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TRENDS AND PROFILE OF THE UNDEREMPLOYED 2006 - 2013 (First of a Two-Part Series)



Background

The Philippine Labor Force Survey defines underemployed persons as those employed who want additional hours of work in their present job, to have additional job, or a new job with longer working hours. Underemployment reflects the underutilization of the productive capacity of the employed population, including underutilization as a result of a deficient economic system. It relates to an alternative employment situation in which persons are willing and available to engage (16th ICLS).

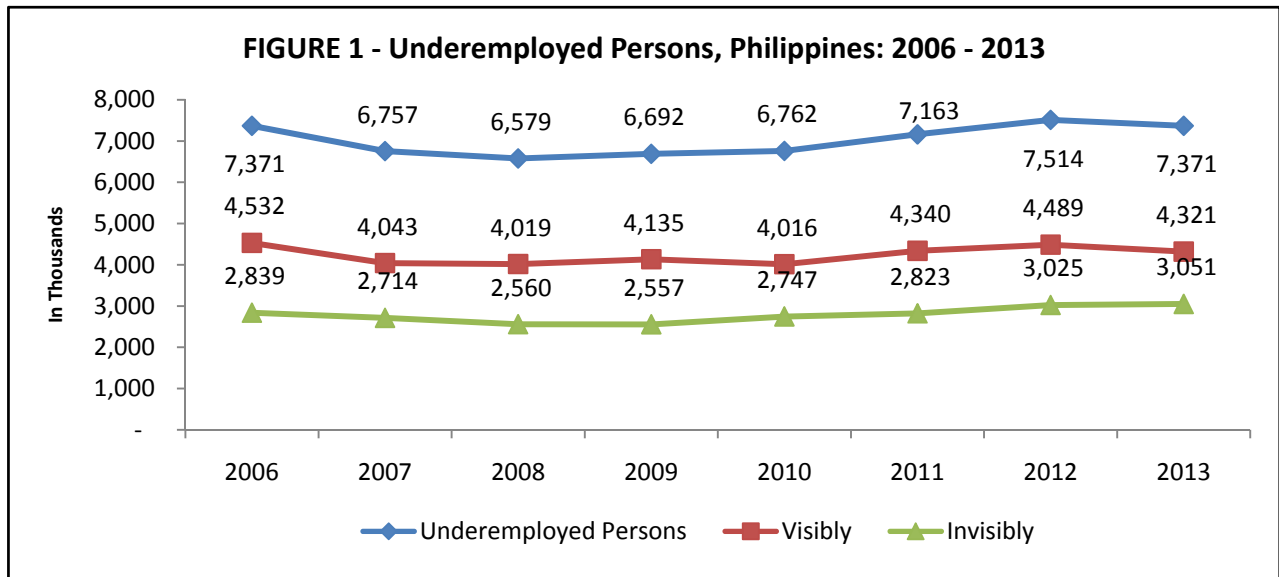
This issue of the LABSTAT Updates is the first of a two-part series that features the profile of the underemployed in the country. The first issue presents the selected demographic and employment characteristics of the underemployed persons for the period 2006 to 2013 based on the results of the Labor Force Survey (LFS) conducted by the Philippine Statistics Authority. Data used were based on annual averages of estimates from the LFS four survey rounds conducted every January, April, July and October.

The data generally indicate that those who make up the bulk of the underemployed in any category, e.g., age, sex, sector also exhibited the highest underemployment rate.

One in every five employed was underemployed

- Underemployment level in the country was generally increasing by an average of 0.10% annually with its peak in 2012 for the period 2006 to 2013. The substantial number of underemployed, which ranged from 6.6 million to 7.5 million for the past eight years, indicates that jobs were not sufficient to provide the basic needs of the employed persons and their families. (Figure 1)
- Underemployment rates for the period covered were estimated at 18.8% to 22.6% or about one underemployed for every five employed. Underemployment rate, which had its highest point in 2006, was fluctuating but decelerating minimally by 0.5 percentage point yearly, on the average. (Table 1B)

