



THE CHANGING DEMOGRAPHICS OF THE PHILIPPINE WORKFORCE: TRENDS AND CHALLENGES

(Third of a Three-Part Series)

This LABSTAT issue is the last of a three-part series that deals with the changing demographics of the Philippine workforce. This issue takes a closer look at the changes in the nature of work and the possible trend in occupational demand over the next five years.

The Changing Workplace

Employment Shift from Agriculture Sector to Service Sector

The nature of work is undergoing transformation. Between the 1990-2000 period, the share of agricultural workforce shrunk from 45.2 percent to 37.4 percent in favor of service sector employment, which expanded from 39.8 percent to 46.6 percent. On the other hand, the share of industry remained stagnant at around 15.0 to 16.0 percent of the total employed.

Table 1
PERCENT SHARE OF EMPLOYMENT BY
SECTOR, PHILIPPINES: 1990-2005

Sector	% Share to Total Employed			
	1990	1995	2000	2005
All Sectors	100.0	100.0	100.0	100.0
Agriculture, Fishery and Forestry	45.2	44.1	37.4	37.0
Industry	15.0	15.6	16.0	14.9
Service	39.8	40.3	46.6	48.1

Source: National Statistics Office, Labor Force Survey.

In the next ten years, the employment share of agriculture is expected to decline further as more agricultural workers are absorbed by service and industry sectors. On the

other hand, service sector employment will expand and dominate the nature of work as rapid technological innovations in information and communication continue to transform the structure and nature of many jobs.

The growth will be fueled by the booming call centers and business process outsourcing (BPO) as well as faster growth in wholesale and retail trade, tourism and transport sectors. Telecommunication is also seen to set the pace of growth for services, forecast to expand briskly over the medium term due to greater competition from VoIP technology and new partnerships with international mobile operators.

Another important change that is taking place is the increasing "casualization" of the workforce as more and more employers are resorting to labor flexibility arrangements such as subcontracting and hiring of agency workers to compete in the market.

Emerging Occupations

The recently held National Employment Summit highlighted some of the critical skills as well as the new occupations that will most likely emerge in the near future. The summit brings together stakeholders from industries, professionals and workers associations, academe and governments in seven (7) major sectors identified as key employment generators in the 2005-2010 Philippine Medium-Term Development Plan, namely: agribusiness, cyberservice, hotel and restaurant, medical tourism, health services, mining, and aviation.

The Summit Report forecasts the creation of 4.081 million employment opportunities between 2006 and 2010 given the right policy and program interventions. The bulk will be created in agribusiness (49.1% or 2.004 million) and cyberservices (33.9% or 1.384 million).

Also expected to contribute a sizeable share are the hotels and restaurants sector (400,280) and medical tourism sector (128,150).

Table 2
PROJECTED EMPLOYMENT OPPORTUNITIES BY SECTOR, PHILIPPINES: 2006-2010

Sector	Projected Employment
Agribusiness	2,004,161
Cyberservices	1,383,890
Hotel and Restaurant	400,280
Medical Tourism	128,150
Health Services	58,003
Mining	39,382
Aviation	27,581
Total	4,081,447

Source: 2006 National Manpower Summit Report.

The industry groups reporting the most emerging occupations are cyberservices and medical tourism. The fastest growing broad occupational category will be professional groups specific to the industry.

These will include skills in finance or accounting transactions, customer contacts, medical and legal transcriptions, animation and programming/software development.

Agents such as those in call centers for the customer contact registered the highest potential employment (735,000) followed by finance and accounting analysts (137,585) and programmers/software developers (122,100).

Table 3
EMERGING OCCUPATIONS IN CYBERSERVICES, PHILIPPINES: 2006-2010

Occupational Title	Prospect
Entry-level animators	14,048
Transcriptionists (Medical)	109,590
Customer contacts/agents	735,000
Software developers/ Programmers	122,100
Finance/Accounting analysts	137,585

Source: 2006 National Manpower Summit Report.

In the area of medical tourism, the emergence of specialty clinics that cater to tourists from wealthy nations seeking medical and healthcare services along with rest and recreation will spawn a new range of occupations. Top on the list is medical tourism personal assistant whose main task is to serve as liaison between clients and clinics/hospitals and tourism-related establishments. A number of new

occupations will emerge in wellness clinics such as spa therapist and

tourism support services as shown in the list below.

Table 4
EMERGING OCCUPATIONS IN MEDICAL SERVICES
PHILIPPINES: 2006-2010

Occupational Title
Medical tourism personal assistant
Spa/Massage therapist
Spa manager
MD/Alternative Medicine (Herbologist)
Nursemaid/Private duty nurse
Clerk/clerk insurance processor
Medical technician with IT knowledge
Translator/tour guide

Source: 2006 National Manpower Summit Report.

The summit also identified key occupations that will likely experience high demand in the future and for which policy interventions will be critical. Global demand for trained nurses, doctors,

pilots, airline mechanics, to name a few, are expected to outstrip supply resulting in many jobs going unfilled in the domestic labor market.

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