



Department of Labor and EmploymentManila, Philippines

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HIGHLIGHTS OF THE JANUARY 2011 LABOR FORCE SURVEY



Overview

The labor market situation in January 2011 was essentially unchanged from last year. Modest growth rates occurred in the agricultural, fishery and forestry sector (1.3%) and services sector (1.0%) while industry employment was down (-1.1%). This was accompanied by the decline in full-time employment (-2.7%) and wage and salary employment (-1.2%). On a positive note, underemployment rate eased slightly from 19.7% to 19.4% over the period. Meanwhile, unemployment rate at 7.4% was about unchanged or not statistically different from last year's figure of 7.3% while labor force participation rate (LFPR) fell from 64.5% to 63.7%.

The slowdown in employment growth this January is largely attributed to "base effect" as the country registered a robust expansion in employment a year ago of the same period (+1.739 million - the highest in the 2000 Census-based LFS data series) on the back of the simultaneous holding of the national and local elections. Similar record expansion also occurred in the labor force (+1.712 million), full-time employment (+2.018 million) and wage and salary employment (+2.171 million) in January 2010. It should be noted that employment (as well as labor force) in the 2000 Census-based LFS data series followed a "boom and bust" cycle where large or unusual expansion in a particular survey round is always followed by a decline in the same survey round in the same period of the following year or vise versa. This pattern was also observed in 2007 (January and April), 2008 (July) and 2009 (April).

Labor Force

Labor force participation rate (LFPR) in January 2011 fell to 63.7% from 64.5% a year earlier - as fewer persons (+383,000) entered or rejoined the labor market compared with the same period last year (+1.712 million). The decline was most pronounced among women (50.7% to 49.1%) and persons between the age groups 45-54 (80.1% to 78.5%) and 65 years old and over (38.8% to 37.3%). (Table 4a)

This notwithstanding, the number of persons in the labor force rose slightly from 38.828 million to 39.211 million over the period - along with the 1.324 million increase in household population 15 years old and over which now stood at 61.532 million.

Table 1 - KEY EMPLOYMENT INDICATORS
PHILIPPINES: January 2010-2011
(In thousands except rates)

Indicator	Jan. 2011 ^p	Jan. 2010	Year- on- Year Change
Household Population 15			
Years Old and Over	61,532	60,208	1,324
Labor Force	39,211	38,828	383
 Employed Persons 	36,293	36,001	292
 Unemployed Persons 	2,919	2,827	92
Underemployed Persons – Visibly underemployed	7,054 4,445	7,107 4,174	-53 271
Not in the Labor Force	22,321	21,380	941
LFPR (%) Unemployment Rate (%) Underemployment	63.7 7.4	64.5 7.3	
Rate (%)	19.4	19.7	
 Visible Under- employment Rate (%) Mean Hours of Work 	12.2 41.0	11.6 42.3	-

p Preliminary.

Employment

Employment growth slowed down considerably to just 0.8% (+292,000) in January 2011 from the robust 5.1% (+1.739 million) registered a year ago of the same period. It can be recalled that employment last year grew at its fastest pace since 2002 at the back of the synchronized national and local elections that boosted the economy and the labor market.

The slowdown followed the "boom and bust" pattern that characterized the movement of employment series, i.e., a sharp expansion is often followed by small increase or decrease in subsequent year of the same period. This pattern can be observed in 2007 (January and April), 2008 (July) and 2009 (April).

Year	Employ- ment ('000)	Incre- ment ('000)	Year-On- Year Growth Rate (%)		
2007					
January	33,545	1,514	4.7		
April	33,704	1,005	3.1		
July	33,318	392	1.2		
October	33,672	786	2.4		
2008					
January	33,693	148	0.4		
April	33,535	-169	-0.5		
July	34,593	1,275	3.8		
October	34,533	861	2.6		
2009					
January	34,262	569	1.7		
April	34,997	1,462	4.4		
July	35,508	915	2.6		
October	35,478	945	2.7		
2010					
January	36,001	1,739	5.1		
April	35,413	416	1.2		
July	36,237	729	2.1		
October	36,489	1,011	2.8		
2011					
January	36,293	292	0.8		

