

## HIGHLIGHTS OF THE JANUARY 2006 LABOR FORCE SURVEY

### Overview



The labor market performed better in January as employment level grew by 2.4 percent than the near zero growth rate (0.3%) recorded in the same period last year. The growth was driven by the employment expansion in the combined agriculture, fishery and forestry sector and the recovery in the service sector. Offsetting these gains were employment losses in the industry sector, notably in construction and manufacturing.

Unemployment rate stood at 8.1 percent while the labor force participation rate (LFPR) was pegged at 63.8 percent. These figures were based on the new official unemployment definition adopted during the April 2005 round of the Labor Force Survey in compliance with NSCB Resolution No. 15 dated October 20, 2004. Based on the old data series, the unemployment rate for January declined to 10.1 percent from 11.3 percent last year. The increase in employment level was however accompanied by the rise in underemployment rate which occurred mainly among workers engaged in activities related to agriculture and trade.

### Employment

Total employed persons in January 2006 increased by 750,000 to reach 32.384 million. This translates to a year-on-year growth rate of 2.4 percent which is an improvement from last year's marginal growth of 0.3 percent.

- Employment in the combined agriculture, fishery and forestry sector grew a robust 4.2 percent or 475,000 over the period to reach 11.834 million. This figure comprised about two-thirds (63.3%) of the overall increase in employment during the period.

### KEY EMPLOYMENT INDICATORS PHILIPPINES: JANUARY 2005-2006 (in thousands)

Indicator	January 2006 <sup>p</sup>	January 2005	Year-On-Year Change
Household Population 15 Years Old and Over	55,248	53,975	+1,273
Labor Force	35,224	*	*
Employed Persons	32,384	31,634	+750
- underemployed	6,895	5,098	+1,797
- Visibly underemployed	4,186	3,286	+900
Unemployed Persons	2,840	*	*
LFPR (%)	63.8	*	XXXXX
Employment Growth Rate (%)	2.4	0.3	XXXXX
Unemployment Rate (%)	8.1	*	XXXXX
Underemployment Rate (%)	21.3	16.1	XXXXX
Visible Underemployment Rate (%)	12.9	10.4	XXXXX

<sup>p</sup> Preliminary.

\* Not comparable due to the adoption of new official unemployment definition (NSCB Resolution No. 15, Series of 2004).

Source: National Statistics Office, Labor Force Survey.

The bulk of the increase occurred among unpaid family workers (+314,000) while the rest were accounted for by own-account workers (+107,000) and wage and salary workers (+54,000). (Table 2a)

- Service sector employment grew by 2.4 percent (+370,000), a recovery from last year's slump (0.2%). Gains were posted highest in private households with employed persons (+102,000), wholesale and retail trade (+85,000), education (+58,000) and real estate, renting and business activities (+44,000). The rest of the sub-sectors recorded gains in employment with the only exception of health and social work sector which recorded a loss (-32,000).
- Industry employment dipped by 1.9 percent (-95,000), following a 1.4 percent (-73,000) decline a year earlier. The bulk of the decline occurred in construction (-73,000) while the rest were accounted for by manufacturing (-18,000) and mining and quarrying (-9,000). The only gain was recorded in electricity, gas and water (+5,000).
- Employment growth was observed in all classes of workers with the highest recorded among unpaid family workers (+389,000), most of them (80.7%) were engaged in agriculture, fishery and forestry activities. Own-account workers ranked second (+263,000) followed by wage and salary workers (+98,000).

- Persons in full-time employment (worked 40 hours or more a week) continued to account for the bulk (61.7% or 19.983 million) of the total employed persons while the rest were engaged in part-time employment (37.0% or 11.974 million) or did not work during the period (1.3% or 427,000).

Growth in employment over the period was reported highest among persons in part-time employment at 5.7 percent while full-time employment grew by less than one percent (0.9%).

- All but five regions posted growth in employment with the highest observed in Region IV-A (+163,000) followed by Region XII (+102,000), Region VII (+85,000), Region XI (+81,000) and Region II (+70,000). Meanwhile, decline in employment were noted in Regions III (-2,000), V (-4,000), VI (-9,000), VIII (-15,000) and ARMM (-6,000). (Table 2)

### **Underemployment**

- The number of underemployed persons increased from 5.098 million to 6.895 million over the period under review. This corresponds to underemployment rate of 21.3 percent upped from 16.1 percent a year ago.
- The increase in underemployed persons occurred mainly in agriculture, fishery and forestry (723,000), wholesale and retail trade (301,000) and transport, storage and communications (136,000).