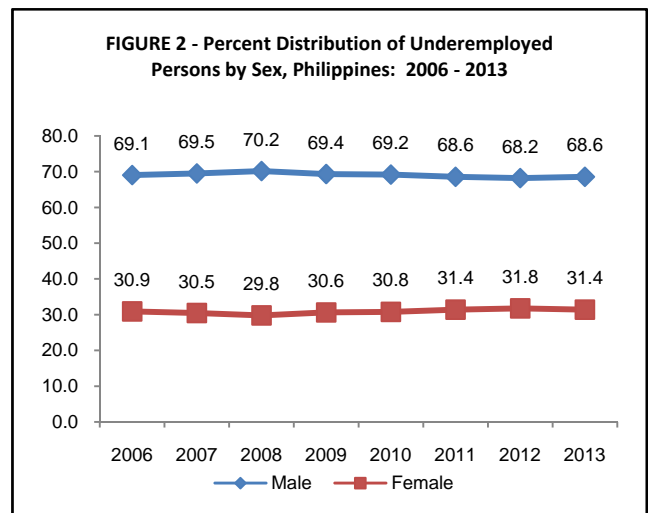
¹ Underemployment rate is the proportion of the underemployed to total employed.



Demographic Characteristics

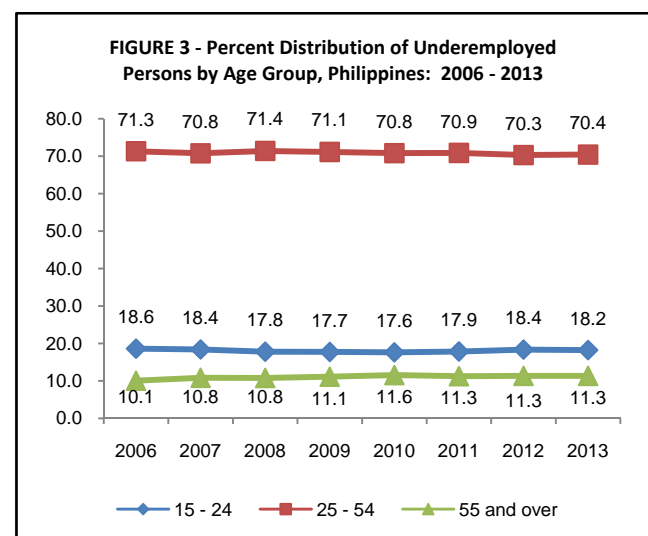
Sex

- Men consistently dominated the underemployed persons for the years covered in which 7 in every 10 underemployed were men. However, men’s share to total underemployment was gradually decreasing by an average of 0.1 percentage point annually as women’s contribution to underemployment started to show a slow upward trend. For both men and women, underemployment rates were going down gradually at an average of 0.5 and 0.4 percentage point annually, respectively. (Figure 2 and Table 1B)



Age Group

- For the period under study, majority (70.3%-71.4%) of the underemployed were in their prime ages (25-54 years). Underemployment rates were also



the highest in this age group ranging from 19.8% to 24%.

- For the younger age group (15-24 years), who are supposed to be still in school pursuing at least high school level, about 18% have expressed underutilization of their productive capacity. This is an indication that at a young age, they are already pressured to earn more in order to support themselves and their families.

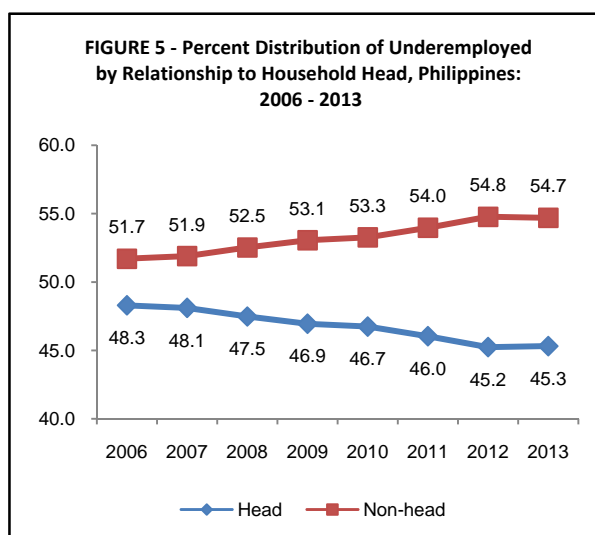
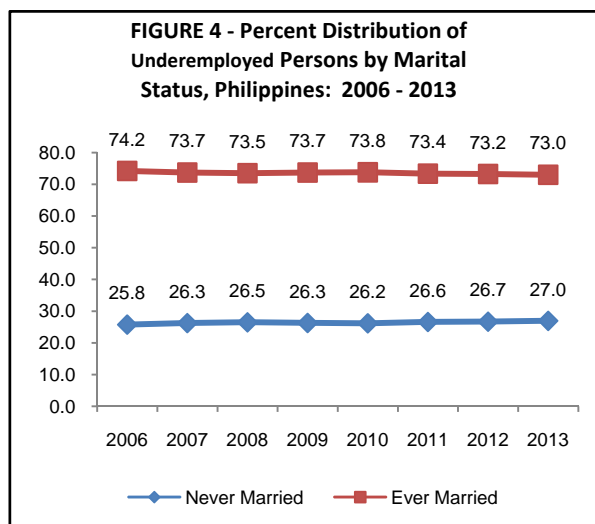
- Meanwhile, the elderly (55 years old and over) accounted for the lowest share to total underemployment ranging from 10.1% to 11.6%. Out of six employed in this age group, about one felt the need to have longer working hours in his present or new job, or to have additional job. (Figure 3 and Table 1B)

