No. of Poultry and Livestocks Raisers
by Type of Animals, 2000

Cattle Breeding/Fattening	3
Cattle & Goat Raising	2
Duck Raising	1
Horse Breeding	7
Livestocks Raising	1
Poultry	65
Poultry/Piggery	10
Piggery	48
	137

The advent of commercial establishments in the 1980's signalled the city's leaning towards urbanization. Since then, the commercial sector has become increasingly important in the city's economic development. Commercial area is now a lot bigger. From 30 hectares in 1995, it now occupies 105 hectares. More and more business establishments mushroomed in the area in the succeeding years as shown in **Table 14**.

The total registration in 1996 is almost 60 percent more than the previous year's registration (2,423 in 1995 VS 3,874 in 1996). Interestingly, it comprises 81 percent renewed businesses which indicates the viability of the business sector in the city. The significant improvement in registration can be attributed to the remarkable number of registered businesses, almost twice the 1995 figure, in the retail trade sector. The retail trade sector is consistently number one in terms of business registration during the period 1989-2003 which shows the interest of many in retailing. More specifically, majority of the establishments in the city are engaged in retailing with a consistent share of more than 50 percent of the total registration over the latter 8 years. The second thriving sector in the city is the services sector which accounts for an average of 25 percent of the total business registration over the 15-year span (Table 15). Other economic activities are industry- and real estate-related activities. The industry sector is primarily involved in feedmills and agribusiness (2001 Annual Report). Further, the city's local industries also include garment manufacturing, jewelry making, handicrafts manufacturing, metalcraft, and woodcraft.

The Central Business District (CBD) of the city is the poblacion area particularly the stretch of C.M. Recto Avenue northward and southward directions, P. Torres St. from the corner of A. Mabini Street, going towards the eastward direction through the public market site up to Rizal Street until G.A. Solis Street. Also, B. Morada Avenue heading towards the west direction going through Mataas na Lupa until Paninsingin of Barangay Tambo is considered commercialised area. The CBD surrounds the public market, one of the biggest in Batangas Province and the center of business trading activities in the city. Economic activities include trading

Table 14
Summary of Business Establishments by Major Kind of Trade
Lipa City, 1989-2003

							NU	MBER/YE	AR						
KIND OF TRADE	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
RETAIL TRADE															
New	225	196	206	178	230	283	225	329	391	388	461	382	360	317	794
Renewal	1,110	1,090	585	622	615	756	835	1,787	2,053	1,691	2,005	1,979	1,910	1,907	2,208
Total	1,335	1,286	791	800	845	1,039	1,060	2,116	2,444	2,079	2,466	2,361	2,270	2,224	3,002
SERVICES															
New	121	117	113	122	170	165	125	198	172	206	269	254	278	276	328
Renewal	356	420	341	374	430	452	527	695	666	616	755	722	761	789	918
Total	477	537	454	496	600	617	652	893	838	822	1,024	976	1,039	1,065	1,246
INDUSTRY															
New	51	71	60	68	51	70	39	79	64	37	93	74	49	37	44
Renewal	128	157	174	181	163	190	216	243	230	192	232	277	304	295	299
Total	179	228	234	249	214	260	255	322	294	229	325	351	353	332	343
WHOLESALE															
New	4	5	10	13	11	9	7	30	17	3	23	27	29	17	17
Renewal	13	23	14	11	16	19	20	25	31	20	50	46	53	53	41
Total	17	28	24	24	27	28	27	55	48	23	73	73	82	70	58
INSURANCE															
New	1	1	2	3	3	6	5	23	8	3	16	13	8	4	9
Renewal	8	7	7	11	11	14	18	2	26	31	36	42	52	51	51
Total	9	8	9	14	14	20	23	25	34	34	52	55	60	55	60

Summary of Business Establishments by Major Kind of Trade Lipa City, 1989-2003

29 84 113 2 7	32 94 126	59 110 169	57 163 220	75 200 275	36 253 289	24 248 272	23 208 231	1999 12 155 167	23 159 182	19 168 187	17 171 188	19 173 192
84 113 2	94 126 1	110 169	163 220	200	253	248	208	155	159	168	171	173
84 113 2	94 126 1	110 169	163 220	200	253	248	208	155	159	168	171	173
113	126	169	220			_						
2	1			275	289	272	231	167	182	187	188	192
	1	3	_									
	1	3	_									
7	0		5	3	2	7	8	6	10	9	11	13
	7	8	6	10	12	15	15	18	25	36	44	55
9	10	11	11	13	14	22	23	24	35	45	55	68
4	15	15	23	46	33	33	63	45	39	32	19	47
25	27	33	58	72	127	135	199	196	218	240	251	260
29	42	48	81	118	160	168	262	241	257	272	270	307
426	432	542	618	525	730	716	731	925	822	784	698	1,271
1,237	1,329	1,386	1,658	1,898	3,144	3,404	2,972	3,447	3,468	3,524	3,561	4,005
	1,761	1,928	2,276	2,423	3,874	4,120	3,703	4,372	4,290	4,308	4,259	5,276
	426	426 432 1,237 1,329	426 432 542 1,237 1,329 1,386	426 432 542 618 1,237 1,329 1,386 1,658	426 432 542 618 525 1,237 1,329 1,386 1,658 1,898	426 432 542 618 525 730 1,237 1,329 1,386 1,658 1,898 3,144	426 432 542 618 525 730 716 1,237 1,329 1,386 1,658 1,898 3,144 3,404	426 432 542 618 525 730 716 731 1,237 1,329 1,386 1,658 1,898 3,144 3,404 2,972	426 432 542 618 525 730 716 731 925 1,237 1,329 1,386 1,658 1,898 3,144 3,404 2,972 3,447	426 432 542 618 525 730 716 731 925 822 1,237 1,329 1,386 1,658 1,898 3,144 3,404 2,972 3,447 3,468	426 432 542 618 525 730 716 731 925 822 784 1,237 1,329 1,386 1,658 1,898 3,144 3,404 2,972 3,447 3,468 3,524	426 432 542 618 525 730 716 731 925 822 784 698 1,237 1,329 1,386 1,658 1,898 3,144 3,404 2,972 3,447 3,468 3,524 3,561

^{*} Total number of business establishments registered in the period of 1989 to 1990, and 1994 to 2003 includes business at public market. Source: Permits and License Division, Mayor's Office

Table 15
Summary of Business Establishments by Major Kind of Trade
Percentage Share, Lipa City, 1989-2003

	NUMBER/YEAR														
KIND OF TRADE	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Retail Trade	63.24	58.59	47.56	45.43	43.83	45.65	43.75	54.62	59.32	56.14	56.40	55.03	52.69	52.22	56.90
Services	22.60	24.46	27.30	28.17	31.12	27.11	26.91	23.05	20.34	22.20	23.42	22.75	24.12	25.01	23.62
Industry	8.48	10.39	14.07	14.14	11.10	11.42	10.52	8.31	7.14	6.18	7.43	8.18	8.19	7.80	6.50
Wholesale	0.81	1.28	1.44	1.36	1.40	1.23	1.11	1.42	1.17	0.62	1.67	1.70	1.90	1.64	1.10
Insurance	0.43	0.36	0.54	0.80	0.73	0.88	0.95	0.65	0.83	0.92	1.19	1.28	1.39	1.29	1.14
Banking and Finance	3.27	3.64	6.79	7.16	8.77	9.67	11.35	7.46	6.60	6.24	3.82	4.24	4.34	4.41	3.64
Institutional	0.19	0.27	0.54	0.57	0.57	0.48	0.54	0.36	0.53	0.62	0.55	0.82	1.04	1.29	1.29
Real Estage	0.99	1.00	1.74	2.39	2.49	3.56	4.87	4.13	4.08	7.08	5.51	5.99	6.31	6.34	5.82
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

^{*} Total number of business establishments registered in the period of 1989 to 1990, and 1994 to 2003 includes business at public market. Source: Permits and License Division, Mayor's Office

of agricultural products, agri-based finished products, hardwares, office and school supplies but most of these products come from outside of the local market.

Out of the 72 barangays in the city, commercial establishments are concentrated in 12 urban barangays. For instance, the major shopping centers in Lipa are located in Poblacion and the city's periphery. They include 1) Fiesta-World Mall (Dagatan); 2) South Supermarket (Ayala Highway, Balintawak); 3) MS Supermart (T.M. Kalaw Street); and 4) Southern Twin Supermart (P. Torres Street). Last year, Robinsons added to the list of shopping centers in Lipa. Moreover, the city is expecting the groundbreaking of SM come December this year. As regards fastfood chains, Lipa City has a number of known fastfood chains such as Jollibee, McDonalds, Chowking, RACK's, Kenny Rogers, Pizza Hut, Shakeys, Greenwich, Max Restaurant, and Goldilocks which also indicates the city's commercialization.

Lipa City's strategic location proves to be an economic bonus as it is able to obtain the spillover effects of the development in Metro Manila and Batangas City. Similarly, its centralized location makes Lipa City not only the commercial center but the financial center of the Region as well. The increasing number of financial institutions particularly banks, an indicator of conducive business environment, is apparent in the city (Table 16). Other financial institutions that can be found in the place include lending investors, pawnshops, and credit cooperatives. These financial institutions play important role in the growth of the business sector especially the small- and medium-scale industries.

In addition, the presence of LIMA Industrial Estate (economic zone), PKI, Nestle Philippines and other multi-national companies (MNCs) has fuelled the economic development in Lipa City. With the MNCs, Lipa City has become export oriented. According to the 1996 CLUP, the export sector performance of the city is the strongest in the province in terms of volume. Most of the MNCs are into garments, coffee, semiconductors, and other high value crafts. As regards locators in LIMA industrial estate, the companies are engaged in manufacturing of computer printers, computer parts, wires and cables, auto spare parts, and chemicals as well.

The Lipa City Government is continually exerting efforts to attract more investments by giving incentives as embodied in its Investment Incentive Code. It also ensures that various support facilities are in place to make the city favourable for investments. These facilities include communication facilities such as local broadcast station; postal service, telephone companies; cellular phones; telegraph/telegram offices; courier service; internet providers; and cable TV.

Along with economic development comes other aspect of urbanization. Owing to the city's geographic location, the city is now a haven for government institutions. Regional and provincial offices can be found in the area (Table 17). The city is also considered an education center because of the various educational institutions in all levels of education that are located in the city. They include 23 private pre-schools; 86 elementary schools

(20 private and 66 public); 22 secondary schools (7 private and 15 public) and 11 tertiary schools (8 private and 3 public). There are also Day Care Centers all over the city teaching and giving supplemental feeding to preschoolers. In addition, the city is a site for a number of health facilities such as well-equipped hospitals, private medical and dental clinics, and diagnostic laboratories (CPDO, 2000).

The socio-economic development in Lipa City, ideally, should translate into improved living condition of its populace. Otherwise, the city fails to grab the opportunities and benefits brought about by economic growth and development. Looking at **Table 18**, the average family income improved from PhP181,303 in 1997 to PhP191,478. On the other hand, the average family expenditure likewise increased from PhP120,641 in 1997 to PhP165,720 (**Table 19**). In terms of poverty status of Lipeños, the poverty incidence in 1997, i.e., 17 percent declined to 11 percent in 2000. Thus, while economic activities in the city flourish, Lipeños become better off.