- Of the total underemployed persons, a little over 60.7 percent (4.186 million) were visibly underemployed (worked less than 40 hours a week). They represent 12.9 percent of the total employed persons, upped from 10.4 percent a year ago. (Table 3)

### **UNEMPLOYMENT AND LABOR FORCE PARTICIPATION RATE**

The number of persons that joined the labor force in January 2006 was estimated at 35.224 million. This translates to labor force participation rate (LFPR) of 63.8 percent.

Of the total labor force, 2.840 million were counted as unemployed. These were persons who satisfied simultaneously the three criteria for measuring the unemployed (i.e., without job or business, looking for work and available for work as per NSCB Resolution No. 15 Series of 2004 which took effect in April 2005). The new definition introduced "availability for work" as the third criterion in defining the unemployed.

### **COMPARISON WITH THE OLD UNEMPLOYMENT SERIES**

In the old series, the number of unemployed persons fell by 166,000 to reach 3.864 million in January. Correspondingly, unemployment rate declined from 11.3 percent to 10.7 percent.

With the adoption of the revised definition that adds "availability for work" as the third criterion, 1.024 million persons were no longer considered unemployed but classified

as persons not in the labor force. (Table 1)

### **CHARACTERISTICS OF UNEMPLOYED PERSONS**

Nearly one-half (48.4%) of the unemployed were young workers (15 to 24 years old). Their unemployment rate at 18.2 percent was more than twice the national figure. There were more males (64.0%) than females (35.9%) among the unemployed labor force. Moreover, male unemployment rate (8.3%) exceeded their female counterpart (7.6%).

About 1.459 million or one-half (51.4%) of the total unemployed persons did not actively search for work during the reference period due to valid reasons. The most common reasons cited were tired/believed no work available (41.0%), awaiting results of previous job applications (24.0%) and waiting for rehire/job recall (23.7%).

Those who have done active job search numbered 1.381 million or 48.6 percent of total unemployed. Of this number, 19.2 percent or 265,000 have looked for work for more than 10 weeks while the majority had spent less than 4 weeks (47.0%) or 4 to 9 weeks (33.8%). Overall, the mean weeks looking for work was computed at 7.5. (Table 4a)

Double-digit unemployment rate were recorded in NCR (15.0%) and Region IV-A (10.2%). On the other hand, lowest rate was posted in three regions, namely, II (3.2%), IX (3.7%) and ARMM (3.3%). (Table 4)

---

#### **FOR INQUIRIES:**

Regarding this report contact **EMPLOYMENT AND MANPOWER STATISTICS DIVISION** at 527-3000 lc. 312

Regarding other statistics and technical services contact **BLES DATABANK** at 527-3000 lc. 317

Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**

FAX **527-93-24** E mail: [emspd@manila-online.net](mailto:emspd@manila-online.net) or [blesemspd@bles.dole.gov.ph](mailto:blesemspd@bles.dole.gov.ph)

Or visit our website at <http://www.manila-online.net/bles> or <http://www.bles.dole.gov.ph>

---

**Table 1 - KEY LABOR FORCE INDICATORS USING OLD AND NEW DEFINITIONS  
OF UNEMPLOYMENT, PHILIPPINES: January 2005 and 2006**  
(In thousands except rates)

INDICATOR	New Definition <sup>1</sup>	Old Definition	
	Jan. 2006 <sup>p</sup>	Jan. 2006 <sup>p</sup>	Jan. 2005
Population 15 Years Old and Over	55,248	55,248	53,975
Labor Force	35,224	36,248	35,664
- Employed	32,384	32,384	31,634
- Unemployed	2,840	3,864	4,030
Underemployed	6,895	6,895	5,098
- Visible underemployment	4,186	4,186	3,286
Not in the Labor Force	20,024	19,000	18,311
Labor Force Participation Rate (%)	63.8	65.6	66.1
Unemployment Rate (%)	8.1	10.7	11.3
Underemployment Rate (%)	21.3	21.3	16.1
Visible Underemployment Rate (%)	12.9	12.9	10.4

<sup>1</sup> Based on NSCB Resolution No. 15 s 2004.

<sup>p</sup> Preliminary.

Source: National Statistics Office, Labor Force Survey.