Marital Status

- Expectedly, ever married employed persons comprised the larger share to total underemployed ranging from 73% to 74.2% as compared to those who have never been married. The need to augment an income in order to support a family is a compelling drive for ever married persons to look for jobs with longer working hours or seek for additional job. (Figure 4)

Relationship to Household Head

- Consistently, over the period covered, there were more non-heads of the households who were underemployed than heads in which percent share differential between



heads and non-heads was increasing over time.

- Underemployment rates for heads of households, ranging from 21.8% to 25.7%, were higher than those of non-heads. (Figure 5 and Table 1B)

Highest Grade Completed

- From 2006 to 2009, the number of underemployed persons was highest for employed who have reached elementary level but its share to underemployment was decreasing from 2007 to 2013, except in 2012. Underemployment rates were

consistently highest for elementary level from 2006 to 2013.

- Next to elementary level in terms of share to total underemployment was high school level which followed an increasing pattern from 2007 to 2013, except in 2012. (Figure 6 and Table 1B)

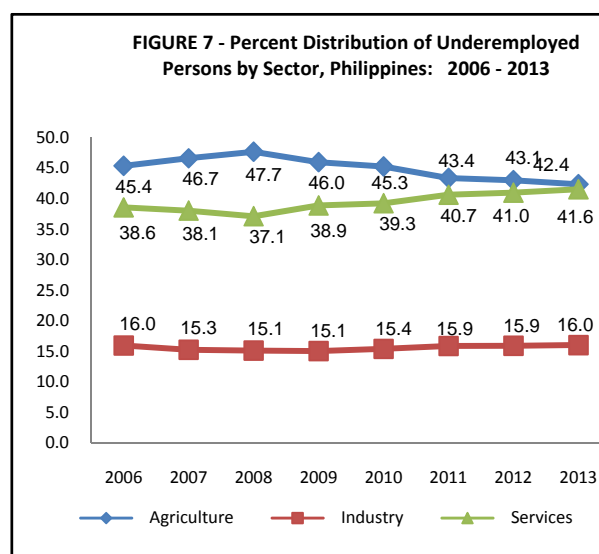
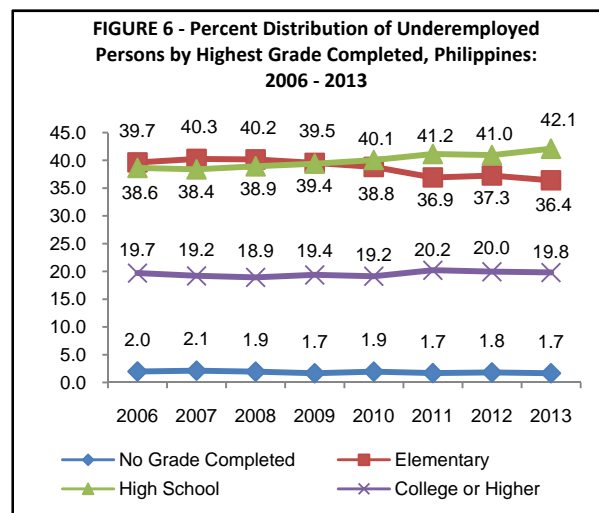
Employment Characteristics

