

## A STUDY OF THE IMPACT OF THE PHIVIDEC INDUSTRIAL ESTATE

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### I. INTRODUCTION

Past and recent trends in Philippine national development strongly indicate wide disparities or imbalances in regional development. In 1975, for example, Luzon which has 47 percent of the land area and 54 percent of the population accounted for 65 percent of the total goods and services produced in the country. The Visayas area, which has 19 percent of the land area and 24 percent of the population shared 19 percent of the total output of the country. Mindanao, with 34 percent and 22 percent of the land area and population, respectively, contributed only 16 percent of the country's output. The highest concentration of development has been in the Metro Manila area which in 1975 showed a per capita income of ₱3,988 (at 1972 prices). Visayas and Mindanao could only account for an equivalent of 33 percent and 30 percent respectively of Metro Manila's per capita income.

To promote balance in regional development, the Philippine government launched the policy of dispersal of industries. To encourage industries to go to the countryside, the strategy of developing industrial estates in the different regions of the country was adopted using the experience of the export processing zone in Bataan. With this background, the PHIVIDEC Industrial Estate in Misamis Oriental was created.

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## II. PROJECT BACKGROUND

On 10 January 1974, Kawasaki of Japan was given a clearance to establish an iron ore sintering plant in Nabacaan, Villanueva, Misamis Oriental. Prior to this, the National Steel Corporation had chosen a 711-hectare area in the same municipality as the site of a proposed integrated steel complex. Consequently, the concept of an industrial estate based on these two complexes was initiated. On 13 August 1974, the President signed into law Presidential Decree No. 538 creating the PHIVIDEC Industrial Estate Authority.

PHIVIDEC stands for Philippine Veterans Investment Development Corporation, which is itself a product of Presidential Decree No. 243, as amended, issued on 26 December 1973. This decree was issued in line with the Philippine government's objective of effecting the desired changes and reforms in the socioeconomic structure of Philippine society through the utilization of the productive capacities of veterans and retirees of the Armed Forces of the Philippines. It is PHIVIDEC which was entrusted by Presidential Decree No. 538 to develop industrial estates throughout the country starting with its first industrial estate in Misamis Oriental.

Generally, the PHIVIDEC Industrial Estate-Misamis Oriental (PIE-MO) is envisioned to play a vital role in:

1. catalyzing regional economic growth and enhancing regional economic balance;
2. dispersing industries, thus reducing congestion in highly urbanized centers;
3. promoting exports, thereby contributing to foreign reserve;
4. solving the unemployment problem.

### *Location of the Project*

PIE-MO is located in Northern Mindanao in the two municipalities of Tagoloan and Villanueva, Misamis Oriental about 25 kilometers east of Cagayan de Oro City. The project area is approximately 3,000 hectares and is comprised of some 18 barrios/sitios. These are Nabacaan I, Nabacaan, Domo, Balacanas, Tambobong, Dalamba, San Martin, Dinugon, Kirahon and Kiamo of Villanueva; and Casinglot, Sugbongcogon, Gracia, Baluarte, Balot, Sta. Cruz, Calsada, and Polo of Tagoloan. The area is generally flat. It was originally occupied for residential and agricultural purposes. In 1975, Villanueva had a population of 9,863 and Tagoloan, 14,958.

### *The Estate's Plan*

The industrial estate has been planned to become fully developed by 1990. Total cost of development is expected to reach ₱1.0 billion which includes cost of land acquisition, site preparation, development of roads and bridges, provision of bank protections and river works, drainage system, water supply system, sewer system, electrical supply system, communication system, security and alarms system, building system, port complex, and equipments.

When fully developed the estate is planned to have 10 heavy industries, 40 medium-scale industries, and 100 light industries. The estate's contribution to the national economy will be in terms of increased employment, addition to gross value-added, generation of foreign exchange, and increases in domestic capital formation. In employment generation alone, a total of about 40 to 60 thousand workers are expected to be employed directly by the industries locating in the estate.

The proposed 150 industries will occupy a total of 1,303 hectares or 44 percent of the estate's total area. The rest will be for housing areas (14 percent), service areas (6 percent), and utility/green areas (36 percent).