 Services sector employment growth managed to remain positive though at a modest 1.1% (+199,000). Growth was mixed across sub-sectors with gains in

wholesale and retail trade (+208,000); real estate, renting business activities and (+75,000);transport, storage and communications (+70,000); education (+66,000);intermediation financial (+64,000). These offset losses in private households with employed persons (-181,000);community, social and personal (-44,000);service activities hotels and restaurants (-41,000); public administration (-17,000); and health and social work (-2,000). (Table 2)

- On the other hand, industry employment fell 1.1% by (-58,000)following strona recovery last year (+9.6% or +466,000). With the exception of construction which posted an increase (+33,000),losses manufacturing occurred in (-56,000); electricity, gas and water (-26,000); and mining and quarrying (-9,000).
- In contrast, employment in agriculture, hunting and forestry sector managed to post a slight recovery (+1.8% or +185,000) from the decline a year ago (-0.9% or -95,000) due to the effect of the El Nino weather phenomenon. Meanwhile, employment in the fishery sector dipped by 2.3% (-33,000).
- Strong "base effect" was also observed for full-time employment and wage and salary employment. Both indicators recorded substantial gains last year (+2.018 million and +2.171 million, respectively) but suffered losses this year (-618,000 and -234,000, respectively).
- Meanwhile, employment increases occurred for the following categories of workers: persons in part-time employment

(7.0% or +859,000), selfemployed without paid employee (+462,000), and unpaid family workers (+268,000).

- Over the period, the share of persons in vulnerable employment to total employment rose slightly from 40.0% to 41.7%. This figure is still at par with the 2010 average annual data.
- **Employment** losses were recorded in Region V (-23,000), Region VII (-24,000) and ARMM rest (-111,000). The of the regions posted gains in employment with the highest in Region IV-A (+82,000), Region XI (+70,000) and Region IV-B (+65,000).

Underemployment

- On a positive note, the number of employed persons who wanted or expressed the desire for additional hours of work fell slightly by 53,000 to 7.054 million. This figure corresponds to 19.4% of total employed, down from 19.7% a year before. (Table 3)
- Meanwhile, persons who worked less than 40 hours during the reference week and wanting additional hours of work (timerated underemployment) increased over the period by 271,000 to 4.445 million.

Unemployment

The January 2011 unemployment rate at 7.4% was up marginally by 0.1 percentage point from last year. Note that this figure is not statistically different from the

rate recorded in January 2010 at 7.3%. In absolute terms, the total number of unemployed persons rose by 92,000 to 2.919 million.

- Nearly half (48.9% or 1.427 million) of the total unemployed workforce were young workers (aged 15 to 24 years old). Youth unemployment rate at 17.2% was more than twice the national average. This rate was about the same last year. (Table 4)
- About three in every unemployed were men (1.829 million or 62.7%). Compared with last year, unemployment rate Of men was down by 0.2 percentage point to 7.6% while the rate for 0.7% women was up by percentage point to 7.2%.
- The majority (47.0% or 1.373 million) were high school graduates or undergraduates. Equally large were college undergraduates and graduates (39.1% or 1.141 million).
- Six regions posted unemployment rates higher than the national rate: NCR (12.0%), Region I (10.0%), Region III (7.9%), Region IV-A (9.5%), Region VII (8.2%), and Caraga (7.5%). (Table 5)
- Compared with last year, notable increases in unemployment rates occurred in Region 1 (+2.1 percentage points), Region V (+2.0 percentage points) and NCR (+1.2 percentage points) while notable reductions occurred in Region III (-1.1 percentage points), Region IX (-1.5 percentage points) and Region XII (-2.0 percentage points).

