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**2006 SURVEY OF
VITAL OCCUPATIONS
IN NON-AGRICULTURAL ESTABLISHMENTS**
(Third of a five-part series)



This issue of LABSTAT Updates is the third in the five series of reports based on statistics culled from the results of the 2006 BLES Integrated Survey of Establishments (BITS). The BITS is a nationwide sample survey covering 7,630 non-agricultural establishments with at least 20 workers. This issue presents summary statistics on the list of vital occupations across the twelve (12) major industry groups covered by the survey.

OVERVIEW

Shortage of talents, i.e., professionals and skilled workers has been a serious concern in many countries particularly in the developed but aging countries in North America and Europe. The same situation holds true in the booming economies of Asia. Despite its huge number of people, Asia is now suffering from a big shortage of skilled and experienced workers.

As a labor exporting country, the Philippines has been a major source of talents not only in Asia but in many parts of the world as well. The migration of Filipino professionals over the last three decades, however, has to some extent drained the country of certain types of skills that are critical to its global competitiveness such as pilots and aviation mechanics, nurses and other health workers, mining engineers, among others. The said situation is perceived to get worse in the future if the country's

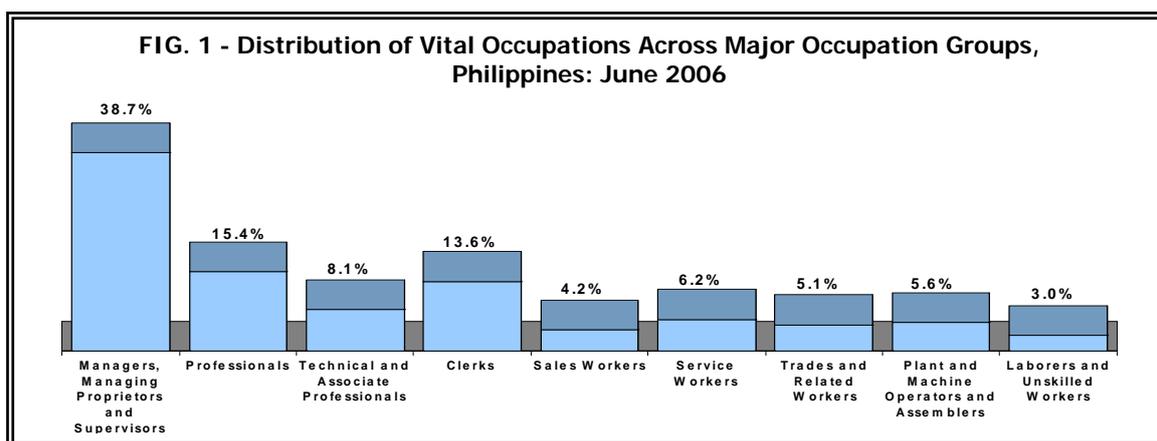
educational institutions cannot keep up with the demand.

To further enrich understanding on this issue, the BLES has included in the 2006 BITS two (2) items that relate to the issue of talent shortage, i.e., vital occupations and hard-to-fill occupations (to be featured in LABSTAT Updates Vol. 12 No. 5).

The term "vital occupation" is defined in this survey as occupation employers considered as most critical to the success of their business operation. For purposes of policy analysis, these occupations may require special interventions with respect to training and development of people in, or about to enter, these occupations.

SURVEY RESULTS

- Survey results listed a total of 317 individual occupation titles (4-digit PSOC) perceived by employers as vital to business success. (Table 3)



Source of data: BLES, 2006 BITS.

