

## HIGHLIGHTS OF THE OCTOBER 2006 LABOR FORCE SURVEY

### Overview

The results of the October 2006 Labor Force Survey (LFS) indicate modest change in the country's labor market situation in comparison with the same period last year. Employment grew at about 1.0% with the service sector mainly driving the growth at 1.9%, while little change occurred in industry sector (0.2%) and agriculture, fishery and forestry sector (-0.1%).

The quality of employment was mixed. The number of underemployed persons went down by 2.9% and wage and salary employment went up by 1.3%. These gains, however, were negated by a slight decline in full-time employment (-0.5%).

Unemployment rate edged down by 0.1 percentage point to 7.3%. The decline was a consequence of fewer people entering the labor market, as labor participation rate fell by 0.8 percentage point to 64.0%.



### Labor Force and Labor Force Participation Rate (LFPR)

Total labor force grew by less than 1.0% (0.9% or 312,000) to reach 35.806 million in October.

The slowdown is reflected by the decline in the Labor Force Participation Rate (LFPR) from 64.8% to 64.0%. Decline in LFPR occurred across age groups and among men and women.

### Employment

Employment level grew by about 1.0% or 310,000 to 33.185 million. The modest growth was expected as they are coming from a higher base last year. It should be noted that growth recorded last year represents a strong recovery from the slump in 2004 as indicated by the figures below.

**KEY EMPLOYMENT INDICATORS  
PHILIPPINES: OCTOBER 2005-2006**  
(in thousands)

Indicator	October 2006 <sup>P</sup>	October 2005	Year-on-Year Change
Household Population 15 Years Old and Over	55,989	54,799	1,190
Labor Force	35,806	35,494	312
Employed Persons	33,185	32,875	310
- Underemployed	6,761	6,962	-201
- Visibly underemployed	4,167	4,092	75
Unemployed Persons	2,621	2,619	2
LFPR (%)	64.0	64.8	
Employment Growth Rate (%)	0.9	3.6	
Unemployment Rate (%)	7.3	7.4	
Underemployment Rate (%)	20.4	21.2	
Visible Underemployment Rate (%)	12.6	12.4	

<sup>P</sup> Preliminary.

Source: National Statistics Office, Labor Force Survey.

Indicator	October		
	2006	2005	2004
Employed ('000)	33,185	32,875	31,741
Growth Rate (%)	0.9	3.6	0.6
Increment ('000)	310	1,134	188

- Employment growth occurred mainly in the service sector which increased by about 2.0% (+306,000) over the period. The growth was felt strongest in real estate, renting and business activities (+79,000) followed by private households with employed persons (+67,000), public administration and defense, compulsory social security (+48,000), hotels and restaurants (+42,000) and financial intermediation (+35,000).
- Industry sector employment grew by a negligible 0.2% (+12,000) as the manufacturing sector continued to suffer a slump (-31,000). This offsets the small gains in mining and quarrying (+20,000), electricity, gas and water (+14,000) and construction (+10,000).
- Due to the effect of typhoon *Milenyo*, employment in the combined agriculture, fishery and forestry dropped slightly by 0.1% (-7,000) - a reversal from last year's robust growth of 3.3% (+386,000).
- Wage and salary was up by 1.3% (+207,000) while own-account employment declined by 0.5% (-64,000). Similarly, employment of unpaid family workers grew by 4.0% (+167,000).

- The weakness in the labor market was shown by the small decline in full-time employment (-0.5% or -100,000) and the corresponding rise in part-time employment (3.2% or +374,000).
- Employment fell in regions affected by typhoon *Milenyo*: Region V (-51,000), Region IV-B (-10,000), Region III (zero growth rate) and Region I (-21,000). It also declined in Region VI (-41,000). The rest of the regions recorded gains in employment notably in Regions IV-A (+103,000), Caraga (+54,000), Region IX (+52,000) and Region X (+52,000).

