

HIGHLIGHTS OF THE JULY 2008 LABOR FORCE SURVEY



Overview

Employment bounces back in July 2008 growing by 3.8% year-on-year. Employment growth occurred in agriculture, fishery and forestry sector (5.3%) and services sector (4.4%) but declined in industry sector (-1.2%). It grew in all classes of workers and type of workers by hours worked. Growth remained respectable among wage and salary workers (3.3%) and persons in full-time employment (2.4%) despite notable increases observed among persons in part-time employment (5.7%) and unpaid family workers (9.3%).

Unemployment rate eased slightly to 7.4%, down by 0.4 percentage point compared last year while underemployment rate also declined to 21.0% from 22.0% last year.

Starting with January 2007 Labor Force Survey (LFS), the population projections based on the 2000 Census of Population was adopted to generate the labor force statistics. This is in compliance with NSCB Resolution No. 1 series 2005 "Adoption of the Methodology Used in Generating the 2000 Census of Population and Housing-Based National Population Projections".

Labor Force

The country's labor force grew year-on-year in July 2008 by 3.3% (+1.205 million), increasing from 36.142 million to 37.347 million. This figure corresponds to labor force participation rate (LFPR) of 64.3%, upped by 0.7 percentage point from last year.

Employment

Employment level grew by 3.8% compared to the same period last year. Total employed persons increased from 33.318 million to 34.597 million. This indicates that the economy was able to generate additional employment for 1.279 million workers.

- The employment growth was driven by the services sector (4.4% or +730,000) with

**Table 1 - KEY EMPLOYMENT INDICATORS
PHILIPPINES: July 2007-2008
(in thousands except rates)**

Indicator	July 2008 ^p	July 2007	Year-on-Year Change
Household Population 15 Years Old and Over	58,119	56,857	1,262
Labor Force	37,347	36,142	1,205
– Employed Persons	34,597	33,318	1,279
– Unemployed Persons	2,750	2,824	-74
Underemployed Persons	7,275	7,327	-52
– Visibly underemployed	4,061	3,733	328
Not in the Labor Force	20,772	20,715	57
LFPR (%)	64.3	63.6	
Employment Growth (%)	3.8	1.2	
Mean Hours Worked	42.5	42.6	
Unemployment Rate (%)	7.4	7.8	
Underemployment Rate (%)	21.0	22.0	
– Visible Under-employment Rate (%)	11.7	11.2	

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

wholesale and retail trade (+243,000), public administration and defense, compulsory social security (+196,000) and real estate, renting and business activities (+127,000) as main contributors.

However, employment fell (-4.2% or -112,000) in transport, storage and communications amid the soaring fuel prices in the world market.

- Agriculture, fishery and forestry sector employment likewise expanded by 5.3% (+609,000). This is a turnaround from the decline recorded last year of the same period (-2.0% or -236,000).
- Industry sector employment, however, continued its downtrend, contracting by 1.2% (-60,000). Employment cutback was particularly severe in manufacturing (-3.6% or -109,000) which bore the brunt of the current economic difficulties i.e., global economic slowdown and surge in fuel and commodity prices.
- Employment grew in all classes of workers and types of workers by hours worked. Growth remained respectable among wage and salary workers (3.3%) and persons in full-time employment (2.4%) despite notable increases observed among persons in part-time employment (5.7%) and unpaid family workers (9.3%).

Underemployment

Underemployment rate was down slightly from 22.0% to 21.0%. This figure corresponds to 7.275 million underemployed persons in

2008, a decline of 52,000 from a year ago level.

However, time-rated (visible) underemployment rate was up slightly by 0.5 percentage point to 11.7% (or an additional 328,000 visibly underemployed).

Unemployment

Unemployment declined both in terms of rate (from 7.8% to 7.4%) and number (from 2.824 million to 2.750 million).

- One-half (51.8% or 1.425 million) of the unemployed were young workers 15 to 24 years old. Their unemployment rate at 17.7% was more than twice the national figure.
- Unemployed men (1.697 million or 61.7%) outnumbered unemployed women (1.053 or 38.3%) by ratio of three to two.
- The majority (45.5% or 1.250 million) were high school graduates or undergraduates. Fairly large proportions were college undergraduates (20.8% or 571,000) or college graduates (19.6% or 538,000).
- Four (4) regions recorded higher unemployment rates compared last year, namely: Region IV-A (9.1% to 10.4%), Region XII (4.0% to 4.8%), Region VII (6.9% to 7.5%) and CAR (5.0% to 5.4%). Meanwhile, notable reductions in unemployment rates were observed in Region X (6.9% to 4.4%), Region III (11.5% to 9.4%) and Region IX (5.0% to 3.1%). The rates in other regions posted minimal changes or were about unchanged from July last year.

