

**CONTRIBUTIONS OF LOCAL GOVERNMENT - OWNED AND
CONTROLLED BUSINESSES ON THE LOCAL ECONOMY
OF TAGAYTAY CITY, CAVITE**

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ABSTRACT

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The purpose of this study was to determine the effects of local government-owned and controlled businesses (LGOCBs) on the local economy of Tagaytay City, Cavite. The issue was investigated by determining the income and jobs generated and enterprises developed by the LGOCBs for two consecutive years (CY 2006-2007).

It also presented a brief profile of the five major LGOCBs in Tagaytay City, specifically: a) People's Park in the Sky; b) Picnic Grove; c) Tagaytay International Convention Center (TICC); d) City Market and; e) Mahogany Market. These tourism and public facilities have made a remarkable contribution to the city's economic gains in terms of generating income, economic enterprises, and employment opportunities for the local residents.

The variables such as income, employment generated, and enterprises developed were analyzed using the monthly data for 2006 and 2007. In 2006, the total income generated from the LGOCBs was PhP 58.18 M. Picnic Grove was able to generate PhP 29.18 M, which was 5.87 percent of the total income; TICC generated almost PhP 14 M, which was about 2.74 percent contribution; People's Park in the Sky generated PhP 6.39 M, 1.26 percent; Mahogany Market generated

almost PhP 3.5 M, 0.69 percent; and City market with PhP 4.5 M, which was 0.89 percent of the total income of the city government.

In 2007, LGOCBs' income was almost PhP 63 M which was 12.78 percent of the total income of the city government. Again, Picnic Grove contributed the highest income among the LGOCBs, with PhP 31.6 M which was 6.41 percent of the total income; followed by the TICC with PhP 13.44 M, 2.73 percent contribution; People's Park in the Sky with PhP 8 M, 1.64 percent; Mahogany Market was able to generate PhP 5 M which was 1.02 percent of the total income; and City Market with almost PhP 5 M which contributed 0.97 percent of the city's total income for 2007.

These facilities have also provided employment and developed more economic enterprises. In 2006, LGOCBs were able to generate a total of 2,128 employment while in 2007, LGOCBs were able to generate a total of 2,333 employment. Moreover, LGOCBs were able to develop enterprises as well. In years 2006 and 2007, 981 and 1,062 business enterprises were developed contributing 79.71 percent and 91.34 percent of the total business enterprises of the city, respectively.

The results showed that economic enterprises are considered to be the lifeblood of every LGU. In the case of Tagaytay, the city government should sustain its effort in adopting innovative management strategies both in the realm of fiscal and administrative operational system of these facilities. Upgrading of facilities is also highly recommended because more tourists would mean more income for the city.

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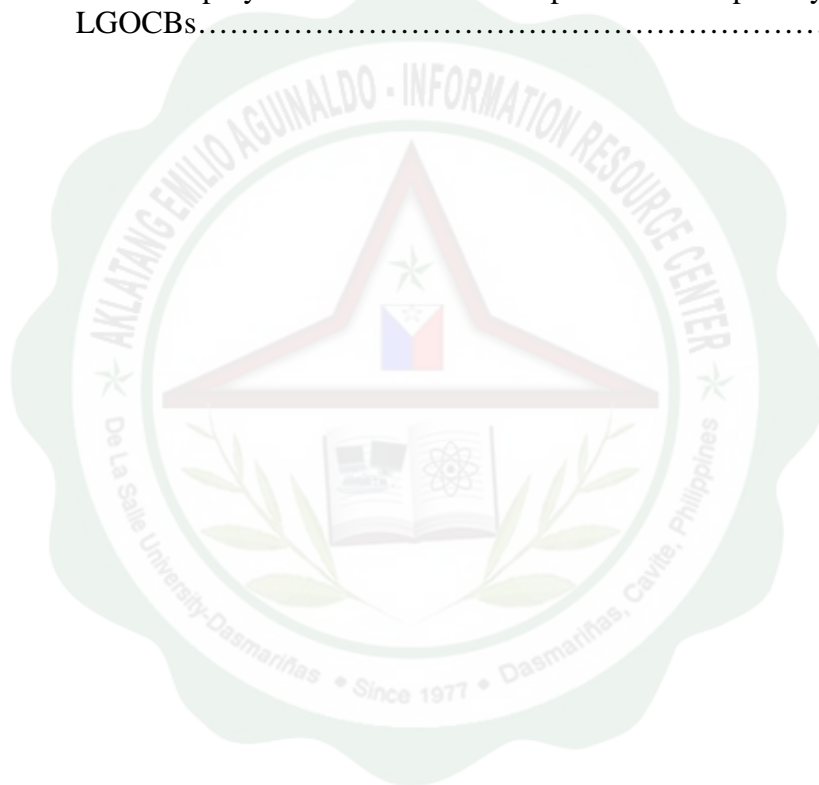
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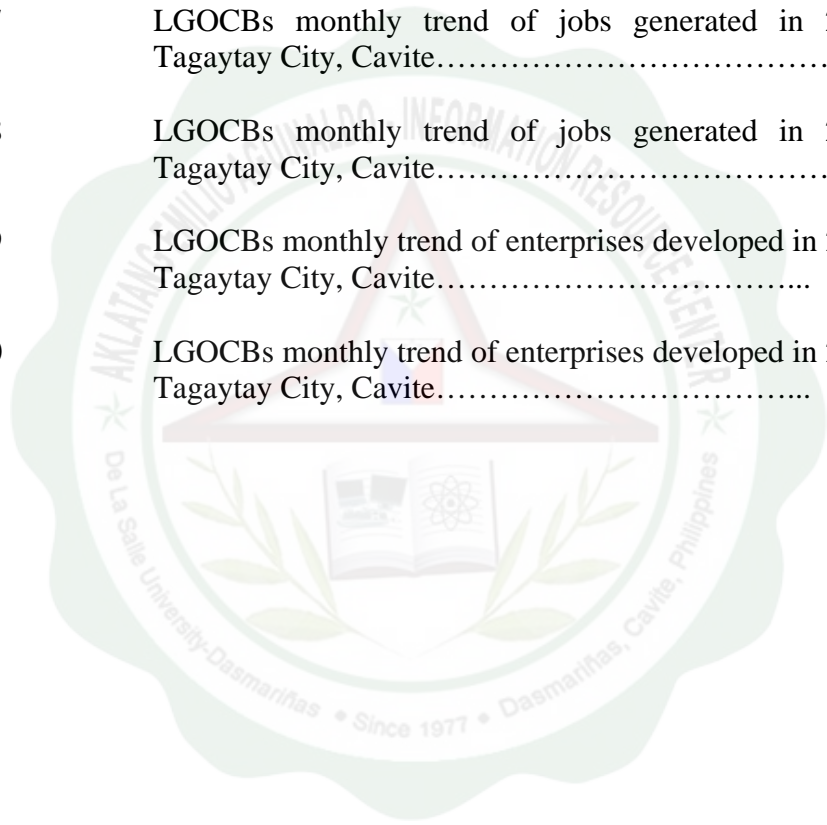
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