The estate's incentive package consists of the following:

1. admission of fully-owned or controlled foreign enterprises;
2. employment of foreign nations;
3. tax- and duty-free importation of capital requirement, raw materials and supplies;
4. exemption from export tax;
5. assistance in securing financing;
6. accelerated depreciation;
7. net operating loss carry-over;
8. housing for workers;
9. Availability of standard factory buildings;
10. manpower training and development assistance; and
11. simplified import-export documentation.

### *Current Estate Profile*

At present, the industrial estate has a total of 11 operational manufacturing industries and 14 supportive service industries. The plant of one more manufacturing industry, Ferrochrome Philippines Inc. is still under construction.

The 12 manufacturing industries required a total of ₱2.3 billion to develop. Individual costs range from ₱1.6 billion for the Philippine Sinter Corporation to ₱120 thousand for Cagayan Food Industries. Most of the estate's industries are Filipino-owned except for Philippine Sinter Corporation (100 percent Japanese), Ferrochrome Philippines Inc. (61 percent Austrian), and Philippine-Japan Marine Surveyors (Filipino-Japanese). Total employment of both the manufacturing and service industries comes to 2,765 workers, with the former accounting for 2,373 workers or 85.8 percent of the total. The manufacturing industries paid a total payroll of ₱23.6 million for its workers in 1981; their power demand was 44,150 kw.

Of the 12 manufacturing industries, however, 7 were already existing when the estate was developed. The new ones are the Philippine Sinter Corporation, Steniel, Ferrochrome Philippines, Inc., Willkom, and PHIVIDEC Mindanao Division, with the last two being primarily supporting industries. Most of the service industries, although new in industrial estate, were already operating elsewhere before the operation of the estate. When their services were needed by the industrial estate they registered with the estate authority. Examples of these are the security agencies and the arrastre and stevedoring firms.

For some reason or other, the number of industries that newly entered the area is way below the planned target. Aside from the slowness of the entry of new industries, the estate also has problems of meeting its original physical development plan. Because of these problems, the estate plan was altered, with full development to be extended to 20 years instead of 15 years. The new target completion year is 1995.

### III. FRAMEWORK OF THE STUDY

#### *Objectives of the Study*

Since the industrial estate has yet to be completed, it is not the objective of this study to conduct an evaluation of the PHILVIDEC Industrial Estate in a summative sense — i.e., give to statements concerning the project's achievement of its pronounced goals, to explain any unanticipated outcomes, or to make comparisons with alternative programs. The estate, although already in its seventh year,

can still be considered to be in its initial stage of development since the number of industries (excluding the old ones) in it is still way below the planned target.

Considering that the project is still developing and behind schedule, the study endeavors mainly to evaluate the impact of the project based on what has been accomplished so far and not on the basis of expected full benefits of the project as expressed in the industrial estate's goals and objectives. The findings of the study can then be used as a basis for altering specific policies currently being followed in the course of development of the estate or for strengthening some of the policies that are found effective and useful in attaining the estate's objectives.

Specifically, the study will try to find answers to the following questions:

1. What is the volume of employment being generated by the estate?
2. What kind of workers are benefiting from the estate, from where are they, etc.?
3. Is there a perceived increase in the income of those who are directly employed in the estate; what about those not employed by the estate? Do they experience any income benefit from the estate?
4. What happened to local business activities after the establishment of the estate? Is there any significant increase in their number and in the volume of their activities?
5. What about the government? How does the presence of the estate affect the operations of local governments? Have local government resources and expenditures increased after the coming of the estate?
6. What is the general feeling of the people of the community about the estate? Do they welcome it? Do they feel they are benefited by the project?
7. Does the estate have impacts? What, for example, has happened to the displaced families?

### *Design of the Study and Methodology*

Given the limited availability of data, only the following impact indicators are investigated in the study:

1. Impact on employment

2. Impact on income of workers
3. Impact on local government revenues
4. Impact on local business activities
5. Impact on population movement
6. Impact on displaced families
7. General observation on project's impact

Preproject data were reconstructed for population, number of business establishments, past income of workers, and employment status for comparison with existing data. For data on population and number of business establishments, the use of a control group was attempted to determine the magnitude of the project's impact on these particular concerns. The municipalities of Opol and El Salvador located on the western side of Cagayan de Oro were used as the control municipalities. Tagoloan and Villanueva are located on the eastern side of Cagayan de Oro City, and both are equidistant from the city. Thus, any influence of Cagayan de Oro City as the regional capital of Northern Mindanao is equally felt by the two adjacent areas.

