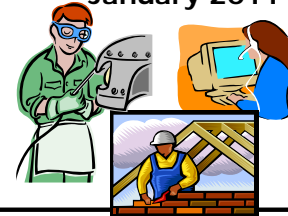


THE 2010 EMPLOYMENT SITUATION (THE YEAR IN REVIEW)



Overview

Employment in 2010 was marked by the strong rebound in the industry sector (6.0%) following two years of sluggish growth due to the global economic slowdown and the decline in agriculture, fishery and forestry sector (-0.6%) brought about by the severe dry spell. Overall, employment level grew by 2.8% or about the same pace last year. But this growth was accompanied by a notable improvement in the quality of employment generated as reflected by the rise in full-time employment (6.2%) and the corresponding decline in part-time employment (-2.0%). Improvement can also be seen in terms of the decline in the proportion of vulnerable employment to total employed (from 42.6% to 41.7%) as well as the reduction in the incidence of underemployment (from 19.1% to 18.7%).

Meanwhile, unemployment rate was of little change from last year declining by a marginal 0.2 percentage point to 7.3%. This occurred despite the slight increase in the labor force participation rate (LFPR) – from 64.0% to 64.1% over the period under review.

Unless indicated, the employment figures cited in this report represent the averages of the four (4) rounds of the Labor Force Survey (LFS) conducted by the National Statistics Office (NSO) in the months of January, April, July and October.

Labor Force

The country's labor force was estimated at 38.905 million in 2010. It grew by 2.7% this year - a slowdown from 3.0% growth recorded in 2009. This figure represents an increase of 1.013 million new entrants/re-entrants to the labor force which is slightly lower compared with previous year's increment of 1.087 million.

The increments in the labor force by survey round exceeded more than a million persons in January (1.712 million) and October (1.091 million). But the figure went down to less than a million in April (688,000) and July (561,000). On the overall, the labor force participation rate (LFPR) was placed

at 64.1% - about the same from last year's figure.

**Table 1 – LABOR FORCE BY SURVEY ROUND,
PHILIPPINES: 2009-2010**
(In thousands except rates)

YEAR/ SURVEY ROUND	Labor Force	Year-on-Year Growth Rate (%)	Increment	Labor Force Participation Rate (%)
2010 (Ave.)^p	<u>38,905</u>	<u>2.7</u>	<u>1,013</u>	<u>64.1</u>
January	38,828	4.6	1,712	64.5
April	38,512	1.8	688	63.6
July ^p	38,993	1.5	561	64.0
October ^p	39,288	2.9	1,091	64.2
2009 (Ave.)	<u>37,892</u>	<u>3.0</u>	<u>1,087</u>	<u>64.0</u>
January	37,116	2.1	748	63.3
April	37,824	3.8	1,374	64.0
July	38,430	2.9	1,087	64.6
October	38,197	3.1	1,139	64.0

^p Preliminary.

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

Employment

Employment in 2010, in terms of “**quantity**”, expanded at about the same pace last year. On the average, the full-year employment growth rate in 2010 across the four (4) survey rounds was placed at 2.8% or close to a million (+986,000) new employment created. This growth figure was nearly the same from previous year’s average growth rate of 2.9% or a lesser net addition to total employment of 973,000.

By survey round, employment grew the strongest in January (5.1% or +1.738 million). This was followed by a slowdown in April (1.2% or +416,000); a modest growth in July (2.2% or +776,000); and capped by a respectable growth rate in October (2.8% or +1.012 million).

Despite the modest growth in employment, improvements can still be observed in terms of better “**quality**” of employment generated as reflected by the following indicators (*Table 5*):

- Full-time employment grew by a robust 6.2% (+1.346 million) while part-time employment fell by 2.0% (-264,000).

This is in sharp contrast during the crisis year of 2009 when employment continued to expand but the growth was accounted for mainly by the rise in part-time employment (8.4% or +1.007 million) while full-time employment fell (-0.5% or -113,000).

