

## 2016 SURVEY OF EMPLOYMENT

(in establishments with 20 or more workers)

### STATISTICS ON AGENCY-HIRED WORKERS

(Second of a series)

This LABSTAT Updates is the 2<sup>nd</sup> in the series of reports on the results of the employment module of the 2015/2016 Integrated Survey on Labor and Employment (ISLE).

Conducted every two years, the ISLE is a nationwide sample survey covering agricultural and non-agricultural establishments with 20 or more workers. The survey's reference month is June of the survey year. The latest survey, 2015/2016 ISLE, covered 12,926 establishments.

This issue presents statistics on: (1) the extent to which firms or establishments across industry groups resort to agency-hired workers to augment their workforce; and (2) the types of jobs/services outsourced by firms to manpower agencies.

Agency-hired workers refer to workers hired through contractors. In the 2015/2016 ISLE, they are defined as "workers employed by contractors to perform or complete a job, work or service pursuant to a service agreement within the premises of the establishment". They are excluded from the establishment's total employment.

#### **More than half of the total establishments resorted to agency-hired workers**

- The engagement of agency-hired workers was reported in more than half (54.7% or 17,094) of the estimated 31,277 establishments with at least 20 workers in June 2016. (Table 1)
- Across industry groups, the highest proportion of establishments with agency-hired

workers was posted in electricity, gas, steam and air conditioning supply (78.0%) followed by human health and social work activities except public health activities (64.8%); financial and insurance activities (63.5%); mining and quarrying (62.4%); and manufacturing (61.8%). (Table 2)

- Meanwhile, industries with the lowest number of establishments with agency-hired workers were observed in administrative and support services activities (36.8%); and repair of computers and personal and household goods; other personal service activities (34.2%). (Table 2)

#### **Agency-hired workers mostly engaged in manufacturing**

- The total number of agency-hired workers was placed at 691,341 or

13.6% of the total 5.076 million persons engaged by the establishments in June 30, 2016. This figure is quite modest considering the proportion of establishments resorting to this type of work flexibility. (Table 1)

**Table 1. Number of Establishments with 20 or More Workers with/without Agency-Hired Workers and Total Persons Engaged, Philippines: June 2016**

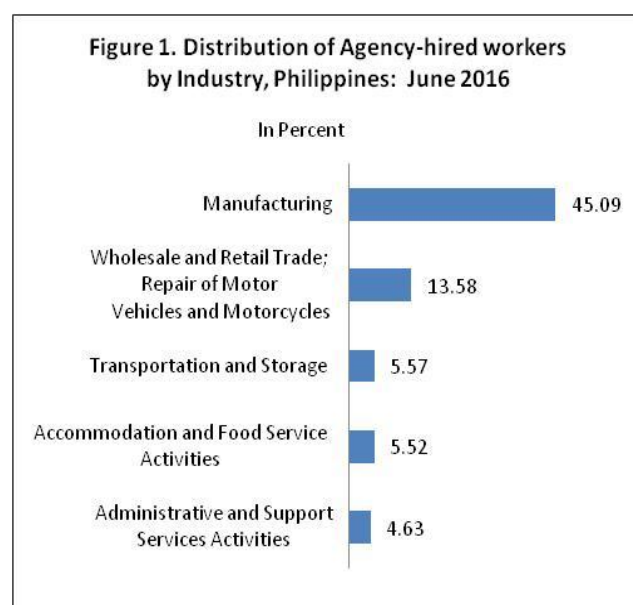
INDICATOR	Number
<b>NUMBER OF ESTABLISHMENTS</b>	<b>31,277</b>
- With agency-hired workers	17,094
- Without agency-hired workers	14,183
% of establishments with agency-hired workers	54.65%
<b>TOTAL PERSONS ENGAGED ('000)</b>	<b>5,076</b>
- Establishments total employment	4,385
- Agency-hired workers	691
% share of agency-hired workers to total persons engaged	13.62%

Source of data: Philippine Statistics Authority, 2015/2016 ISLE

- Among the industries, establishments engaged in manufacturing stood out with the biggest number of agency-hired workers at 311,722 or 45.1% of total agency-hired workers reported in 2016. This means that roughly two in every five agency-hired workers were engaged in manufacturing activities. Wholesale and retail trade ranked a distant second with 93,867 or 13.6% of total agency-hired workers. (Table 3 and Fig.1)
- Also belonged to the top industries but with relatively lesser number of agency-hired workers were transportation and storage (5.6% or 38,511); accommodation and food service

activities (5.5% or 38,148); and administrative and support services activities (4.6% or 32,027).

