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## PROFILE OF THE OVEREMPLOYED *...workers with excessive hours: their economic characteristics*

### *Last of a Two-Part Series*

The Labor Force Survey (LFS) conducted quarterly by the National Statistics Office provides information on the number of employed persons by hours worked during the past week. Hours worked relate to the "duration or the period the person was occupied in his work, including overtime, but excluding hours paid but not worked. For wage and salary earners, it includes time worked without compensation in connection with their occupations; such as the time a teacher spends at home preparing for the forthcoming lectures. For own-account workers (self-employed and employers), it includes the time spent in the shop, business or office even if no sale or transaction has taken place". (LFS Enumerator's Manual, January 2007)

According to the Hours of Work (Industry) Convention (ILO Convention No. 1, 1919), the working hours of persons employed in any public or private industrial undertaking or in any of its branches other than that where only family members of the same family are employed, shall not exceed eight in the day and forty-eight in the week. This has been reiterated in the Labor Code of the Philippines (1974) which states that the normal hours of any employee shall not exceed eight hours a day and that an individual is entitled to a rest period of not less than 24 consecutive hours after every six consecutive normal work.

Thus, for purposes of this study, the employed with excessive hours or "overemployed" refer to those who worked more than 48 hours in their primary jobs<sup>1</sup> during the week. The concern on this group of employed stems from the issue that long hours of work are detrimental to their health and well being including those of their families as these affect productivity levels, work quality and balance between work and family life. Statistics on overemployment together with underemployment sharpen the analysis of the employment problems as these situations indicate low income or unproductive work.

The LFS reported 7.6 million (22.9%) who worked excessive hours in their primary jobs out of the 33.0 million total employed in 2006. Around 17% of them were found in the National Capital Region; 86% had permanent jobs/business and almost 50% were wage and salary workers. On the average, the overemployed worked 66 hours a week while the average basic pay per day of employees was about ₱200.

### **Around 41% of the overemployed in NCR, CALABARZON and Central Luzon**

About one third of the 33.0 million employed in 2006 were found in the National Capital Region (4.2 million), Region IVA-CALABARZON (3.9 million) and Region III-Central Luzon (3.2 million). The same regions also took the biggest share of the 7.6 million overemployed persons at 1.3 million,

992,000 and 796,000, respectively. Together, these areas made up 41% of the total workers with excessive hours. The least number of workers with long hours were reported in the Cordillera Administrative Region (CAR) at 126,000 (1.7%). (Table 2)

<sup>1</sup> A primary job is determined in accordance with the following priority rules: 1) if only one job, then it is the primary job regardless of permanency or hours worked in the job; 2) if more than one job, the primary job is that which is permanent regardless of hours worked; 3) if more than one permanent job, consideration is given to the job where more hours of work are spent; 4) if equal hours are spent in the permanent jobs, the primary job is that which provides more income.

Relative to regional employment, NCR had the biggest proportion of overemployment at 31.5%. The Autonomous Region in Muslim Mindanao (ARMM) came second at 29.8% (277,000 out of 928,000). Regions IVA

and III each posted 25.2% while the rest of the regions registered proportions ranging from 14.6% (Region II-Cagayan Valley) to 22.8% (Caraga).

### Most of the overemployed had permanent jobs/business

The LFS reported 25.9 million (78.6%) individuals in permanent employment in 2006. One fourth (6.5 million) of these permanently employed persons worked excessive hours during the same period. (Table 2)

The permanently employed accounted for 85.6% of the

overemployed. Persons in short-term/seasonal/casual work and those with different employers on a day to day or week to week together comprised about 1.1 million of workers with excessive hours. They also recorded smaller proportions of the overemployed relative to their respective populations at 16.2% and 9.9%, respectively.

### Employees comprised about half of workers with excessive hours

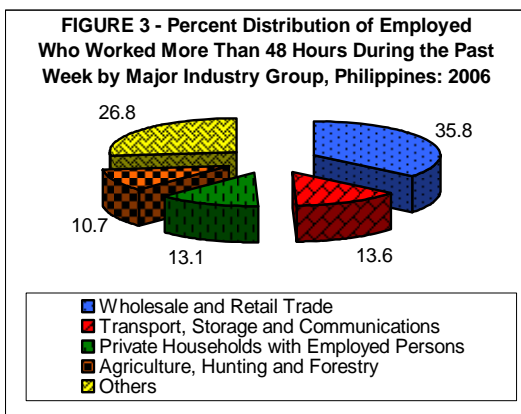
A little over half (16.8 million) of the total employed were in wage and salary employment. Similarly, employees or wage and salary workers accounted for the biggest share of the 7.6 million overemployed at 49.5% (3.7 million). Some 2.5 million of the overemployed employees were in private establishments. The self-employed workers comprised 39.3% (2.9 million) of total workers with excessive hours. (Table 2)

Though accounting for only 13.1% (987,000) of the overemployed, employees in private households

comprised 60.2% of their 1.6 million employed population.

	(in %)
Wage and salary	49.5
Private households	13.1
Private establishments	33.2
Own-family-operated farm/business	0.5
Government/gov't corporations	2.7
Self-employed	39.3
Employers	4.3
Unpaid family workers	6.9

### About 36% of workers with excessive hours in wholesale and retail trade



Source of basic data: National Statistics Office, Labor Force Survey-Public Use Files.

