

HIGHLIGHTS OF THE JULY 2007 LABOR FORCE SURVEY



Overview

The labor market remained resilient in July 2007, notwithstanding the slump in agricultural employment due to the drought that affected Northern Luzon. Industry employment recovered (3.9%) from previous year's sluggish growth while employment in the service sector continued to expand (2.7%). The quality of employment improved as more people found full-time work and the incidence of underemployment fell by more than one percentage point (23.4% to 22.0%). Similarly, unemployment declined both in terms of rate (8.1% to 7.8%) and magnitude (2.918 million to 2.827 million).

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

The country's working age population grew by 2.5% (+1.388 million) over the period. This was accompanied by slower growth in the labor force which expanded by less than one percent or 0.9% (+317,000) to reach 36.161 million. Labor force participation rate (LFPR) declined by one percentage point to 63.6%.

Employment

Total employed persons increased from 32.926 million to 33.334 million. This translates to employment generation of 408 thousand or a year-on-year growth rate of 1.2%.

- The gains in employment occurred mostly in the service sector which grew by 2.7% (+434,000) over the period -

**Table 1 - KEY EMPLOYMENT INDICATORS
PHILIPPINES: July 2006-2007
(in thousands except rates)**

| Indicator | July 2007 ^p | July 2006 | Year-On-Year Change |
|--|------------------------|-----------|---------------------|
| Household Population 15 Years Old and Over | 56,863 | 55,475 | 1,388 |
| Labor Force | 36,161 | 35,844 | 317 |
| – Employed Persons | 33,334 | 32,926 | 408 |
| – Unemployed Persons | 2,827 | 2,918 | -91 |
| Underemployed Persons | 7,332 | 7,718 | -386 |
| – Visibly underemployed | 3,732 | 4,368 | -636 |
| LFPR (%) | 63.6 | 64.6 | |
| Unemployment Rate (%) | 7.8 | 8.1 | |
| Underemployment Rate (%) | 22.0 | 23.4 | |
| – Visible Under-employment Rate (%) | 11.2 | 13.3 | |

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

increasing from 16.200 million to 16.634 million. The main contributor was transport, storage and communications (+164,000). Notable gains were

- also observed in education (+79,000), wholesale and retail trade (+45,000), hotels and restaurants (+44,000), and real estate, renting and business activities (+43,000).
- Industry sector employment grew by a respectable 3.9% (+195,000), a recovery from the sluggish growth in the previous year. Supporting the growth was the robust employment expansion in construction sub-sector at 9.2% (+154,000). Respectable growth also occurred in electricity, gas and water (34.3%). Meanwhile, employment was essentially unchanged in mining and quarrying (0.8%) and manufacturing (0.2%).
 - Employment in the combined agriculture, fishery and forestry sector suffered a setback (-1.9% or -222,000) mainly on account of the drought that affected farm production in the northern region of the country.
 - The number of persons in full-time employment grew by a respectable 5.9% (1.225 million) while part-time employment was down by 5.6% (-655,000) over the period.
 - Growth occurred among wage and salary workers (1.6% or +282,000) and self-employed workers (1.9% or +194,000). In contrast, the number of employers and unpaid family workers fell by 3.3% (-49,000) and 1.4% (-53,000), respectively.
 - The number of underemployed persons who want or expressed the desire for additional hours of work declined by 386,000 – from 7.718 million to 7.332 million. This corresponds to underemployment rate of 22.0%, down from 23.4% a year before.
 - Invisibly underemployed persons (i.e., persons who worked 40 hours or more a week and still wanting additional hours of work) also declined by 636,000 – from 4.368 million to 3.732 million.

UNEMPLOYMENT

Unemployment declined both in terms of rate (8.1% to 7.8%) and numbers (2.918 million to 2.827 million).

- The large proportion of the unemployed were young workers 15 to 24 years old (51.1% or 1.445 million), and relatively educated – 39.4% or 1.114 million were either college graduates or undergraduates.
- Double-digit unemployment rate were recorded in NCR (13.1%) and Region III (11.5%). Other regions which posted unemployment rate higher than the national average were Region IV-A (9.2%), Caraga (8.4%) and Region I (7.9%).