**Table 2 - SUMMARY STATISTICS ON EMPLOYMENT  
PHILIPPINES: January 2005 and 2006**

(In thousands except rates)

INDICATOR	2006 <sup>p</sup>	2005	Increment	Year-on-Year Growth Rate (%)
<b>EMPLOYED PERSONS</b>	<b>32,384</b>	<b>31,634</b>	<b>750</b>	<b>2.4</b>
<b>SECTOR</b>				
<b>Agriculture, Fishery and Forestry</b>	<b>11,834</b>	<b>11,359</b>	<b>475</b>	<b>4.2</b>
<b>Industry</b>	<b>4,882</b>	<b>4,977</b>	<b>(95)</b>	<b>(1.9)</b>
Mining and Quarrying	120	129	(9)	(7.0)
Manufacturing	2,977	2,995	(18)	(0.6)
Electricity, Gas and Water	133	128	5	3.9
Construction	1,652	1,725	(73)	(4.2)
<b>Services</b>	<b>15,666</b>	<b>15,296</b>	<b>370</b>	<b>2.4</b>
Wholesale and Retail Trade	5,995	5,910	85	1.4
Hotels and Restaurants	866	836	30	3.6
Transport, Storage & Communications	2,547	2,526	21	0.8
Financial Intermediation	341	304	37	12.2
Real Estate, Renting & Business Activities	755	711	44	6.2
Public Administration & Defense, Compulsory Social Security	1,443	1,436	7	0.5
Education	1,017	959	58	6.0
Health and Social Work	350	382	(32)	(8.4)
Other Community, Social & Personal Service Activities	781	763	18	2.4
Private Households with Employed Persons	1,571	1,469	102	6.9
Extra-Territorial Organizations	1	*		
<b>CLASS OF WORKER</b>				
Wage and Salary Workers	16,212	16,114	98	0.6
Own-account workers	12,085	11,822	263	2.2
Unpaid Family Workers	4,087	3,698	389	10.5
<b>HOURS OF WORK</b>				
Less than 40 Hours (Part-Time Employment)	11,974	11,323	651	5.7
40 Hours and Over (Full-Time Employment)	19,983	19,814	169	0.9
Did Not Work	427	496	(69)	(13.9)
<b>REGION</b>				
NCR	4,105	4,057	48	1.2
CAR	629	598	31	5.2
Region I	1,655	1,611	44	2.7
Region II	1,321	1,251	70	5.6
Region III	3,134	3,136	(2)	(0.1)
Region IV-A	3,897	3,734	163	4.4
Region IV-B	985	953	32	3.4
Region V	1,904	1,908	(4)	(0.2)
Region VI	2,737	2,746	(9)	(0.3)
Region VII	2,358	2,273	85	3.7
Region VIII	1,608	1,623	(15)	(0.9)
Region IX	1,259	1,194	65	5.4
Region X	1,767	1,760	7	0.4
Region XI	1,659	1,578	81	5.1
Region XII	1,497	1,395	102	7.3
Caraga	962	902	60	6.7
ARMM	908	914	(6)	(0.7)

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

<sup>p</sup> Preliminary.

\* Less than 500.

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

**Table 2a - EMPLOYED PERSONS BY MAJOR INDUSTRY GROUP AND CLASS OF WORKER , PHILIPPINES: January 2005 and 2006**  
(In thousands)

MAJOR INDUSTRY GROUP	Total			Wage and Salary			Own-Account			Unpaid Family Worker		
	2006 <sup>p</sup>	2005	Difference	2006 <sup>p</sup>	2005	Difference	2006 <sup>p</sup>	2005	Difference	2006 <sup>p</sup>	2005	Difference
<b>PHILIPPINES</b>	<b>32,384</b>	<b>31,634</b>	<b>750</b>	<b>16,212</b>	<b>16,114</b>	<b>98</b>	<b>12,085</b>	<b>11,822</b>	<b>263</b>	<b>4,087</b>	<b>3,698</b>	<b>389</b>
<b>Agriculture</b>	<b>11,834</b>	<b>11,359</b>	<b>475</b>	<b>2,740</b>	<b>2,686</b>	<b>54</b>	<b>6,062</b>	<b>5,955</b>	<b>107</b>	<b>3,032</b>	<b>2,717</b>	<b>314</b>
Agriculture, Hunting and Forestry	10,428	9,949	479	2,424	2,353	71	5,191	5,080	111	2,813	2,516	297
Fishing	1,405	1,410	(5)	316	333	(17)	871	875	(4)	218	201	17
<b>Industry</b>	<b>4,882</b>	<b>4,977</b>	<b>(95)</b>	<b>3,890</b>	<b>4,004</b>	<b>(114)</b>	<b>803</b>	<b>802</b>	<b>1</b>	<b>188</b>	<b>170</b>	<b>18</b>
Mining and Quarrying	120	129	(9)	71	75	(4)	38	44	(6)	10	10	0
Manufacturing	2,977	2,995	(18)	2,170	2,208	(38)	634	630	4	173	157	16
Electricity, Gas and Water	133	128	5	129	126	3	4	1	3	-	*	-
Construction	1,652	1,725	(73)	1,520	1,595	(75)	127	127	0	5	3	2
<b>Services</b>	<b>15,669</b>	<b>15,296</b>	<b>373</b>	<b>9,582</b>	<b>9,452</b>	<b>130</b>	<b>5,220</b>	<b>5,065</b>	<b>155</b>	<b>867</b>	<b>809</b>	<b>58</b>
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles, and Personal and Household Goods	5,995	5,910	85	1,828	1,838	(10)	3,437	3,382	55	729	690	39
Hotels and Restaurants	866	836	30	609	594	15	169	161	8	88	81	7
Transport, Storage and Communications	2,547	2,526	21	1,391	1,443	(52)	1,126	1,058	68	31	25	6
Financial Intermediation	341	304	37	322	288	34	17	15	2	2	2	0
Real Estate, Renting and Business Activities	755	711	44	620	590	30	125	115	10	10	6	4
Public Administration and Defense, Compulsory Social Security	1,443	1,436	7	1,440	1,435	5	2	1	1	-	-	-
Education	1,017	959	58	1,011	950	61	6	9	(3)	-	-	-
Health and Social Work	350	382	(32)	299	331	(32)	50	50	0	1	-	1
Other Community, Social and Personal Service Activities	781	763	18	497	493	4	278	266	12	6	4	2
Private Households with Employed Persons	1,571	1,469	102	1,562	1,490	72	9	8	1	*	1	-
Extra-Territorial Org. and Bodies	1	*	-	1	*	-	-	-	0	-	-	0