Major Sector

- For the period 2006 to 2013, the largest proportion of underemployed was in the agricultural sector (ranging from 42.4% to 47.7%), followed by services sector (ranging from 37.1% to 41.6%). (Figure 7)
- In terms of underemployment rate, agricultural sector also posted the highest underemployment rates for the period covered, followed by services sector. (Table 2B)

Major Occupation

- Most of the underemployed were laborers and unskilled workers in which about two out of five underemployed were engaged in this occupation. In terms of percent share of this occupation to total underemployed, generally, it was increasing at an average rate of 0.4 percentage point annually.
- Farmers, forestry workers and fishermen came next in which about one in every five underemployed was engaged in this kind of occupation. In terms of underemployment rate, consistently, this sector recorded the highest rate from 2006 to 2013.



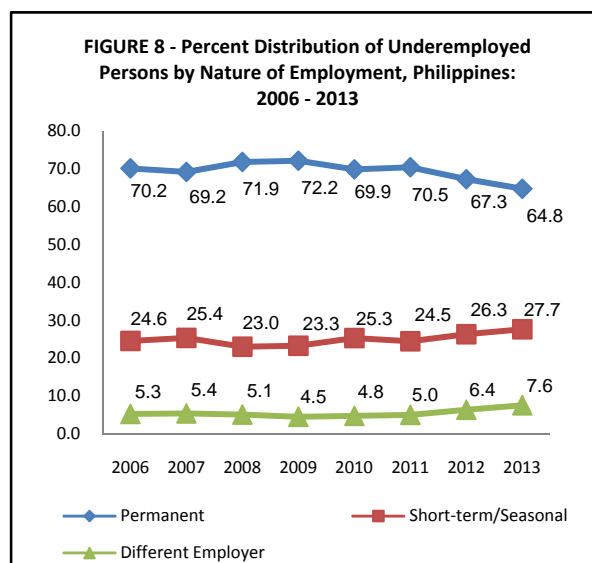
- It is also worthy to note that even those employed in high paying occupations such as managers, executives and professionals want more working hours. However, they have relatively low underemployment rates. (Tables 2A and 2B)

Nature of Employment

- Workers with permanent jobs had the highest share to total underemployed (64.8% to 72.2%) for the years reviewed. The underemployment rates (16.5% to 20.2%) for permanent workers were

also the highest but generally depicting a downward trend.

- Meanwhile, the shares to total underemployed and the underemployment rates of those engaged in short term/seasonal/casual jobs, and those who worked for different employers were slowly but continuously increasing starting 2010. (Figure 8 and Table 2B)



Regional Distribution

- The number of underemployed was highest in Region V (Bicol) from 2006 to 2008, Region VI (Western Visayas) from 2009 to 2010 and Region IV-A (CALABARZON) from 2011 to 2013. The lowest number of underemployed was consistently in Cordillera Administrative Region. (Table 1A)

- In terms of underemployment rate, Region V (Bicol) consistently had the highest, ranging from 34.4% to 37.9%. The lowest rates were recorded in Region III (Central Luzon) from 2006 to 2011, Region II (Cagayan Valley) in 2012 and the National Capital Region in 2013. (Table 1B)

FOR INQUIRIES:

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 Regarding other statistics and technical services contact the BLES Databank at 527-9311 (Telefax)
 Or write to BLES c/o Databank, 3/F DOLE Bldg., Gen. Luna St., Intramuros, Manila 1002
 Fax: 527-5506 E-mail: bles_tsd@dole.gov.ph Website: <http://www.bles.dole.gov.ph>

TABLE 1 – Number of Underemployed Persons by Selected Demographic Characteristics and by Region, Philippines: 2006 – 2013

(In Thousands)