### Underemployment

- The number of underemployed persons declined by 201,000 to 6.761 million over the period under review. This corresponds to underemployment rate of 20.4% down from 21.2% a year ago.
- Of the total underemployed persons, about two-thirds (61.6% or 4.167 million) worked less than 40 hours a week or were visibly underemployed. They represent 12.6% of the total employed persons – about unchanged from last year.

### Unemployment

The October 2006 unemployment rate fell by 0.1 percentage point to 7.3%. The number of unemployed persons at 2.621 was about unchanged from last year.

- Nearly one-half (49.5%) of the unemployed were young workers 15 to 24 years old. Their unemployment rate at 16.9% was more than twice the national figure.
- There were more male (64.3%) than female (35.7%) among the unemployed labor force. Male unemployment rate (7.6%) exceeded its counterpart female (6.8%).
- Majority (33.4% or 875,000) of the unemployed were high school graduates. Equally large were those with college education (498,000) and college undergraduate (551,000).
- Unemployment rate increased in seven regions, namely: NCR (13.7% to 14.7%), Region I (6.8% to 7.0%), Region II (2.6% to 2.9%), Region V (4.8% to 5.1%), Region VI (5.7% to 6.1%), Region VIII (4.5% to 4.7%) and ARMM (3.4% to 4.0%). The rest of the regions recorded decline in unemployment rate notably in Region IV-A (10.3% to 9.2%) and CAR (5.6% to 4.7%).

---

**FOR INQUIRIES:**

Regarding this report contact **EMPLOYMENT AND MANPOWER STATISTICS DIVISION at 527-3000 loc. 312/313**

Regarding other statistics and technical services contact **BLES DATABANK at 527-3000 loc. 317**

or write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**

FAX **527-93-24** E mail: [emsd@manila-online.net](mailto:emsd@manila-online.net) or [blesemsd@bles.dole.gov.ph](mailto:blesemsd@bles.dole.gov.ph)

or visit our website at <http://www.manila-online.net/bles> or <http://www.bles.dole.gov.ph>

**Table 1 - SUMMARY STATISTICS ON LABOR FORCE  
PHILIPPINES: October 2005-2006  
(in thousands except rates)**

Indicator	Labor Force			Labor Force Participation Rate (%)	
	2006 <sup>P</sup>	2005	Increment	2006 <sup>P</sup>	2005
<b>Total</b>	<b>35,806</b>	<b>35,494</b>	<b>312</b>	<b>64.0</b>	<b>64.8</b>
<b>Sex</b>					
Men	22,104	21,822	282	79.1	79.8
Women	13,703	13,672	31	48.8	49.8
<b>Age Group</b>					
15-24 years old	7,695	7,787	-92	46.1	47.4
25-54 years old	23,406	23,081	325	76.3	76.9
55 years old and over	4,702	4,621	81	54.3	55.4
Not Reported	3	2	1	50.0	40.0
<b>Region</b>					
NCR	4,890	4,827	63	61.7	62.3
CAR	688	665	23	65.8	65.6
Region I	1,796	1,815	-19	59.5	61.2
Region II	1,415	1,408	7	68.4	69.6
Region III	3,520	3,524	-4	60.3	61.1
Region IV-A	4,397	4,336	61	63.4	64.4
Region IV-B	1,055	1,070	-15	68.1	70.7
Region V	2,044	2,092	-48	64.5	66.6
Region VI	2,092	2,934	-842	45.7	65.4
Region VII	2,664	2,625	39	64.3	65.7
Region VIII	1,691	1,681	10	66.2	66.2
Region IX	1,367	1,318	49	65.1	64.7
Region X	1,935	1,885	50	73.0	72.7
Region XI	1,789	1,759	30	65.8	66.4
Region XII	1,621	1,597	24	66.1	66.8
Caraga	1,085	1,036	49	68.5	67.4
ARMM	948	922	26	57.1	55.4

Notes: 1. Details may not add to totals due to rounding of figures.

2. Estimates based on the revised population benchmark using the 1995 Census of Population results.

1 Based on NSCB Resolution No. 15 Series of 2004.

Source of data: National Statistics Office, Labor Force Survey.