Table 16
Existing Banks in Lipa City in 1988, 1993 & 1998

1988	1993	1998
1 . Bayani Savings Bank	1. United Coconut Planter Bank	1. Active Bank
2. Fernando Air Base Savings and Loan Association	2. Fernando air Base Saving and Loan Ass., Inc.	2. Bank of Commerce
3. Land Bank	3. Philippine National Bank	3. Bank of the Philippine Island
4. Lipa City Development Bank	4. Bayani Saving Bank, Inc.	4. Capitol Bank
5. Lipa Public Savings and Loan Association	5. Land Bank of the Philippines	5. Countrywide Bank of La Carlota
6. Luzon Development Bank	6. Philippine Commercial International Bank	6. Development Bank of the Philippines
7. Malarayat Rural Bank	7. Rural Bank of San Antonio	7. Empire Rural Bank
8. Metropolitan Bank	8. Metropolitan Bank & Trust Co.	8. Equitable Bank
9. Monte de Piedad Savings Bank	9. Monte de Piedad Saving Bank	9. Excel Rural Bank, Inc.
10. Philippine Commercial and Industrial Bank	10. Planters Development Bank	10. Far East Bank & Trust Company
11. Philippine National Bank	11. Security Bank & Trust Co.	11. GMA Rural Bank of Cavite, Inc
12. Philippine Savings Bank	12. Rural Bank of Lipa City Inc.	12. International Exchange Bank
13. Planters Development Bank	13. Rural Bank of Lobo	13. Keppel Monte Bank
14. Rural Bank of Lipa City	14. Malarayat Rural Bank	14. Land Bank of Philippines
15. Rural Bank of Lobo	15. Philippines Saving Bank	15.Lipa Bank
16. Rural Bank of San Antonio	16. Lipa Public Saving and Loan Ass., Inc.	16.Lipa Development Banl
17. Security Bank	17. Lipa City Development Bank	17. Lipa Public Savings and Loan Association
18. United Coconut Planters Bank	18. Far East Bank & Trust Co.	18. Malarayat Rural Bank
	19.BPI Family Bank	19. Metropolitan Bank & Trust Company
	20. Bank of Commerce	20. Metropolitan Bank & Trust Company
	21 . Rizal Commercial Banking Corporation	21 . Orient Commercial Banking Corp.
		22.PCI Bank
		23. Philippine Banking Corporation
		24. Philippine National Bank
		25. Philippine Savings Bank
		26 . Pilipinas Bank
		27 . Planters Development Bank

Existing Banks in Lipa City in 1988, 1993 & 1998

1988	1993	1998
		28 . Premiere Development Bank
		29 . Prime Bank
		30 . Prudential Bank
		31.RCBC
		32. Real Bank
		33 . Rural Bank of Lipa City
		34. Rural Bank of Lobo
		35. Rural Bank of San Antonio
		36 . Rural Bank of San Luis
		37 . Rural Bank of Sto. Tomas
		38 . Security Bank
		39 . Snergy Rural Bank
		40 . Solid Bank Corporation
		41 . Sto. Rosario Rural Bank
		42 . Summit Rural Bank
		43 . Tiaong Rural Bank
		44.UCPB
		45. United Coconut Planters Bank
		46 . Westmont Bank

Sources:

Lipa City 1987 Socio-Economic Profile Lipa City 1993 Socio-Economic Profile Lipa City 1998 Socio-Economic Profile

Table 17 LIST OF NATIONAL GOVERNMENT AGENCIES IN LIPA CITY

- 1 Department of Education, Culture and Sports (DECS)
- 2 Department of the Interior and Local Government (DILG)
- 3 Philippine National Police Lipa Police Station
- 4 Bureau of Fire Protection Lipa City Fire Department
- 5 Parole and Probation Office
- 6 Commission on Audit (COA)
- 7 Register of Deeds
- 8 Commission on Election (COMELEC)
- 9 Regional Trial Court, Branch 12
- 10 Regional Trial Court, Branch 13
- 11 Municipal Trial Court
- 12 Office of the City Prosecutor
- 13 Department of Trade and Industry (DTI)
- 14 Department of Agrarian Reform (DAR)
- 15 DAR Provincial Office
- 16 DAR Municipal Agrarian Reform Office
- 17 DAR Adjudicator Board
- 18 Department of Agriculture (DA) Southern Tagalog Integrated Agricultural Research Center (STIARC)
- 19 Regional Animal Disease Diagnostic Laboratory
- 20 International Training Center on Pig Husbandry (ITCPH)
- 21 Land Transportation Office (LTO) District Office
- 22 LTO, Regional Office
- 23 Motor Vehicle Inspection Station (MVIS)
- 24Land Transportation Franchising and Regulatory Board (LTFRB)
- 25 Department of Publice Works and Highways
- 26 National Statistics Office, Regional Office
- 27 National Statistics Office, District Office
- 28 Bureau of Internal Revenue, District Office
- 29 Social Security System (SSS)
- 30 Philippine Coconut Authority (PCA)
- 31 Bureau of Post
- 32 Bureau of Telecommunications

Source: Lipa City 2000 Facts and Figures

Table 18
Average Family Income
Lipa City

		-	-			
		1997			2000	
Quantiles	Urbo	ınity		Urbo	anity	
	Urban	Rural	Total	Urban	Rural	Total
First Decile	37,865.00	36,407.35	37,156.51	36,030.61	41,764.26	40,119.25
Second Decile	58,488.25	54,543.37	56,217.46	65,230.32	67,198.10	66,008.27
Third Decile	71,035.74	75,279.66	72,101.43	91,606.93	91,953.55	91,735.36
Fourth Decile	84,280.37	83,671.68	84,011.04	110,078.10	109,670.40	109,990.00
Fifth Decile	99,067.49	97,189.13	98,428.91	125,765.60	128,108.00	126,276.30
Sixth Decile	126,980.30	129,692.90	127,308.30	154,254.30	149,682.00	152,964.20
Seventh Decile	150,337.80	156,980.00	152,983.10	184,747.00	185,748.80	185,063.60
Eighth Decile	204,858.20	205,887.40	205,010.60	227,955.80	223,189.90	226,345.30
Ninth Decile	275,001.30	259,270.00	271,626.40	296,697.70	319,966.50	300,762.40
Tenth Decile	677,054.50	662,668.30	674,325.40	585,326.30	436,649.90	562,774.90
Total	200,108.10	139,004.50	181,303.40	212,731.70	143,764.70	191,478.60
Poverty Incidence			17%			11%

Source: FIES

Table 19
Average Family Expenditure
Lipa City

			pa City						
Quantiles	Urbo	1997 anity		2000 Urbanity					
	Urban	Rural	Total	Urban	Rural	Total			
First Decile	34,999.00	38,114.54	36,513.32	34,582.34	44,973.84	41,992.48			
Second Decile	47,173.75	48,704.95	48,055.16	72,085.68	76,554.09	73,852.24			
Third Decile	60,706.39	73,201.91	63,844.14	93,238.47	87,614.88	91,154.91			
Fourth Decile	66,459.55	78,124.78	71,621.05	104,412.40	114,746.40	106,644.30			
Fifth Decile	83,385.34	106,006.60	91,075.77	124,371.20	124,302.60	124,356.30			
Sixth Decile	102,371.70	110,902.90	103,403.30	150,426.20	135,103.80	146,102.90			
Seventh Decile	107,059.20	114,131.20	109,875.70	152,888.30	182,112.20	162,123.60			
Eighth Decile	139,261.70	146,370.60	140,314.40	201,086.50	202,901.50	201,699.80			
Ninth Decile	189,188.80	178,590.90	186,915.10	230,015.60	217,945.90	227,907.20			
Tenth Decile	327,773.50	354,220.70	332,790.50	456,373.70	364,761.10	442,477.80			
Total	127,853.30	103,834.90	120,461.60	181,093.10	131,207.90	165,720.30			

Source: FIES

Moreover, it is also worth looking at the average per capita income and expenditure of the households in Lipa which better gauge the real economic situation of Lipeños. **Table 20** and **Table 21** give the average family per capita income and expenditure, respectively. It can be gleaned from

Table 20 that the average family per capita income improved slightly from PhP37,863 in 1997 to PhP38,278 in 2000. When it comes to average family per capita expenditure, a significant increase is observable **(Table 21)**.

Table 20
Average Family Per Capita Income
Lipa City

		1997			2000	
10	Urbo	inity		Urbo	anity	
Quantiles	Urban	Rural	Total	Urban	Rural	Total
First Decile	8,105	7,908	7,991	9,172	9,753	9,475
Second Decile	12,117	11,803	11,992	14,631	14,110	14,359
Third Decile	14,514	14,593	14,549	17,515	17,545	17,525
Fourth Decile	17,215	17,572	17,306	20,718	20,849	20,742
Fifth Decile	19,887	19,829	19,872	24,621	24,440	24,568
Sixth Decile	24,414	24,626	24,491	28,347	29,065	28,548
Seventh Decile	30,006	30,992	30,358	34,756	34,062	34,539
Eighth Decile	40,133	40,254	40,159	41,093	43,315	41,828
Ninth Decile	58,441	57,693	58,376	62,111	67,306	63,199
Tenth Decile	153,494	106,507	144,619	117,789	125,926	119,029
Total	43,228	25,795	37,863	41,362	31,354	38,278

Source: FIES

Table 21
Average Family Per Capita Expenditure
Lipa City

10		1997			2000	
10	Urbo	anity		Urbo	anity	
Quantiles	Urban	Rural	Total	Urban	Rural	Total
First Decile	6,775	8,928	8,020	9,174	10,414	9,819
Second Decile	10,912	9,478	10,338	15,919	14,721	15,293
Third Decile	13,122	13,953	13,491	17,190	17,519	17,301
Fourth Decile	13,820	15,079	14,140	22,644	21,810	22,495
Fifth Decile	16,083	15,935	16,045	21,757	26,024	23,020
Sixth Decile	16,762	26,135	20,161	24,536	26,759	25,160
Seventh Decile	24,320	20,960	23,119	31,450	31,129	31,350
Eighth Decile	27,440	24,075	26,718	38,181	41,065	39,135
Ninth Decile	39,911	45,109	40,360	47,053	45,850	46,801
Tenth Decile	72,287	70,827	72,011	86,602	98,343	88,392
Total	27,032	20,272	24,952	34,511	28,010	32,508

Source: FIES

Table 22
Number of Households by Major Source of Income
Lipa City

	1997	2000
Wages/salaries Entrepreneurial Activities Other Sources of Income	16,084 17,948 34,032	20,420 9,584 7,644 37,648

The major sources of income are shown in **Table 22**. In 1997, the sources of income are basically wages and salaries, and entrepreneurial activities with more households, i.e., 17,948 households getting income from the latter. In contrast, households depend heavily on wages and salaries in 2000. Other sources of income added to the list in 2000 but much less number of households (7,644) generated income out of them.

Table 23
Kind of Business by Major Industry
Lipa City

	1997	% to Total	2000	% to Total
Agriculture, Fishery and Forestry	3,584.80	13.90	6,203.40	19.89
Manufacturing	5,399.30	20.94	3,534.10	13.51
Construction	3,218.00	12.48	3,239.40	10.39
Wholesale and Retail Trade	5,037.40	19.53	6,769.50	21.70
Transportation, Storage and Communication	1,775.10	6.88	5,964.50	20.24
Financing, Insurance, Real Estate and Business Services	1,046.10	4.06	1,293.80	4.14
Community, Social and Personal Services	5,726.30	22.21	4,185.60	10.13
Total	25,787.00	100.00	31,190.30	100.00

Source: FIES

The businesses in Lipa are varied ranging from agriculture, fishery and forestry to community, social and personal services (Table 23). In 1997, majority of the households, 22 percent of the total, engaged in community, social and personal services while almost 21 percent in manufacturing. In addition, a big portion, i.e., 20 percent, is concentrated in wholesale and retail trade which turned out to be the top business interest of Lipeños in 2000. It is followed by transportation, storage and communication whose share interestingly exhibits a big leap from almost 7 percent in 1997 to more than 20 percent in 2000. The increased demand for transportation, storage and communication is expected with more and more businesses burgeoning in the city. Further, the improvement in share is also noticeable in agriculture, fishery and forestry (14% VS 20%). On the contrary, the waning interest of

households for manufacturing, and community, social and personal services is evident in **Table 23**.

The presence of various commercial establishments and institutions has attracted people from both far and near particularly those people who are looking for jobs. For instance, the LIMA Technological Park, PKI, and Nestle Philippines have created a number of employment opportunities resulting in the rapid influx of people in the city. Subsequently, the Lipa City has also become a site of many residential subdivisions such as those developed by known companies namely Crown Asia and Active Group of Companies (2001 Annual Report). Nevertheless, there are also some workers from nearby towns and municipalities who opt to stay in their home of origin.

During interaction with some of the staff from the City Planning and Development Office (CPDO), there was a common reaction of doubt and disbelief on the PGR, i.e., about 4.5 percent³ in a span of five (5) years. However, the rapid growth can be explained by existing pull factors during the same period which attracted migrants from nearby or adjacent towns and other parts of the country. Aside from the migrants which accounted for the artificial increase of the city's population, significant natural increase was also observable. How the city is able to respond to the challenge brought about by the bourgeoning demand for basic services will be discussed in the next section.

III. Local Governance

(a) Resource generation and allocation

Revenue Generation

Table 24 shows the increasing income of the city through time except in 2001. From PhP179M in 1994, it grew by 5.72 percent in 1995 and further improved in 1997, i.e., standing at almost PhP261M. From then on, the income increased continuously until 2000 when the growth is highest. The ensuing year witnessed a decline in total income by 6 percent. Nevertheless, the revenue recovered in 2002 with a growth rate of 15 percent until it reached the PhP422M level in 2003.

Just like in any other local government units (LGUs), the IRA is the major source of income for the city. While there were significant increases in IRA in 1994-2003, IRA share to total income decreased during the period, i.e., 74.08 percent in 1994 to 61.44 percent in 2003. In contrast, the share of locally-sourced revenue to total income increased from 25.45 percent in 1994 to 38.53 in 2003. The collection in real property tax improved from PhP11M in 1994 to PhP42M in 2003 (Table 25). This shows the LCG's effort to improve its local revenue generation.