Where no past data prior to the establishment of the industrial estate could be gathered, current data were used as basis for comparison for both the control and project sites, such as data on local government revenues. Data on employment and workers' income could not be compared with a control group in the absence of a municipal-wide information. Data on family income, for example, are available at the municipal level only in 1975 as gathered from the NCSO Family Income and Expenditures Survey. Past and recent data are not available at the municipal level. What was done simply was to determine the net increase in employment after the entry of the estate. In terms of income effect, a comparison was made of current and past salaries and wages (including allowances) of workers whenever indicated in the survey.

The unit of analysis used in the study is the municipality and/or the individual worker depending on the nature of the data being evaluated.

The methodology of the study includes gathering of secondary data about the area where the project is located and of information about the industrial estate and its existing industries; surveys of estate employees and of selected key informants; and interviews of local government officials, officers of the industrial estate authority, and a cross-section of people in the area.

The secondary data were gathered from the surveys and census reports of the NCSO and other information compiled by national and local government offices and the local office of the industrial estate. Only data that pertained to the industrial estate and the locality of the project were gathered.

#### IV. FINDINGS OF THE STUDY

The PHIVIDEC Industrial Estate directly caused the additional employment of about 1,072 persons; improved the workers' income, increased local business activities, and expanded local government revenues; and caused the movement of population towards and around the project site. But with positive impacts, some negative impacts were also brought about by the project, among them the forced displacement of former occupants of the project site who had to move to other areas and find new means of livelihood.

##### *Employment Impact*

The interview/survey of key informants in Villanueva-Tagoloan-Cagayan de Oro showed mixed results. While the informants admitted that employment improved because of the project, they nonetheless believed that employment was the weakest among the projects' impacts. People expected the industrial estate to employ more industrial workers, even at its present low state of development.

The industrial estate provides employment for 680 workers in two major established manufacturing industries and two other smaller manufacturing firms. The capital labor ratio is very high (P2.4 million per person) for the four industries. A total of 392 additional workers were also hired by the 14 service industries which operate at the industrial estates in support of two large manufacturing firms. The service industries include firms involved in activities such as security, arrastre and stevedoring, communications, shipping, warehousing, and janitorial services. However, the total of 1,072 workers employed by the four manufacturing plants and 14 service industries could not be easily felt by the people considering that the two municipalities of Tagoloan and Villanueva have an estimated labor force of about 13,000. Assuming that all the workers come entirely from Tagoloan and Villanueva, the total of 1,072 workers is equivalent to only 8-percent of the estimated labor force of the two municipalities.

What probably caused the people to view employment as a weak impact is the fact that many of the workers are outsiders. Of the 374 workers surveyed, only 16 percent are native born to the Tagoloan and Villanueva area and only 39 percent are natives of the province of Misamis Oriental. Expanding the native-born concept to include the whole of Region X, the proportion comes to only 52 percent. The rest are from the Visayas (18 percent), Luzon (15 percent), and the rest of Mindanao (14 percent).

In terms of residence for one year prior to the workers' employment at the industrial estate, only 36 percent of the workers have resided in Tagoloan and Villanueva. Those who resided in the province of Misamis Oriental for a year before employment represent 78 percent of the total. But this high percentage of local residence is partially explained by the fact that some of those who were hired by the newly established industries in the estate were its previous construction workers who came to the project site during the construction period of the industries concerned.

Looking at the current residence of workers, no one town can claim more than 50 percent of the workers, thus minimizing whatever secondary impacts the estate's employed workers could bring to the communities concerned. Cagayan de Oro City has 49 percent of the workers; but considering the size of the city, which had an estimated population of 260,000 in 1981, the presence of industrial estate workers in the city is not widely felt. The rest of the workers reside in Villanueva (27 percent), Tagoloan (22 percent), and the rest of Misamis Oriental (3 percent).

Another reason why employment is believed to be the weakest among the impacts of the industrial estate is that most of those employed by the estate were formerly employed at least one year prior to their employment at the industrial estate's industries. The previously employed represent 69 percent of all the workers. Those who were formerly unemployed account for 19 percent of the total. The rest were either formerly self-employed or still studying during the period.

Overall, the people's expectations of increased employment have not been met by the industrial estate. However, this could be explained by the fact that so far only two new major manufacturing industries entered the area since the start of its operation in 1975. Both are also highly capital intensive. The problem is beyond the control of the management of the estate since the decision for



locating an industry in the estate is done by the investors and not by the estate management.