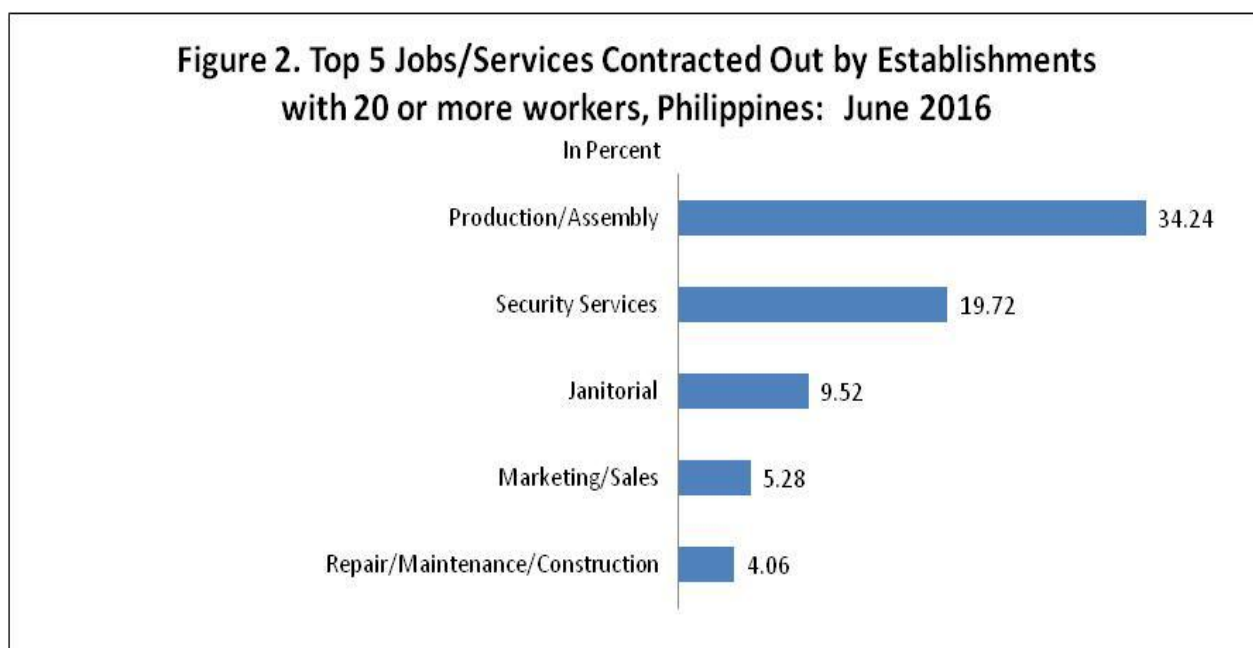
- Further, the presence of agency-hired workers were less visible in three industries, namely, repair of computers and personal and household goods, and other personal service activities (1,078); water supply, sewerage, waste management and remediation activities (1,843); and arts, entertainment and recreation (7,171) – each share to the total was equal or less than one percent. (Table 3)



Source of data: Philippine Statistics Authority, 2015/2016 ISLE

**Most of agency-hired workers were tapped to perform production/assembly activities**

- The bulk of agency-hired workers were engaged to perform activities related to production/assembly. About one-third (34.2%) of the total agency-hired workers in 2016 were hired for these activities, of which majority of them were found in manufacturing industry (86.1%). (Table 3 and Figure 2)



