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HIGHLIGHTS OF THE OCTOBER 2008 LABOR FORCE SURVEY



Overview

The country's employment situation in October 2008 was of little change compared to same period last year. Employment level expanded year-on-year by 2.6% driven primarily by the growth in the service sector (4.3%) while employment remained sluggish in the combined agriculture, fishery and forestry sector (1.3%) and industry sector (0.02%). The quality of employment was mixed. Wage and salary employment grew by a respectable 4.3% while the incidence of underemployment fell by 0.6 percentage point to 17.5%. On the downside, the growth in full-time employment slowed down considerably (1.6%) as compared with part-time employment (3.3%).

Unemployment rate edged up slightly to 6.8% from 6.3% a year ago on account of the rise in labor force participation rate (LFPR) - from 63.2% to 63.7% over the period under review.

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

More people participated in the labor market in October 2008 as the size of the labor force expanded by more than a million persons (1.140 million) or an increase of 3.2% from last year. This corresponds to a labor force participation rate (LFPR) of 63.7%, upped 0.5 percentage point from a year ago.

This is a reversal from last year's October LFS results when the labor force grew by just 1.1% or less than half a million (407,000). As a consequence, the LFPR dropped by -0.6% to 63.2% - the lowest ever recorded.

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

Indicator	Oct. 2008 ^p	Oct. 2007	Year- on- Year Change
Household Population 15 Years Old and Over	58,183	56,845	1,338
Labor Force	37,058	35,918	1,140
– Employed Persons	34,533	33,672	861
– Unemployed Persons	2,525	2,246	279
Underemployed Persons	6,028	6,109	-81
– Visibly underemployed	3,841	3,660	181
Not in the Labor Force	21,125	20,927	198
LFPR (%)	63.7	63.2	
Unemployment Rate (%)	6.8	6.3	
Underemployment Rate (%)	17.5	18.1	
– Visible Under- employment Rate (%)	11.1	10.9	

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

Employment

Employment level rose by 2.6% as total employed persons increased from 33.672 million to 34.533 million over the period under review. This translates to almost a million (+861,000) new employment generated.

This figure represents an improvement from last year's growth rate of 2.4% (+786,000).

- Growth in employment was concentrated in the service sector which expanded by 4.3% (+699,000) – at the back of the strong growth in wholesale and retail trade (+352,000), public administration and defense, compulsory social security (+122,000) and real estate, renting and business services (+103,000).

On the other hand, employment losses were noted in transport, storage and communications (-13,000) and financial intermediation (-11,000).

- Employment in agriculture, hunting and forestry was sluggish growing by just 0.9% (+93,000). In contrast, employment in the fishing sector increased by 4.9% (+68,000) over the period.
- Employment in the industry sector was mixed. Robust growth occurred in construction (8.0% or +140,000) and mining and quarrying (30.4% or +41,000). But this gains were negated by an equal decline in manufacturing (-5.4% or -164,000) and electricity, gas and water (-12.1% or -17,000).

- By class of worker, employment rose among wage and salary workers (+740,000), employers (+1,000) and unpaid family workers (+147,000). Meanwhile, the number of self-employed workers fell slightly (-27,000).
- By hours worked, persons in full-time employment expanded by just 1.6% (+350,000) while persons in part-time employment grew by 3.3% (+391,000).

Underemployment

- The number of underemployed persons declined by 81,000 to 6.028 million. This corresponds to underemployment rate of 17.5%, down from 18.1% a year before. The underemployed are those persons who want or expressed the desire for additional hours of work or additional job or an entirely new job with longer hours.
- On the other hand, *time-rated* or *visible underemployment* was upped by 181,000 to 3,841 million from last year. Persons in this category are those employed who worked less than 40 hours a week and still wanting additional hours of work/job or entirely new job with longer working hours.

Unemployment

The October 2008 unemployment rate was upped slightly to 6.8% from 6.3% a year ago. This corresponds to 2.525 million unemployed persons or 279,000 higher than last year.

The increase in the number of unemployed can not yet be attributed to the global financial crisis but mainly because of the

unusually large number of new entrants and re-entrants to the labor force in October 2008 which reached more than a million as noted earlier.

- The unemployed workforce were dominated by young persons 15 to 24 years old which comprised a little more than half (52.0% or 1.313 million) of the total unemployed. Persons in the prime working age 25 to 54 years old ranked close second (43.8% or 1.106 million) and the rest (4.2% (105,000) by persons aged 55 years old.
- Nearly two in every three unemployed were men (1.596 million or 63.2%).
- The majority (45.1% or 1.139 million) were high school graduates or undergraduates. Equally large were college undergraduates and graduates (41.0% or 1.034 million). Only a small proportion were elementary educated (13.4% or 339,000) or without formal school training (0.5% or 13,000).