### *Impact on Worker's Income*

The two major industries alone which entered after the establishment of the estate and which made possible the entry of two other manufacturing industries and 14 service industries, paid a total of ₱10.272 million in salaries and wages to its 530 workers. This is about ₱19,381 per worker annually or ₱1,490.85 per month (net of 13th month pay). Based on the result of the survey however, the average compensation of 294 workers from the two industries who reported their income is ₱1,204.00 per month. This is equivalent to ₱15,653.87 annually (inclusive of 13th month pay). The difference can be explained by the fact that higher level managerial employees did not accomplish the survey forms. The reported average annual salary of service industries workers is ₱10,040 (inclusive of 13 month pay) or ₱772.30 per month (net of 13th month pay). Applying this average to the total of 392 workers in service industries, a total of ₱3.936 million is estimated to have been paid by the 14 service industries to their workers in 1981. This amount, together with the ₱840,000 paid by the two other small industries to their 150 workers plus the ₱10.272 million paid by the two new major manufacturing firms to their workers, would come to ₱15.048 million in additional salaries and wages caused by the presence of PHIVIDEC in 1981 alone.

On a before-and-after basis, a total of 230 workers reported an improvement of about 79 percent in their monthly compensation from their previous employers. However, this difference is caused mainly by the sizable increase in the salaries of employees of the iron sintering plant. The rest of those surveyed reported a difference of 21 percent in their incomes.

College level employees are better off in income by 32.4 percent over their high school counterparts. However, more than half of the workers have no college education. This is the case in all the four companies surveyed. The income differences between high school and elementary level employees, however, are negligible.

In the absence of data, no report can be made on the impact of the project on the income of those not employed in the industrial estate. However, the estimated amount of ₱15.048 million in total

annual compensation for workers of the newly established manufacturing and service industries can further increase the income of others through the multiplier process of spending. Assuming, for example, a leakage of about 25 percent in terms of savings and personal taxes, the total multiple increase in income of the local economy could reach ₱60.0 million. This is about 5 percent of the estimated total family income from all sources of all households in Misamis Oriental in 1981 (total family income in the province reported in the 1975 NCSO Family Income and Expenditures Survey projected at 15 percent annually up to 1981).

### *Impact on Local Government Revenues*

The presence of the industrial estate greatly affects the operation of local government units. This is especially true in the case of the PHIVIDEC Industrial Estate project because of the power granted under PD No. 538 to the PHIVIDEC Industrial Estate Authority to levy, assess, and collect a real property tax on real properties within the estate areas. This particular provision surfaced earlier as one of the irritants in the initial operation of the estate. The local government units concerned such as the municipalities of Tagoloan and Villanueva and the province of Misamis Oriental complained about their prospective losses from real estate taxes. Many people believed that local government revenue expansion could be one of the greatest impacts of the industrial estate.

For purposes of real estate tax collection, the estate authority collects a 1 percent basic tax and another 1 percent for the special education fund. The authority retains 75 percent of the basic tax and none of the special education fund. The rest are given to the local government units previously entitled to receive them. Local government units are further entitled to continue collecting taxes in areas not under the Authority possession. In 1981, the authority collected a total of ₱9.35 million basic and special education fund taxes. It retained ₱3.5 million of the total as its share (75 percent) out of the 1 percent basic tax. The two concerned municipalities got similar amounts as their combined shares of the basic tax (25 percent) and special educational fund (50 percent). The rest were for the provincial and national governments, which shared 20 percent and 30 percent, respectively of the special education fund.

It can be concluded from tax collection data that local governments have benefited from the establishment of the industrial es-

tate. Without the industrial estate, the two municipalities and the province of Misamis Oriental would have collected only about ₱326,000 from the industries existing in the site of estate areas. Now they are collecting a total of ₱3.5 million. More taxes are expected as new industries come in the future.

In terms of total local government revenues, the two municipalities had a combined income of ₱3.951 million in 1981 which is 3.29 times larger than their combined income in 1979. The control municipalities of Opol and El Salvador had a combined income of ₱1.428 million in the same year, which is only 1.39 times more than their income in 1979. On a per capita basis, the government revenues of Tagoloan and Villanueva came to about ₱109.31 per person which is 2.92 more than the figure for Opol and El Salvador.

