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STATISTICS ON NON-REGULAR WORKERS

(Second of a series on employment)

This LABSTAT is second in a series of reports that focuses on employment data derived from the results of the 2002/2003 BLES Integrated Survey of Establishments (BITS) conducted by the Bureau in coordination with the DOLE Regional Offices. The BITS is a nationwide survey covering 6,818 sample non-agricultural establishments with 20 or more workers. The survey aims to generate an integrated data set on employment, labor relations, labor cost, and occupational safety in the workplace as basis for policy planning and program formulation.

Overview

The increasing global competition and rapid technological innovations in recent decades has brought about profound changes in the way of doing business and along with it the organization of work. As a consequence, various kinds of flexible employment arrangements that differ from full time protected regular wage and salary employment have emerged.

In the Philippines, much of the controversy surrounding the use of flexible employment arrangement has to do with the issue of employment security. This is because employers, in their attempts to reduce costs, have increased their use of non-regular

workers to cope with uncertainties in the markets for their products.

This report presents statistics on non-regular employment in the Philippines based on the results of the 2002/2003 BLES Integrated Survey (BITS). Specifically, this issue takes a closer look at the extent of employment of non-regular workers in the establishments covered by the survey, the various forms or categories of non-regular employment and the profile of establishments that engaged their service.

The BITS broadly defined *non-regular workers* as *workers hired by the establishments on a non-permanent status*. This group covers the following:

- Casual workers – workers whose employment is not expected to last for more than a short period.
- Contractual/project-based workers – workers whose employment has been fixed for a specific project or undertaking, the completion or termination of which has been determined at the time of engagement.
- Seasonal workers – workers whose employment, specifically its timing and duration, is significantly influenced by seasonal factors.
- Probationary workers – workers on trial period during which the employer determines their fitness to qualify for regular employment, based on reasonable standards made known to them at the time of engagement.
- Apprentices/Learners – workers who are covered by written apprenticeship/learnership agreements

with individual employers or any of the entities with duly recognized programs.

SURVEY RESULTS

As cited in the first issue of this series (Labstat Vol. 8 No. 12), the total number of persons engaged by non-agricultural establishments with 20 or more workers as of June 30, 2003 was estimated at 2.919 million. The bulk (89.2 percent or 2.603 million) were employees of the establishments and the rest (10.8% or 316,000) were contractor/agency-hired workers.

Of the total employees of the establishments, 25.0 percent or 651,000 were non-regular workers.

TABLE 1 - TOTAL EMPLOYMENT AND NUMBER OF NON-REGULAR WORKERS IN NON-AGRICULTURAL ESTABLISHMENTS WITH 20 OR MORE WORKERS BY MAJOR INDUSTRY GROUP AND EMPLOYMENT SIZE, PHILIPPINES: JUNE 2003
(In thousands)

Major Industry/Employment Size	Total Establishment Employment	Non-Regular Workers	
		Number	Percent (%) to Total Employment
Total Non-Agriculture	2,603	651	25.0
Major Industry			
Mining and Quarrying	25	3	15.0
Manufacturing	1,000	245	24.5
Electricity, Gas & Water Supply	71	9	12.7
Construction	81	44	54.3
Wholesale/Retail Trade	374	83	22.2
Hotels and Restaurants	152	56	36.8
Transport, Storage & Communication	203	31	15.3
Financial Intermediation	132	8	6.1
Real Estate, Renting & Business Activities	255	102	40.0
Private Education Services	195	47	24.1
Private Health & Social Work	59	9	15.3
Other Community, Social & Personal Svc.	61	15	24.6
Employment Size			
20-99 workers	838	172	20.5
100-199 workers	316	75	23.7
200 workers or more	1,448	404	27.9

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

Source: Bureau of Labor and Employment Statistics, 2003/2002 PLES Integrated Survey (PITS)

Industry

Across industry groups, three sub-sectors stood out to have the most number of non-regular workers in their workforce, namely: construction (54.3%), real estate, renting and business activities (40.0%) and hotel and restaurants (36.8%). The lowest was recorded in financial intermediation (6.1%) and electricity, gas and water (12.7%).

Employment Size

By size of employment, the proportion of non-regular workforce tended to increase with the size of the workforce as shown in Table 1.