FOR INQUIRIES:

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Table 2 - KEY LABOR FORCE INDICATORS
PHILIPPINES: October 2006, 2007 and 2008
(in thousands except rates)

Key Indicators	October 2008 ^p	October 2007	October 2006	Increment		Percent Change (%)	
	Number ('000)	Number ('000)	Number ('000)	2007-2008	2006-2007	2007-2008	2006-2007
Population 15 Years Old and Over	58,183	56,845	55,638	1,338	1,207	2.4	2.2
Labor Force	37,058	35,918	35,511	1,140	407	3.2	1.1
Employed Persons	34,533	33,672	32,886	861	786	2.6	2.4
Unemployed Persons	2,525	2,246	2,625	279	-379	12.4	14.5
Underemployed Persons	6,028	6,109	6,681	-81	-572	-1.3	-8.6
- Visibly underemployed ¹	3,841	3,660	4,292	181	-632	4.9	-14.7
Not in the Labor Force	21,125	20,927	20,127	198	800	0.9	4.0
Full-time Employment	21,921	21,571	20,380	350	1,192	1.6	5.8
Part-time Employment	12,212	11,821	12,043	391	-222	3.3	-1.8
Did Not Work	400	280	463	120	-183	42.9	-39.6
Wage and Salary Workers	17,938	17,198	16,656	740	542	4.3	3.3
Self-employed Workers	10,846	10,873	10,451	-27	422	-0.2	4.0
Employers	1,420	1,419	1,473	1	-54	0.1	-3.6
Unpaid Family Workers	4,329	4,182	4,306	147	-124	3.5	-2.9
<u>Summary Indicators (%)</u>							
Labor force participation rate (LFPR)	63.7	63.2	63.8				
Employment growth rate	2.6	2.4					
Mean hours worked	41.6	41.7	41.2				
Unemployment rate	6.8	6.3	7.4				
Underemployment rate	17.5	18.1	20.3				
- Visible underemployment rate	11.1	10.9	13.0				

^p Preliminary.

¹ Includes underemployed persons with jobs but did not work during the reference period.

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

**Table 3 - SUMMARY STATISTICS ON EMPLOYMENT
PHILIPPINES: October 2006 and 2007**
(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	34,533	33,672	32,886	861	786	2.6	2.4
SECTOR							
Agriculture, Fishery and Forestry	12,321	12,160	12,043	161	117	1.3	1.0
Agriculture, Hunting and Forestry	10,861	10,768	10,619	93	149	0.9	1.4
Fishing	1,461	1,393	1,423	68	-30	4.9	-2.1
Industry	5,077	5,076	4,892	1	184	0.0	3.8
Mining and Quarrying	176	135	134	41	1	30.4	0.7
Manufacturing	2,896	3,060	3,010	-164	50	-5.4	1.7
Electricity, Gas and Water	124	141	122	-17	19	-12.1	15.6
Construction	1,880	1,740	1,626	140	114	8.0	7.0
Services	17,135	16,436	15,951	699	485	4.3	3.0
Wholesale and Retail Trade	6,528	6,176	6,152	352	24	5.7	0.4
Hotels and Restaurants	940	907	907	33	0	3.6	0.0
Transport, Storage & Communications	2,587	2,600	2,460	-13	140	-0.5	5.7
Financial Intermediation	373	384	366	-11	18	-2.9	4.9
Real Estate, Renting & Business Activities	984	881	799	103	82	11.7	10.3
Public Administration & Defense, Compulsory Social Security	1,691	1,569	1,518	122	51	7.8	3.4
Education	1,094	1,043	997	51	46	4.9	4.6
Health and Social Work	405	396	370	9	26	2.3	7.0
Other Community, Social & Personal Service Activities	798	779	761	19	18	2.4	2.4
Private Households with Employed Persons	1,733	1,699	1,619	34	80	2.0	5.0
Extra-Territorial Organizations	-	3	2	-3	1	-100.0	50.0
STATUS OF EMPLOYMENT							
Wage and Salary Workers	17,938	17,198	16,656	740	542	4.3	3.3
Self-employed Workers	10,846	10,873	10,451	-27	422	-0.2	4.0
Employers	1,420	1,419	1,473	1	-54	0.1	-3.7
Unpaid Family Workers	4,329	4,182	4,306	147	-124	3.5	-2.9
HOURS OF WORK							
40 Hours and Over (Full-Time Employment)	21,921	21,571	20,380	350	1,191	1.6	5.8
Less than 40 Hours (Part-Time Employment)	12,212	11,821	12,043	391	-222	3.3	-1.8
Did Not Work	400	280	463	120	-183	42.9	-39.5