SELECTED DEMOGRAPHIC CHARACTERISTICS/REGION	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL	7,371	6,757	6,579	6,692	6,762	7,163	7,514	7,371
SEX								
Men	5,091	4,699	4,619	4,642	4,680	4,913	5,126	5,056
Women	2,280	2,058	1,960	2,050	2,082	2,251	2,388	2,315
AGE GROUP								
15 - 24 Years	1,373	1,244	1,172	1,187	1,192	1,280	1,380	1,344
25 - 54 Years	5,257	4,782	4,697	4,761	4,788	5,076	5,283	5,191
55 Years and Over	741	731	710	744	781	807	851	836
MARITAL STATUS								
Never Married	1,900	1,775	1,743	1,760	1,770	1,907	2,006	1,987
Ever Married	5,469	4,981	4,834	4,931	4,989	5,254	5,503	5,382
Unknown	2	2	1	1	3	2	5	2
RELATIONSHIP TO HOUSEHOLD HEAD								
Head	3,559	3,251	3,123	3,142	3,160	3,297	3,399	3,340
Non-head	3,811	3,506	3,455	3,550	3,601	3,866	4,115	4,032
HIGHEST GRADE COMPLETED								
No Grade Completed	145	143	128	111	132	120	136	122
Elementary	2,923	2,722	2,644	2,647	2,626	2,646	2,801	2,684
High School	2,849	2,594	2,561	2,637	2,710	2,949	3,078	3,104
College or Higher	1,453	1,298	1,246	1,297	1,295	1,449	1,499	1,461
REGION								
National Capital Region	654	559	482	519	520	652	648	556
Cordillera Administrative Region	133	114	151	120	111	107	113	104
Region I - Ilocos Region	364	306	300	314	285	362	373	391
Region II - Cagayan Valley	318	235	247	213	206	221	183	190
Region III - Central Luzon	455	350	303	281	339	425	505	579
Region IV-A – CALABARZON	729	646	671	710	784	834	849	867
Region IV-B – MIMAROPA	250	272	308	309	285	273	282	290
Region V - Bicol Region	729	727	715	735	762	740	780	855
Region VI - Western Visayas	704	710	672	740	793	710	659	682
Region VII - Central Visayas	491	449	397	396	461	533	605	448
Region VIII - Eastern Visayas	483	444	444	439	347	414	442	460
Region IX - Zamboanga Peninsula	325	301	312	321	296	312	384	304
Region X - Northern Mindanao	559	531	462	504	520	521	560	497
Region XI - Davao Region	390	326	336	347	342	301	335	319
Region XII – SOCCSKSARGEN	398	357	357	338	337	345	391	384
Caraga	227	235	246	264	218	262	251	293
Autonomous Region in Muslim Mindanao	164	195	177	145	154	152	156	152

Note: Details may not add up to totals due to rounding.

Source of basic data: Philippine Statistics Authority, Labor Force Survey, Public Use Files.

TABLE 1A - Percent Distribution of Underemployed Persons by Selected Demographic Characteristics and by Region, Philippines: 2006 – 2013

(In Percent except Level)