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³ based on 2000 Census of Population

Table 24
Lipa City's General Fund Total Revenue

Year	Total Income	Growth Rate
1994	179,365,255.03	
1995	189,617,636.53	5.72
1996		
1997	260,843,004.66	17.29
1998	299,546,671.94	14.84
1999	324,794,899.85	8.43
2000	376,781,068.52	16.01
2001	353,186,805.30	-6.26
2002	406,889,956.07	15.21
2003	422,107,370.51	3.74

Sources: Dr. Manasan's Database
Lipa City's Treasurer's Office

Table 25
Lipa City General Fund Total Revenue
Percentage Share

i creemage one					
	1994	1997	1999	2001	2003
TOTAL INCOME	100.00	100.00	100.00	100.00	100.00
Locally- Sourced Revenue (TR+MR-IRA-NW) RPT	25.45 5.98	29.33 6.05	36.06 8.11	40.22 11.95	38.53 9.97
Other Taxes(TaxRev-IRA-NW-RPT)	7.65	14.74	15.06	16.82	27.07
Other Non-tax(Total Operating&Misc.)	11.82	8.54	12.89	11.46	11.46
IRA	74.55	65.36	59.95	59.66	61.44
Share in National Wealth	0.00	0.00	0.00	0.00	0.00
Other Receipts	0.00	0.38	0.32	0.12	0.02
Borrowings	0.00	4.92	3.68	0.00	0.00

The administration has made some amendments to its Revenue Code, albeit on select sections only, that can generate additional income. The amendments were done through the passage of a number of tax ordinances in various years. Some of the ordinances are enumerated in **Table 26**.

Among the tax ordinances which the LCG has passed, Tax Ordinance 45 (Series of 1999), Tax Ordinances 51 (Series of 2000) and Tax Ordinances 62 (Series of 2000) are of special interest due to the magnitude of their impact on real property tax collection. After the 1993 general revision of the Revenue Code, the next major revision was made in 1999 through Tax Ordinance 45. However, due to the clamour from property owners, the gradual

Table 26

	Table 26
Tax Ordinance Tax Ordinance No. 27 (Series of	Description
1996)	- amending Ordinance No. 20 of 1994 imposing
Taux Oudin aug a a Nie 20 /0 die e	fees in the Lipa City Auction Market
Tax Ordinance No. 28 (Series of 1997)	- imposing new fees at the Lipa City Slaughterhouse
,	in line with its "AA" accreditation
Tax Ordinance No. 29 (Series of 1997)	amonding Section 4C 01 of the 1992 Revised
1997)	- amending Section 4C.01 of the 1993 Revised Revenue Code of Lipa City
Tax Ordinance No. 30 (Series of	
1997)	- amending Article B Section 4B.01 of the 1993
	Revised Revenue Code of Lipa City in view of the
Tax Ordinance No. 31 (Series of	minimal existing fees paid by the clients
1997)	- otherwise known as the Market Code of the City
	of Lipa but applicable only to the New Candido B.
Tax Ordinance No. 36 (Series of	Lopez Memorial Public Market
1998)	- regulating cockfighting and the operation of
	cockpits in the City of Lipa and prescribing fees
Tay Ordinanco No. 45 (Series of	relative to it
Tax Ordinance No. 45 (Series of 1999)	
Tax Ordinance No. 50 (Series of 2000)	- amending Section 3A.01 of Tax Ordinance No. 16
2000)	(Series of 1993), by incorporating a PhP100 fee in the
	Mayor's Permit Fee to cover the cost of business
	plates to be issued to all registered businesses
Tax Ordinance No. 51 (Series of	
2000) Tax Ordinance No. 52 (Series of	
2000)	- imposing an additional fee of PhP45 for every
	tricycle unit registered in the City of Lipa to cover the
Tax Ordinance No. 62 (Series of	cost of registration plates
2000)	- amending Tax Ordinance 51 (Series of 2000), by
	altering the gradual implementation of the revised
	schedule of fair market values for the years 2001 and
Tax Ordinance No. 71 (Series of	2002
2002)	- providing for local investment incentives to
	industries established in the City of Lipa and for other
	purposes with the objective of attracting more
Source: Sangguniana Panlungsod	foreign and local investors

Source: Sangguniang Panlungsod, Lipa City implementation was altered through Tax Ordinance 51, which was later on amended by Tax Ordinance 62. Originally, the gradual implementation of the revised assessment for taxable properties is as follows:

- For the calendar year 2000, a maximum increase of 100% over the 1995 assessed value.
- For the calenday year 2001, a remaining increase in assessed value but not exceeding a maximum 50% increase or a total of 150% over the 1995 assessed value.
- For the calendar year 2002, the 2001 assessed value of taxable properties shall be followed.

The latest amendment waived the imposition of a maximum 50 percent increase for year 2001 and the application of 2001 assessed value of taxable properties for the year 2002. In effect, it allows the use of computed assessed value in year 2000 for the years 2001-2002.

Aside from tax amendments, the LCG invested in computerization project with the end view of encouraging taxpayers to pay their taxes correctly and promptly. It is expected to haul in more revenues from local sources. The project started in 2000 with the computerization of the City Treasurer's Office and the Permits and Licenses Division with full implementation in 2001. It was supported by the conduct of a One Stop Shop Project where representatives from all offices concerned with issuance of Mayor's permits, and taxes were assembled at the City Hall lobby during the first month of the year until mid-February. As a result, the processing of permits took only a day or two, which generated PhP20M for business permits alone (CPDO, 2001).

Moreover, the city government has been resourceful and innovative enough to really improve its own-source revenue by collecting a users' fee called garbage fee as mandated by Section 12 of Ordinance No. 3, Series of 19934. The prescribed amount is PhP120.00 per year and supposedly will be paid in conjunction with the households' payment of either water or electric bill. However, no arrangement had been made between the city government and a quasi-public water or electric corporation until early 2000. In the meantime, personnel of the City's Treasurer's Office collected the garbage fee which yielded a revenue amounting to approximately PhP200,000 per year, i.e., an amount much lower than the expected fees from more than 28,000 households.

To increase the collection efficiency, the local officials pushed that an arrangement be made with a water or electric corporation but it necessitated the change of term, i.e., from "garbage fee" to a more updated one, which is "environmental management fee". Consequently, General Ordinance No. 8, Series of 1999 was passed amending the aforementioned ordinance. To date, the environmental management fee (EMF) is collected through its inclusion in the monthly water bill of the households. This was made possible through a Memorandum of Agreement

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⁴ Otherwise known as "An Ordinance Amending Ordinance No. 293, Series of 1950"

between the Lipa City Government and Metro Lipa Water District. The EMF is intended for the city's comprehensive waste disposal and management system. Thus, the fee collected is remitted to the City Treasurer's Office in the nature of a Trust Fund for the operation of the City Environment and Natural Resources Office (CENRO). Since April 2000 until October 4, 2004, a considerable amount has been collected and it has been a good source of funding for the CENRO operations. As of October 2004, the balance for the said account stands at PhP1.6M.

In order to sustain the growth of revenues, the collection arm of the LCG implements a more intensified tax information and collection campaign which covers sending regular notice of tax due at least one month before due date; posting of information in public places and announcement through sound system; and conduct of house-to-house campaign. Field audits are also done to verify the authenticity of declared gross receipts of establishments. Furthermore, field surveys are likewise conducted for efficient assessment of real properties which in turn, resulted in the discovery of new buildings and converted agricultural land into residential, commercial and industrial land.

Lipa City's effort in improving its own-sourced revenue did not go unnoticed. In 2000 and 2003, the City of Lipa received recognition (1st Place) in the collection of RPT citywide in Region IV. In addition, it was one of the awardees in the "best in tax collection efforts" category in 2002. Nevertheless, more than the recognition is the benefits and rewards of increased revenue that accrue to Lipeños in terms of basic services, which will be discussed in the next section.

Further, the top 5 sources of income for 2000-2003 are shown in **Table 27**. They account for more than 90 percent of the total income during the period. After IRA, municipal business tax is consistently the next major contributor to the city's revenue. Interestingly, most of the top 10 business taxpayers are into manufacturing and feedmills.

In terms of externally sourced revenues, Lipa City is enjoying its share in national government's VAT revenue in addition to the IRA as stated in Republic Act 7643. Specifically, the R.A. 7643 states that "fifty percent (50%) of the national taxes collected under Sections 100, 102, 112, 113, and 114 of the Internal Revenue Code in excess of the increase in collections for the immediately preceding year shall be distributed as follows: (a) Twenty percent (20%) shall accrue to the city or municipality where such taxes are collected and shall be allocated in accordance with Section 150 of Republic Act 7160, otherwise known as the Local Government Code of 1991; and b) Eighty percent (80%) shall accrue to the National Government. Moreover, the city also benefits from the Republic Act 8748, otherwise known as the PEZA Law.

Table 27
Major Source of Income
2000-2003

			-2003		
2000	Amount	% Share	2001	Amount	% Share
Internal Revenue Allotment	239,190,274	63.48	Internal Revenue Allotment	210,698,345	59.66
Municipal Business Tax	40,376,825	10.72	Municipal Business Tax	45,379,260	12.85
Real Property Tax	38,140,566	10.12	Real Property Tax	42,206,365	11.95
Receipts from Market	29,989,438	7.96	Receipts from Market	28,279,607	8.01
Interest Income	3,638,088	0.97	Community Tax	3,131,375	0.89
Total Income	376,781,069	93.25	Total Income	353,186,805	93.35
2002	Amount	% Share	2003	Amount	% Share
Internal Revenue Allotment	254,336,181	62.51	Internal Revenue Allotment	259,359,588	61.44
Municipal Business Tax	49,390,309	12.14	Municipal Business Tax	56,872,751	13.47
Receipts from Market	35,358,031	8.69	Real Property Tax	42,085,027	9.97
Real Property Tax	34,994,016	8.60	Receipts from Market	31,965,989	7.57
Community Tax	3,203,384	0.79	Community Tax	3,252,646	0.77
Total Income	406,889,956	92.72	Total Income	422,107,371	93.23

Source: Office of the Treasurer, Lipa City

Resource Allocation

Much of the city's resource is allocated to the general public services (GPS) as shown in **Table 28**. In fact, the sector had the biggest share in total expenditure in almost all the years under study. In addition, the share (47%) is highest in 2000, i.e., when the expenditure in GPS grew by 47 percent also. Of the total GPS expenditure, only 0.74 percent was used for police and fire protection services. On the average, GPS got about 37 percent of the total expenditure in 1997-2000.

A considerable amount, i.e., almost 36 percent of the 2000 total expenditure, is also allotted to social services. Under the sector, priority was given to education, which had almost 20 percent of the city's total expenditure. Education expenditure comprised mainly of expenditure in school supervision. On the one hand, health expenditure accounted for almost 12 percent of the total expenditure, i.e., highest share across the years under study. Further, the largest portion of health expenditure went to basic health services.

With regard to economic services, the share in total expenditure, i.e., about 17 percent, is lowest in 2000 as compared to the share in all other years. In fact, expenditure in economic services declined by 50 percent in 2000. Among its component services, engineering services; natural resources; veterinary services; operation of electric and power system; and agricultural services were the top 5 priorities in terms of resource allocation. The largest portion of the expenditure in economic services in 2000 went to engineering

services which include the city's infrastructure and community development to name a few. Moreover, engineering services received, on the average, about 38 percent of the expenditure in 1997-2000. In contrast, natural resources had an average share of 23 percent in the same period. Lastly, agricultural and veterinary services' got 6 percent and 7 percent, respectively.

Table 28 Percentage Share, 1994-1995; 1997-2000

	1994	1995	1997	1998	1999	2000
	1774	1773	1777	1770	1777	2000
Total Expenditure	100.00	100.00	100.00	100.00	100.00	100.00
General Public Services	45.66	35.81	31.86	33.40	33.74	47.06
Social Services	15.56	28.02	32.63	27.52	21.72	35.80
Education Expenditures	8.48	18.38	24.89	19.04	12.92	19.75
Health Expenditures	5.52	7.23	6.64	6.43	6.85	11.62
Social Welfare Services/Labor & Employment/	1.56	2.40	1.10	2.05	1.95	4.43
Housing & Community Development						
Economic Services	38.14	24.55	21.25	26.28	34.71	16.51
Other Purposes	0.63	11.63	14.26	12.80	9.83	0.63

Source of basic data: Dr. Manasan's Database

(b) Service delivery

Education

Education is the top priority in the 10-point agenda of the Lipa City Government (LCG), which considers it as the best weapon in fighting against poverty. The LCG offers a broad education program comprised of basic education (both elementary and secondary education); pre-elementary education; special education for handicapped⁵; non-formal education⁶; and tertiary education. Elementary education is provided through 67 public schools while secondary education is accessible in 15 public schools located all over the city.