FOR INQUIRIES:

Regarding this report contact **EMPLOYMENT AND MANPOWER STATISTICS DIVISION** at 527-3000 loc. 312/313

Regarding other statistics and technical services contact **BLES DATABANK** at 527-3000 loc. 317

Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**

FAX 527-93-24 E mail: emsd@manila-online.net or blesemsd@bles.dole.gov.ph

Or visit our website at <http://www.manila-online.net/bles> or <http://www.bles.dole.gov.ph>

**Table 2 - SUMMARY STATISTICS ON EMPLOYED PERSONS
BY SELECTED INDICATORS, PHILIPPINES
July 2006 and 2007
(in thousands except rates)**

| INDICATOR | 2007 ^p | 2006 | Increment | Year-on-Year Growth Rate (%) |
|---|-------------------|---------------|-------------|------------------------------|
| EMPLOYED PERSONS | 33,334 | 32,926 | 408 | 1.2 |
| SECTOR | | | | |
| Agriculture, Fishery and Forestry | 11,500 | 11,722 | -222 | -1.9 |
| Agriculture, Hunting and Forestry | 10,100 | 10,306 | -206 | -2.0 |
| Fishing | 1,400 | 1,449 | -49 | -3.4 |
| Industry | 5,200 | 5,005 | 195 | 3.9 |
| Mining and Quarrying | 133 | 132 | 1 | 0.8 |
| Manufacturing | 3,067 | 3,062 | 5 | 0.2 |
| Electricity, Gas and Water | 133 | 99 | 34 | 34.3 |
| Construction | 1,833 | 1,679 | 154 | 9.2 |
| Services | 16,634 | 16,200 | 434 | 2.7 |
| Wholesale and Retail Trade | 6,367 | 6,322 | 45 | 0.7 |
| Hotels and Restaurants | 900 | 856 | 44 | 5.1 |
| Transport, Storage & Communications | 2,633 | 2,469 | 164 | 6.6 |
| Financial Intermediation | 367 | 329 | 38 | 11.6 |
| Real Estate, Renting & Business Activities | 833 | 790 | 43 | 5.4 |
| Public Administration & Defense, Compulsory Social Security | 1,533 | 1,515 | 18 | 1.2 |
| Education | 1,067 | 988 | 79 | 8.0 |
| Health and Social Work | 367 | 362 | 5 | 1.4 |
| Other Community, Social & Personal Activities | 833 | 823 | 10 | 1.2 |
| Private Households w/ Employed Persons | 1,767 | 1,745 | 22 | 1.3 |
| Extra-Territorial Organizations | 0 | 0 | 0 | 0.0 |
| STATUS OF EMPLOYMENT | | | | |
| Wage and Salary Workers | 17,700 | 17,418 | 282 | 1.6 |
| Self-employed Workers | 10,434 | 10,240 | 194 | 1.9 |
| Employers | 1,433 | 1,482 | -49 | -3.3 |
| Unpaid Family Workers | 3,733 | 3,786 | -53 | -1.4 |
| HOURS OF WORK | | | | |
| 40 Hours and Over (Full-Time Employment) | 22,034 | 20,809 | 1,225 | 5.9 |
| Less than 40 Hours (Part-Time Employment) | 11,067 | 11,722 | -655 | -5.6 |
| Did Not Work | 233 | 428 | -195 | -45.6 |

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

2. Employment levels were derived based on the percentage distribution contained in the NSO July 2007 LFS Press Release.

p Preliminary.

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

Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYMENT
PHILIPPINES: July 2006 and 2007
(in thousands except percent)

| INDICATOR | 2007 ^p | 2006 | Increment |
|----------------------------------|-------------------|--------------|-------------|
| UNDEREMPLOYED PERSONS | 7,332 | 7,718 | -386 |
| Hours Worked | | | |
| - Worked less than 40 hours/week | 3,732 | 4,368 | -636 |
| - Worked more than 40 hours/week | 3,527 | 3,195 | 332 |
| - With a job but not at work | 66 | 147 | -81 |
| Industry | | | |
| Agriculture | 3,255 | 3,543 | -288 |
| Industry | 1,122 | 1,189 | -67 |
| Service | 2,955 | 2,987 | -32 |

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

2. Underemployment levels were derived based on the percentage distribution contained in the NSO July 2007 LFS Press Release.