- Growth occurred in the more productive sectors of the economy. In particular, employment grew the strongest in the industry sector at 6.0% (+304,000) – the highest ever recorded since 2007. This was led

Table 2 - EMPLOYED PERSONS BY SURVEY ROUND, PHILIPPINES: 2009-2010
(In thousands except rates)

YEAR/ SURVEY ROUND	Total Employed Persons	Incre- ment	Year-on- Year Growth Rate (%)
2010 (Ave.)^P	36,047	986	2.8
January	36,000	1,738	5.1
April	35,413	416	1.2
July ^P	36,285	776	2.2
October ^P	36,489	1,012	2.8
2009 (Ave.)	35,061	973	2.9
January	34,262	569	1.7
April	34,997	1,462	4.4
July	35,509	916	2.6
October	35,477	944	2.7

^p Preliminary.

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

by the recovery in manufacturing (+138,000) and the strong growth in construction (+125,000) and mining and quarrying (+33,000).

The services sector continued to be the growth driver expanding by 4.2% (+751,000) from a year ago level. The top three contributors were wholesale and retail trade (+305,000); public administration and defense, compulsory social security (+97,000); and real estate, renting and business activities (+81,000).

Meanwhile, employment in agriculture, fishery and forestry contracted this year by 0.6% (-68,000) - dragged down by the severe drought brought about by the El Nino weather phenomenon. This is already the second year that agricultural employment has been adversely affected by the extreme weather condition.

- Vulnerable employment rate (self-employment plus unpaid family workers as proportion to total employment), one of the Millennium Development Goal indicators on employment, has fallen to 41.7% from 42.6% over

**Table 3 - TOTAL UNDEREMPLOYED AND VISIBLY UNDEREMPLOYED PERSONS
BY SURVEY ROUND, PHILIPPINES: 2009 - 2010**
(In thousands except rates)

YEAR/SURVEY ROUND	Under-employed Persons	Under-employment Rate	Visibly Underemployed Persons ¹	Visible Underemployment Rate (%)
2010 (Ave.)^P	<u>6,758</u>	<u>18.7</u>	<u>4,013</u>	<u>11.1</u>
January	7,106	19.7	4,173	11.6
April	6,297	17.8	3,904	11.0
July ^P	6,490	17.9	3,867	10.7
October ^P	7,140	19.6	4,108	11.3
2009 (Ave.)	<u>6,692</u>	<u>19.1</u>	<u>4,135</u>	<u>11.8</u>
January	6,238	18.2	3,985	11.6
April	6,622	18.9	4,335	12.4
July	7,034	19.8	3,947	11.1
October	6,875	19.4	4,272	12.0

^p Preliminary.

¹ Include number of underemployed persons who were with jobs but did not work during the reference period.

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

the period. This is due mainly to the decline in unpaid family workers (-62,000). On the other hand, wage and salary employment has grown at a faster rate (5.0% or 933,000) than last year.

Employment levels grew in all but two (2) regions. The top gainers were NCR (+207,000), Region IV-A (+189,000), Region III (+141,000) and Region VII (+135,000).

Meanwhile, small employment losses were noted in Region II (-6,000) and Region VIII (-2,000).

Underemployment

Underemployment rate eased to 18.7% from 19.1% in 2009. In nominal terms, however, the number of underemployed persons went up by 66,000 to reach 6.758 million due to higher employment base in 2010.

For the same period, time-related (visible) underemployment rate fell from 11.8% to 11.1%. This was accompanied by the decline in the number of visibly underemployed persons from 4.135 million to 4.013 million.

The incidence of underemployment was highest in the agricultural sector both in terms of rate (25.6%) and share to total underemployed persons (45.3% or 3.061 million). The rates were comparatively lower in industry sector (19.3%) and services sector (14.2%). Between 2009 and 2010, underemployment rose slightly in industry and services but declined slightly in agriculture.

Table 3.a - TOTAL UNDEREMPLOYED BY SECTOR, PHILIPPINES: 2010 AND 2009

Item	All Sectors	Sector		
		Agri-culture	Industry	Services
2010^P				
No. ('000)	6,758	3,061	1,042	2,654
% Share	100.0	45.3	15.4	39.3
Rate (%)	18.7	25.6	19.3	14.2
2009				
No. ('000)	6,692	3,079	1,009	2,604
% Share	100.0	46.0	15.1	38.9
Rate (%)	19.1	25.6	19.8	14.5
Change ('000)	66	-18	33	50

^p Preliminary.