Table 29 gives the enrolment data in public and elementary schools. It shows the increasing secondary enrolment through the years. The growth in enrolment (9.14%) is highest in 2001-2002. The student/pupil-teacher ratio is shown in **Table 30**. The ratio of students to a teacher in the secondary level deteriorated, i.e., from 1:43 in 2001-2002 to 1:46, 2003-2004. Majority of the public school teachers are nationally funded. For instance, in 2002-2003, there

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⁵ Those who are hearing impaired, mentally challenged, visually impaired and autistic ⁶ Includes training in dressmaking, paper craft, home décor, practical electricity, cosmetology, and integration of values education in the short-term courses provided in the division

were 742 nationally funded teachers while only 6 teachers were locally funded in the elementary level. On the one hand, all teachers, i.e., a total of 350, in the secondary level were all nationally funded.

With regard to the existing and needed basic resources in public schools, the required number of classrooms in SY 2003-2004 is almost twice the needed number of classrooms in SY 2001-2002, which suggests growth in enrolment (**Table 31**). Since elementary enrolment data is not complete, the increase in demand for classroom can only be partly attributed to the growth in secondary enrolment. Nevertheless, the reduction in the demand for desks in SY 2003-2004 for elementary level is noteworthy.

Table 29
Enrolment Data

	Elementary Enrolment	Percentage of Increase or Decrease	Secondary Enrolment	Percentage of Increase or Decrease
1998-1999				
1999-2000	28,568		12,386	
2000-2001	30,194	3.15	13,273	7.16
2001-2002	30,022	-0.57	14,486	9.14
2002-2003	Not available		15,203	4.95
2003-2004	31,139	1.84	15,998	5.23

Table 30 Class Size and Student/Pupil Ratio

SY 2003-2004			
Levels			Student- Teacher Ratio
Elemetary Secondary	31,139 15,998	769 348	1:41 1:46
SY 2001-2002			
Elemetary Secondary	30,022 14,486	727 340	1:42 1:43
SY 2000-2001			
Elemetary Secondary	30,194 13,274	751 328	1:40 1:40

Source: Department of Education, Division of Lipa City Annual Report, Various Years

Table 31
Existing and Needed Basic Resources in Public Elementary and Secondary

	-	g Classrooms ary/Secondary	Needed Number of	_	Desks/Chairs nentary	Needed Number of	Existing Chairs Secondary	Needed Number of
	Academic	Non-Academic	Classrooms	Primary	Intermediate	Desks & Chairs		Chairs
2001-2002	970	208	55	11,249	10,044	825	9,646	3,459
2002-2003	794*	235*	11*	10,227	10,463	987/769	11,000	4,210
2003-2004	969	252	103	9,048/260	2,487/6,486	532/1,095	12,270	1,474

^{*} elementary only

In terms of textbooks, there were shortages in the supply of required textbooks both in the elementary and secondary level. **Table 32** shows the existing and needed textbooks for SY 2002-2003 and 2003-2004. Looking at SY 2003-2004, Grade IV pupils have pronounced demand for English books; Grade III pupils for Filipino books; Grade II pupils for Sibika books; Grade VI pupils for Math books; and Grade V pupils for Science books.

Table 32
Existing and Needed Textbooks in the Elementary Schools

	Eng	glish	Filipino		Sibika		M	Math Scien		ence
	Existing	Shortage	Existing	Shortage	Existing	Shortage	Existing	Shortage	Existing	Shortage
SY 2003-20	004									
Grade I	11,090	324	10,797	353	8,222	584	9,604	179	8,962	410
Grade II	9,452	127	9,132	301	5,706	618	6,779	436	9,036	299
Grade III	11,178	478	11,113	779	6,127	556	9,865	111	8,216	228
Grade IV	13,860	708	16,015	369	7,384	381	7,817	205	8,882	153
Grade V	14,133	469	11,845	235	6,314	370	6,708	399	4,849	1,182
Grade VI	12,621	232	8,012	170	6,557	9	5,638	450	7,358	456
SY 2002	2-2003									
Grade I	5,554	693	9,591	0	9,731	0	7,876	671		
Grade II	5,907	69	10,054	0	3,712	1,456	5,013	1,239		
Grade III	6,472	3,858	7,814	2,552	5,572	979	7,223	159		
Grade IV	12,141	660	12,864	889	7,425	0	4,872	641		
Grade V	7,999	1831	10,986	362	6,204	5	4,104	1,130		
Grade VI	9,632	131	11,474	0	5,704	168	3,148	1,293		

Source: Department of Education, Division of Lipa City Annual Report, 2002 & 2003

On the other hand, sophomore students have glaring demand for Science books while junior students for Social Studies and English books. Lastly, senior students are wanting for Math and Filipino books (**Table 33**).

In contrast, the student-textbook ratio was kept 1:1 in 2000 using a big portion (PhP6M) of the Special Education Fund for the purchase of textbooks. In addition, Sec. Andrew Gonzales approved the Mayor's request for textbooks (CPDO, 2000). A one-to-one ratio is expected next year considering the huge financial assistance granted by Sen. Recto this year.

Despite the current shortages in resources, The Division of Lipa has fared fairly well when it comes to National Diagnostic and Achievement Test at the division level and regional level as well. At the division and regional levels, Lipa City ranked first in the Grade IV National Diagnostic Test (NDT) followed by Batangas Province and Batangas City (Table 34). For the National Achievement Test (NAT), Lipa City bagged the fourth place at the division and regional levels. In terms of regional proficiency and achievement test, Lipa City got the first and fifth place, respectively (Table 35). At the secondary level, the Division of Lipa City is also doing well. It ranked first for both Secondary NDT and NAT with Batangas and Batangas City as second placer, respectively. Its mean percentage score (MPS) is actually higher than the regional MPS, i.e., 2.27 and 4.07 higher for NDT and NAT, respectively (Table 36).

On the one hand, **Table 37** and **Table 38** show the performance of Lipa City in terms of other education indicators. At the elementary level, participation rate deteriorated by 5.64 percent in SY 2001-2002 but recovered slightly in the ensuing year. In contrast, survival and completion rates registered a 1.22- and 11.13- percentage point improvement in SY 2001-2002. However, completion rate was not sustained when it fell from a high 93.88 percent to a low 87.31 percent in SY 2002-2003. In contrast, participation and survival rates got higher in the same school year (**Table 37**). With regard to the secondary education indicators, the city performed well with better rates for all indicators in SY 2002-2003 (**Table 38**).

As regard tertiary education, the city government provides free college education although LGUs are not mandated to do so through the Lipa City Public College (LCPC)⁷. However, free education is offered only to less privileged yet deserving students of Lipa and other nearby towns. It should be noted that high priority is given to students from Lipa. Students from outside the city are only admitted when there are remaining slots. Aside from the free education, LCPC also assists its graduates in finding employment particularly in LIMA and major business establishments in Lipa. This is made possible by the dual tech agreement between the city government and the industrial estates.

The city government fully supports the operation of the said college. The total allocation for the operation of LCPC amounted to PhP14,353,999.53 in 2000. Its effort was recognized when it bagged the second place in the first League of Cities of the Philippines (LCP) Best Practice Award. The LCG's entry was entitled "Lipa City Public College: The City's Gift of Free Tertiary Education for All."

In addition to the free education in LCPC, the city government also offers other college scholarship grants to poor students with high academic performance. It allocates PhP50,000.00 a year to each scholar. The program started in 1999. In 2001, there were 27 scholars who were enrolled in the school and course of their choice. The scholars in the province are required to maintain a grade not lower than 85. The maintaining grade for scholars in Manila is 80.

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⁷ An extension campus of the state college, Pablo Borbon Memorial Institute (PBMIT) as indicated in the Memorandum of Understanding between the City Government of Lipa and the PBMIT

Table 33
Existing and Needed Textbooks in the Secondary Schools

	Science		Math		Socia	Social Studies		Filipino		English	
	Existing	Shortage	Existing	Shortage	Existing	Shortage	Existing	Shortage	Existing	Shortage	
SY 2003-2004											
First Year	5,800	82	7,075	55	5,798	0	5,805	15	6,433	0	
Second Year	5,756	143	7,485	0	5,670	0	7,622	51	5,873	55	
Third Year	5,255	46	4,720	226	3,448	694	4,901	170	4,326	402	
Fourth Year	3,939	116	3,243	668	2,545	275	3,734	177	3,130	399	
SY 2002-2003											
First Year	5,528	22	6,237	762	6,200	318	4,068	739			
Second Year	4,169	717	6,047	997	4,378	979	6,268	136			
Third Year	2,894	496	4,645	841	2,919	647	3,163	364			
Fourth Year	2,854	203	2,669	283	2,723	219	2,699	265			

Source: Department of Education, Division of Lipa City Annual Report, 2002 & 2003

Also, the Library Section of the City Mayor's Office offers tutorial services to researchers on Mondays thru Saturdays. It maintains books and other references and reading materials, which are useful to the researching public.

Table 34
Comparative Analysis of National Diagnostic Test (NDT) VS
National Achievement Test (NAT), Regional Level (Elementary)

DIVISION	NDT	+/- from the regional	+/- from the national	Rank	NAT	+/- from the Regional	+/- from the national	Rank
		mean	mean			Mean	mean	
Lipa City	47.34	5.33	7.35	1	44.85	-0.56	1.03	4
Batangas	46.05	4.04	6.06	2	49.5	4.09	5.68	3
Batangas City	45.36	3.35	5.37	3	52.69	7.28	8.87	2
San Pablo City	42.97	0.96	2.98	4	35.1	-10.31	-8.72	10
Cavite	41.82	-0.19	1.83	5	54.81	9.4	10.99	1
Cavite City	41.68	-0.33	1.69	6	34.47	-10.94	-9.35	11
Lucena City	39.83	-2.18	-0.16	7	44.52	-0.89	0.7	5
Laguna	39.45	-2.56	-0.54	8	39.19	-6.22	-4.63	9
Quezon	38.51	-3.5	-1.48	9	39.6	-5.81	-4.22	8
Rizal	38.11	-3.9	-1.88	10	43.37	-2.04	-0.45	6
Calamba City					43.35	-2.06	-0.47	7
Region IV-A	42.01				45.41			
National	39.99				43.82			

Table 35
Comparative Analysis of Examinations Administered by Division (Elementary)

Division	NDT	Rank	NAT	Rank	Regional Proficiency Test	Rank	Regional Achievement Test	Rank
Batangas	46.05	2	49.5	3	61.51	7	76.15	2
Cavite	41.82	5	54.81	1	62.95	4	89.76	1
Laguna	39.45	8	39.19	9	63.29	3	70.22	3
Quezon	38.51	9	39.6	8	59.79	10	56.33	7
Rizal	38.11	10	43.37	6	59.77	11	47.47	10
Batangas City	45.36	3	52.69	2	59.12	12		
Cavite City	41.68	6	34.47	11	60.74	9	52.19	9
Lipa City	47.34	1	44.85	4	72.14	1	58.73	5
Lucena City	39.83	7	44.52	5	62.64	5	66.26	4
San Pablo City	42.97	4	35.1	10	62.02	6	56.65	6
Antipolo City					57.15	13		
Calamba City			43.35	7	60.87	8	53.49	8
Tanauan City					64.87	2		
Region IV-A					62.07		62.78	

Table 36
Comparative Analysis of National Diagnostic Test (NDT)
VS National Achievement Test (NAT), Regional Level (Secondary)

DIVISION	NDT	+/- from the regional	Rank	NAT	regional	Rank
		mean			mean	
Lipa City	32.41	2.27	1	39.52	4.07	1
Batangas	31.59	1.45	2	35.49	0.04	5
Batangas City	30.89	0.75	3	37.25	1.8	2
San Pablo City	30.27	0.13	8	31.58	-3.87	11
Cavite	30.47	0.33	6	36.65	1.2	3
Cavite City	30.46	0.32	7	32.68	-2.77	10
Lucena City	30.72	0.58	4	33.85	-1.6	8
Laguna	30.54	0.4	5	36.57	1.12	4
Quezon	29.09	-1.05	10	34.7	-0.75	6
Rizal	29.4	-0.74	9	33.82	-1.63	9
Calamba City				34.69	-0.76	7
Region IV-A	30.14			35.45		

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Table 37
Elementary Education Performance Indicators
Lipa City, 1998-2003