Establishment Characteristics

By type of ownership, survey results indicate a higher proportion of non-regular workers in wholly owned Filipino establishments (26.1%) compared to establishments with foreign equity (21.0%).

As to type of market, export-oriented establishments employed more non-regular workers than establishments catering only to domestic market (28.4% and 25.9%, respectively).

On the other hand, multinational companies relied less on non-regular workers (22.6%) compared to local establishments (25.7%).

As expected, the proportion of non-regular workers was lower in establishments with union (21.1%) than those without union (26.8%).

Categories of Non-Regular Workers

Contractual/ project-based workers accounted for the largest group of non-regular workers (11.8%) in the establishments workforce. Their proportion to total establishment employment was particularly large in construction (50.5%), real estate, renting and business activities (31.0%) and hotels and restaurants (23.1%).

Casual workers ranked second as they comprised 6.1 percent of total establishments employment. Their biggest employers were establishments engaged in hotels and restaurants (9.8%), wholesale and retail trade (8.2%) and manufacturing (6.9%).

TABLE 2 - PERCENT SHARE OF NON-REGULAR WORKERS TO TOTAL NON-AGRICULTURAL ESTABLISHMENTS EMPLOYMENT BY OWNERSHIP, MARKET TYPE, MARKET REACH AND UNIONISM, PHILIPPINES: JUNE 2003

Establishment Characteristics	Percent of Non-Regular Workers to Total Employment (%)
Ownership	
With Foreign Equity	21.0
Without Foreign Equity	26.1
Type of Market	
Domestic Only	25.9
Export Only	28.4
Both Market	20.1
Market Reach	
Multinational	22.6
Not a Multinational	25.7
Unionism	
With Union	21.1
Without Union	26.8

Source: Bureau of Labor and Employment Statistics,
2002/2003 BLES Integrated Survey (BITS).

Probationary workers accounted for the third largest group at 4.6 percent. They comprised a significant proportion of employment in private education services (12.0%) and to some extent in health and social work (7.6%) and transport, storage and communication (5.4%).

Seasonal workers and apprentices/learners constituted the smallest group among non-regular workers. Together, they accounted for only 2.6 percent of total establishments employment. Their presence in the establishments was nil except in mining and quarrying (4.0%), manufacturing (4.9%) and wholesale and retail trade (2.4%).

TABLE 3 – PERCENT TO TOTAL EMPLOYMENT OF NON-REGULAR WORKERS IN NON-AGRICULTURAL ESTABLISHMENTS WITH 20 OR MORE WORKERS BY MAJOR INDUSTRY GROUP, PHILIPPINES: JUNE 2003

Industry	Total Employment ('000)	Non-Regular Workers					
		All Types	Probationary Workers	Casual Workers	Contractual/ Project-Based Workers	Seasonal Workers	Apprentices/ Learners
ALL INDUSTRIES	2,603	25.0	4.6	6.1	11.8	1.4	1.2
Mining and Quarrying	20	15.0	2.5	5.1	1.6	3.8	0.2
Manufacturing	1,000	24.5	4.0	6.9	8.7	2.2	2.7
Electricity, Gas and Water Supply	71	12.7	1.1	5.6	5.2	0.1	0.1
Construction	81	54.3	1.5	1.4	50.5	0.5	0.1
Wholesale and Retail Trade	374	22.2	4.9	8.2	6.8	2.0	0.4
Hotels and Restaurants	152	36.8	3.3	9.8	23.1	0.7	0.1
Transport, Storage and Communications	203	15.3	5.4	3.0	6.0	0.9	0.2
Financial Intermediation	132	6.1	4.8	0.6	0.5	0.3	0.1
Real Estate, Renting and Business Activities	255	40.0	2.9	5.6	31.0	0.6	0.1
Private Education Services	195	24.1	12.0	4.1	6.8	0.4	0.5
Private Health and Social Work	59	15.3	7.6	4.6	2.3	0.4	0.1
Other Community, Social and Personal Services	61	24.6	2.3	8.3	12.6	0.6	0.1

Source: Bureau of Labor and Employment Statistics, 2002/2003 BLES Integrated Survey (BITS).

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