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

The incidence of underemployment was higher among less developed or low income regions particularly in Region V (36.8%) and Region IV-B (23.6%) as well as among middle income regions such as Region VI (26.7%) and Region X (28.0%). (Table 7)

In contrast, lower underemployment rates prevailed in developed or high income regions such as NCR (11.9%), Region III (9.1%), Region IV-A (17.4%), and Region VII (16.4%).

Unemployment

Total unemployed persons rose by 28,000 in 2010 to reach 2.859 million - substantially lower compared to the 115,000 persons added to the ranks of the unemployed in the previous year. This brought down the average unemployment rate for 2010 to 7.3% from 7.5% a year earlier.

- By survey round, the lowest unemployment rate at 6.9% was registered in July while the highest at 8.0% occurred in April.
- Young persons 15 to 24 years old dominated the ranks of the unemployed as they comprised 51.1% (1.460 million) of the total unemployed. (Table 6)
- More than three out of every five unemployed were men (1.808 million or 63.2%).
- The majority (45.2% or 1.293 million) were high school graduates or undergraduates. Equally large were college graduates and undergraduates (41.2% or 1.178 million).
- Five (5) regions recorded unemployment rates higher than the national average figure of 7.3%: NCR (11.6%), Region IV-A (9.5%), Region III (8.7%), Region I (8.5%) and Region VII (7.6%). The lowest rate occurred in ARMM (3.9%) followed by Region II (3.7%) and Region IX (3.7%). (Table 7)

Compared with last year, three (3) regions posted declines in unemployment rate: NCR (-1.2 percentage points), Region IV-A (-0.9 percentage point) and Region III (-0.5 percentage point).

Table 4 – UNEMPLOYED PERSONS, BY SURVEY ROUND, PHILIPPINES: 2009-2010
(In thousands except rates)

YEAR/ SURVEY ROUND	Total Unemployed Persons	Incre- ment	Unemploy- ment Rate (%)
2010 (Ave.)^p	<u>2,859</u>	<u>28</u>	<u>7.3</u>
January	2,829	-25	7.3
April	3,099	272	8.0
July ^p	2,708	-214	6.9
October ^p	2,800	81	7.1
2009(Ave)	<u>2,831</u>	<u>115</u>	<u>7.5</u>
January	2,854	179	7.7
April	2,827	-87	7.5
July	2,922	173	7.6
October	2,719	194	7.1

^p Preliminary.

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

In contrast, notable increases in rates occurred in three (3) regions: ARMM (+1.6 percentage points), Region II (+0.9 percentage point) and Caraga (+0.7 percentage point).

The rest of the regions posted little or no change in unemployment rates.

FOR INQUIRIES:

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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: blesemsd@yahoo.com or visit our website at <http://www.bles.dole.gov.ph>

Table 5 - SUMMARY STATISTICS ON EMPLOYMENT, PHILIPPINES: 2008, 2009 and 2010 (Annual Average)
(In thousands except rates)