Table 1a - KEY EMPLOYMENT INDICATORS PHILIPPINES: January 2009, 2010 and 2011

(In thousands except rates)

	n and an			Incre	ment	Growth Rate		
INDICATOR	January 2011 ^p	January 2010	January 2009	2010-2011	2009-2010	2010-2011	2009-2010	
Population 15 Years Old and Over	61,532	60,208	58,657	1,324	1,551	2.2	2.6	
Labor Force	39,211	38,828	37,116	383	1,712	1.0	4.6	
- Employed	36,293	36,001	34,262	292	1,739	0.8	5.1	
- Unemployed	2,919	2,827	2,854	92	-27	3.3	-0.9	
Underemployed	7,054	7,107	6,238	-53	869	-0.7	13.9	
- Visible underemployment ¹	4,445	4,174	3,985	271	189	6.5	4.7	
Not in the Labor Force	22,321	21,380	21,541	941	-161	4.4	-0.7	
Labor Force Participation Rate (%)	63.7	64.5	63.3					
Employment Rate(%)	92.6	92.7	92.3					
Unemployment Rate (%)	7.4	7.3	7.7					
Underemployment Rate (%)	19.4	19.7	18.2					
Visible Underemployment Rate (%)	12.2	11.6	11.6					
Mean Hours of Work	41.0	42.3	41.3					

^pPreliminary.

¹ Includes number of underemployed persons who were with jobs but did not work during the reference period. Source: National Statistics Office, Labor Force Survey.

Table 2 - SUMMARY STATISTICS ON EMPLOYMENT PHILIPPINES: January 2009, 2010 and 2011 (In thousands except rates)

INDICATOR	2011 ^p	2010	2009	Incre	ment	Year-on-Year Growth Rate (%)		
				2010-2011	2009-2010	2010-2011	` ′	
EMPLOYED PERSONS SECTOR	36,293	36,001	34,262	292	1,739	0.8	5.1	
Agriculture, Fishery and Forestry	11,958	11,806	11,846	152	-40	1.3	-0.3	
Agriculture, Hunting and Forestry	10,536	10,351	10,446	185	-95	1.8	-0.9	
Fishing	1,422	1,455	1,400	-33	55	-2.3	3.9	
Industry	5,264	5,322	4,856	-58	466	-1.1	9.6	
Mining and Quarrying	184	193	152	-9	41	-4.7	27.0	
Manufacturing	2,953	3,009	2,849	-56	160	-1.9	5.6	
Electricity, Gas and Water	131	157	134	-26	23	-16.6	17.2	
Construction	1,996	1,963	1,721	33	242	1.7	14.1	
Services	19,071	18,872	17,560	199	1,312	1.1	7.5	
Wholesale and Retail Trade	7,272	7,064	6,635	208	429	2.9	6.5	
Hotels and Restaurants	1,063	1,104	988	-41	116	-3.7	11.7	
Transport, Storage & Communications	2,805	2,735	2,660	70	75	2.6	2.8	
Financial Intermediation	448	384	337	64	47 75	16.7	13.9	
Real Estate, Renting & Business Activities Public Administration & Defense, Compulsory	1,194	1,119	1,044 1,659	75 -17	164	6.7	7.2 9.9	
Social Security Education	1,806 1,212	1,823 1,146	1,059	66	-11	-0.9 5.8	-1.0	
Health and Social Work	430	432	435	-2	-3	-0.5	-0.7	
Other Community, Social & Personal Service	750	432	755	-2	-3	-0.5	-0.1	
Activities	905	949	857	-44	92	-4.6	10.7	
Private Households with Employed Persons	1,933	2,114	1,785	-181	329	-8.6	18.4	
Extra-Territorial Organizations	3	2	3	1	-1	50.0	-33.3	
STATUS OF EMPLOYMENT								
Wage and Salary Workers	19,848	20,082	17,911	-234	2,171	-1.2	12.1	
Self-employed Workers	11,035	10,573	10,725	462	-152	4.4	-1.4	
Employers	1,317	1,522	1,412	-205	110	-13.5	7.8	
Unpaid Family Workers	4,092	3,824	4,214	268	-390	7.0	-9.3	
HOURS OF WORK								
Less than 40 Hours (Part-Time Employment)	13,168	12,309	12,452	859	-143	7.0	-1.1	
40 Hours and Over (Full-Time Employment)	22,634	23,252	21,234	-618	2,018	-2.7	9.5	
Did Not Work	490	440	575	50	-135	11.4	-23.5	
REGION NCR	4 442	4 200	4.050	15	339	0.3	8.4	
CAR	4,413 706	4,398 701	4,059 677	5	24	0.3	3.5	
Region I	1,906	1,882	1,866	24	16	1.3	0.9	
Region II	1,419	1,402	1,367	17	35	1.2	2.6	
Region III	3,752	3,729	3,514	23	215	0.6	6.1	
Region IV-A	4,572	4,490	4,222	82	268	1.8	6.3	
Region IV-B	1,238	1,173	1,169	65	4	5.5	0.3	
Region V	2,050	2,073	1,978	-23	95	-1.1	4.8	
Region VI	3,063	3,026	2,842	37	184	1.2	6.5	
Region VII	2,704	2,728	2,611	-24	117	-0.9	4.5	
Region VIII	1,680	1,650	1,573	30	77	1.8	4.9	
Region IX	1,423	1,397	1,323	26	74	1.9	5.6	
Region X	1,850	1,837	1,763	13	74	0.7	4.2	
Region XI	1,791	1,721	1,643	70	78	4.1	4.7	
Region XII	1,647	1,626	1,579	21	47	1.3	3.0	
Caraga	981	958	979	23	-21	2.4	-2.1	
ARMM	1,096	1,207	1,096	-111	111	-9.2	10.1	