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Table 1 - KEY LABOR FORCE INDICATORS
PHILIPPINES: July 2006, 2007, 2008
(In thousands except rates)

Key Indicators	July 2008 ^p	July 2007	July 2006	Increment		Percent Change (%)	
				2007-2008	2006-2007	2007-2008	2006-2007
Population 15 Years Old and Over	58,119	56,857	55,475	1,262	1,382	2.2	2.5
Labor Force	37,347	36,142	35,844	1,205	298	3.3	0.8
Employed Persons	34,597	33,318	32,926	1,279	392	3.8	1.2
Unemployed Persons	2,750	2,824	2,918	-74	-94	-2.6	-3.2
Underemployed Persons	7,275	7,327	7,718	-52	-391	-0.7	-5.1
- Visibly underemployed	4,061	3,733	4,371	328	-638	8.8	-14.6
Full-time Employment	22,554	22,021	20,795	533	1,226	2.4	5.9
Part-time Employment	11,703	11,074	11,705	629	-632	5.7	-5.4
Did Not Work	340	223	425	117	-202	52.5	-47.5
Wage and Salary Workers	18,279	17,692	17,407	587	285	3.3	1.6
Own-account Workers	12,223	11,882	11,724	341	159	2.9	1.4
Self-employed Workers	10,765	10,447	10,250	318	197	3.0	1.9
Employers	1,458	1,435	1,474	23	-39	1.6	-2.6
Unpaid Family Workers	4,095	3,745	3,795	350	-50	9.3	-1.3
<u>Summary Indicators (%)</u>							
Labor force participation rate (LFPR)	64.3	63.6	64.6				
Employment growth rate	3.8	1.2					
Mean hours worked	42.5	42.6	41.9				
Unemployment rate	7.4	7.8	8.1				
Underemployment rate	21.0	22.0	23.4				
- Visible underemployment rate	11.7	11.2	13.3				

p Preliminary.

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

Table 2 - SUMMARY STATISTICS ON EMPLOYMENT
PHILIPPINES: July 2006, 2007, 2008
(In thousands except rates)

INDICATOR	2008 ^p	2007	2006	Increment		Year-on-Year Growth Rate (%)	
				2007-2008	2006-2007	2007-2008	2006-2007
EMPLOYED PERSONS	34,597	33,318	32,926	1,279	392	3.8	1.2
SECTOR							
Agriculture, Fishery and Forestry	12,098	11,489	11,725	609	-236	5.3	-2.0
Agriculture, Hunting and Forestry	10,696	10,101	10,290	595	-189	5.9	-1.8
Fishing	1,402	1,388	1,435	14	-47	1.0	-3.3
Industry	5,124	5,184	4,996	-60	188	-1.2	3.8
Mining and Quarrying	153	139	131	14	8	10.1	6.1
Manufacturing	2,954	3,063	3,060	-109	3	-3.6	0.1
Electricity, Gas and Water	146	141	114	5	27	3.5	23.7
Construction	1,870	1,841	1,691	29	150	1.6	8.9
Services	17,375	16,645	16,205	730	440	4.4	2.7
Wholesale and Retail Trade	6,613	6,370	6,315	243	55	3.8	0.9
Hotels and Restaurants	981	889	864	92	25	10.3	2.9
Transport, Storage & Communications	2,525	2,637	2,461	-112	176	-4.2	7.2
Financial Intermediation	369	365	342	4	23	1.1	6.7
Real Estate, Renting & Business Activities	969	842	794	127	48	15.1	6.0
Public Administration & Defense, Compulsory Social Security	1,741	1,545	1,514	196	31	12.7	2.0
Education	1,077	1,067	981	10	86	0.9	8.8
Health and Social Work	387	353	358	34	-5	9.6	-1.4
Other Community, Social & Personal Service Activities	847	823	820	24	3	2.9	0.4
Private Households with Employed Persons	1,864	1,752	1,756	112	-4	6.4	-0.2
Extra-Territorial Organizations	1	2	1	-1	1	-50.0	100.0
STATUS OF EMPLOYMENT							
Wage and Salary Workers	18,279	17,692	17,407	587	285	3.3	1.6
Self-employed Workers	10,765	10,447	10,250	318	197	3.0	1.9
Employers	1,458	1,435	1,474	23	-39	1.6	-2.6
Unpaid Family Workers	4,095	3,745	3,795	350	-50	9.3	-1.3
HOURS OF WORK							
Less than 40 Hours (Part-Time Employment)	11,703	11,073	11,705	630	-632	5.7	-5.4
40 Hours and Over (Full-Time Employment)	22,554	22,021	20,795	533	1,226	2.4	5.9
Did Not Work	340	223	425	117	-202	52.5	-47.5
REGION							
NCR	4,129	4,064	4,019	65	45	1.6	1.1
CAR	670	653	629	17	24	2.6	3.8
Region I	1,872	1,738	1,728	134	10	7.7	0.6
Region II	1,362	1,342	1,322	20	20	1.5	1.5
Region III	3,590	3,334	3,343	256	-9	7.7	-0.3
Region IV-A	4,218	4,164	4,097	54	67	1.3	1.6
Region IV-B	1,133	1,091	1,051	42	40	3.8	3.8
Region V	2,050	1,933	1,950	117	-17	6.1	-0.9
Region VI	2,830	2,740	2,852	90	-112	3.3	-3.9
Region VII	2,647	2,567	2,473	80	94	3.1	3.8
Region VIII	1,645	1,590	1,594	55	-4	3.5	-0.3
Region IX	1,329	1,257	1,245	72	12	5.7	1.0
Region X	1,801	1,679	1,649	122	30	7.3	1.8
Region XI	1,673	1,655	1,624	18	31	1.1	1.9
Region XII	1,550	1,516	1,443	34	73	2.2	5.1
Caraga	940	895	878	45	17	5.0	1.9
ARMM	1,158	1,101	1,028	57	73	5.2	7.1

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

p Preliminary.