SELECTED DEMOGRAPHIC CHARACTERISTICS/REGION	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL (000)	7,371	6,757	6,579	6,692	6,762	7,163	7,514	7,371
SEX								
Men	69.1	69.5	70.2	69.4	69.2	68.6	68.2	68.6
Women	30.9	30.5	29.8	30.6	30.8	31.4	31.8	31.4
AGE GROUP								
15 - 24 Years	18.6	18.4	17.8	17.7	17.6	17.9	18.4	18.2
25 - 54 Years	71.3	70.8	71.4	71.1	70.8	70.9	70.3	70.4
55 Years and Over	10.1	10.8	10.8	11.1	11.6	11.3	11.3	11.3
MARITAL STATUS								
Never Married	25.8	26.3	26.5	26.3	26.2	26.6	26.7	27.0
Ever Married	74.2	73.7	73.5	73.7	73.8	73.4	73.2	73.0
RELATIONSHIP TO HOUSEHOLD HEAD								
Head	48.3	48.1	47.5	46.9	46.7	46.0	45.2	45.3
Non-head	51.7	51.9	52.5	53.1	53.3	54.0	54.8	54.7
HIGHEST GRADE COMPLETED								
No Grade Completed	2.0	2.1	1.9	1.7	1.9	1.7	1.8	1.7
Elementary	39.7	40.3	40.2	39.5	38.8	36.9	37.3	36.4
High School	38.6	38.4	38.9	39.4	40.1	41.2	41.0	42.1
College or Higher	19.7	19.2	18.9	19.4	19.2	20.2	20.0	19.8
REGION								
National Capital Region	8.9	8.3	7.3	7.8	7.7	9.1	8.6	7.5
Cordillera Administrative Region	1.8	1.7	2.3	1.8	1.6	1.5	1.5	1.4
Region I - Ilocos Region	4.9	4.5	4.6	4.7	4.2	5.1	5.0	5.3
Region II - Cagayan Valley	4.3	3.5	3.7	3.2	3.0	3.1	2.4	2.6
Region III - Central Luzon	6.2	5.2	4.6	4.2	5.0	5.9	6.7	7.8
Region IV-A - CALABARZON	9.9	9.6	10.2	10.6	11.6	11.6	11.3	11.8
Region IV-B - MIMAROPA	3.4	4.0	4.7	4.6	4.2	3.8	3.8	3.9
Region V - Bicol Region	9.9	10.8	10.9	11.0	11.3	10.3	10.4	11.6
Region VI - Western Visayas	9.5	10.5	10.2	11.1	11.7	9.9	8.8	9.3
Region VII - Central Visayas	6.7	6.6	6.0	5.9	6.8	7.4	8.1	6.1
Region VIII - Eastern Visayas	6.6	6.6	6.8	6.6	5.1	5.8	5.9	6.2
Region IX - Zamboanga Peninsula	4.4	4.5	4.7	4.8	4.4	4.4	5.1	4.1
Region X - Northern Mindanao	7.6	7.9	7.0	7.5	7.7	7.3	7.4	6.7
Region XI - Davao Region	5.3	4.8	5.1	5.2	5.1	4.2	4.5	4.3
Region XII - SOCCSKSARGEN	5.4	5.3	5.4	5.0	5.0	4.8	5.2	5.2
Caraga	3.1	3.5	3.7	3.9	3.2	3.7	3.3	4.0
Autonomous Region in Muslim Mindanao	2.2	2.9	2.7	2.2	2.3	2.1	2.1	2.1

Note: Rates were computed based on rounded figures.

Source of basic data: Philippine Statistics Authority, Labor Force Survey, Public Use Files.

**TABLE 1B - Underemployment Rates by Selected Demographic Characteristics
and by Region, Philippines: 2006 – 2013**

(In Percent)

SELECTED DEMOGRAPHIC CHARACTERISTICS/REGION	2006	2007	2008	2009	2010	2011	2012	2013
PHILIPPINES	22.6	20.1	19.3	19.1	18.8	19.3	20.0	19.3
SEX								
Men	25.4	22.9	22.0	21.7	21.3	21.8	22.4	21.8
Women	18.1	15.8	14.9	15.0	14.8	15.4	16.2	15.5
AGE GROUP								
15 - 24 Years	21.0	18.8	17.8	17.6	17.5	17.6	18.8	18.3
25 - 54 Years	24.0	21.2	20.5	20.2	19.8	20.4	21.0	20.3
55 Years and Over	17.6	16.5	15.6	15.6	15.7	15.8	16.7	16.1
MARITAL STATUS								
Never Married	20.2	18.1	17.5	17.2	16.7	17.2	17.9	17.4
Ever Married	23.5	21.0	20.1	19.9	19.6	20.1	20.9	20.2
RELATIONSHIP TO HOUSEHOLD HEAD								
Head	25.7	23.2	22.1	22.1	21.8	22.3	22.9	22.2
Non-head	20.3	18.0	17.3	17.0	16.7	17.2	18.1	17.5
HIGHEST GRADE COMPLETED								
No Grade Completed	22.3	21.5	19.8	17.2	20.8	19.5	20.6	20.0
Elementary	26.8	24.7	23.9	23.9	23.9	23.7	25.1	24.3
High School	22.9	20.1	19.4	19.3	19.1	19.9	20.5	20.2
College or Higher	16.8	14.4	13.6	13.3	12.7	13.7	13.9	13.1
REGION								
National Capital Region	16.6	13.7	11.8	12.5	11.9	14.6	14.4	12.1
Cordillera Administrative Region	21.1	17.2	22.6	17.7	15.7	14.7	15.5	14.1
Region I - Ilocos Region	21.2	17.5	16.7	16.8	14.8	18.3	19.5	20.0
Region II - Cagayan Valley	24.1	17.4	18.3	15.2	14.7	15.1	12.6	12.9
Region III - Central Luzon	13.8	10.3	8.7	7.8	9.1	11.1	13.0	14.5
Region IV-A – CALABARZON	18.1	15.6	16.1	16.5	17.4	17.9	17.9	17.9
Region IV-B – MIMAROPA	23.5	24.8	27.2	26.0	23.7	21.6	22.6	23.4
Region V - Bicol Region	37.9	37.1	35.8	36.2	36.8	35.4	34.4	37.3
Region VI - Western Visayas	25.8	25.5	24.0	25.7	26.7	23.1	21.9	22.7
Region VII - Central Visayas	19.8	17.4	15.1	14.8	16.4	18.4	20.7	15.1
Region VIII - Eastern Visayas	30.8	27.9	27.6	26.4	20.9	24.1	25.0	25.1
Region IX - Zamboanga Peninsula	26.5	23.7	23.7	23.6	21.4	21.9	27.7	21.8
Region X - Northern Mindanao	32.7	30.7	25.8	27.5	28.0	27.1	28.6	25.7
Region XI - Davao Region	24.1	19.8	19.8	20.3	19.8	16.5	17.9	17.2
Region XII – SOCCSKSARGEN	27.6	23.8	23.3	21.0	20.8	20.5	23.2	22.7
Caraga	24.9	25.5	25.9	27.0	22.2	26.0	24.1	27.1
Autonomous Region in Muslim Mindanao	15.8	17.9	16.0	12.8	13.5	13.3	12.7	12.4