	Participation Rate	Percentage of Increase or	Survival Rate	Percentage of Increase or	Completion Rate	Percentage of Increase or
		Decrease		Decrease		Decrease
1998-1999	94.04		85.40		82.80	
1999-2000	94.47	0.43	84.50	-0.9	82.51	-0.29
2000-2001	98.25	3.78	85.00	0.50	82.75	0.24
2001-2002	92.61	-5.64	86.22	1.22	93.88	11.13
2002-2003	93.45	0.84	87.70	1.48	87.31	-6.57

Source: Various DepEd Division Annual Report

Table 38
Secondary Education Performance Indicators
Lipa City, 1998-2003

	Participation Rate	Percentage of Increase or Decrease	Survival Rate	Percentage of Increase or Decrease	Completion Rate	Percentage of Increase or Decrease
1998-1999	86.70		90.30		80.12	
1999-2000	75.68	-11.02	90.08	-0.22	76.18	-3.94
2000-2001	87.53	11.85	81.87	-8.21	73.73	-2.45
2001-2002	87.40	-0.13	77.60	-4.27	82.01	8.28
2002-2003	87.58	0.18	79.66	2.06	83.96	1.95

Source: Various DepEd Lipa City Division Annual Reports

Furthermore, the Lipa City Government is currently collaborating with Synergeia Foundation, De La Salle Lipa and Department of Education through the City Schools Division for the betterment of the delivery of basic education services in the city. The project, funded by Ford Foundation, is dubbed as "Project K" which is short for "Karunungan Para sa Kinabukasan ng mga Kabataan⁸." Lipa City's local chief executive serves as the project's Chairperson. Project K started in 2002 and will run until August 2006 with focus on improving the quality of primary education in the city particularly the reading proficiency for Grades I-IV. Specifically, Project K aims to assess the quality of primary education in reading proficiency, and determine areas for strategic interventions; implement reforms in 1) teacher preparation; 2) teaching methods; 3) curriculum; and 4) instructional materials; and lastly, devise a mechanism for sustaining the efforts identified in the first two objectives and for generating resources for possible replication and

⁸ Knowledge for the Future of the Youth of Lipa City

expansion of the project. The components of the project as well as the project activities are enumerated in **Table 39**.

Table 39 Strategic Plans

Strategic Plans					
Component	Action/Activities				
Integrated Policy and Planning Systems	 Review of existing local government and DepEd policies and plans for basic education Harmonization and integration of Project K plans with existing national, regional, and local plans Formation of a project management team with adequate representation from major stakeholders Organization and consultation meetings with Stakeholders Conduct of education congress 				
Improvement of Information Base	 Research on status of basic education Inventory of best practices using the methodology of appreciative inquiry 				
Capacity Building	 Training of teachers Training of parents Planning and policy workshops for LGU and DepEd decision makers and managers Visits/educational trips to other project sites Community organizing (dialogues and consultations) 				
Technical Interventions	 Curriculum improvement based on emerging trends and confirmed best practices Development of instructional materials Piloting of instructional materials and their Evaluation Reproduction of instructional mmaterials and total Application Creation of mobile reading clinic Monitoring and evaluation 				
Information, education And Communication	,1. Exploit all available media to disseminate the activities of the project to the public 2. Public research results in popular format				

Already in its 2nd year, Project K can boast of a number of accomplishments, most of which have significant impact not only on the students but on the teachers as well. Initially, the prime movers of the project conducted information dissemination through guestings in local TV talk show and local radio program in Lipa City. To have an idea of the state of basic

education in the city, a profile of basic education was prepared. Data were gathered to get a general view of the number of teachers in Grades I-IV in proportion to the number of pupils enrolled as well as the performance of the pupils in English, Math and Science. In addition, the Grade I-VI pupils were given pre-oral reading tests at the beginning of the school year to determine their proficiency in reading. Various enrichment activities (Project K, 2003) have been carried out to improve the reading proficiency of students. They are as follows:

READING-RELATED ENRICHMENT ACTIVITIES

Drop Everything and Read (DEAR)

DEAR is aimed at developing among children the love for reading. Pupils are persuaded to read anything they want during lunchtime particularly at 12:30pm until the start of afternoon classes instead of playing around.

Brotherhood/Sisterhood in Reading (BSR)

BSR is implemented using the each-one-teach-one" technique, i.e., older brothers and sisters and/or classmates help their siblings and/or friends who are slow readers to cope with their reading problems. The same activity is done in some schools in Lipa City and it is otherwise known as "Akay Kita" wherein Grade VI pupils who are good readers spend time teaching Grade 1 pupils. Similarly, Girl Scouts in the sixth grade are asked to teach the slow readers. The school principals have the prerogative to develop activities which will support such tutoring exercise.

Come Parents for Relief (COMPARE)

Parents are encouraged to assist their children in reading. In some schools where teachers and parents have good relations, reading assignments are also given to parents. In this sense, parents become more involved in classroom learning activities. Nevertheless, not all parents are able to participate especially those who have several kids and whose time is solely devoted to work.

OTHER ENRICHMENT ACTIVITIES

Visits to Museum and other Historical Sites

Field trips to museums, historical and environmental sites are important complements to classroom teaching. Such trips are not only for pupils but for teachers as well.

Educational and Recreational Field Trips

Likewise, educational and recreational trips form part of the enrichment activities. One of the educational places classes go to is the Lipa City Cultural Center where pupils can view documentary films. On the other hand, pupils visit malls and botanical gardens for recreational purposes.

Sports Activities

Students enjoy sports activities during school intramurals. Cluster, District and Division Meets are also venue for such activities. Winners in the Division Meet represent the Division of Lipa City in the regional and national sports competition, which is popularly known as Palarong Pambansa. Medals and extra points in grades await the participants in sports activities but more importantly, these activities boost the morale and develop leadership skills and confidence among the players.

Quiz Shows

Quiz shows can also help develop students' capabilities and self-confidence. They include History Quiz, Quiz Bee and Spelling Bee.

Scouting

Pupils can either be members of the Boys Scout or Girl Scout of the Philippines through which they can learn hands-on skills on the practical side of life. Scouting activities harness leadership, cooperation, and camaraderie among the pupils.

Likewise, the pupils took post-oral reading tests to check if their reading proficiency has improved. Results show that there has been noteworthy improvement in the reading proficiency of the pupils.

On strengthening the teachers' capabilities, training-workshop on the four-pronged approach to reading has been held. Members of the Reading Expert Team⁹, volunteer teachers and representatives of Project K attended the said training. It has renewed the confidence of teacher in their teaching abilities. Similarly, the educational and enriching activities during the training have boosted their morale as teachers. Aside from this training, representatives were also sent to various reading congress and seminars and Synergeia/Ford Foundation-sponsored workshops.

Another significant accomplishment of Project K is the partnership that has been successfully established between the public and private sectors in Lipa in pursuit of a common goal. The public sector is represented by the city government and the Department of Education. On the one hand, the private sector is represented by De La Salle Lipa.

⁹ Serves as a body that leads the teachers in Project K activities focused on the area of reading

Health

Health outcomes

The desired health outcome is improved health status of the populace. The health vision is articulated as "Healthy and productive individuals and families". Three outcomes are analyzed in the succeeding sections as follows: mortality, morbidity and nutritional status. Indicators on mortality including infant and maternal, crude death rates, morbidity incidence and/or rate and malnutrition prevalence among young children are examined in order to see whether health status of Lipeños is improving or not.

a) Mortality

Lifestyle related particularly heart and lung related diseases were the major causes of death. Based on the ten leading causes of mortality from 1996-2000, Acute Myocardial Infraction (AMI) ranked 1 for the years 1997-1999 while coronary artery disease ranked 1 in 1996 and 2000. The 1987 SEP prepared by the CPDO also shows that heart disease had been consistently number one in rank as cause of death between 1983-1987. Also in the list are Chronic Obstructive Pulmonary Disease (COPD), cancer, pneumonia, Hypertensive Vas Disease (HVD), and tuberculosis. Pneumonia is also chronically present, fluctuating as 2nd or 4th cause since 1983.

What is worth-mentioning in comparing the 1983-1987 data with the more recent data from 1996-2000, HVD was not yet a top-ten cause in the earlier period. While on the latter, HVD was ranked 10th in 1996 and it rose to between 6th and 8th place on the next three consecutive years and finally in 2000, it was already ranked 2. Another atypical cause of death which was not found on 1983-87 data is accident. It fluctuates between rank 7 and 8 starting 1997. These 'new diseases" are not just lifestyle related but also commonly evident in urban areas. AMI and HVD still respectively occupies 1st and 2nd rank position in 2002.

Table 40. Mortality Rate 1983-2000, Lipa City

Year	Mortality Rate
1983	7.59
1984	7.99
1985	7.02
1986	7.05
1987	7.84
1996	6.3
1997	6.89
1998	6.52
1999	6.95
2000	6.82
2002	6.12

Source: CPDO & CHO

Generally, mortality rate is declining (**Table 40**). The average mortality rate between 1983-87 is 7.5. With 6.82 in 2000, the MR has indeed reduced.

Table 41 shows a comparison of mortality incidence comparing male and female.

Table 41. Mortality Incidence by Sex, 1998-1999

Year	Total	Male	Female
1998	1261	741	520
1999	1371	811	560
2000	1380	843	537
2003	1091	644	447

In terms of Crude Death Rate (CDR) the average in 2000 was 6.83 deaths per 1000 population. There was a 0.22 percent increase from the 6.43 average for the period 1995-1999. Meanwhile, the CDR of the country in 1997 was recorded already at 3.7.

Infant and Maternal Mortality

Between 1983-87, CPDO reported that the second biggest group of mortality cases is the infant group whose ages belong to the less than one year age. (Infant Mortality rate was not yet computed that time). Of course, the first biggest groups comprised mostly of the elderly.

Table 42 shows the IMR from 1996-2000. Improvement in this area is slow. Annex shows the top ten causes of infant deaths. In 1997, the national average of 13.37 (NSO, 2001) IMR is significantly lower. Hence, it is still a long way to go for Lipa to improve the infant mortality indicator.

Table 42. Infant Mortality Rate

rabio in initialia in initialia in initialia					
Year	Rate				
1996	36.8				
1997	35.11				
1998	37.87				
1999	35.91				
2000	32.01				

Source: CHO

The Maternal Mortality Rate for the years 1996-2003 is shown in **Table 43**. Record of maternal death is satisfactory. The national MMR in 1997 is 0.63 (NSO, 2001), hence, Lipa is performing well in this area.

Table 43: Maternal Mortality

Year	Rate
1993	0.20
1994	0.00
1995	0.20
1996	0.00
1997	0.61
1998	0.23
1999	0.00
2000	0.00
2003	0.00

Source: CHO

b) Morbidity

The incidence of morbidity or sickness among residents of Lipa City has remained to be the same in nature for nearly 20 years. They are bounded along lung-related diseases, water-borne diseases, improper hygiene and bad eating habits among others.

One cause which is always present in top 5 was diarrhea. The morbidity rate for diarrhea is increasing from 1983-87. It reached the rate of 30.82 in 1996. Fortunately, the figures declined in the coming years. In 2000, it is recorded at 10.23 rate. This improvement could be the result of the increasing access of households to safe water and sanitary toilets. However, this should not be a reason for complacency because in terms of frequency or the number of cases inflicted with the sickness is actually increasing in absolute terms. This is true to the other morbidity causes.

What is conspicuous in 1996-2000 data that is not found in 1983-1987 data are the causes which are communicable and even epidemic in nature like dengue, typhoid, measles and chicken pox. Skin disorders have also been identified as consistent in the top ten morbidity causes in the latter period.

Analyzing both mortality and morbidity top-ten causes, the double burden of disease is highly evident. This means that while communicable or infectious diseases are not yet fought the cases of non-communicable diseases is already increasing.

<u>Proximate factors affecting health outcomes</u>

Health outcomes are affected by proximate (or direct) factors such as health care service utilization, environmental sanitation, and nutrition. Of course, there are indirect or underlying factors which influence health outcomes by influencing the proximate determinants. Examples are demographic, socioeconomic and cultural characteristics. In this section, those three proximate factors are discussed.

a) Health care service utilization

Health services if and when adequately utilized by the concerned populace would improve health outcomes. Utilization may be affected by factors such as access, availability and service coverage. Examined here closely are maternal and child health care service utilization.

Access to Family Planning is an important health indicator because it has direct bearing on maternal mortality and also indirect implications on infant mortality, nutritional status and over-all health status of mother and child. **Table 44** indicates¹⁰ utilization of contraceptives from 1982-1987. **Table 45** compares the number of current users and new acceptors between 1998 and 2000.

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 $^{^{10}}$ discounting the fact the possibility of underestimation especially for 1987

Table 44. FP Users, 1982-1987

Year	# of MCRA	# of users	%
1982	4871	2894	59
1983	4042	1996	49
1984	3675	1705	46
1985	3687	1624	44
1986	1612	824	51
1987	3152	700	22

Table 45. FP clients served in 1998 and 2000

Number of Clients served	Year 1998	Year 2000
Current users	2013	1988
New acceptors	844	830

The most widely accepted methods of FP were pills in 2000, (50.72%), followed by condom (30.12%) and BTL (12.17%). The BTL coverage (101 new acceptors) is relatively high.