INDICATOR	2010 ^p	2009	2008	Increment		Year-on-Year Growth Rate (%)	
				2009-2010 ^p	2008-2009	2009-2010 ^p	2008-2009
EMPLOYED PERSONS	36,047	35,061	34,089	986	973	2.8	2.9
SECTOR							
Agriculture, Fishery and Forestry	11,974	12,042	12,031	-68	11	-0.6	0.1
Agriculture, Hunting and Forestry	10,505	10,581	10,604	-76	-23	-0.7	-0.2
Fishing	1,469	1,461	1,427	8	34	0.5	2.4
Industry	5,394	5,090	5,047	304	43	6.0	0.9
Mining and Quarrying	199	166	158	33	8	19.9	5.1
Manufacturing	3,031	2,893	2,926	138	-33	4.8	-1.1
Electricity, Gas and Water	150	142	130	8	12	5.6	9.2
Construction	2,014	1,889	1,833	125	56	6.6	3.1
Services	18,679	17,928	17,010	751	918	4.2	5.4
Wholesale and Retail Trade	7,040	6,735	6,446	305	289	4.5	4.5
Hotels and Restaurants	1,063	1,010	953	53	57	5.2	6.0
Transport, Storage and Communications	2,721	2,679	2,590	42	89	1.6	3.4
Financial Intermediation	399	370	368	29	2	7.8	0.5
Real Estate, Renting and Business Activities	1,147	1,066	953	81	113	7.6	11.9
Public Administration and Defense, Compulsory Social Security	1,846	1,749	1,676	97	73	5.5	4.4
Education	1,175	1,138	1,070	37	68	3.3	6.4
Health and Social Work	450	422	391	28	31	6.6	7.9
Other Community, Social and Personal Service Activities	913	876	834	37	42	4.2	5.0
Private Households with Employed Persons	1,925	1,883	1,729	42	154	2.2	8.9
Extra-Territorial Organizations	2	2	1	0	1	0.0	100.0
STATUS OF EMPLOYMENT							
Wage and Salary Workers	19,615	18,682	17,847	933	835	5.0	4.7
Employers	1,393	1,438	1,427	-45	11	-3.1	0.8
Self-employed Workers	10,884	10,725	10,655	159	70	1.5	0.7
Unpaid Family Workers	4,155	4,217	4,161	-62	56	-1.5	1.3
HOURS OF WORK							
Less than 40 Hours (Part-Time Employment)	12,681	12,945	11,938	-264	1,007	-2.0	8.4
40 Hours and Over (Full-Time Employment)	22,891	21,545	21,658	1,346	-113	6.2	-0.5
Did Not Work	475	571	496	-96	75	-16.8	15.1
REGION							
NCR	4,370	4,163	4,077	207	86	5.0	2.1
CAR	707	679	667	28	12	4.1	1.8
Region I	1,919	1,872	1,795	47	77	2.5	4.3
Region II	1,398	1,404	1,350	-6	54	-0.4	4.0
Region III	3,733	3,592	3,485	141	107	3.9	3.1
Region IV-A	4,492	4,303	4,159	189	144	4.4	3.5
Region IV-B	1,204	1,188	1,133	16	55	1.3	4.9
Region V	2,071	2,029	1,998	42	31	2.1	1.6
Region VI	2,973	2,883	2,799	90	84	3.1	3.0
Region VII	2,809	2,674	2,624	135	50	5.0	1.9
Region VIII	1,661	1,663	1,610	-2	53	-0.1	3.3
Region IX	1,386	1,359	1,314	27	45	2.0	3.4
Region X	1,858	1,831	1,789	27	42	1.5	2.3
Region XI	1,724	1,706	1,695	18	11	1.1	0.6
Region XII	1,616	1,606	1,535	10	71	0.6	4.6
Caraga	983	977	951	6	26	0.6	2.7
ARMM	1,142	1,135	1,107	7	28	0.6	2.5

Note: Details may not add to totals due to rounding of figures.

^p Preliminary.

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

Table 6 - SUMMARY STATISTICS ON UNEMPLOYMENT
PHILIPPINES: 2008, 2009 and 2010 (Annual Average)
(In thousands except rates/percent)

INDICATOR	Total Unemployed Persons			Percent Share (%)			Unemployment Rate (%)			Increment	
	2010 ^p	2009	2008	2010 ^p	2009	2008	2010 ^p	2009	2008	2009-2010 ^p	2008-2009
TOTAL	2,859	2,831	2,716	100.0	100.0	100.0	7.3	7.5	7.4	28	115
Sex											
Male	1,808	1,770	1,714	63.2	62.5	63.1	7.6	7.6	7.6	38	56
Female	1,050	1,062	1,002	36.7	37.5	36.9	6.9	7.2	7.1	-12	60
Age Group											
15-24 years old	1,460	1,437	1,389	51.1	50.8	51.1	17.6	17.6	17.4	23	48
25-54 years old	1,293	1,284	1,224	45.2	45.4	45.1	5.1	5.2	5.1	9	60
55 years old and over	106	110	104	3.7	3.9	3.8	2.1	2.3	2.2	-4	6
Highest Grade Completed											
No Grade Completed	14	13	14	0.5	0.5	0.5		2.0	2.1	1	-1
Elementary	374	377	380	13.1	13.3	14.0		3.3	3.3	-3	-3
Undergraduate	174	167	173	6.1	5.9	6.4		3.0	3.1	7	-6
Graduate	201	210	207	7.0	7.4	7.6		3.6	3.5	-9	3
High School	1,293	1,279	1,237	45.2	45.2	45.5		8.6	8.6	14	42
Undergraduate	362	344	338	12.7	12.2	12.4		6.8	6.9	18	6
Graduate	930	936	899	32.5	33.1	33.1		9.5	9.4	-6	37
College	1,178	1,162	1,085	41.2	41.0	39.9		10.7	10.6	16	77
Undergraduate	621	619	574	21.7	21.9	21.1		11.8	11.7	2	45
Graduate	557	544	512	19.5	19.2	18.9		9.6	9.5	13	32