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

Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYMENT
PHILIPPINES: July 2006, 2007, 2008
(in thousands except percent)

INDICATOR	2008 ^p	2007	2006	Increment	
				2007-2008	2006-2007
UNDEREMPLOYED PERSONS	7,275	7,327	7,718	-52	-391
Hours Worked					
- Worked less than 40 hours/week ¹	4,173	3,803	4,519	370	-716
- Worked more than 40 hours/week	3,103	3,524	319	-421	3,205
Industry					
- Agriculture	3,415	3,255	3,540	160	-285
- Industry	1,083	1,119	1,192	-36	-73
- Services	2,777	2,953	2,986	-176	-33
Underemployment rate (%)	21.0	22.0	23.4		
Visible underemployment rate (%)	12.1	11.4	13.7		

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

p Preliminary.

1 Includes underemployed persons with a job but not at work.

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

**Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT
PHILIPPINES: July 2006, 2007, 2008**

(in thousands except percent)

INDICATOR	Total Unemployed Persons			Percent Share (%)			Unemployment Rate (%)		
	2008 ^p	2007	2006	2008 ^p	2007	2006	2008 ^p	2007	2006
TOTAL	2,750	2,824	2,918	100.0	100.0	100.0	7.4	7.8	8.1
Sex									
Male	1,697	1,752	1,800	61.7	62.0	61.7	7.4	7.9	8.3
Female	1,053	1,072	1,118	38.3	38.0	38.3	7.3	7.6	8.0
Age Group									
15-24 years old	1,425	1,443	1,486	51.8	51.1	50.9	17.7	18.4	18.7
25-54 years old	1,216	1,271	1,337	44.2	45.0	45.8	5.0	5.3	5.7
55 years old and over	109	110	94	4.0	3.9	3.2	2.3	2.4	2.1
Not Reported	-	-	-	-	-	-	-	-	-
Highest Grade Completed									
No Grade Completed	16	22	21	0.6	0.8	0.7			
Elementary	376	403	443	13.7	14.3	15.2			
Undergraduate	173	192	193	6.3	6.8	6.6			
Graduate	203	211	250	7.4	7.5	8.6			
High School	1,250	1,285	1,364	45.5	45.5	46.7			
Undergraduate	311	398	396	11.3	14.1	13.6			
Graduate	939	887	968	34.1	31.4	33.2			
College	1,109	1,113	1,089	40.3	39.4	37.3			
Undergraduate	571	563	560	20.8	19.9	19.2			
Graduate	538	550	529	19.6	19.5	18.1			

Notes: 1. Based on the new official unemployment definition (NSCB Resolution No. 15 s 2004).

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

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

**Table 5 - LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT AND UNDEREMPLOYMENT
BY REGION: JULY 2008 ^p**
(In thousands except rates)

Region	Labor Force		Employment		Unemployment		Underemployment	
	Number	LFPR	Number	Growth Rate	Number	Rate	Number	Rate
Philippines	37,347	64.3	34,597	3.8	2,750	7.4	7,275	21.0
NCR	4,736	61.7	4,129	1.6	607	12.8	585	14.2
CAR	707	67.7	670	2.6	38	5.4	157	23.5
Region I	2,005	62.3	1,872	7.7	133	6.6	307	16.4
Region II	1,403	66.8	1,362	1.5	41	2.9	247	18.1
Region III	3,963	61.8	3,590	7.7	373	9.4	331	9.2
Region IV-A	4,710	62.9	4,218	1.3	492	10.4	736	17.4
Region IV-B	1,183	69.6	1,133	3.8	51	4.3	303	26.8
Region V	2,144	66.1	2,050	6.1	95	4.4	734	35.8
Region VI	3,034	64.9	2,830	3.3	204	6.7	785	27.7
Region VII	2,862	64.9	2,647	3.1	214	7.5	461	17.4
Region VIII	1,717	65.8	1,645	3.5	72	4.2	507	30.8
Region IX	1,372	65.6	1,329	5.7	42	3.1	398	29.9
Region X	1,884	70.8	1,801	7.3	83	4.4	465	25.8
Region XI	1,792	65.8	1,673	1.1	119	6.6	364	21.8
Region XII	1,628	66.8	1,550	2.2	78	4.8	412	26.6
Caraga	1,011	65.5	940	5.0	71	7.0	275	29.3
ARMM	1,195	57.4	1,158	5.2	37	3.1	208	18.0

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

2. Estimates based on the revised population benchmark using the 2000 Census of Population results.

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

^p Preliminary.

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