Table 46. Natality Report: Place and Type of Deliveries. CY 1999-2003

	Table 10. Harding Report Flage and Type of Deliverious, C. 1.7.7. 2000										
			BY PLACE OF DELIVERY						Y TYPE C	F DELIV	ERY
		НО	ME	HOSI	PITAL	OTH	HERS	NO	RMAL	RI	SK
YEAR	TOTAL		Col.		Col.		Col.		Col.		Col.
	LIVE		%		%		%	No	%		%
	BIRTHS	No.	3/2	No.	5/2	No.	7/2	•	9/2	No.	11/2
1	2	3	4	5	6	7	8	9	10	11	12
								3,1			
1999	4,650	2,958	63.61	1,688	36.30	4	0.086	45	67.60	1,505	32.36
								3,3			
2000	4,811	3,113	64.71	1,684	35.09	14	0.29	71	70.00	1,440	30.00
								3,4			
2003	4,964	2,883	58	2,019	41	42	2	84	71.00	1,452	29.00

Delivery at hospital is progressing in this period. There is also a positive change in terms of decrease in the proportion of risky deliveries (**Table 46**).

Table 47. Natality Report: Deliveries BY Type of Attendance, CY 1999-2003

	5 17 1 1 1 G 1	am, kepe	my kepen. Denvenes by Type of Americance, or 1777 2000							
		DELIVERIES ATTENDED BY:								
YEAR	TOTAL DELI- VERIES	DOCTORS	NURSES	MIDWIFE	TRAD. HILOT	UN- TRAINED	OTHER/S	TRAINED PERSON- NEL		
1999	4,650	1,626	0	1,123	1,840	61	0	4,589		
2000	4,811	1,728	3	1,200	1,835	44	1	4,766		
2003	4,946	1,914	8	1,293	1,711	19	0	4,927		

The proportion of deliveries attended by trained health personnel to the total deliveries is very high and increasing in trend (**Table 47**). It was 98.7 percent in 1999, 99.06 percent in 2000 and 99.6 percent in 2003.

Table 48 below shows maternal care utilization in 2000.

Table 48. Maternal care, 2000

District	AP with 3 or more pre- natal visits	AP Women given with at least 2 doses of TT	Women receiving at least 1 post- partum Home Visit	Women initiated Breast Feeding
North	674	1024	1777	1072
East	804	901	1271	1172
West	693	1105	1261	997
South	683	791	1234	901
Urban	659	904	814	596
Total	3513	4725	6357	4738
Target	7077	7077	6065	6065
%	50	67	105	78

The City Health office reported full or 100 percent immunization of 0-11 months old infants from 2001-2002. The number of infants immunized was 5,451 in 2001 and 5,070 in 2002. It is also n improvement from the 94 percent accomplishment in 2000.

There is a need to improve on the breastfeeding program. In 2000, only 32 percent of infants were exclusively breastfed up to 4 months.

b) Environmental health and sanitation

Lipa City is performing well in this area in terms of indicators such as access of households to safe water, sanitary toilet and satisfactory garbage disposal.

Access to potable and safe water supply is an important factor especially in eliminating water-borne diseases. Water supply is usually in three levels namely: level 1, e.g. artesian and deep well; level 2 i.e. made available through communal faucets; level 3, i.e. derived from individual piped connections. The ideal source is level 3 because frequency and quality of water treatment is assured compared to the other two levels.

As of 2003, all households have access to safe water. There are also no more households utilizing level 1 source (**Table 49**).

Table 49. Distribution of Households with Access to Safe Water, 2003

		Households with Access to Safe Water					
District	Total No. of Households	Level	Level 2	Level 3	Total		
Urban	4,323	0	0	4,323	4,323		
North	11,676	0	2,399	9,277	11,676		
East	11,212	0	69	11,143	11,212		
West	10,491	0	206	10,285	10,491		
South	8,294	0	265	8,029	8,294		
Total	45,996	0	2,939	43,057	45,996		

Another good indicator of proper utilization of environmental health services is the access to toilet facility. As shown in **Table 50**, access is continuously expanding. All households in urban barangays as of 2003 have already 100 percent access to sanitary toilet.

Table 50. Distribution of Households with Access to Sanitary Toilet, 1999-2003

		1999	999 2000			2003			
District	Total No. of	HH w sanitary		Total No. of	HH with sanitary toilets		Total No. of	HH w sanitary	
	НН	Number	%	НН	Number	%	HH	Number	%
East	8,195	6,449	78.69	10,403	8,366	80.42	11,212	10,565	94.23
West	7,429	6,450	86.82	9,667	9,068	93.80	10,491	8,635	82.31
South	5,800	4,796	82.69	9,592	8,416	87.74	8,294	7,582	91.42
North	6,872	6,161	89.65	7,069	6,298	89.09	11,676	11,150	95.50
Urban	4,555	4,525	99.34	5,485	5,437	99.12	4,323	4,323	100.00
Total	32,851	28,381	86.39	42,216	37,585	89.03	45,996	42,255	91.87

Solid waste is a perennial urban problem. It directly affects health both at the household and community level if improperly disposed. Hence, another indicator on environmental health utilization is the distribution of households with satisfactory garbage disposal. In Lipa, out of the 45,996 households in 2003, there were 43,089 households with satisfactory garbage disposal or about 95 percent.

Inputs to Health Care provision

This section investigates on the performance of the city government in ensuring delivery or provision of health care services among its constituents especially the poor. It has been said that urbanization creates both opportunities as well as heavier burden of providing basic services such as health. One consequence of unmanaged urbanization is the tough and hard-hitting competition on the part of the populace to avail and access public goods. If the local government would not prioritize provision of public goods especially on health care, it's the poor and the marginalized sector of the populace who would definitely suffer. Given the demographic and socioeconomic characteristics of Lipa city, there is a big and increasing bulk of should-be beneficiaries of public health goods such as the (1) urban poor

who provide the labor and other services to fuel the city's economy but receive only a handful share of income; (2) rural poor who are actually excluded in the "boom" of the economy and reside in remote barangays, i.e., relatively far from where the public good are available; (3) young and old dependents, who have specific health needs and are demographically increasing in absolute terms; (4) the women or mothers who bear and rear children but without access to reproductive health care.

Though may not be highly-sufficient to ensure better health outcomes and cater to all the demand for health, the budget of the city government for health had been annually increasing. In 2002, the budget allocation was PhP52,024,693.48, an amount higher that the PhP44,197,234.25 budget in 2001. The 2001 health expenditures reached PhP41,335,361. It comprised 10.7 percent of the total LGU expenditures. This proportion is much higher than the standard of 5 percent.

Specific to budget allotment for medicines and medical supplies, this item had been increasing annually as shown in **Table 51**.

Table 51. Budget Allotment for Medicines and Medical Supplies, 1999-2002 (in million)

	1999	2000	2001	2002
Medicines	5	10	10	13
Medical	-	2	2	2
supplies				

Budget for nutrition was also ensured of 2 million pesos in 2002. It was doubled from the previous budget of 1 million. The amount was utilized mainly for supplemental feeding and conduct of nutrition education (e.g. nutrition classes) among parents of malnourished children and pregnant mothers.

What is worth highlighting also in Lipa is its 5 district health centers (DHCs) catering to a cluster of barangays in the north, east, west, south and the urban (Poblacion). All these 5 centers are already accredited by the Department of Health as Sentrong Sigla health facilities. In 2001, Lipa was awarded as the DOH Sentrong Sigla regional winner. These DHCs deserved the accreditation because they are all equipped with facility, personnel, supplies and even with laboratory. The urban district health center is considered as the main center and with more complete proviso. Delivery of all health services are done by the 5 DHCs. The City health Office located in the main building of city hall only deliver health services for LGU employees. In addition, there are also 9 satellite canters located in far-flung barangays.

Primary health care, environmental health and sanitation, and nutrition are the major services of the DHCs. Included here are diagnostic, laboratory, preventive, and referral services. In terms of programs, they offer the following: comprehensive maternal and child care; family planning including pre-martial counseling; expanded program on immunization; disease control for both communicable (e.g. TB) and non-communicable (diabetes, cancer); control of diarrheal disease; nutrition; dental health; rabies prevention and control; prevention of blindness; and environmental sanitation.

Table 52: Ratio of Health Personnel to Total Population, 2003

Health personnel	Number	Ratio of personnel to total population
Doctor	8	27,306
Nurses	13	16,804
Nutritionist	1	218,447
Medical technologist	2	109,224
Dentist	5	43,689
Dental aide	2	109,224
Midwife	55	3,972
Sanitary inspector	11	19,859
BHW	302	723
TBA	81	2,697
BNS	88	2,482
Non-technical	11	19,859
Total	579	377

For hospital health care, "Lipa has been dubbed as the medical center for the province because of the presence of most number of hospitals equipped with modern equipments and facilities." As of 2002, there were 10 hospitals, of which two are government hospitals namely Lipa City District Hospital and Fernando Air Base Hospital. The first one is under the direct supervision of the provincial government while the latter by the Commanding Officer of the 100th Training Wing. In 2000 the city government allocated a small grant for the District Hospital.

There are adequate number of health personnel employed by the city government in order to provide various health programs and services (**Table 52**).

Another worth mentioning is that the magna carta for health workers is already 100 percent implemented for all city health personnel in Lipa City. In 2000, the city government increased the allowances of BHWs, BNSs and TBAs.

On health financing, the city government allotted PhP5M in 2001 to its Health Insurance Program for the Indigents in cooperation with the Philippine Health insurance Corporation under the PhilHealth para sa Masa program.

Social Services

The City Social Welfare Office (CSWO) provides social services and assistance to Lipeños. Its functions include formulation of measures and provision of technical assistance and support to the City Mayor in carrying out measures to ensure delivery of basic social services; implementation of family welfare and community welfare programs which are aimed at development in communities; development and implementation of appropriate measures for the betterment of living conditions of poor families; and provision of

facilities related to social welfare and development services (2001 Annual Report).

The CSWO has three (3) divisions namely,

i) Community Welfare Division

The Community Welfare Division has two programs such as community mobilization and task force anti-mendicants. Community mobilization includes community organizing of social welfare structure like Barangay Disaster Coordinating Council. It requires training so CSWO provides training and workshops particularly leadership training. As regards the second program, mendicants (Badjaos and Mangyans) used to be a big problem in the City but through the Task Force on Anti-mendicants, the number has decreased significantly. According to the 2003 Accomplishment Report, proliferation of mendicants prevented by 80 percent.

ii) Family Welfare and Livelihood Division

The Family Welfare and Livelihood Division focuses on various programs which include provision of livelihood capital assistance, day care services, pre-marriage and marriage counselling, services for solo parents, services for disabled persons and senior citizens, and services for juvenile delinquents; and dole out programs. The livelihood capital assistance comes in the form of loan from PhP2,000-PhP3,000 with 1 percent interest rate. If the capital needed is much bigger than the amount offered by CSWO, prospective beneficiaries are referred to Punlang Puhunang Pinoy Cooperative's Office.

The livelihood assistance can also be in the form of practical skills training and development for at least 15 participants, i.e., in setting up of sari-sari store or parlor, fruit, vegetable, fish or garments vending, and slippers making as well as other TESDA offered training such as candle-making, cooking, baking, flower arrangement, dressmaking and cutting and sewing.

With regard to day care services, the CSWO caters to the needs of children aged 3 to 6 years old under the program Early Childhood Care and Development (ECCD). There are 108 day-care centers all over the city. One (1) day care worker is assigned to each center. Day care workers are given honorarium of PhP3,000 from the City plus PhP500 to PhP1,000 from Barangay. In addition, they can collect a maximum of PhP30.00/kid from the parents. There are 20 kids per session, i.e., morning and afternoon session. They use a specialized workbook, which is prepared by CSWO and priced at PhP120. The workbook is used all year round. Currently, the CSWO is planning to prepare a standard activity sheet.

To ensure quality day care services, the day care workers are convened once a month for meeting and once a year for enhancement training and workshop. The day care worker is required to have at least two years of college studies and preferably without background in teaching or education. Their work includes all aspects of child development, i.e., from health, development of interpersonal skills to inculcation of values.

In addition, pre-marriage counselling is available in the CSWO. It is provided to couples, aged 18-25 years, who are applying for marriage license. In contrast, marriage counselling is an intervention provided by an accredited and licensed marriage counsellor to married couples who need guidance and assistance in resolving marital conflicts. For solo parents, they are provided with ID and are given additional leave privileges.