^p Preliminary.

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

**Table 7 - LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT AND UNDEREMPLOYMENT
BY REGION, PHILIPPINES: 2010 and 2009 (Annual Average)**
(In thousands except rates)

Region	Labor Force				Employment				Unemployment				Underemployment			
	2010 ^P		2009		2010 ^P		2009		2010 ^P		2009		2010 ^P		2009	
	No.	LFPR (%)	No.	LFPR (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
PHILIPPINES	38,905	64.1	37,892	64.0	36,047	92.7	35,061	92.5	2,858	7.3	2,831	7.5	6,758	18.7	6,692	19.1
NCR	4,941	62.0	4,775	61.5	4,371	88.4	4,163	87.2	571	11.6	613	12.8	520	11.9	519	12.5
CAR	745	66.8	711	66.6	707	94.9	679	95.5	38	5.1	33	4.6	112	15.8	120	17.7
Region I	2,097	61.4	2,039	61.5	1,919	91.5	1,872	91.8	178	8.5	168	8.2	285	14.8	314	16.8
Region II	1,452	66.2	1,444	67.2	1,398	96.3	1,404	97.2	54	3.7	41	2.8	205	14.7	213	15.2
Region III	4,090	61.1	3,956	60.6	3,733	91.3	3,592	90.8	357	8.7	364	9.2	338	9.1	281	7.8
Region IV-A	4,965	63.4	4,803	63.2	4,492	90.5	4,303	89.6	473	9.5	500	10.4	784	17.4	710	16.5
Region IV-B	1,260	69.4	1,243	70.1	1,204	95.6	1,188	95.6	56	4.4	55	4.4	284	23.6	309	26.0
Region V	2,200	64.5	2,155	64.5	2,071	94.1	2,029	94.2	129	5.9	126	5.8	762	36.8	735	36.2
Region VI	3,200	64.6	3,099	64.4	2,973	92.9	2,883	93.0	227	7.1	216	7.0	793	26.7	740	25.7
Region VII	3,039	65.7	2,890	64.1	2,809	92.4	2,674	92.5	231	7.6	216	7.5	461	16.4	396	14.8
Region VIII	1,758	64.8	1,758	66.1	1,661	94.5	1,663	94.6	97	5.5	95	5.4	348	20.9	439	26.4
Region IX	1,439	65.7	1,409	66.8	1,386	96.3	1,359	96.5	53	3.7	51	3.6	295	21.3	321	23.6
Region X	1,956	69.9	1,925	70.4	1,858	95.0	1,831	95.1	98	5.0	94	4.9	520	28.0	504	27.5
Region XI	1,835	65.2	1,812	65.7	1,724	93.9	1,706	94.2	111	6.1	107	5.9	342	19.9	347	20.3
Region XII	1,691	66.4	1,676	66.7	1,617	95.6	1,606	95.8	74	4.4	69	4.1	337	20.8	338	21.0
Caraga	1,051	65.1	1,037	65.9	983	93.5	977	94.2	68	6.5	60	5.8	218	22.1	264	27.0
ARMM	1,188	57.3	1,162	57.2	1,142	96.1	1,135	97.7	46	3.9	27	2.3	155	13.5	145	12.8

Note: Details may not add to totals due to rounding of figures.

p Preliminary.

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