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 UNDEREMPLOYMENT
PHILIPPINES: October 2006, 2007 and 2008**
(in thousands except percent)

INDICATOR	2008 ^p	2007	2006	Increment	
				2007-2008	2006-2007
UNDEREMPLOYED PERSONS	6,028	6,109	6,681	-81	-572
Hours Worked					
- Worked less than 40 hours/week ¹	3,841	3,660	4,291	181	-631
- Worked more than 40 hours/week	2,187	2,449	2,390	-262	59
Industry					
- Agriculture	2,944	2,971	3,222	-27	-251
- Industry	914	876	1,023	38	-147
- Services	2,170	2,263	2,436	-93	-173
Underemployment rate (%)	17.5	18.1	20.3		
Visible underemployment rate (%)	11.1	10.9	13.0		

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.

^p Preliminary.

¹ Includes underemployed persons with jobs but did not work during the reference period.

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

Table 5 - SUMMARY STATISTICS ON UNEMPLOYMENT
PHILIPPINES: October 2006, 2007 and 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	2,525	2,246	2,625	100.0	100.0	100.0	6.8	6.3	7.4
Sex									
Male	1,596	1,424	1,685	63.2	63.4	64.2	7.1	6.4	7.7
Female	929	821	940	36.8	36.6	35.8	6.7	6.0	6.9
Age Group									
15-24 years old	1,313	1,145	1,325	52.0	51.0	50.5	16.3	14.9	16.9
25-54 years old	1,106	1,011	1,210	43.8	45.0	46.1	4.6	4.3	5.2
55 years old and over	105	89	90	4.2	4.0	3.4	2.3	2.0	2.1
Highest Grade Completed									
No Grade Completed	13	15	14	0.5	0.7	0.5			
Elementary	339	306	368	13.4	13.6	14.0			
Undergraduate	153	136	155	6.1	6.1	5.9			
Graduate	185	170	213	7.3	7.6	8.1			
High School	1,139	1,038	1,198	45.1	46.2	45.6			
Undergraduate	308	292	317	12.2	13.0	12.1			
Graduate	831	746	880	32.9	33.2	33.5			
College	1,034	886	1,045	41.0	39.4	39.8			
Undergraduate	559	486	549	22.1	21.6	20.9			
Graduate	476	400	496	18.9	17.8	18.9			

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

2. Details may not add up to totals due to rounding of figures.

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

^p Preliminary.

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

**Table 6 - LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT AND UNDEREMPLOYMENT
BY REGION: October 2006, 2007 and 2008**
(in thousands)

Region	Labor Force			Employment			Unemployment			Underemployment		
	2008 ^p	2007	2006	2008 ^p	2007	2006	2008 ^p	2007	2006	2008 ^p	2007	2006
PHILIPPINES	37,058	35,918	35,511	34,533	33,672	32,886	2,525	2,246	2,625	6,028	6,109	6,681
NCR	4,674	4,619	4,628	4,077	4,128	3,941	597	491	687	461	477	523
CAR	702	679	660	675	658	629	27	21	31	153	118	126
Region I	1,968	1,927	1,845	1,812	1,796	1,715	156	132	130	331	248	265
Region II	1,394	1,386	1,385	1,342	1,353	1,345	51	32	40	225	190	328
Region III	3,786	3,717	3,678	3,479	3,396	3,344	308	321	334	225	255	308
Region IV-A	4,709	4,565	4,506	4,240	4,199	4,087	469	365	418	659	662	681
Region IV-B	1,189	1,109	1,115	1,149	1,067	1,078	40	41	37	271	268	189
Region V	2,113	2,044	2,019	2,004	1,958	1,914	109	85	105	626	682	734
Region VI	3,037	2,953	2,847	2,850	2,776	2,671	187	177	175	638	611	693
Region VII	2,866	2,749	2,740	2,699	2,588	2,532	166	161	207	382	294	453
Region VIII	1,686	1,638	1,603	1,621	1,586	1,526	65	52	77	432	432	454
Region IX	1,429	1,280	1,292	1,380	1,244	1,256	49	36	36	292	246	299
Region X	1,953	1,867	1,873	1,871	1,772	1,776	82	96	98	398	603	508
Region XI	1,819	1,773	1,715	1,740	1,686	1,620	79	87	95	280	262	309
Region XII	1,602	1,551	1,542	1,540	1,477	1,468	61	74	74	311	290	376
ARMM	1,135	1,072	1,062	1,109	1,040	1,018	26	33	44	155	268	203
Caraga	996	990	1,003	943	949	966	53	41	37	189	203	231

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

2. Details may not add up to totals due to rounding of figures.

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

^p Preliminary.

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