Note: Rates were computed based on rounded figures.

Source of basic data: Philippine Statistics Authority, Labor Force Survey, Public Use Files.

TABLE 2 – Number of Underemployed Persons by Selected Economic Characteristics, Philippines: 2006 – 2013

(In Thousands)

SELECTED ECONOMIC CHARACTERISTICS	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL	7,371	6,757	6,579	6,692	6,762	7,163	7,514	7,371
SECTOR								
Agriculture	3,347	3,152	3,139	3,079	3,063	3,110	3,235	3,125
Industry	1,178	1,032	996	1,009	1,043	1,139	1,197	1,183
Services	2,846	2,572	2,444	2,604	2,656	2,914	3,082	3,064
MAJOR OCCUPATION GROUP								
Officials of Government and Special-Interest Organizations, Corporate Executives, Managers, Managing Proprietors and Supervisors	573	563	555	626	647	732	844	955
Professionals	161	135	136	146	138	165	158	159
Technicians and Associate Professionals	199	175	162	167	177	191	187	170
Clerks	210	191	181	200	199	228	242	231
Service Workers and Shop and Market Sales Workers	544	495	477	519	546	609	724	703
Farmers, Forestry workers and Fisherman	1,678	1,574	1,517	1,498	1,447	1,429	1,358	1,277
Trades and Related Workers	744	645	589	592	595	621	583	556
Plant and Machine Operators and Assemblers	495	434	391	373	378	412	375	352
Laborers and Unskilled Workers	2,745	2,525	2,550	2,547	2,612	2,751	3,027	2,953
Special Occupations	24	22	20	26	23	26	17	15
NATURE OF EMPLOYMENT								
Permanent	5,172	4,678	4,728	4,831	4,728	5,048	5,058	4,776
Short-term/Seasonal/Casual	1,810	1,714	1,516	1,559	1,712	1,755	1,978	2,039
Worked for Different Employer on Day-to-Day or Week-to-Week	388	365	335	302	322	360	478	557

Note: Details may not add up to totals due to rounding.

Source of basic data: Philippine Statistics Authority, Labor Force Survey, Public Use Files.