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

p Preliminary.

Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYMENT PHILIPPINES: January 2010 and 2011

(In thousands except rates)

INDICATOR	2011 ^p	2010	Increment
UNDEREMPLOYED PERSONS	7,054	7,107	-53
Hours Worked			
- Worked less than 40 hours/week ¹	4,445	4,174	271
- Worked more than 40 hours/week	2,609	2,934	-325
Industry			
- Agriculture	3,162	3,316	-154
- Industry	1,043	1,015	28
- Services	2,849	2,776	73
Underemployment rate (%)	19.4	19.7	-0.3
Visible underemployment rate (%) ¹	12.2	11.6	0.6

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

p Preliminary.

¹ Includes number of underemployed persons who were with jobs but did not work during the reference period. Source of data: National Statistics Office, Labor Force Survey.

Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT PHILIPPINES: January 2010 and 2011

(In thousands except rates/percent)

INDICATOR	Total Une Pers		Percent S	Share (%)		oyment (%)	Increment	
	2011 ^p	2010	2011 ^p	2010	2011 ^p	2010		
TOTAL	2,919	2,827	100.0	100.0	7.4	7.3	92	
Sex								
Men	1,829	1,828	62.7	64.7	7.6	7.8	1	
Women	1,090	999	37.3	35.3	7.2	6.5	91	
Age Group								
15-24 years old	1,427	1,456	48.9	51.5	17.2	17.8	-29	
25-54 years old	1,384	1,255	47.4	44.4	5.4	4.9	129	
55 years old and over	107	117	3.7	4.1	2.1	2.3	-10	
Highest Grade Completed								
No Grade Completed	8	19	0.3	0.7			-11	
Elementary	397	419	13.6	14.8			-22	
Undergraduate	180	208	6.2	7.4			-28	
Graduate	217	211	7.4	7.5			6	
High School	1,373	1,321	47.0	46.7			52	
Undergraduate	349	386	12.0	13.7			-37	
Graduate	1,024	935	35.1	33.1			89	
College	1,141	1,068	39.1	37.8			73	
Undergraduate	577	547	19.8	19.3			30	
Graduate	564	521	19.3	18.4			43	

Notes: Based on the new official unemployment definition (NSCB Resolution No. 15 s 2004). p Preliminary.

Table 4a - SUMMARY STATISTICS ON HOUSEHOLD POPULATION 15 YEARS OLD AND OVER AND LABOR FORCE, PHILIPPINES: JANUARY 2010 and 2011

(In thousands except rates/percent)