Persons with disabilities are given restoration device such as wheelchairs and crutches but the supply is limited. Moreover, they are also given trainings and workshops to maximize their potentials. On the other hand, social and self-enhancement trainings are offered to senior citizens. In the case of juvenile delinquents, CSWO performs initial assessment of the problem; ensures prevention of social ills such as drug addiction, gambling and the like through parent effectiveness services (package of training) and counselling.

On dole-out program of the CSWO, financial assistance, maximum of PhP3,000, is given to indigents particularly for people in crisis and funeral assistance, maximum of PhP5,000 to low income families who cannot afford burial and other incidental expenses.

iii) Women Welfare Division

Women Welfare Division was created a year ago due to the size of the sector. Through it, the CSWO offers a package of services, which include self and social enhancement, leadership training, livelihood training, and other trainings that will improve family life.

Traffic Management

Traffic congestion has become a problem in the city in the late 1990s. It can be attributed to the increasing economic activity and the limited road capacity in the area. With the presence of economic and commercial establishments as well as schools, traffic jam is indeed inevitable. To address the problem, the Lipa City Government (LCG) has established the Traffic Management Department (TMD) in 1996. The TMD is responsible for easing traffic congestion in the city through effective and efficient traffic management. The LCG's resolute effort to solve the problem was apparent when it sent the TMD head to University of the Philippines for formal education

on traffic engineering. Other TMD personnel were also sent to seminars and trainings related to traffic management.

Consequently, a good number of programs have been designed and implemented to this end. Some of these programs were done in "trial and error" strategy to really find out the best scheme that will lessen, if not eradicate traffic jam in the city. TMED's "Comprehensive Traffic Plan on Road Safety and Development" include i) conversion of idle lots to terminal at the city proper; ii) provision of median barrier near Robinsons to keep vehicles from making left turn; iii) widening of Pres. Laurel Highway; iv) provision of oneway route along C.M. Recto, B. Morada, M.K. Lina and other main streets; v) provision of terminal by district (previously grand terminal); vi) provision of bypass road; vii) provision of traffic signalization; viii) passing a resolution directing the barangay to provide transportation for funeral marchers; ix) construction of toll way gate at the STAR toll way (Bulaknin section); x) transfer of bus stop at the road going to Bulaknin (after Levi town); xi) improvement/rehabilitation of access road Banaybanay-Pangao, Tambo-Lodlod, Paninsingin-Lodlod, and Bulaknin-Maraouy; and xii) widening of road from P. Torres Street to Antipolo del Norte, which is the only route going to the public cemetery.

The first three items were already implemented. As of the date of writing, TMD is pre-testing the fourth one, i.e., re-routing of all vehicles for a month to ease up bottlenecks particularly in thoroughfares going to De La Salle Lipa and bus station. The results of the new system remain to be seen. The remaining items are under study and yet to be implemented. With only few personnel at present (**Table 53**), TMD is able to perform its functions and responsibilities but admittedly, there is more to be done to ease traffic congestion in the city.

Table 53
TRAFFIC PERSONNEL

Designation	CY 2001	CY 2002	CY 2003	CY 2004*
τοο ιν	1	1	1	1
T00 IV	1	1	1	1
T.A. III	1	11	1	1
T.A.I (P)	26	26	25	27
T.A.I (C)	18	18	40	40
MESSE (C)	1	1	1	1
TRAFFIC	30	30	15	12
AUXILLARY				

^{*} January to June

Peace and Order

The maintenance of peace and order in the city rests on Lipa City Police Station (LCPS). It has an actual strength of 80 police personnel. Five (5) of these are Police Commissioned Officers (PCOs) and 75 Police Non-Commissioned Officers (PNCOs). 85 percent of the total personnel are in the field while the remaining portion is assigned at the station performing office duties and. With an estimated city population of 247,299, there is a need for additional 167 police personnel to satisfy the 1:1,000 police-to-population ratio. At present, the ratio is 1:3,091 persons (LCPS Handout). The additional police officer is expected to help attain greater efficiency in keeping peace and order in the place.

In terms of armaments, the LCPS has 45 assorted long and 77 assorted short firearms with 300 rounds of ammunitions for calibre 45; 168 rounds for calibre 9mm; 124 rounds for calibre 38; 308 rounds for calibre 38 revolver; 3,171 rounds for calibre 5.56; 1,130 rounds for calibre 7.62; and 10 rounds for 12 Ga. Shotgun. On the other hand, lift capability or mobility of the station depends on 15 motor vehicles and motorcycles. When it comes to communication equipment, the station has five (5) Base radios. One of which was issued by the PNP while the remaining ones came from the city government. In addition, LCPS has 21 handheld units.

Despite the shortage in manpower, the LCPS has managed to improve its crime solution efficiency rating (CSER) through the years. Although there were years (2000 and 2003) when it actually deteriorated, the CSER recovered the following year (**Table 54**). This was made possible by the support the LCPS has been receiving from the city government and other sectors in the society such as barangay-based organizations/task forces/groups. The station has worked closely with committees that are looking into the crime situation in the city. As a result, the Lipa City Police Station bagged the 2nd Runner-up place in the search for "Best City Police Station" by the PNP National Headquarters in 2002. Also, it was awarded as "City Police Station of the Year 2001" by PNP Regional Headquarters. On top of these, PNP Chief accorded the "Medalya ng Kadakilaan" award to the policemen of Lipa who successfully conducted the biggest raid of Shabu laboratory in Brgy. Sto. Niño in 2001.

Table 54
Comparative Crime Statistics
Lipa City Police Station

		1998	1	1999	2	2000	2	2001	2	2002	:	2003	2	2004
Population	19	2,363	19	2,510	19	6,348	20	1,750	21	8,447	24	19,248	24	17,299
Offense	Rep	Solved												
Murder	29	23	21	15	17	13	11	7	9	9	12	5	6	4
Homicide	16	15	12	10	17	17	18	18	8	8	5	5	2	2
Physical injury	33	30	21	21	17	15	6	5	10	10	4	3	0	0
Rape	8	8	11	11	9	9	8	8	5	5	1	1	1	1
Total Crime	86	76	65	57	60	54	43	38	32	32	22	14	9	7
Robbery	27	8	13	3	9	4	10	7	4	3	1	1	5	2
Theft	13	13	14	13	14	14	4	4	5	5	0	0	0	0
Total Crime	40	21	27	16	23	18	14	11	9	8	1	1	5	2
Total Index Crime	126	97	92	73	83	72	57	49	41	40	23	15	14	9
Total Non-index Crime	113	106	256	252	136	129	223	222	145	145	46	46	36	36
Total Crime Volume	239	203	348	325	219	201	280	271	186	185	69	61	50	45
Crime Solution Efficiency		84.94		93.39		91.78		96.79		99.46		88.41		90.00

Source: Lipa City Police Station

Environmental Concerns

Environmental programs are equally important to the city government especially now that various industries are operating in the city. As the city moves towards the direction of urbanization, keeping the balance between the city's environment and natural resources and economic development is a major concern. Ideally, economic growth process should not jeopardize the environment and natural resources and environment and natural resources must support economic development. The City Environment and Natural Resources Office is the agency responsible for the environmental concerns of Lipa particularly sustainability of the city's natural resources and ecological system. The city government has put up a trust fund amounting to PhP2,500,000.00 for the CENRO's operations.

Part of the environmental program is the Comprehensive Solid Waste Management Program, which involves street sweeping; market clearing; garbage collection and waste treatment and disposal. The city has an open dumpsite or landfill covering an area of 15,966 square meters located along the banks of San Isidro Creek in Brgy. San Isidro. The dumpsite has an original depth of 10 meters and since it has been utilized for almost 19 years, there is a possibility of spillover of garbage into some portions of the river which could result in water pollution. In addition, seepage is also a possibility which could affect the quality of groundwater. On top of these, the estimated average volume of garbage collected in 2003 is 67.2 tons a day, i.e., equivalent to more than 24 truckloads a day. With the rate of garbage generation in the city (**Table 55**), Lipa is facing a serious problem.

Nevertheless, the LCG is exerting effort to lessen the hazards from the waste. Chemical treatment is used on the dumpsite as soon as the waste is dumped. Such practice has been a good example to other nearby municipalities (Lipa City EP, 1999). Further, organic concentrate is regularly applied to ensure sanitation for the residents near the area and minimize foul odor from the waste.

Table 55
2003 Estimated Average Volume of
Garbage Collected, In Tons

Daily	67.2
Daily Weekly	470.4
Monthly	2,016.0
Yearly	24,192.0

Garbage collection is done daily except for rural areas as shown in **Table 56**. The actual waste collection, on the average, is 56.4 tons a day. It does not include the waste generated in 40 barangays that are not covered by garbage collection. **Table 57** gives the equipment used in solid waste management. Majority of the equipment are already old. Frequent breakdown of garbage vehicles is one of the problems encountered in solid waste management.

Table 56
Frequency of Waste Collection

	Frequency	Volume per Frequency
Residential	Urban* - daily Rural** - weekly	50.4 tons/day (21 truckload)
Commercial Industrial/Institution	Daily Daily	5 tons/day (2.5 truckload) 1 ton/day (0.5 truckload)

^{*} covers 12 barangays

Table 57
Equipment Used in Solid Waste Management

Туре	Quantity	Date Acquired
Green Mini Dump Truck 5 cu.m.	5*	2002
Open Dump Truck 8 cu.m.	1	1990
Mini Compactor Truck	4	2-1990/2-1998
Bulldozer	1	1998
Backhoe	1	2000
Water Truck	1	1995
Power Sprayer	2	2000
Mini Dump Truck (FUSO)	1	1997
Mini Dump Truck (KIA)	1	2001

^{* 1} is under repair

With regard to financial aspect of solid waste management, the budget for 2004 amounts to P21.42M, chargeable to the city's account for environmental management fee and garbage fee from private haulers. Expenses for the previous year stood at PhP6.5M. Bulk of the expenses was used for transportation particularly for fuel and lubrication (**Table 58**).

^{**} covers 20 barangays (including those in 38 subdivision) Source: Lipa City Local EPM

Table 58
Financial Aspect of Solid Waste Management

rinancial Aspect of solid waste Management				
Budget for CY 2004				
Personal Services	P18.5M			
Maintenance and Other	P2.92M			
Operational Expenses				
Expenses for CY 2003				
Transportation				
Fuel and Lubrication	2.877.547.91			
Equipment Repair	1,821,552.00			
Dumpsite Management				
Deodorizer/disinfectant	1,329,300.00			
Land filling materials	480,000.00			
Sources of Revenue				
Environmental Management Fee	_, ,,			
Garbage Fee from Private Haulers	74,650.00			

Source: Lipa City Local EPM

Aside from solid waste management, the CENRO conducts information and education campaign to raise awareness on environmental issues. In particular, fora, discussions and community lecture on environmental concerns are held to educate the Lipeños. Local broadcast stations are likewise used as means for information and education campaign. The city also implements laws to protect the environment and natural resources (**Table 59**).

Table 59
Environmental Laws Being Implemented

Ordinance # 2, \$ 1993	Anti-littering Ordinance
Ordinance # 3, \$ 1993	Comprehensive Waste Disposal & Management Ordinance
Ordinance # 5, \$ 1996	Increasing penalties in violation of Ordinance 2, \$ 1993
Ordinance # 1, \$ 1997	Implementation of "Tapat ko, Pananagutan ko"
Ordinance # 4, \$ 1997	Amendment in the implementation of Ord. 2 & 3

On the other hand, the private sector has practices that support the environmental programs of the city. For instance, the Nestle Philippines, Inc. implements the Nestle Environmental Management System (NEMS) with the objective of safeguarding against pollution and ensuring compliance with existing environmental laws. For each of the Nestle plants, an Environmental

Protection Committee is in place to look at the effects of the business operations on the environment and identify means to lessen the effects. Similarly, the LIMA Technology Center has its own environmental officer to look at the effects of their operations on the environment (Lipa City Environmental Profile, 1999). These conscious efforts from the private sector really help the city government in addressing environmental concerns in Lipa.

Similarly, the city government has benefited from the project, "Strengthening Local Environmental Planning and Management" (Local-EPM) funded by United Nations Development Programme in 1998. The objective of the project was to strengthen local government units (LGUs) and enhance their capacities for participatory environmental planning and management at the local level. Project activities included assistance to LGUs and their local partners for development and strengthening of capabilities for environmental planning and management (EPM). More specifically, the activities included formulation of environmental management strategies and action plans and their operational implementation; and strengthening abilities of appropriate local institutions to work and assist LGUs.