Source of data: Philippine Statistics Authority, 2015/2016 ISLE

- Comparatively, across all industries, most of the establishments continued to outsource their security and janitorial service needs from manpower agencies.
- About 20 percent of the agency-hired workers were for security services. High proportion of those engaged in security services out of the total number of agency-hired workers by industry were observed in Water Supply; Sewerage, Waste Management and Remediation Activities (69.6%); and Financial and Insurance Activities (46.7%).
- Similarly, for janitorial services, the highest proportion was reported in human health and social work activities (42.9%); and in education (38.2%). Workers hired by agencies to perform janitorial services comprised 9.5 percent of the total number of agency-hired workers.
- Marketing/sales and repair/maintenance/construction activities had a combined share of 9.3 percent of the total agency-hired workers.

---

#### FOR INQUIRIES

Regarding this report, contact **EMPLOYMENT DEMAND STATISTICS DIVISION** at telefax no. 376-1952

Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 462-6600 local 834

Or visit our website at <http://www.psa.gov.ph>

---

**TABLE 2 - Number and Percent Distribution of Establishments with 20 or More Workers with Agency-Hired Workers by Major Industry Group, Philippines: June 2016**

MAJOR INDUSTRY GROUP	Total Establishments	Establishments With Agency-Hired Workers	
		Total	Percent to Total
<b>ALL INDUSTRIES</b>	<b>31,277</b>	<b>17,094</b>	<b>54.7</b>
Agriculture, Forestry and Fishing	1,151	523	45.5
Mining and Quarrying	156	98	62.4
Manufacturing	6,068	3,748	61.8
Electricity, Gas, Steam and Air Conditioning Supply	249	194	78.0
Water Supply; Sewerage, Waste Management and Remediation Activities	334	179	53.7
Construction	986	407	41.2
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	7,127	3,900	54.7
Transportation and Storage	1,063	488	45.9
Accommodation and Food Service Activities	4,197	2,281	54.4
Information and Communication	808	413	51.2
Financial and Insurance Activities	1,365	866	63.5
Real Estate Activities	410	243	59.2
Professional, Scientific and Technical Activities	654	292	44.6
Administrative and Support Services Activities	1,797	661	36.8
Education except Public Education	3,362	1,913	56.9
Human Health and Social Work Activities except Public Health Activities	970	629	64.8
Arts, Entertainment and Recreation	243	145	59.6
Repair of Computers and Personal and Household Goods; Other Personal Service Activities	335	114	34.2

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

*Source: Philippine Statistics Authority, 2015/2016 Integrated Survey on Labor and Employment (ISLE).*

**TABLE 3 - Number of Agency-Hired Workers in Establishments with 20 or More Workers by Type of Jobs/Services Contracted Out and Major Industry Group, Philippines: June 2016**