- As shown in Fig. 1, the distribution of vital occupations was highly concentrated in three (3) major occupation groups, namely: managers, managing proprietors and supervisors (38.7%), professionals (15.4%), and clerical group (13.6%). The rest of the occupational groupings shared less than 10.0% each.
- There were marked differences in vital occupations across the industry and services sub-sectors except for one common characteristic, i.e., the high proportion of managers and supervisors in the vital occupation list – 38.0% for industry sector and 39.1% in service sector. (Table 3)
- Professional groups particularly accountants and auditors, civil engineers, mechanical engineers and electrical engineers ranked second at 20.0%.
- Trade and related workers comprised the third largest group at 18.6% and mostly involved motor vehicle mechanics, sewers, linemen, food processors and welders.
- The last group which made up 17.7% were technical and associate professionals such as safety, health and quality inspectors, technical and commercial sales representatives and mechanical engineering technicians.

TABLE 1 - Distribution of Vital Occupations (Non-Managerial) Across Major Occupation Groups in the Industry Sector, Philippines: June 2006

Major Occupation	Number	%
ALL OCCUPATIONS	207	100.0
Professionals	34	20.0
Technical and Associate Professionals	28	17.7
Clerks	14	14.4
Sales Workers	2	3.1
Service Workers	3	0.2
Trade and Related Workers	55	18.6
Plant and Machine Operators and Assemblers	61	21.4
Laborers and Unskilled Workers	10	4.7

Source of data: BLES, 2006 BITS.

Vital Occupations in Industry Sector

- Beyond managers and supervisors, the list of vital occupations in this sector was dominated almost equally by four (4) occupation groups.
- Plant and machine operators and assemblers ranked first at 21.4% - this mainly includes machine tool operators, and drivers (heavy truck, lorry, bus and taxi).

- For the entire industry sector, about 57.7% of the vital occupations were skill-intensive as compared to 20.0% for knowledge-based occupations which require college degree. This underscores the crucial role of vocational/technical training institutions in ensuring adequate supply of graduates for this type of skills.
- On the other hand, clerical workers were most prevalent in financial intermediation (49.6%), wholesale and retail trade (34.6%) and transport, storage and communication sub-sectors (28.1%) - mainly as accounting clerks and bookkeepers, office clerks, cashiers and ticket clerks and client information clerks (call center agents).

Vital Occupations in Services Sector

- In the service sector, the bulk of the vital occupations below managers and supervisors were accounted for by two (2) occupations groups, namely: professionals (27.7%) and clerks (26.0%). Professionals as vital occupation were most apparent in education (71.0%) and health sectors (80.0%) and primarily involved accountants, teaching professionals, doctors and nurses.
- Service workers which accounted for 14.8% of the vital occupations were most common in hotels and restaurants (66.1%) as service crew, cooks, and housekeepers. Notable shares were also observed in real estate, renting and business services (13.0%) mostly as security guards; and other community, social and personal services (22.3%) as hairdresser, barbers and beauticians.
- Sales workers were found dominant in wholesale and retail trade (25.2%) as shop salespersons and demonstrators. Their share to total vital occupations was placed at 8.6% and was negligible (less than 1.0%) in many sub-sectors. In transport, storage and communications, clerks and plant and machine operators and assemblers (i.e., motor vehicle drivers and mechanics) predominate at 28.1% and 18.2%, respectively.

TABLE 2 - Distribution of Vital Occupations (Non-Managerial) Across Major Occupation Groups in the Service Sector, Philippines: June 2006

Major Occupation	Number	%
ALL OCCUPATIONS	195	100.0
Professionals	55	27.7
Technical and Associate Professionals	45	11.1
Clerks	20	26.0
Sales Workers	2	8.6
Service Workers	14	14.8
Trades and Related Workers	21	3.4
Plant and Machine Operators and Assemblers	25	3.3
Laborers and Unskilled Workers	13	5.0

Source of data: BLES, 2006 BITS.