INDICATOR	Total Po	pulation 15 Y and Over	ears Old		Labor Force		Labor Force Participation Rate (%)			
INDICATOR	2011 ^p	2010	Increment	2011 ^p	2010	Increment	2011 ^p	2010	Increment	
TOTAL	61,532 60,208		1,324	39,211	38,828	383	63.7	64.5	-0.8	
Sex										
Men	30,593	29,990	603	24,023	23,515	508	78.5	78.4	0.1	
Women	30,939	30,218	721	15,188	15,314	-126	49.1	50.7	-1.6	
Age Group										
15-24 years old	18,455	18,119	336	8,311	8,176	135	45.0	45.1	-0.1	
25-34 years old	14,194	13,844	350	10,495	10,307	188	73.9	74.5	-0.5	
35-44 years old	11,024	10,832	192	8,637	8,632	5	78.3	79.7	-1.3	
45-54 years old	8,435	8,244	191	6,622	6,606	16	78.5	80.1	-1.6	
55-64 years old	5,329	5,170	159	3,619	3,556	63	67.9	68.8	-0.9	
65 years old and over	4,092	3,997	95	1,526	1,550	-24	37.3	38.8	-1.5	

Notes: Based on the new official unemployment definition (NSCB Resolution No. 15 s 2004).

p Preliminary.

LABSTAT Updates (Vol. 15 No. 4)

Page 9 of 9

Table 5 - LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT AND UNDEREMPLOYMENT BY REGION, PHILIPPINES: January 2010 and 2011

(In thousands except rates)

		Labo	r Force		Employment			Unemployment				Underemployment				
Region	201	1 ^P	20	10	201	11 ^P	20	2010		2011 ^P		0	2011 ^P		2010	
	No.	LFPR	No.	LFPR	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate
		(%)		(%)		(%)		(%)		(%)		(%)		(%)		(%)
Philippines	39,211	63.7	38,828	64.5	36,293	92.6	36,001	92.7	2,919	7.4	2,827	7.3	7,054	19.4	7,107	19.7
NCR	5,017	62.9	4,932	62.8	4,413	88.0	4,398	89.2	604	12.0	534	10.8	626	14.2	479	10.9
CAR	748	66.6	738	68.0	706	94.4	701	95.0	42	5.6	37	5.0	105	14.9	121	17.3
Region I	2,118	61.7	2,044	60.9	1,906	90.0	1,882	92.1	211	10.0	162	7.9	344	18.0	278	14.8
Region II	1,465	66.1	1,446	67.1	1,419	96.9	1,402	97.0	46	3.1	44	3.0	249	17.5	238	17.0
Region III	4,074	60.0	4,098	61.3	3,752	92.1	3,729	91.0	322	7.9	369	9.0	365	9.7	325	8.7
Region IV-A	5,051	64.6	4,961	63.8	4,572	90.5	4,490	90.5	479	9.5	472	9.5	887	19.4	759	16.9
Region IV-B	1,293	70.0	1,225	68.7	1,238	95.7	1,173	95.8	55	4.3	51	4.2	303	24.5	262	22.3
Region V	2,207	63.3	2,186	64.6	2,050	92.9	2,073	94.8	157	7.1	112	5.1	727	35.5	764	36.9
Region VI	3,278	64.1	3,218	66.1	3,063	93.4	3,026	94.0	214	6.5	192	6.0	687	22.4	867	28.7
Region VII	2,948	63.8	2,969	65.0	2,704	91.7	2,728	91.9	243	8.2	241	8.1	426	15.8	495	18.1
Region VIII	1,794	64.0	1,763	64.8	1,680	93.6	1,650	93.6	114	6.4	113	6.4	411	24.5	377	22.8
Region IX	1,468	64.7	1,465	68.3	1,423	96.9	1,397	95.4	46	3.1	68	4.6	295	20.7	363	26.0
Region X	1,945	68.4	1,939	70.3	1,850	95.1	1,837	94.7	95	4.9	101	5.2	524	28.3	484	26.3
Region XI	1,901	65.9	1,831	65.2	1,791	94.2	1,721	94.0	111	5.8	109	6.0	283	15.8	392	22.8
Region XII	1,702	64.3	1,715	67.8	1,647	96.8	1,626	94.8	55	3.2	89	5.2	363	22.0	433	26.6
Caraga	1,062	65.7	1,042	64.9	981	92.4	958	91.9	50	7.5	84	8.1	247	25.2	269	28.1
ARMM	1,141	55.7	1,257	59.2	1,096	96.1	1,207	96.0	45	3.9	50	4.0	201	18.3	200	16.6

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

p Preliminary.