**Table 2 - SUMMARY STATISTICS ON EMPLOYED PERSONS**  
**PHILIPPINES: October 2004-2006**  
(in thousands)

INDICATOR	2006 <sup>p</sup>	2005	2004
<b>EMPLOYED PERSONS</b>	<b>33,185</b>	<b>32,875</b>	<b>31,741</b>
<b>SECTOR</b>			
<b>Agriculture, Fishery and Forestry</b>	<b>12,164</b>	<b>12,171</b>	<b>11,785</b>
Agriculture, Hunting and Forestry	10,753	10,763	10,420
Fishing	1,411	1,408	1,365
<b>Industry</b>	<b>4,895</b>	<b>4,883</b>	<b>4,880</b>
Mining and Quarrying	136	116	96
Manufacturing	3,012	3,043	3,020
Electricity, Gas and Water	122	108	121
Construction	1,626	1,616	1,643
<b>Services</b>	<b>16,126</b>	<b>15,820</b>	<b>15,076</b>
Wholesale and Retail Trade	6,226	6,215	5,788
Hotels and Restaurants	913	871	798
Transport, Storage & Communications	2,471	2,471	2,446
Financial Intermediation	372	337	298
Real Estate, Renting & Business Activities	815	736	702
Public Administration & Defense, Compulsory Social Security	1,542	1,494	1,450
Education	1,007	989	958
Health and Social Work	376	362	361
Other Community, Social & Personal Service Activities	773	781	809
Private Households with Employed Persons	1,628	1,561	1,465
Extra-Territorial Organizations	2	3	1
<b>CLASS OF WORKER</b>			
Wage and Salary Workers	16,760	16,553	16,407
Own-account workers	12,094	12,158	11,642
Unpaid Family Workers	4,332	4,165	3,692
<b>HOURS OF WORK</b>			
Less than 40 Hours (Part-Time Employment)	12,197	11,823	11,218
40 Hours and Over (Full-Time Employment)	20,514	20,614	19,949
Did Not Work	474	438	574
<b>REGION</b>			
NCR	4,172	4,166	3,975
CAR	656	628	614
Region I	1,671	1,692	1,672
Region II	1,374	1,371	1,429
Region III	3,203	3,203	3,147
Region IV-A	3,994	3,891	3,701
Region IV-B	1,020	1,030	963
Region V	1,940	1,991	1,919
Region VI	2,726	2,767	2,672
Region VII	2,464	2,422	2,224
Region VIII	1,611	1,605	1,612
Region IX	1,329	1,277	1,221
Region X	1,836	1,784	1,723
Region XI	1,690	1,655	1,629
Region XII	1,545	1,511	1,435
Caraga	1,045	991	934
ARMM	910	891	870

*Note: Details may not add to totals due to rounding of figures.*

*p Preliminary.*

*Source of data: National Statistics Office, Labor Force Survey.*

**Table 2a - EMPLOYMENT INCREMENT, GROWTH RATE AND PERCENT DISTRIBUTION  
PHILIPPINES: October 2004-2006**  
(in thousands except rates)