TABLE 2A - Percent Distribution of Underemployed Persons by Selected Economic Characteristics, Philippines: 2006 – 2013

(In Percent except Level)

SELECTED ECONOMIC CHARACTERISTICS	2006	2007	2008	2009	2010	2011	2012	2013
TOTAL (000)	7,371	6,757	6,579	6,692	6,762	7,163	7,514	7,371
SECTOR								
Agriculture	45.4	46.7	47.7	46.0	45.3	43.4	43.1	42.4
Industry	16.0	15.3	15.1	15.1	15.4	15.9	15.9	16.0
Services	38.6	38.1	37.1	38.9	39.3	40.7	41.0	41.6
MAJOR OCCUPATION GROUP								
Officials of Government and Special-Interest Organizations, Corporate Executives, Managers, Managing Proprietors and Supervisors	7.8	8.3	8.4	9.4	9.6	10.2	11.2	13.0
Professionals	2.2	2.0	2.1	2.2	2.0	2.3	2.1	2.2
Technicians and Associate Professionals	2.7	2.6	2.5	2.5	2.6	2.7	2.5	2.3
Clerks	2.8	2.8	2.7	3.0	2.9	3.2	3.2	3.1
Service Workers and Shop and Market Sales Workers	7.4	7.3	7.3	7.8	8.1	8.5	9.6	9.5
Farmers, Forestry workers and Fisherman	22.8	23.3	23.1	22.4	21.4	19.9	18.1	17.3
Trades and Related Workers	10.1	9.5	9.0	8.8	8.8	8.7	7.8	7.5
Plant and Machine Operators and Assemblers	6.7	6.4	5.9	5.6	5.6	5.8	5.0	4.8
Laborers and Unskilled Workers	37.2	37.4	38.8	38.1	38.6	38.4	40.3	40.1
Special Occupations	0.3	0.3	0.3	0.4	0.3	0.4	0.2	0.2
NATURE OF EMPLOYMENT								
Permanent	70.2	69.2	71.9	72.2	69.9	70.5	67.3	64.8
Short-term/Seasonal/Casual	24.6	25.4	23.0	23.3	25.3	24.5	26.3	27.7
Worked for Different Employer on Day-to-Day or Week-to-Week	5.3	5.4	5.1	4.5	4.8	5.0	6.4	7.6

Note: Rates were computed based on rounded figures.

Source of basic data: Philippine Statistics Authority, Labor Force Survey, Public Use Files.

**TABLE 2B - Underemployment Rates by Selected Economic Characteristics,
Philippines: 2006 – 2013**
(In Percent)

SELECTED ECONOMIC CHARACTERISTICS	2006	2007	2008	2009	2010	2011	2012	2013
PHILIPPINES	22.6	20.1	19.3	19.1	18.8	19.3	20.0	19.3
SECTOR								
Agriculture	9.9	9.0	11.5	10.9	10.7	10.6	11.3	11.0
Industry	2.2	1.8	3.6	3.6	3.6	3.9	4.2	4.1
Services	5.6	4.8	8.9	9.2	9.3	9.9	10.7	10.7
MAJOR OCCUPATION GROUP								
Officials of Government and Special-Interest Organizations, Corporate Executives, Managers, Managing Proprietors and Supervisors	15.0	14.2	12.8	13.3	13.0	14.0	15.0	15.5
Professionals	11.5	9.3	8.9	9.1	8.2	9.5	8.7	8.5
Technicians and Associate Professionals	22.6	19.3	18.5	17.9	18.6	19.4	18.2	17.1
Clerks	14.0	11.6	10.6	10.8	9.9	10.8	11.4	10.3
Service Workers and Shop and Market Sales Workers	17.4	15.2	14.1	14.1	14.2	14.7	15.9	15.0
Farmers, Forestry workers and Fisherman	27.4	25.9	25.3	25.6	25.2	25.0	25.6	25.6
Trades and Related Workers	26.5	22.9	21.6	22.2	21.3	22.4	23.2	21.4
Plant and Machine Operators and Assemblers	19.8	16.9	16.6	16.8	16.7	18.4	18.6	17.4
Laborers and Unskilled Workers	26.5	23.5	23.1	22.4	22.5	22.7	24.1	23.8
Special Occupations	16.2	15.8	13.6	17.3	14.7	16.1	14.7	13.9
NATURE OF EMPLOYMENT								
Permanent	20.2	18.0	17.3	17.1	16.5	17.2	17.6	16.7
Short-term/Seasonal/Casual	7.1	6.6	5.6	5.5	6.0	6.0	6.9	7.1
Worked for Different Employer on Day-to-Day or Week-to-Week	1.5	1.4	1.2	1.1	1.1	1.2	1.7	2.0

Note: Rates were computed based on rounded figures.

Source of basic data: Philippine Statistics Authority, Labor Force Survey, Public Use Files.