#### *Impact on Local Business Activities*

Most of the people interviewed, including the key informants, agreed that one of the most discernible impacts of the project has been the increase in local business activities. Market vendors and small sari-sari storeowners indicated that when the estate was opened their business volume doubled or tripled because of the influx of new customers. These new customers, according to them, were mostly construction workers. They noted, however, that once construction was finished the volume of their business activities also went down. The mayor of Villanueva, when interviewed, likewise cited that business taxes and licenses of his municipality also increased, especially during the construction period of estate projects, indicating that local business activities must have expanded with the opening of the estate. In the case of Tagoloan, the market vendors cited the expansion of the municipal market building as one indicator of increased local business activities.

#### *Impact on Population Movement*

In 1970, Tagoloan and Villanueva had a combined population of 18,357. In 1975 this went up to 24,821 or an annual growth of 6.22 percent. By 1980, the combined population had reached 33,918, representing an annual growth of 6.44 percent. During the same periods, Opol and Villanueva, the control municipalities, experienced only a combined increase in population equivalent to 3.83 percent

and 4.09 percent annually. It can be deduced from the above figures that Tagoloan and Villanueva are gaining fast in terms of population which can only be accounted for by in-migration of people from neighboring areas. According to some original local residents, this entry of new people is accounted for by the presence of the industries within the industrial estate.

This claim is bolstered by the fact that, of the surveyed estate employees, 48 percent are residing in the Tagoloan and Villanueva areas. The same survey showed that only 36 percent reported that they were residing in the area prior to working within the estate. This figure *includes* those who moved to the area because of their employment in the construction of the industries within the estate, supporting their claim of being local residents when applying for jobs at the start of the operation of the project. Indeed, only 16 percent of the workers surveyed were locally born.

With a rapid increase in population, both Tagoloan and Villanueva are experiencing some of the pains of an urbanizing community such as the need for providing shelter and the required essential social services such as medicine, education and protective services, as well as water and electricity. The pressure on housing is shown by the increasing commercialization of housing in the area and the emergence of a new class of landlords who rent houses or rooms to the incoming population. The prices of residential lots have been increasing fast. The latest housing project developed by the management of the estate is priced at ₱45 per square meter.

Without added resources, the rapid increase in population could be a big headache for the concerned local governments. It is fortunate that the corresponding increase in local government revenues made possible by the entry of the big industries in the estate and other allied service industries inside and outside the estate greatly helped the local government officials in meeting the expanding demand for municipal services.

### *Impact on Displaced Families*

A great number of people, sometimes comprising the population of a whole barrio, are affected everytime a company enters the industrial estate or everytime the estate decides to buy land within the 3,000 hectare area prescribed for development into an industrial estate under PD No. 538.

*Those people are of two kinds.* There are the landowners and the tenants. The tenants (mostly those tending coconut trees) who work for big landowners are the ones greatly affected in terms of loss of occupation and residence. The landowners do not suffer very much except perhaps for sentimental reasons because they are paid for their land. This is especially true for big landowners who are residing outside the estate area. Some big landowners easily shift to other investments once they are paid for their land. Their only major complaints are the delay in payment and the low valuation of their land. Valuation of the land is a problem because prior to the decision to put up the industrial estate the price of land in the area was based on its classification as agricultural land. This was the price used as the initial basis for computing the payment of the land. Landowners, however, demand a higher price since they know that their lands would be turned into industrial sites. In principle, the final price of the land is fixed upon agreement between the estate management and the landowners.

To alleviate the problems of the tenants and some small landowners who could not go on their own, the estate adopted the policy that they be given priority in recruitment for construction work or for work in the established industries. How this operates, however, depends on the skills possessed by the displaced workers and on the requirements of the construction firms and the completed industrial projects. Another step taken has been to assist displaced families by providing them with relocation sites for housing. The initial project in this regard has been of a 136-unit housing project in Kalingagan, Villanueva in an upland area some five kilometers from the estate. Most of the families relocated were the displaced families of the iron sintering plant which was set up in 1974. The project was considered by some displaced families as not suitable since it is far from the industrial estate and located on a plateau not readily accessible. Some of the displaced families were coconut farmers and fishermen and therefore could not easily adapt to the proposed livelihood projects in the housing site which were initiated to provide work for those not absorbed by the industrial estate. As a result, some of the displaced families did not transfer to the area and went elsewhere on their own. A number of those relocated also left the housing site after some time when opportunities presented themselves in other places. Other families, some of them working in the industrial estate and nearby areas, were also permitted to locate in the housing project even if they were not considered displaced

workers. A total of 136 families are now residing in the housing project. Seventy-four are employed by the different industries in the estate, 10 by the Ministry of Education, 7 by the National Housing Authority, and 4 by the Philippine Textile Research Institute. The rest are working in farms around the relocation site and in other off-and-on jobs.