INDICATOR	Increment			Year-on-Year Growth Rate			Percent Distribution		
	2005- 2006 <sup>p</sup>	2004- 2005	2003- 2004	2005- 2006 <sup>p</sup>	2004- 2005	2003- 2004	2006 <sup>p</sup>	2005	2004
<b>EMPLOYED PERSONS</b>	<b>310</b>	<b>1,134</b>	<b>188</b>	<b>0.9</b>	<b>3.6</b>	<b>0.6</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>SECTOR</b>									
<b>Agriculture, Fishery and Forestry</b>	<b>-7</b>	<b>386</b>	<b>44</b>	<b>-0.1</b>	<b>3.3</b>	<b>0.4</b>	<b>36.7</b>	<b>37.0</b>	<b>37.1</b>
Agriculture, Hunting and Forestry	-10	343	79	-0.1	3.3	0.8	32.4	32.7	32.8
Fishing	3	43	-35	0.2	3.2	-2.5	4.3	4.3	4.3
<b>Industry</b>	<b>12</b>	<b>3</b>	<b>-68</b>	<b>0.2</b>	<b>0.1</b>	<b>-1.4</b>	<b>14.8</b>	<b>14.9</b>	<b>15.4</b>
Mining and Quarrying	20	20	-5	17.2	20.8	-5.0	0.4	0.4	0.3
Manufacturing	-31	23	-26	-1.0	0.8	-0.9	9.1	9.3	9.5
Electricity, Gas and Water	14	-13	8	13.0	-10.7	7.1	0.4	0.3	0.4
Construction	10	-27	-45	0.6	-1.6	-2.7	4.9	4.9	5.2
<b>Services</b>	<b>306</b>	<b>744</b>	<b>211</b>	<b>1.9</b>	<b>4.9</b>	<b>1.4</b>	<b>48.6</b>	<b>48.1</b>	<b>47.5</b>
Wholesale and Retail Trade	11	427	127	0.2	7.4	2.2	18.8	18.9	18.2
Hotels and Restaurants	42	73	5	4.8	9.1	0.6	2.8	2.6	2.5
Transport, Storage & Communications	-	25	94	0.0	1.0	4.0	7.4	7.5	7.7
Financial Intermediation	35	39	-31	10.4	13.1	-9.4	1.1	1.0	0.9
Real Estate, Renting & Business Activities	79	34	-14	10.7	4.8	-2.0	2.5	2.2	2.2
Public Administration & Defense, Compulsory Social Security	48	44	68	3.2	3.0	4.9	4.6	4.5	4.6
Education	18	31	43	1.8	3.2	4.7	3.0	3.0	3.0
Health and Social Work	14	1	-9	3.9	0.3	-2.4	1.1	1.1	1.1
Other Community, Social & Personal Activities	-8	-28	-42	-1.0	-3.5	-4.9	2.3	2.4	2.5
Private Households w/ Employed Persons	67	96	-29	4.3	6.6	-1.9	4.9	4.7	4.6
Extra-Territorial Organizations	-1	2	-1	-33.3	200.0	-50.0	0.0	0.01	0.0
<b>CLASS OF WORKER</b>									
Wage and Salary Workers	207	146	341	1.3	0.9	2.1	50.5	50.4	51.7
Own-account workers	-64	516	-155	-0.5	4.4	-1.3	36.4	37.0	36.7
Unpaid Family Workers	167	473	2	4.0	12.8	0.1	13.1	12.7	11.6
<b>HOURS OF WORK</b>									
Less than 40 Hours (Part-Time Employment)	374	605	147	3.2	5.4	1.3	36.8	36.0	35.3
40 Hours and Over (Full-Time Employment)	-100	665	-141	-0.5	3.3	-0.7	61.8	62.7	62.8
Did Not Work	36	-136	182	8.2	-23.7	46.4	1.4	1.3	1.8
<b>REGION</b>									
NCR	6	191	-102	0.1	4.8	-2.5	12.6	12.7	12.5
CAR	28	14	14	4.5	2.3	2.3	2.0	1.9	1.9
Region I	-21	20	25	-1.2	1.2	1.5	5.0	5.1	5.3
Region II	3	-58	146	0.2	-4.1	11.4	4.1	4.2	4.5
Region III	-	56	23	0.0	1.8	0.7	9.7	9.7	9.9
Region IV-A	103	190	17	2.6	5.1	0.5	12.0	11.8	11.7
Region IV-B	-10	67	24	-1.0	7.0	2.6	3.1	3.1	3.0
Region V	-51	72	6	-2.6	3.8	0.3	5.8	6.1	6.0
Region VI	-41	95	-39	-1.5	3.6	-1.4	8.2	8.4	8.4
Region VII	42	198	1	1.7	8.9	0.0	7.4	7.4	7.0
Region VIII	6	-7	-1	0.4	-0.4	-0.1	4.9	4.9	5.1
Region IX	52	56	23	4.1	4.6	1.9	4.0	3.9	3.8
Region X	52	61	37	2.9	3.5	2.2	5.5	5.4	5.4
Region XI	35	26	43	2.1	1.6	2.7	5.1	5.0	5.1
Region XII	34	76	26	2.3	5.3	1.8	4.7	4.6	4.5
Caraga	54	57	3	5.4	6.1	0.3	3.1	3.0	2.9
ARMM	19	21	-59	2.1	2.4	-6.4	2.7	2.7	2.7

Note: Details may not add to totals due to rounding of figures.

