

Philippine Labor Force Survey July 2005 (Preliminary Results)

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Starting April 2005, the new unemployment definition was adopted per NSCB Resolution No. 15 dated October 20, 2004. As indicated in the said resolution, the unemployed include all persons who are 15 years old and over as of their last birthday and are reported as (1) without work; AND (2) currently available for work; AND (3) seeking work OR not seeking work due to valid reasons.

Summary:

Philippines	July 2005
Total 15 years old and over (in '000)	54,583
Labor Force (in 000) Labor Force Participation Rate (%)	35,236 64.6
Employment (in '000) Employment Rate (%)	32,521 92.3
Unemployment (in 000) Unemployment Rate (%)	2,715 7.7
Underemployment (in 000) Underemployment Rate (%)	6,660 20.5

Note: Estimates are preliminary results and subject to change.

- The number of persons in the labor force, or those who are either employed or unemployed was registered at 35.2 million, resulting to a labor force participation rate (LFPR) of 64.6 percent in July 2005.
- Employed persons in July 2005 increased by 2.8 percent to 32.5 million in July 2005 from 31.6 million a year ago.
- The national employment rate was recorded at 92.3 percent in July 2005.
 - Employed persons in the agriculture sector rose by 4.7 percent in July 2005 while those in the services sector, by 1.8 percent. The industry sector, likewise, increased by 1.3 percent.
- The unemployment rate was estimated at 7.7 percent in July this year.
 - Around 50.0 percent of the total unemployed were 15-24 years old.
- Underemployment rate was estimated at 20.5 percent in July this year.

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, was registered at 35.2 million in July 2005.
- The labor force participation rate (LFPR) or the proportion of the labor force to the working age population reached 64.6 percent in July 2005.
- The highest LFPR was recorded in Region X (Northern Mindanao) at 72.8 and lowest in Autonomous Region in Muslim Mindanao at 55.2 percent.

The employed persons in July 2005 . . .

- There was an increment of 0.9 million employed persons in July 2005 or by 2.8 percent, from 31.6 million in July last year.
- Among regions, ARMM (Autonomous Region in Muslim Mindanao) posted the highest employment rate at 97.6 percent. This was followed by Region IX (Zamboanga Peninsula), posting at 96.8 percent.
- The lowest employment rate was recorded in NCR (National Capital Region) at 85.8 percent. Region IV-A (CALABARZON) had the second lowest employment rate at 89.9 percent.

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

- Of the 32.5 million employed persons in July 2005, around 15.5 million (47.8%) were employed in the services sector, 12.0 million (36.9%) were in the agriculture sector and the rest (15.4%) were in the industry sector.
- Employed persons in wholesale & retail trade, repair of motor vehicles, motorcycles & personal & household goods comprised the largest number of employed persons in the services sector at 6.1 million. Transport, storage and communication came next at 2.4 million.
- Employment in the agriculture sector increased by 540 thousand (4.7%) and its share to total employment also increased by 0.7 percentage point.
- Of the 5.0 million employed persons in the industry sector, manufacturing sub-sector employed the largest number at 3.1 million; construction sub-sector came next at 1.7 million.

The employed by occupation...

- Occupation-wise, farmers, forestry workers and fishermen registered the largest increase in employment level at 362 thousand. Their share to the total employed slightly increased by 0.6 percentage point, from 18.7 percent in July 2004 to 19.3 percent in July 2005. Laborers and

unskilled workers recorded the next largest increase at 299 thousand from 10.1 million to 10.4 million.

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

- Categorized by class of worker, half of the country's employed workforce are wage and salary workers accounting for 50.1 percent of the total workforce.
- However, the number of wage and salary workers decreased by 408 thousand or 2.4 percent, from 16.7 million to 16.3 million.
- The number of wage and salary workers in the agriculture sector reported a large decline of 369 thousand, from 3.1 million to 2.7 million.
- Workers in private establishments also contributed largely to the decrease in the number of wage and salary workers. The number decreased by 4.7 percent, from 12.8 million last year to 12.2 million this year.
- Own-account workers added 746 thousand to the total employed. Most of the increment came from the agriculture sector at 402 thousand. -The number of unpaid family workers also increased by 551 thousand, from 3.5 million to 4.1 million.

The employed by number of hours worked...

- Full-time workers or those who worked for 40 hours or more increased to 20.2 million in July 2005, from 20.1 million in July 2004. However, its share to total employment decreased by 1.4 percentage points, from 63.6 percent to 62.2 percent.
- Those who worked for less than 40 hours also increased to 11.9 million from 11.1 million last year. Its share increased by 1.6 percentage points, from 35.0 percent to 36.6 percent.

The unemployed persons in July 2005....

- The number of unemployed persons in July 2005 was recorded at 2.7 million. This corresponds to an unemployment rate of 7.7 percent. -Of the 2.7 million unemployed persons, 60.7 percent are males while 39.3 percent are females.
- Half of those who were unemployed (49.9 %) were 15 to 24 years old. Those who were 25 to 34 years old comprised 28.6 percent. The rest of the unemployed (21.5%) were 35 years and older.
- Across regions, the National Capital Region recorded the highest unemployment rate of 14.2 percent. On the other hand, ARMM posted the lowest unemployment rate of 2.4 percent.

Almost half of the unemployed persons looked for work for less than four weeks...

- Of the 1.3 million unemployed persons who looked for work, 565 thousand or 43.6 percent had been looking for work for less than four (4) weeks.
- There were about 482 thousand or 37.2 percent who had been looking for work for 4 to 9 weeks and only 3.4 percent had been doing so for more than 30 weeks.

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

- Of the 2.7 million unemployed persons in July 2005, about 1.4 million (52.3%) did not look for work during the week preceding the survey period in July 2005.
- Around 612 thousand or 43.1 percent of the total unemployed persons did not look for work because of their belief that no work is available or they were already tired of looking for work. Almost one-fourth (23.4%) of the unemployed did not look for work because they were waiting for the results of previous job applications, 323 thousand (22.7 %) were waiting to be rehired and 136 thousand (9.5 %) were disabled or had a temporary illness.

Those not in the Labor Force in July 2005 . . .

- Persons not in the labor force, like housewives, students, disabled and retired persons were estimated at 19.3 million or 35.4 percent of the total population 15 years old and over in July 2005.
- Of the total persons not in the labor force, females (71.2 %) outnumbered males (28.8%). -By age group, persons 15 to 24 years old and 25 to 34 years old comprised the largest proportion, 44.5 percent and 17.5 percent, respectively.

Comparison with the old unemployment series

- ♦ If the old definition of unemployment is used, (that is considering only two criteria: (1) without work and (2) looking for work including those not seeking work with valid reasons), the unemployment rate for July 2005 would register at 10.9 percent, a decrease of 0.8 percentage point from last years' 11.7 percent. The unemployment level would be 3.996 million in July 2005 compared to 4.206 million in July 2004, also using the old definition.

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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.
- Starting April 2005, the new unemployment definition was adopted per NSCB Resolution no. 15 dated October 20, 2004. As indicated in the said resolution, the unemployed include all persons who are 15 years old and over as of their last birthday and are reported as: (1) without work and currently available for work and seeking work; OR (2) without work and currently available for work but not seeking work for the following reasons:
 - 1.) Tired/believed no work available OR
 - 2.) Awaiting results of previous job application:
 - 3.) Temporary illness/disability
 - 4.) Bad Weather
 - 5.) Waiting for rehire/job recall

Source: Income and Employment Statistics Division
 Household Statistics Department
 National Statistics Office
 Manila, Philippines