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

p Preliminary.

\* Less than 500.

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

**Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYMENT**  
**PHILIPPINES: January 2005 and 2006**  
(in thousands except percent)

INDICATOR	2006 <sup>p</sup>	2005	Increment
<b>UNDEREMPLOYED PERSONS</b>	<b>6,895</b>	<b>5,098</b>	<b>1,797</b>
<b>Hours Worked</b>			
- Worked less than 40 hours/week	4,186	3,135	1,051
- Worked more than 40 hours/week	2,546	1,811	735
- With a job but not at work	163	151	12
Underemployment rate (%)	21.3	16.1	5.2
Visible underemployment rate (%)	12.9	10.4	2.5
<b>Sector</b>			
<b>Agriculture, Fishery and Forestry</b>	<b>3,256</b>	<b>2,533</b>	<b>723</b>
<b>Industry</b>	<b>1,035</b>	<b>778</b>	<b>257</b>
Mining and Quarrying	44	23	21
Manufacturing	531	408	123
Electricity, Gas and Water	16	11	5
Construction	444	336	108
<b>Services</b>	<b>2,604</b>	<b>1,787</b>	<b>817</b>
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles, and Personal and Hotels and Restaurants	994	693	301
Transport, Storage and Communications	117	69	48
Financial Intermediation	482	346	136
Real Estate, Renting and Business Activities	36	21	15
Public Administration and Defense, Compulsory Social Security	127	71	56
Education	234	156	78
Health and Social Work	104	92	12
Activities	65	40	25
Private Households with Employed Persons	254	164	90
	191	135	56

Notes: 1. Details may not add to totals due to rounding of figures.

2. Estimates based on the revised population benchmark using the 1995 Census of Population results.

<sup>p</sup> Preliminary.

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

**Table 3a - EMPLOYED PERSONS WANTING ADDITIONAL HOURS OF WORK BY MAJOR INDUSTRY GROUP AND HOURS OF WORK**  
**PHILIPPINES: January 2005 and 2006**  
(In thousands)