^p Preliminary.

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

**Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT
BY AGE GROUP AND HIGHEST GRADE COMPLETED
PHILIPPINES: July 2006 and 2007**
(in thousands except percent)

| INDICATOR | Total Unemployed | | Percent Share (%) | |
|--------------------------------|-------------------|--------------|-------------------|--------------|
| | 2007 ^p | 2006 | 2007 ^p | 2006 |
| TOTAL | 2,827 | 2,918 | 100.0 | 100.0 |
| Sex | | | | |
| Male | 1,753 | 1,800 | 62.0 | 61.7 |
| Female | 1,074 | 1,118 | 38.0 | 38.3 |
| Age Group | | | | |
| 15-24 years old | 1,445 | 1,485 | 51.1 | 50.9 |
| 25-54 years old | 1,269 | 1,339 | 44.9 | 45.9 |
| 55 years old and over | 110 | 93 | 3.9 | 3.2 |
| Highest Grade Completed | | | | |
| No Grade Completed | 23 | 20 | 0.8 | 0.7 |
| Elementary | 401 | 444 | 14.2 | 15.2 |
| Undergraduate | 192 | 193 | 6.8 | 6.6 |
| Graduate | 212 | 251 | 7.5 | 8.6 |
| High School | 1,286 | 1,363 | 45.5 | 46.7 |
| Undergraduate | 399 | 397 | 14.1 | 13.6 |
| Graduate | 888 | 969 | 31.4 | 33.2 |
| College | 1,114 | 1,088 | 39.4 | 37.3 |
| Undergraduate | 565 | 560 | 20.0 | 19.2 |
| Graduate | 548 | 528 | 19.4 | 18.1 |

Notes: 1. *Figures were estimated based on the 2000 Census Population Projection.*
2. *Unemployment levels were derived based on the percentage distribution contained in the NSO July 2007 LFS Press Release.*

p Preliminary.

a No available data from NSO Press Release.

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

**Table 5 – RATES OF LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
AND UNDEREMPLOYMENT BY REGION
PHILIPPINES: July 2007
(in percent)**

| Region | Labor Force Participation Rate | Employment Rate | Unemployment Rate | Underemployment Rate |
|--------------------|---|----------------------------|------------------------------|---------------------------------|
| Philippines | 63.6 | 92.2 | 7.8 | 22.0 |
| NCR | 61.3 | 87.0 | 13.1 | 16.8 |
| CAR | 67.0 | 94.9 | 5.1 | 18.3 |
| Region I | 60.4 | 92.1 | 7.9 | 19.6 |
| Region II | 67.7 | 96.2 | 3.7 | 16.5 |
| Region III | 60.2 | 88.5 | 11.5 | 14.1 |
| Region IV-A | 62.8 | 90.8 | 9.2 | 15.0 |
| Region IV-B | 69.6 | 95.6 | 4.4 | 28.4 |
| Region V | 63.8 | 94.4 | 5.6 | 38.4 |
| Region VI | 63.9 | 93.2 | 6.8 | 27.0 |
| Region VII | 63.8 | 93.0 | 7.0 | 21.0 |
| Region VIII | 65.3 | 95.3 | 4.7 | 29.2 |
| Region IX | 69.5 | 96.1 | 3.9 | 28.3 |
| Region X | 68.8 | 93.1 | 6.9 | 30.3 |
| Region XI | 65.7 | 93.3 | 6.7 | 21.7 |
| Region XII | 65.4 | 95.9 | 4.0 | 26.2 |
| Caraga | 66.0 | 91.6 | 8.4 | 29.3 |
| ARMM | 56.6 | 95.7 | 4.3 | 14.9 |

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

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