Recently, the management of the industrial estate developed two housing projects within the industrial estate to make relocation among displaced workers less painful and to provide housing space for workers of the different industries in the estate. In addition to this, the management also initiated small-scale livelihood projects to accommodate those displaced workers who are not absorbed by any of the industries. Skills training is also conducted for displaced workers to prepare them for work in industries.

### *General Views on the Project's Impact*

Employees of the estate revealed in the survey that they are generally better off working at the estate than somewhere else, citing relatively higher pay, peaceful environment, and long-term job stability as reasons. Some of the major complaints are far location of the industrial estate from their residence and the high cost of living.

People around the area, including the key informants, expressed satisfaction with the positive impacts of the project but also voiced their apprehensions about pollution once the estate is fully developed. They also expressed dismay over the little impact of industries in terms of employment especially after the construction phase of projects. Other misgivings cited are the way displaced families are treated such as their relocation to a plateau and nonassurance that they will be employed by the incoming industries. Others were happy with the improvement of the local business climate brought about by the influx of new manufacturing and service industries and by the influx of people into the area. But some are quick to cite the problem of rising cost of housing and consumer products, and the need to provide social services to the increasing number of people. Many suggested that to maximize the positive impact of the project on employment, the estate management should encourage more labor-intensive industries in the area. Others proposed that steps should be taken to minimize the suffering of displaced families and

to assure the employment not only of the displaced families but nearby residents as well. Other suggestions include the strict implementation of antipollution measures to assure the safety of workers and local residents.

Overall, the industrial estate was viewed by the people to be desirable in hastening the development of the two local municipalities and the rest of the province of Misamis Oriental and benefiting local residents in terms of improved income and employment opportunities.

## V. CONCLUSIONS

It can be concluded from the study that even at its present low level of development, the estate brought about some beneficial impacts: an increase in local business activities, an improvement in local government income, and an increase in population around the project site and nearby areas. Most of the people are aware of these impacts although some are apprehensive about the problems that will be brought about by pollution and the rapid increase in population.

The increase in local business activities benefited mostly the market vendors and sari-sari store owners who expressed satisfaction over the doubling and tripling of the volume of their business especially during the construction of project sites within the estate. On the part of local governments, their fear of losing their income by virtue of a provision under PD No. 538 allowing the industrial estate authority to levy taxes on real estate properties has been largely compensated by the big increase in their share of the taxes collected from the new industries in the estate. This additional income can be used by local governments to meet the expanding needs of their people.

In terms of employment, the total number of jobs created so far is just a little over 1,000. This figure is very much below the expectation of the people considering the known amount of investments poured into the industries locating within the estate. Complicating this problem is the fact that many of the workers are not from Misamis Oriental. Many are also transferees from other companies. These transferees, however, also created vacancies from their previous works and thus could still be considered as part of the net employment of the project. Local people, however, would

probably feel the employment impact more if the workers were from the local area, especially the locally unemployed. Indeed the estate management made it a policy to require new industries to employ local residents. However, doing this depends also on the skill requirements of the industries and the skills possessed by local residents.

One of the remaining major problems in the development of the industrial estate is the issue of displaced families. Those families who are uprooted from their residences are suffering from the loss of their original means of livelihood, mostly farming and fishing. The first batch of displaced families were helped by the government with the construction of a housing project some five kilometers from the estate on a plateau over the town of Villanueva. Some workers were given jobs at the estate. Others were aided in finding work near the housing project through the initiation of livelihood projects. Overall, however, the first relocation project was not very successful. Many complained of the transport problem and initial lack of facilities within the housing site. Some displaced families did not transfer to the area. Others left after some time. Now the estate management is developing two housing projects right within the estate for displaced families.

In general, a cross-section of local people expressed their satisfaction with the establishment of the industrial estate. Almost everybody believed that the industrial estate is the key to the development and progress not only of the two affected municipalities but also the rest of the province of Misamis Oriental.