

HIGHLIGHTS OF THE JANUARY 2007 LABOR FORCE SURVEY



Overview

The employment situation in January 2007 improved considerably compared with the same period last year. Employment level expanded by 4.7% which was roughly equivalent to 1.515 million new employed persons – mainly on the strength of the robust growth in the service sector (9.5%). Moreover, there were more people who found full-time employment (6.1%) as well as wage and salary employment (11.4%). Meanwhile, both the unemployment rate (7.8%) and underemployment rate (21.5%) were not significantly different from last year's estimates.

Starting with January 2007 Labor Force Survey (LFS) round, the National Statistics Office shall be releasing the LFS results using the latest population projections (i.e., the 2000 Census of Population and Housing). For comparability of data, the results of the previous surveys shall be re-tabulated using the latest projections. The backtracking shall start with the 2006 LFS results.

LABOR FORCE

The number of persons who joined the labor force in January 2007 increased by more than a million (1.528 million) or 4.4% to reach 36.396 million. The increase was reflected by the rise in the labor force participation rate (LFPR) from 63.6% to 64.8%.

Employment

Total employed persons increased from 32.031 million to 33.546 million over the period under review. This translates to a year-on-year growth rate of 4.7% or 1.515 million additional employed persons.

- The growth in employment occurred mainly in the service sector which registered a growth rate of 9.5 percent (+1.470

KEY EMPLOYMENT INDICATORS PHILIPPINES: January 2006 - 2007 (in thousands except rates)

Indicator	Jan. 2007 ^p	Jan. 2006	Year- On-Year Change
Household Population 15 Years Old and Over	56,145	54,829	1,316
Labor Force	36,396	34,868	1,528
– Employed Persons	33,546	32,031	1,515
– Unemployed Persons	2,850	2,837	13
Underemployed Persons	7,216	6,774	442
– Visibly underemployed	4,164	4,105	59
LFPR (%)	64.8	63.6	
Employment Growth Rate (%)	4.7	-	
Unemployment Rate (%)	7.8	8.1	
Underemployment Rate (%)	21.5	21.1	
– Visible Under- employment Rate (%)	12.4	12.8	

Note: Starting January 2007 LFS round, survey results will be based on the 2000 Census Population Projection.
^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

million). The biggest increment was noted in wholesale and retail trade (+481,000), followed by private households with employed persons (+309,000). Fairly large increases were also observed in real estate, renting and business services (+169,000), public administration (+134,000) and hotels and restaurants (+108,000).

- Industry employment grew by a modest 2.0% (+96,000) from last year. Growth was led by manufacturing (+74,000) followed by construction (+11,000), mining and quarrying (+6,000) and electricity, gas and water (+6,000).
- Employment in the combined agriculture, fishery and forestry sector was down slightly by 0.4% (-51,000) which maybe due to the aftermath of the typhoons that visited the country late last year.
- The number of persons in full-time employment rose by 6.1% (+1.208 million) exceeding the growth in part-time employment (2.5% or +288,000).
- Wage and salary employment grew by 11.4% (+1.834 million) over the same period. In contrast, employment decline was observed among own-account workers (-141,000) and unpaid family workers (-178,000).

Time-related Underemployment

- Of the total employed persons, 12.4 percent or 4.164 million worked less than the 40 hours a week threshold for defining full-time employment and were reported willing to work additional

hours. This group of worker falls under the category of "time-related underemployed persons" or the visibly underemployed persons. Compared to last year, this figure was higher by 1.4% (+59,000).

- Invisibly underemployed persons (those who worked 40 hours or more a week and still wanting additional hours of work) also increased by 381,000 to 2.894 million.
- The bulk (45.7% or 3.298 million) of underemployed persons (both visible and invisible) were engaged in activities related to agriculture, fishery and forestry and in the services (39.2% or 2.829 million).
- According to the international standard definition, invisible underemployment is not a statistical concept directly measurable by the LFS. It is primarily an analytical concept that still have to be developed further.

UNEMPLOYMENT

The number of unemployed persons (i.e., persons without a job or business, looking and available for work) increased by 13,000 to 2.850 million. This occurred as the volume of additional persons joining the labor market during the period under review jumped by more than a million as mentioned earlier. Notwithstanding this, the unemployment rate fell marginally by 0.3 percentage point to 7.8%. According to NSO, this figure is not significantly different from last year's estimate of 8.1%.

- About one-half (48.8% or 1.391 million) of the unemployed were young workers 15 to 24 years old.
- The majority (32.9% or 938,000) were high school graduates. Fairly large proportions were college undergraduates (18.9% or 539,000) and college graduates (16.2% or 462,000).