Through the local EPM, the city was able to come up with the City Environmental Profile (CEP), which was published in 2000. The document gives baseline data on activity sectors, environment and management settings and highlights interaction among development, environment, and activity sectors (Lipa CEP). In addition, two projects were implemented in 2001. To wit, Community-Based Solid Waste Management Project and the Berde-Barangay Environmental Rehabilitation and Development in Brgy. Balintawak and Brgy. 6, respectively. The latter project was aimed at greening the urban barangays. Later on, it gave birth to another project, i.e., "Adopt a Purok," which is supported by local bankers association (Lipa City Annual Report 2001).

With the completion of the Local EPM Project in 2001, the Local EPM Unit was institutionalized in the CENRO. In principle, the CENRO should continue the project activities, i.e., to implement the activities in as many barangays as possible. However, this is not done due to other priorities and lack of support from some local officials. The barangays not covered by garbage collection could have designed their own community-based solid waste management if the activities of the Local EPM Project were sustained.

Housing especially for the urban poor

The ideal outcome of housing provision in an urban context is acquisition or ownership of housing units not just by middle and upper classes but also the poorest section of society. Owning a house does not just mean shelter but also symbolizes access to land and asset, a form of both savings and investments, personal security and a place of livelihood as observed in slums and squatter areas. Hence, ensuring tenure to housing (including, of course, land tenure) especially among the poor is a very good indicator of a well-managed urbanization.

Acquiring and/or owning a house is an outcome of balancing the housing supply and demand. Issues and concerns governing these two encompass how supply and access to housing structures corresponds to the rapid growth of demand affecting and affected by affordability and ample investments including housing finance.

Demand for housing

The demand for housing is tremendously increasing as evidenced by the expansion of the residential land use from 0.46 percent (of the total land area) in 1995 to 12.58 percent in 1999. In just 4 years, there is a 12.12 percentage-point increase. As early as 1987, indication of such increasing demand was found in the tripling of residential building endorsements/permits from the 1986 record. During the same year, the majority of amount spent in construction went to residential building.

One sector that largely demands for decent and secure housing is the urban poor. They can be categorized into three, namely (1) the squatters or those occupying land without consent of the owner; (2) those who occupy for free but with owner's consent; and (3) renters or those who occupy with consent but for a fee. All of them do not have their own houses and faces the danger of eviction or loosing shelter but mostly cannot afford to secure housing ownership.

It is worth mentioning that the 1987 socio-economic profile reported that there were 586 households considered as squatters. Hence, between 1987 and 1998 the squatter population had more than doubled and continued to increase as reported in 2000. In 1987, they already occupied about 44,700 square meters of land. The statistics on squatters manifest the large demand for tenured housing.

Another indicator for housing demand is the double-up units. The 1997 record disclosed that 2 percent of the year's housing stock is doubled-up units. This means that for very dwelling unit, there are two households which share a unit. Of the 36,233 households surveyed, 725 live in double up units.

Table 60
Distribution of Squatters

1998			2000
Location(barangay)	Occupants (# of household)	Area occupied (square meter)	
A. Railroad track sites			
Balintawak	70	3,850	90
Banay-banay	47	2,685	73
Bugtong na pulo	185	9,075	185
Inosluban	34	1,855	36
Mataas na lupa	224	5,380	265
San Carlos	150	4,800	190
Sitio Sto. Toribio	110	4,915	270
Sico	94	3,620	105
Tambo	144	5,540	150
Total	1,058	41,720	1,364
B. Along Estero (Poblacion)			
barangay 3	70	2,200	50
barangay 8	3	120	
total	73	2,320	50
C. In Government Property			
Marawoy (back of New City Hall)	60		25
open space (govt subd., Sabang)	30		25
barangay 7	155		160
Government cemetery	65		70
total	310		280
Grand total	1,441		1,694

Source: Lipa City 1998 Shelter Plan and 2000 Survey of Squatters of UPAO

Furthermore, the 1990 survey (census quoted in the shelter plan) revealed a dire need for many housing units to undergo structural improvements. Out of the 28459 surveyed housing units, 1596 were constructed in 1950 or earlier; 5534 needed major repairs; 226 are dilapidated or condemned. Many of them used construction materials like makeshift materials that would not stand the test of time.

The shelter plan (1998-2002) placed the total number of 10,917 household beneficiaries representing the number of housing demand based on backlog and population growth. The backlog units comprised 37 percent (4,022), included therein are the 1,441 squatters, estimate for future displaced (estimate future relocation and needed demolition due to government projects) and doubled-up units (**Table 60**). Meanwhile, 63 percent (6,895)

consist the units needed due to population growth (based on 1995 census calculation) (**Table 61**).

Table 61
Demand for Housing Units (1998-2002)

2011ana 101 11000mg 01m3 (1770 2002)			
Needed Housing	number		
Doubled-up (2% of 1997 housing stock)	725		
Displaced units			
- Need relocation	1,441		
 Estimate for future displaced 	1,856		
Subtotal (due to backlog)	4,022		
Due to population growth	6,895		
GRAND TOTAL	10,917		

Source: Lipa City 1998 Shelter Plan

Supply for Housing

Land is the most obvious resources required first in order to ensure housing supply. What is crucial is land availability for the relocation sites. For the others, they can be covered by the 20 percent socialized housing and economic housing, that is thru various purchase mechanisms and financing.

Table 62
Land Required and Available

Housing Project	No. of	Land	Land	Location
	beneficiaries	requirement	Available	
	(total=10,917)	(has.)		
1. Resettlement/Relocation				3 relocation
- Local Housing	1,441	9.8	5.6 has.	sites:
Project (LGU-				Antipolo del
NHA)				Sur;
- PNR district				Kayumanggi;
				Lodlod
2. 20% Socialized housing	4,677	4.3	4.3 has.	7 subdivisions
3. Economic Housing	4,799		5288 lots	13 subd.
				Classified as
				BP220
				Economic
				and PD 957

Discounting the future displaced, there is already a large difference of about 4 hectares between land available and required for squatters (**Table 62**). Only about 55 percent of the beneficiaries will be accommodated with the required land of 64.23 sq. m. per unit. Meanwhile, the rest or about 45 percent has to remain illegal occupants in the same land or if displaced without relocation, then in other places in the city. Even the shelter plan has an "unfortunate" footnote: "Hopefully, opportunities from the private developers will come up to give the 646 remaining beneficiaries a chance to own a house and lot that is within their affordability sometime in the next planning period."

This reveals that even with a shelter plan the local government of Lipa does not have a comprehensive pro-poor housing program. It largely depends on National Shelter agencies providing for housing programs including financial assistance to beneficiaries. However, these regular housing packages are normally beyond reach of the bottom poor. Except for the Lingap Fund course through Congressman Recto and Senator Biazon, there seem to be no funds allocated for urban poor housing. The city government has an Urban Poor Affairs Division under the Office of the Mayor. Its main task is coordinative in nature, providing technical assistance for and in behalf of national housing programs, and monitoring of the (only) three relocation projects. Looking at affordability and capacity of the residents especially the bottom poor, it can be inferred that local government intervention, not just in regulating housing or facilitating shelter programs but really in providing direct shelter or access to affordable means to house and lot acquisition is badly needed. However, nowhere in the local expenditures that such priority can be found. There exist best practices which the city can emulate like on-site development, land banking and community-based financing schemes.

Yes, the city will continue to attract people and a large number of them would be the landless poor. Unless given special and preferential attention at the early stage, the dismal situation of squatters akin to Manila is very likely to replicate in Lipa city.

(c) Institutional capacity building

VILMA'S MBN, launched on August 1, 2001, stands for Vibrant, and Innovative Local Managers' Action Toward Mobilizing Barangays in Nation Building. The project is a parallel initiative of Lipa City Government in support of the Poverty Alleviation Program embodied in Republic Act 8425. It is guided by the principle that a convergent approach is necessary in the preparation and implementation of plans and strategies through streamlining and synchronization of anti-poverty efforts. It aims to mobilize the barangays into strong and self-reliant communities by running a series of barangay orientation, consultations and capability building trainings for community volunteers. Further, it also aims to empower the poor by teaching and assisting them to be able to fend for themselves. The strategy is to start with the smallest unit of the society, i.e., the family.

The VILMA's MBN manifests a team in unified action towards the betterment of the city. It is viewed as a "catalytic vehicle" which will bring Lipa in the list of top ten cities. Behind the initiative is the VILMA's MBN Team composed of local department heads and support staff of the local city government (LCG). It is the agent in mobilizing each barangay to work on their identified problems and in close monitoring of the developments. The team conducts consultation meetings with the barangay leaders and officials before programs and activities are formulated.

During the early years of the Recto administration, the initial programs centered on four major priorities namely education, health, infrastructure and livelihood but with the re-launching of MBN into VILMA's MBN, the administration has expanded the list of priorities to include garbage/solid

waste management; traffic; law, order and public safety; beautification and environmental sanitation; public market; and computerization. These priorities now form part of the VILMA's MBN Ten Point Agenda. All the plans of the administration are prepared along these identified areas of concern.

The active participation of other sectors such as private sector, academe, and non-governmental organizations (NGOs) in VILMA's MBN activities is noteworthy. For instance, Lipa City Colleges (LCC), a private educational institution representing the academe, has volunteered its services for community development work. Its curriculum requires the students to undergo the Community Immersion Program wherein LCC students render two (2) months of community organization and building and mobilization particularly for the out-of-school youth (OSY). In 2001, seven (7) OSY groups were organized with 14 members per group. Under the program, the OSY, with the guidance of the LCC students, were involved in anti-drug campaign activities; practical skills trainings, operation linis activities, sports fests; and fund raising projects. Another collaborative initiative of both the LCG and private sector is the Project VSR (Voices, Songs and Rhythms), which aims to discover the inherent singing talents of the Lipeños. The project started on September 8, 2001 and has been a regular activity in the city since then.

The VILMA's MBN has a number of other accomplishments, which the LCG can boast of. They can be used in assessing the success of such an initiative especially at this point when the initiative is almost 3 years old. It would be appropriate to really monitor and assess what have been done and see whether there is a need to improve or expand the program to include as many barangays as possible.

IV. Issues, Challenges and Potentials

As Lipa City moves towards urbanization, it should be prepared to cope up with the issues and challenges that come along with it lest the city will not be able to reap the full benefits of economic growth and development. Managing urban growth is a major concern which the city government will have to confront head on. The current administration's ability and will power to generate own-source revenue will determine its capacity to ensure that Lipeños are receiving quality basic social services such as education, health and social welfare services, not to mention the benefits that Lipa City Government is getting from the auspices of some politicians and other external sources. Considering that the current local chief executive is on her last term, the sustainability of financial assistance from external sources such as countrywide development fund is not guaranteed. Thus, the city government must be able to maximize the taxing powers given to local governments as specified in the Local Government Code.

Further, urbanization also spawns other development issues, which include but are not limited to solid waste management, pollution, traffic jam, and informal settlement. Although the city government is exerting effort to address these issues, admittedly, there is more to be done particularly when it comes to traffic congestion, solid waste management, growing population of squatters, influx of migrant workers, and continued urban growth and

expansion. The increasing economic activity and the limited road capacity in the area cause traffic congestion in the city particularly in areas near commercial establishments and schools. On the other hand, various industries operating in the city pose hazards to the environment. Keeping the balance between the city's environment and natural resources and economic development is a major concern.

Moreover, many of the informal settlers are located in danger zone, i.e., along creeks (estero) and railroad track sites. Squatters along creeks contribute to water pollution due to the waste they generate. On the one hand, squatters along railroad ways are prone to accidents which may be due to mechanical problems or negligence on the part of the community. As regard migration, potential workers in the city are now facing steep competition with the influx of migrant workers from nearby municipalities. Lipeños will have to equip themselves lest competent workers from other localities will crowd them out. Further, the continuous urban growth and expansion may result in problems in food security as agricultural land is converted into urban land such as residential, commercial and industrial land. The conversion of land must be properly regulated by the city's comprehensive land use plan. Also, small industries (e.g. minimarts and stores in the marketplace) will have to compete well, which is oftentimes not the case, with big shopping malls. Otherwise, they will run the risk of losing their customers.

Nevertheless, the city has potentials which if properly utilized will bring Lipa from being an emerging city to a highly urbanized one. The good performance of Lipa City in terms of education is noteworthy. The city is really serious in improving its educational system because it believes that education is a powerful tool to fight against poverty. Consequently, Lipa can offer highly competent human or manpower resources. On the one hand, the state of health facilities in the city is also commendable with all its health centers accredited by DOH as Sentrong Sigla. The presence of well-equipped hospitals and a number of private medical and dental clinics as well as diagnostic laboratories is beneficial not only to the Lipeños but also to the people of nearby municipalities. Further, a good sense of strong cooperation among Lipeños is evident with the existence of various cooperative and civic organizations that are actively participating in local government initiated activities.

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