<sup>p</sup> Preliminary.

Source of data: National Statistics Office, Labor Force Survey.

**Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYMENT**  
**PHILIPPINES: October 2005-2006**  
(in thousands except percent)

INDICATOR	2006 <sup>p</sup>	2005	Increment
<b>UNDEREMPLOYED PERSONS</b>	<b>6,761</b>	<b>6,962</b>	<b>-201</b>
<b>Hours Worked</b>			
- Worked less than 40 hours/week	4,167	4,092	75
- Worked more than 40 hours/week	2,422	2,715	-293
- With a job but not at work	172	155	17
Underemployment rate (%)	20.4	21.2	-0.8
Visible underemployment rate (%)	12.6	12.4	0.2
<b>Visible Underemployed Persons</b>			
- Agriculture	2,454	2,354	100
- Industry	455	447	8
- Services	1,258	1,292	-34

*Note: Details may not add to totals due to rounding of figures.*

*p Preliminary.*

*Source of data: National Statistics Office, Labor Force Survey.*

**Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT**  
**PHILIPPINES: October 2005 and 2006**  
(in thousands except percent)

INDICATOR	Total Unemployed Persons		Percent Share (%)		Unemployment Rate (%)	
	2006 <sup>P</sup>	2005	2006 <sup>P</sup>	2005	2006 <sup>P</sup>	2005
<b>TOTAL</b>	<b>2,621</b>	<b>2,619</b>	<b>100.0</b>	<b>100.0</b>	<b>7.3</b>	<b>7.4</b>
<b>Sex</b>						
Male	1,684	1,617	64.3	61.7	7.6	7.4
Female	937	1,002	35.7	38.3	6.8	7.3
<b>Age Group</b>						
15-24 years old	1,298	1,280	49.5	48.9	16.9	16.4
25-54 years old	1,226	1,245	46.8	47.5	5.2	5.4
55 years old and over	96	94	3.7	3.6	2.0	2.0
<b>Highest Grade Completed</b>						
No Grade Completed	13	18	0.5	0.7		
Elementary	368	399	14.0	15.2		
Undergraduate	156	167	6.0	6.4		
Graduate	212	232	8.1	8.9		
High School	1,192	1,183	45.5	45.2		
Undergraduate	317	348	12.1	13.3		
Graduate	875	835	33.4	31.9		
College	1,049	1,019	40.0	38.9		
Undergraduate	551	503	21.0	19.2		
Graduate	498	516	19.0	19.7		
<b>Region</b>						
NCR	718	661	27.4	25.2	14.7	13.7
CAR	32	37	1.2	1.4	4.7	5.6
Region I	125	123	4.8	4.7	7.0	6.8
Region II	41	37	1.6	1.4	2.9	2.6
Region III	317	321	12.1	12.3	9.0	9.1
Region IV-A	403	445	15.4	17.0	9.2	10.3
Region IV-B	35	40	1.3	1.5	3.3	3.7
Region V	104	101	4.0	3.9	5.1	4.8
Region VI	176	167	6.7	6.4	6.1	5.7
Region VII	200	203	7.6	7.8	7.5	7.7
Region VIII	80	76	3.1	2.9	4.7	4.5
Region IX	38	41	1.4	1.6	2.8	3.1
Region X	99	101	3.8	3.9	5.1	5.4
Region XI	99	104	3.8	4.0	5.5	5.9
Region XII	76	86	2.9	3.3	4.7	5.4
Caraga	40	45	1.5	1.7	3.7	4.3
ARMM	38	31	1.4	1.2	4.0	3.4

*Note: Based on the new official unemployment definition (NSCB Resolution No. 15 s 2004).*

*p Preliminary.*

*Source of data: National Statistics Office, Labor Force Survey.*