

# Philippine Labor Force Survey January 2005 (Preliminary Results)

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## Summary

Philippines	Philippine Concept		ILO Concept	
	January 2005	January 2004	January 2005	January 2004
Total population 15 years old and over (in '000)	53,975	52,675	53,975	52,675
Labor force (in '000)	35,664	35,447	34,110	33,747
Participation rate (%)	66.1	67.3	63.2	64.1
Employment (in '000)	31,634	31,547	31,634	31,547
Employment rate (%)	88.7	89.0	92.7	93.5
Unemployment (in '000)	4,030	3,900	2,476	2,200
Unemployment rate (%)	11.3	11.0	7.3	6.5
Underemployment (in '000)	5,098	5,522	5,098	5,522
Underemployment Rate (%)	16.1	17.5	16.1	17.5

*Note: Estimates for January 2005 are preliminary results and are subject to change.*

## Philippine Concept

- Labor force population in January 2005 slightly increased by 0.6 percent to 35.7 million from 35.4 million reported in January 2004. However, the labor force participation rate (LFPR), decreased by 1.2 percentage points, from 67.3 percent to 66.1 percent.
- The unemployment rate was estimated at 11.3 percent in January this year, higher by 0.3 percentage point over 11.0 percent in January last year.
  - Around 44.8 percent of the total unemployed were 15-24 years old.
- Employed persons in January this year increased by 0.3 percent to 31.6 million in January this year from 31.5 million a year ago. But the national employment rate decreased by 0.3 percentage point, from 89.0 percent last year to 88.7 percent this year.

- Employed persons in the agricultural sector increased by 1.7 percent. The industry sector declined by 1.4 percent in January 2005 while those in the services sector, by 0.2 percent.
- Underemployment rate was recorded at 16.1 percent in January this year, decreasing by 1.4 percentage points over the recorded estimate of 17.5 percent in January last year.

### ILO Concept

- The International Labor Organization (ILO) identifies the unemployed as those (1) without work, (2) currently available for work, and (3) seeking work. The Philippines adopts partly the ILO definition, that is, it does not include the second criterion and provides for relaxation of the third criterion on "seeking work".
- Using the ILO concept, the labor force population in January 2005 was estimated at 34.1 million, 1.1 percent higher than the January 2004 estimate of 33.7 million. However, the labor force participation rate decreased to 63.2 percent in January 2005 from 64.1 percent a year earlier.
- In January 2005, the unemployed numbered to 2.5 million, which was 12.5 percent higher than the January 2004 estimate of 2,200 million. Unemployment rate increased by 0.8 percentage point from 6.5 percent to 7.3 percent this year.
- Applying the ILO concept, the labor force population decreased to 34.1 million, from 35.7 million without the availability criterion.
- Likewise, the labor force participation rate decreased by 2.9 percentage points, from 66.1 percent using the Philippine concept to 63.2 percent for the ILO concept.
- The ILO concept posted unemployed persons at 2.5 million in January 2005 as against 4.0 million when availability criterion was excluded.

### HIGHLIGHTS

Of the population 15 years old and over, there were those who were in the labor force and those who were not...

- The number of persons in the labor force, or those who were either employed or unemployed reached 35.7 million in January 2005, higher by 0.6 percent, from 35.4 million in January 2004.

- The labor force participation rate (LFPR) decreased to 66.1 percent, from 67.3 percent in January 2004.
- The highest LFPR was recorded in Northern Mindanao at 75.7 percent and lowest in Autonomous Region in Muslim Mindanao at 56.7 percent.

The unemployed persons in January 2005....

- The number of unemployed persons in January 2005 was recorded at 4.0 million. This was 3.3 percent higher than last year's level of 3.9 million.
- The corresponding unemployment rate was registered at 11.3 percent in January 2005 or 0.3 percentage point higher than the recorded estimate of 11.0 percent last year.
- Of the 4.0 million unemployed persons, 61.9 percent were males while 38.1 percent were females.
- About 44.1 percent were young unemployed, that is, those belonging to the ages of 15 to 24 years old. There were 25.9 percent who were 25 to 34 years old. The rest of the unemployed (30.0%) were 35 years and older.
- Across regions, the National Capital Region recorded the highest unemployment rate of 17.4 percent.
- Other regions which exhibited a double - digit unemployment rate aside from NCR were Region IV-A (CALABARZON) at 13.9 percent, Region I (Ilocos) at 13.5 percent, Region III (Central Luzon) at 12.4 percent, Region VII (Central Visayas) at 12.3 percent and Region XII (SOCCSKSARGEN) and Region XIII (Caraga), both posted an unemployment rate of 10.2 percent.

Unemployed Persons by Highest Grade Completed...

- A greater proportion of the 4.0 million unemployed persons have reached at most high school education (1.7 million or 43.0%). Another 855 thousand (21.2%) have reached only the elementary level.
- About 668 thousand (16.6%) unemployed persons have actually completed college education.

Among the unemployed, there were those who have actually looked for work in January 2005 ...

- Of the 4.0 million unemployed persons in January 2005, about 1.2 million unemployed persons looked for work at anytime during the past week of the survey period. Among the 1.2 million unemployed persons who looked for work, a number of them approached employers directly (39.9%) or approached relatives or friends (34.3%).
- About 17.9 percent sought the assistance of employment agencies while 6.7 percent placed or answered advertisements.

...and there were those who did not look for work because of certain reasons...