- Professional workers predominate in private education (primary and secondary teachers) and health and social services (doctors and nurses). (Table 5)

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TABLE 3 – Distribution of Occupations Perceived as Vital In Business Success in Non-Agricultural Establishments with 20 or More Workers by Major Occupation and Broad Sector, Philippines: June 2006

Major Occupation	No. of Occupations in PSOC	Total		Broad Sector			
		Number	%	Industry		Services	
				Number	%	Number	%
ALL OCCUPATIONS	391	317	100.0	239	100.0	234	100.0
Managers, Managing Proprietors and Supervisors	47	39	38.7	32	38.0	39	39.1
Professionals	68	60	15.4	34	12.4	55	16.9
Technical and Associate Professionals	67	49	8.1	28	11.0	45	6.8
Clerks	23	20	13.6	14	8.9	20	15.8
Sales Workers	3	2	4.2	2	1.9	2	5.2
Service Workers	20	14	6.2	3	0.1	14	9.0
Trades and Related Workers	71	55	5.1	55	11.5	21	2.1
Plant and Machine Operators and Assemblers	67	64	5.6	61	13.3	25	2.0
Laborers and Unskilled Workers	25	14	3.0	10	2.9	13	3.1

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey of Establishments.

TABLE 4 - Distribution of Non-Managerial Occupations Perceived as Vital in Business Success of Non-Agricultural Establishments with 20 or More Workers (Industry Sector) by Major Occupation, Philippines: June 2006

Major Occupation	No. of Occupations in PSOC	Mining and Quarrying		Manufacturing		Electricity, Gas and Water		Construction	
		Number	%	Number	%	Number	%	Number	%
ALL OCCUPATIONS	391	43	100.0	220	100.0	62	100.0	75	100.0
Professionals	68	10	29.9	30	15.2	10	22.7	11	46.4
Technical and Associate Professionals	67	7	14.9	25	19.8	8	10.2	11	8.5
Clerks	23	3	10.8	12	14.2	10	27.6	7	9.6
Sales Workers	3	1	1.1	2	3.8	0	0.0	0	0.0
Service Workers	20	0	0.0	3	0.3	0	0.0	1	0.1
Trades and Related Workers	71	6	17.0	51	18.2	7	24.5	17	18.5
Plant and Machine Operators and Assemblers	67	4	22.8	59	24.2	4	12.3	10	8.7
Laborers and Unskilled Workers	25	1	3.5	8	4.3	4	2.6	3	8.2

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey of Establishments.

Table 5 - Distribution of Non-Managerial Occupations Perceived as Vital in Business Success of Non-Agricultural Establishments With 20 or More Workers (Service Sector) by Major Occupation, Philippines: June 2006

Major Occupation	No. of Occupations in PSOC	Wholesale and Retail Trade		Hotels and Restaurants		Transport, Storage and Communications		Financial Intermediation		Real Estate, Renting and Business Services		Private Education Services		Health and Social Services		Other Community, Social and Personal Services	
		Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
ALL OCCUPATIONS	391	94	100.0	42	100.0	83	100.0	40	100.0	109	100.0	53	100.0	38	100.0	65	100.0
Professionals	68	21	11.0	6	5.3	16	9.1	15	31.6	28	39.0	24	71.0	17	80.0	18	24.8
Technical and Associate Professionals	67	20	13.0	11	3.9	21	17.0	11	17.1	27	15.2	11	6.3	9	9.0	11	12.9
Clerks	23	14	34.6	7	17.9	16	28.1	11	49.6	17	22.7	8	14.9	7	8.9	10	26.4
Sales Workers	3	2	25.2	1	1.0	1	0.6	1	0.6	2	1.4	0	0.0	1	0.1	1	5.0
Service Workers	20	1	0.3	8	66.1	5	4.7	1	0.5	4	13.0	3	1.8	3	1.2	9	22.3
Trades and Related Workers	71	14	5.3	3	1.6	6	12.9	0	0.0	12	2.9	1	a	0	0.0	3	0.3
Plant and Machine Operators and Assemblers	67	14	4.1	2	0.5	10	18.2	0	0.0	11	2.0	3	0.3	0	0.0	7	2.9
Laborers and Unskilled Workers	25	8	6.4	4	3.7	8	9.4	1	0.6	8	3.8	3	5.6	1	0.8	6	5.5

Source of data: Bureau of Labor and Employment Statistics,
2006 BLES Integrated Survey of Establishments.