FOR INQUIRIES:

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Table 1 - SUMMARY STATISTICS ON EMPLOYED PERSONS
PHILIPPINES: January 2006 and 2007
(in thousands except rates)

INDICATOR	2007 ^p	2006
EMPLOYED PERSONS	33,546	32,031
SECTOR		
Agriculture, Fishery and Forestry	11,640	11,691
Agriculture, Hunting and Forestry	10,198	10,250
Fishing	1,442	1,409
Industry	4,965	4,869
Mining and Quarrying	134	128
Manufacturing	3,053	2,979
Electricity, Gas and Water	134	128
Construction	1,677	1,666
Services	16,941	15,471
Wholesale and Retail Trade	6,407	5,926
Hotels and Restaurants	973	865
Transport, Storage and Communications	2,617	2,530
Financial Intermediation	335	320
Real Estate, Renting and Business Activities	906	737
Public Administration and Defense, Compulsory Social Security	1,543	1,409
Education	1,040	993
Health and Social Work	403	352
Other Community, Social and Personal Service Activities	872	769
Private Households with Employed Persons	1,879	1,570
Extra-Territorial Organizations	0	0
CLASS OF WORKER		
Wage and Salary Workers	17,914	16,080
Own-account workers	11,775	11,916
Unpaid Family Workers	3,858	4,036
HOURS OF WORK		
Less than 40 Hours (Part-Time Employment)	12,043	11,755
40 Hours and Over (Full-Time Employment)	21,067	19,859
Did Not Work	436	416

Notes: 1. Figures were estimated based on the 2000 Census Population Projection.

2. Details may not add up to totals due to rounding of figures. Sub-sectoral employment figures were derived using the percentage distribution released by the National Statistics Office.

^p Preliminary.

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

Table 2 - EMPLOYMENT INCREMENT, GROWTH RATE AND PERCENT DISTRIBUTION
PHILIPPINES: January 2006 and 2007
(In thousands except rates)

INDICATOR	Percent Distribution		Increment	Year-on-Year Growth Rate (%)
	2007	2006	2006-2007	2006-2007
EMPLOYED PERSONS	100.0	100.0	1,515	4.7
SECTOR				
Agriculture, Fishery and Forestry	34.7	36.5	-51	-0.4
Agriculture, Hunting and Forestry	30.4	32.0	-52	-0.5
Fishing	4.3	4.4	33	2.3
Industry	14.8	15.2	96	2.0
Mining and Quarrying	0.4	0.4	6	4.7
Manufacturing	9.1	9.3	74	2.5
Electricity, Gas and Water	0.4	0.4	6	4.7
Construction	5.0	5.2	11	0.7
Services	50.5	48.3	1,470	9.5
Wholesale and Retail Trade	19.1	18.5	481	8.1
Hotels and Restaurants	2.9	2.7	108	12.5
Transport, Storage and Communications	7.8	7.9	87	3.4
Financial Intermediation	1.0	1.0	15	4.7
Real Estate, Renting and Business Activities	2.7	2.3	169	22.9
Public Administration and Defense, Compulsory Social Security	4.6	4.4	134	9.5
Education	3.1	3.1	47	4.7
Health and Social Work	1.2	1.1	51	14.5
Other Community, Social and Personal Activities	2.6	2.4	103	13.4
Private Households w/ Employed Persons	5.6	4.9	309	19.7
Extra-Territorial Organizations	0.0	0.0	0	-
CLASS OF WORKER				
Wage and Salary Workers	53.4	50.2	1,834	11.4
Own-account Workers	35.1	37.2	-141	-1.2
Unpaid Family Workers	11.5	12.6	-178	-4.4
HOURS OF WORK				
Less than 40 Hours (Part-Time Employment)	35.9	36.7	288	2.5
40 Hours and Over (Full-Time Employment)	62.8	62.0	1,208	6.1
Did Not Work	1.3	1.3	20	4.8

Notes: 1. Figures were estimated based on the 2000 Census Population Projection.

2. Details may not add up 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: January 2006 and 2007
(In thousands except percent)

INDICATOR	2007 ^p	2006	Increment
UNDEREMPLOYED PERSONS	7,216	6,774	442
Hours Worked			
- Worked less than 40 hours/week	4,164	4,105	59
- Worked more than 40 hours/week	2,894	2,513	381
- With a job but not at work	152	156	-4
Underemployment rate (%)	21.5	21.1	0.4
Visible underemployment rate (%)	12.4	12.8	-0.4
Sector			
Agriculture	3,298	3,184	114
Industry	1,082	1,023	59
Service	2,829	2,561	268

Notes: 1. Figures were estimated based on the 2000 Census Population Projection.

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

Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT
PHILIPPINES: January 2006 and 2007
(in thousands except percent)

INDICATOR	Total Unemployed Persons		Percent Share (%)	
	2007 ^p	2006	2007 ^p	2006
TOTAL	2,850	2,837	100.0	100.0
Age Group				
15-24 years old	1,391	1,399	48.8	49.3
25-54 years old	1,334	1,336	46.8	47.1
55 years old and over	125	105	4.4	3.7
Highest Grade Completed				
No Grade Completed	20	14	0.7	0.5
Elementary	504	431	17.7	15.2
Undergraduate	239	179	8.4	6.3
Graduate	265	252	9.3	8.9
High School	1,325	1,294	46.5	45.6
Undergraduate	385	380	13.5	13.4
Graduate	938	914	32.9	32.2
College	1,003	1,101	35.2	38.8
Undergraduate	539	593	18.9	20.9
Graduate	462	508	16.2	17.9

Notes: 1. Figures were estimated based on the 2000 Census Population Projection.
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Source of data: National Statistics Office, Labor Force Survey.