- Of the 4.0 million unemployed persons in January 2005, about 2.8 million unemployed persons (69.4%) did not look for work during the past week of the survey period in January 2005. Persons who had no job or business during the reference period and did not look for work because of their belief that no work is available, because of temporary illness or disability, because of bad weather, because of a pending job application or job interview or waiting for rehire/job recall were also considered unemployed.
- Among the unemployed persons who did not look for work, 936 thousand or 33.5 percent did not do so because of the belief that no work is available. Around 609 thousand (21.8%) had temporary illness or disability and 488 thousand (17.4%) were waiting for results of previous job applications.

The employed persons in January 2005 ...

- The employed persons in January 2005 numbered to 31.6 million or an increase of 0.3 percent.
- The employment rate, however, decreased by 0.3 percentage point, from 89.0 percent in January 2004 to 88.7 percent in January 2005.
- Of the employed persons, about 19.8 million (62.5%) were males and 11.9 million (37.5%) were females.

Of the employed persons, there were those either working in agriculture, industry or services...

- The number of employed persons in the agriculture sector increased by 185 thousand or by 1.7 percent. Their share of 35.9 percent in January 2005, increased by 0.5 percentage point from 35.4 percent in January 2004.

- The number of employed persons in the services sector decreased by 24 thousand or by 0.2 percent. Their share of 48.4 percent in January 2005, decreased by 0.2 percentage point from 48.6 percent in January 2004.
- Employment in the industry sector declined both in number and proportion to total employed persons. The number of employed persons in this sector decreased to 4.977 million in January 2005 from 5.05 million a year earlier. Their share to total employed persons decreased to 15.7 percent, from 16.0 percent.

The employed by occupation...

- Occupation-wise, farmers, forestry workers and fishermen recorded the largest increase in employment level at 269 thousand. Their share to total employed increased by 0.8 percentage point, from 18.7 percent in January 2004 to 19.5 percent in January 2005.
- On the other hand, officials of government and special interest organizations, corporate executives, managers, managing proprietors and supervisors registered the highest decrease in employment level at 187 thousand.

Of the employed persons, there were those who were paid wages and salaries, worked on their account, or worked for the family...

- The largest increment in employment level (574 thousand) was registered in unpaid family workers. Its share to total employed increased by 1.8 percentage points, from 9.9 percent to 11.7 percent.
- The number of own-account workers increased to 11.8 million or 0.8 percent, from 11.7 million of the same period last year.
- Wage and salary workers decreased by 586 thousand or 3.5 percent to 16.1 million in January 2005 from 16.7 million in January 2004.

The employed by number of hours worked...

- Full-time workers or those who worked for 40 hours or more decreased to 19.8 million in January 2005, from 20.0 million in January 2004. Their share to total employed decreased by 0.9 percentage point, from 63.5 percent in January 2004 to 62.6 percent in January 2005.
- Those who worked for less than 40 hours increased both in number and proportion to total employed persons. The number rose to 11.2 million in October 2004 from 11.1 million in October 2003. Their share increased by 0.2 percentage point, from 35.1 percent to 35.3 percent.

- Those who worked for less than 40 hours increased both in number and proportion to total employed persons. The number rose to 11.3 million in January 2005 from 11.1 million in January 2004. Their share increased by 0.6 percentage point, from 35.2 percent to 35.8 percent.

Of the employed, there were those who desired more hours of work - the underemployed...

- The number of underemployed persons or those who desired additional hours of work decreased by 424 thousand (7.7%), from 5.5 million in January 2004 to 5.1 million in January 2005. The corresponding underemployment rate decreased to 16.1 percent this year from 17.5 percent last year.
- About 3.3 million underemployed persons actually worked for less than 40 hours during the past week of the survey period in January 2005.

About 1.7 million underemployed persons looked for additional hours of work...

- There were about 1.7 million underemployed persons or 5.3 percent of the total employed persons looked for additional hours of work during the past week of the survey period in January 2005.
- More male underemployed workers or 3.9 percent of the total employed persons looked for additional work than the females (1.4%).

Unemployed Persons Using ILO Concept...

- Using the ILO Concept, the number of unemployed persons in January 2005 was estimated at 2.5 million. The corresponding unemployment rate was recorded at 7.3 percent.
- Regionwise, Region II (Cagayan Valley) posted the lowest unemployment rate in January 2005 at 3.0 percent. CAR (Cordillera Administrative Region) recorded the second lowest unemployment rate at 3.1 percent.
- The National Capital Region registered the highest unemployment rate in January 2005 at 10.2 percent, while Region I (Ilocos) posted the next highest unemployment rate at 10.1 percent.
- The national labor force participation rate in January 2005 was posted at 63.2 percent.
- Region X (Northern Mindanao) recorded the highest LFPR in January 2005 at 73.9 percent. This was 10.7 percentage points higher than the national LFPR. The lowest LFPR was posted in the Autonomous Region in Muslim Mindanao at 55.1 percent.

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Administrator

#### Technical Notes

- Starting with the July 2003 round of the Labor Force Survey, the generation of the labor force and employment statistics adopted the 2003 Master Sample Design.
- Using this new master sample design, the number of samples increased from 41,000 to around 51,000 sample households.
- The province of Basilan is grouped under Autonomous Region in Muslim Mindanao while Isabela City (Basilan) is now grouped under Region IX, in accordance with Executive Order No.36.
- The 1992 four-digit code for Philippine Standard Occupational Classification (PSOC) and 1994 Philippine Standard Industry Classification (PSIC) were used in classifying the occupation and industry.
- ILO concept of unemployment is also included in this report.

Source: Income and Employment Statistics Division

Household Statistics Department

National Statistics Office

Manila, Philippines

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