MAJOR INDUSTRY GROUP	Total Number Agency-hired Workers	Security Services	Janitorial	General Administrative	Marketing/ Sales	Packaging	Production/ Assembly	Research and Development	IT Services	Food Service/ Catering	Logistics/ Transport
<b>ALL INDUSTRIES</b>	<b>691,341</b>	<b>136,360</b>	<b>65,808</b>	<b>15,077</b>	<b>36,472</b>	<b>20,084</b>	<b>236,697</b>	<b>1,921</b>	<b>5,321</b>	<b>19,886</b>	<b>19,036</b>
Agriculture, Forestry and Fishing	25,507	4,785	566	70	85	1,783	12,654	277	11	18	90
Mining and Quarrying	11,513	3,497	831	172	1	-	3,120	-	19	155	233
Manufacturing	311,722	28,838	13,310	2,193	9,349	15,583	203,695	752	803	3,759	5,899
Electricity, Gas, Steam and Air Conditioning Supply	14,982	6,832	2,317	458	-	-	8	4	49	111	346
Water Supply; Sewerage, Waste Management and Remediation Activities	1,843	1,283	333	-	-	-	93	8	32	-	15
Construction	9,969	2,074	180	61	7	-	3,246	-	26	23	71
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	93,867	25,032	8,311	3,479	21,141	1,947	6,663	65	414	235	4,644
Transportation and Storage	38,511	8,620	1,123	465	1,293	148	264	18	195	11	5,300
Accommodation and Food Service Activities	38,148	8,163	3,742	466	310	88	5,662	27	62	11,739	489
Information and Communication	11,017	3,142	2,246	710	1,234	-	98	16	952	89	188
Financial and Insurance Activities	29,548	13,813	6,516	2,858	336	1	2	-	408	62	289
Real Estate Activities	17,960	6,286	5,044	439	387	-	421	14	45	216	62
Professional, Scientific and Technical Activities	9,650	878	755	791	66	-	94	710	1,211	36	28
Administrative and Support Services Activities	32,027	5,551	3,984	1,053	2,118	522	640	4	806	838	707
Education except Public Education	23,606	10,635	9,018	975	16	10	29	26	201	581	69
Human Health and Social Work Activities except Public Health Activities	13,222	4,392	5,668	560	13	2	-	-	76	512	121
Arts, Entertainment and Recreation	7,171	2,350	1,470	190	117	-	8	-	2	1,414	409
Repair of Computer and Personal and Household Good; Other Personal Service Activities	1,078	188	393	137	-	-	-	-	8	87	76

**TABLE 3 - Number of Agency-Hired Workers in Establishments with 20 or More Workers by Type of Jobs/Services Contracted Out and Major Industry Group, Philippines: June 2016 (Cont'd)**

MAJOR INDUSTRY GROUP	Repair/ Maintenance/ Construction	Warehousing	Medical and Health Services	Cashier	Messengerial	Billing/ Payment	Human Resource	Data Processing/ Encoding	Finance/ Accounting	Learning/ Training	Others
<b>ALL INDUSTRIES</b>	<b>28,059</b>	<b>16,174</b>	<b>5,126</b>	<b>6,654</b>	<b>4,481</b>	<b>1,230</b>	<b>2,582</b>	<b>4,949</b>	<b>4,185</b>	<b>536</b>	<b>60,701</b>
Agriculture, Forestry and Fishing	909	69	9	26	9	17	23	40	60	3	4,004
Mining and Quarrying	711	23	34	-	10	2	877	1	4	2	1,820
Manufacturing	10,590	8,370	666	453	295	78	424	820	707	87	5,051
Electricity, Gas, Steam and Air Conditioning Supply	3,436	163	59	17	47	387	25	118	57	-	548
Water Supply; Sewerage, Waste Management and Remediation Activities	17	17	6	-	-	-	5	12	14	-	8
Construction	2,837	72	18	-	15	21	29	73	37	-	1,181
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	1,293	4,912	136	4,062	562	220	209	668	938	142	8,793
Transportation and Storage	1,562	2,294	42	49	342	73	98	235	220	15	16,146
Accommodation and Food Service Activities	1,276	78	61	1,634	91	17	79	92	396	85	3,591
Information and Communication	173	30	36	23	119	33	147	84	194	5	1,499
Financial and Insurance Activities	116	21	33	25	2,443	229	85	1,112	256	16	928
Real Estate Activities	1,856	34	-	111	116	10	12	9	85	1	2,811
Professional, Scientific and Technical Activities	36	12	243	-	99	17	219	1,193	353	19	2,888
Administrative and Support Services Activities	701	59	3,095	77	223	33	247	382	551	40	10,395
Education except Public Education	1,188	2	196	33	25	22	64	71	152	121	170
Human Health and Social Work Activities except Public Health Activities	609	18	457	89	77	66	16	38	65	1	441
Arts, Entertainment and Recreation	666	1	34	39	9	5	8	1	20	-	427
Repair of Computer and Personal and Household Good; Other Personal Service Activities	84	-	-	15	-	-	15	-	76	-	-

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

Source: Philippine Statistics Authority, 2015/2016 Integrated Survey on Labor and Employment (ISLE).