MAJOR INDUSTRY GROUP	Total			Part-Time Employment (Worked Less than 40 Hours)			Full-Time Employment (Worked 40 Hours or More)			With a Job, Not at Work		
	2006 <sup>P</sup>	2005	Difference	2006 <sup>P</sup>	2005	Difference	2006 <sup>P</sup>	2005	Difference	2006 <sup>P</sup>	2005	Difference
<b>PHILIPPINES</b>	<b>6,895</b>	<b>5,098</b>	<b>1,797</b>	<b>4,186</b>	<b>3,286</b>	<b>900</b>	<b>2,546</b>	<b>1,811</b>	<b>735</b>	<b>163</b>	<b>151</b>	<b>12</b>
<b>Agriculture</b>	<b>3,256</b>	<b>2,533</b>	<b>723</b>	<b>2,458</b>	<b>1,986</b>	<b>472</b>	<b>730</b>	<b>547</b>	<b>183</b>	<b>67</b>	<b>74</b>	<b>(7)</b>
Agriculture, Hunting and Forestry	2,858	2,234	624	2,144	1,754	390	657	480	177	56	60	(4)
Fishing	398	299	99	314	232	82	73	68	5	11	14	(3)
<b>Industry</b>	<b>1,035</b>	<b>778</b>	<b>257</b>	<b>476</b>	<b>390</b>	<b>86</b>	<b>512</b>	<b>388</b>	<b>124</b>	<b>46</b>	<b>39</b>	<b>7</b>
Mining and Quarrying	44	23	21	27	15	12	16	8	8	-	-	-
Manufacturing	531	408	123	245	209	36	265	199	66	21	15	6
Electricity, Gas and Water	16	11	5	4	2	2	11	9	2	1	*	
Construction	444	336	108	200	164	36	219	172	47	24	24	-
<b>Services</b>	<b>2,604</b>	<b>1,787</b>	<b>817</b>	<b>1,252</b>	<b>912</b>	<b>340</b>	<b>1,304</b>	<b>877</b>	<b>427</b>	<b>49</b>	<b>37</b>	<b>12</b>
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles, and Personal and Household Goods	994	693	301	494	369	125	483	324	159	16	16	-
Hotels and Restaurants	117	69	48	46	22	24	69	47	22	1	1	-
Transport, Storage and Communications	482	346	136	214	157	57	256	189	67	12	6	6
Financial Intermediation	36	21	15	6	8	(2)	29	13	16	1	-	1
Real Estate, Renting and Business Activities	127	71	56	41	27	14	83	44	39	3	3	-
Public Administration and Defense, Compulsory Social Security	234	156	78	82	59	23	149	97	52	3	3	-
Education	104	92	12	24	24	-	79	68	11	1	1	-
Health and Social Work	65	40	25	25	24	1	38	17	21	3	2	1
Other Community, Social and Personal Service Activities	254	164	90	187	130	57	60	35	25	7	4	3
Private Households with Employed Persons	191	135	56	132	92	40	58	43	15	2	2	-
Extra-Territorial Org. and Bodies	-	-	-	-	-	-	-	-	-	-	-	-

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

\* Less than 500.

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



**Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT**  
**PHILIPPINES: January 2006**  
(in thousands except percent)

INDICATOR	Total Unemployed Persons <sup>p</sup>	Percent Share (%)	Unemployment Rate (%)
<b>TOTAL</b>	<b>2,840</b>	100.0	8.1
<b>Sex</b>			
Male	1,819	64.0	8.3
Female	1,020	35.9	7.6
<b>Age Group</b>			
15-24 years old	1,374	48.4	18.2
25-54 years old	1,354	47.7	5.9
55 years old and over	111	3.9	2.4
<b>Region</b>			
NCR	722	25.4	15.0
CAR	36	1.3	5.4
Region I	165	5.8	9.1
Region II	43	1.5	3.2
Region III	338	11.9	9.7
Region IV-A	445	15.7	10.2
Region IV-B	60	2.1	5.7
Region V	108	3.8	5.4
Region VI	187	6.6	6.4
Region VII	200	7.0	7.8
Region VIII	74	2.6	4.4
Region IX	48	1.7	3.7
Region X	94	3.3	5.1
Region XI	132	4.6	7.4
Region XII	94	3.3	5.9
Caraga	63	2.2	6.1
ARMM	31	1.1	3.3

Notes: 1. Based on the new official unemployment definition (NSCB Resolution No. 15 s 2004).

2. Estimates based on the revised population benchmark using the 1995 Census of Population results.

<sup>p</sup> Preliminary.

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

**Table 4a - SUMMARY STATISTICS ON UNEMPLOYMENT**  
**PHILIPPINES: January 2006**  
(in thousands except percent)

INDICATOR	Total Unemployed Persons <sup>p</sup>	Percent Share (%)
<b>TOTAL</b>	<b>2,840</b>	
<b>Looked for Work</b>	<b>1,381</b>	<b>100.0</b>
Less than 4 weeks	649	22.9
4 to 9 weeks	467	16.4
10-19 weeks	154	5.4
20-29 weeks	49	1.7
30 weeks and over	62	2.2
Mean Weeks Looking for Work	7.5	
<b>Did not Look for Work for Valid Reasons</b>	<b>1,459</b>	<b>100.0</b>
Tired/Believe no work available	599	41.0
Awaiting results of previous job application	350	24.0
Temporary illness/disability	130	8.9
Bad weather	34	2.3
Waiting for rehire/job recall	346	23.7

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

*p Preliminary.*

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