Agriculture, hunting and forestry (31.5%); and wholesale and retail trade (19.1%) accounted for about half of the 33.0 million employed in 2006. (Table 2)

On the other hand, 73.2% of the overemployed were in wholesale and retail trade (2.7 million), transport, storage and communications (1.0 million), private households with employed persons (986,000) and agriculture, hunting and forestry (808,000). (Figure 3)

Relative to corresponding industry employment, private households with employed persons registered the biggest proportion of workers with excessive hours (60.7%), followed by wholesale and retail trade (43.1%) and transport, storage and

communications (41.1%). Considerable shares were also observed in hotels and restaurants (36.3%) and real estate, renting and business activities (27.3%). Only 7.8% of the employed persons in agriculture, hunting and forestry were overemployed.

### **3 out of 10 overemployed were laborers and unskilled workers**

The three largest occupation groups of the employed in 2006 were laborers and unskilled workers (31.7%), farmers, forestry workers and fishermen (18.8%) and officials of government and special-interest groups, corporate executives, managers, managing proprietors and supervisors (11.8%). (Table 2)

Substantial proportions of overemployment were noted in three of these occupation groups: officials of government and special-interest groups, corporate executives, managers, managing proprietors and supervisors (48.5%), plant and machine operators and assemblers (38.0%), and service workers and shop and market sales workers (36.1%).

On the other hand, the bulk of overemployed persons consisted of laborers and unskilled workers (27.8%), officials of government and special-interest groups, corporate executives, managers, managing proprietors and supervisors (25.0%), service workers and shop and market sales workers (15.0%) and plant and machine operators and assemblers (12.5%).

Although laborers and unskilled workers had the highest numbers in terms of total employment and overemployment, only 20.1% (2.1 million) of them worked excessive hours.

### **The overemployed worked 66 hours a week**

#### Region

On the average, workers with excessive hours worked 66 hours a week in 2006. Overemployed persons in the National Capital Region (NCR) worked the longest at 68.1 hours while those in the Autonomous Region in Muslim Mindanao the shortest at 59.2. Hours worked for the rest of the regions varied from 62.3 (Cordillera Administrative Region) to 67.8 (Region VII-Central Visayas). (Table 2)

#### Class of Worker

The self-employed recorded the longest work duration at 67.1 hours. Employers followed at 66.4, wage and salary workers at 65.3 and unpaid family workers at 64.9. Among wage and salary workers, those employed in private households had the longest work hours at 68.9.

#### Nature of Employment

The overemployed with permanent jobs/business worked 66.3 hours while short-term/seasonal/casual workers, 64.6. Workers with different employers (from day to day or week to week basis) reported 60.9 hours.

#### Major Industry Group

Only four industry groups reported less than 60 hours of work for their overemployed persons. These were financial intermediation (59.5), education (58.9), construction (58.0) and agriculture, hunting and forestry (57.3). The other industry groups recorded at least 61 hours with workers in other extra-territorial organizations

and bodies reporting the longest work week at 73.0 hours.

Major Occupation Group

Officials of government and special-interest groups, corporate executives, managers, managing

proprietors and supervisors had the most number of hours during the review period at 70.9. The rest of the occupations except for farmers, forestry workers and fishermen (59.4) posted work hours of more than 60 but less than 70.

**Average basic pay of overemployed employees at about ₱200**

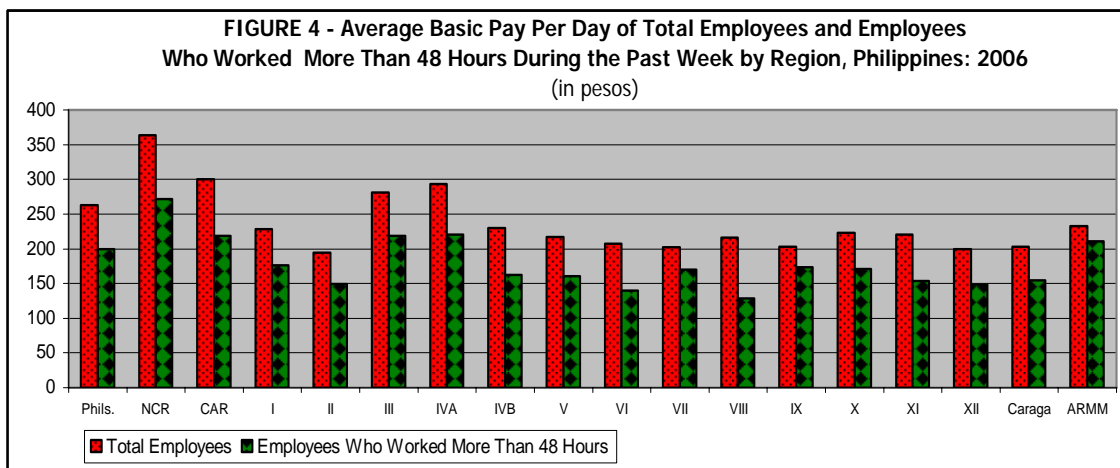
Region

Average basic pay per day of wage and salary workers or employees in 2006 was ₱262.78. Those in NCR received the highest at ₱363.43 while the lowest was recorded in Region II-Cagayan Valley at ₱194.66. The other region which had an average basic pay of below ₱200 was Region XII-SOCCSKSARGEN at ₱199.15. (Table 3)

The overemployed employees, on the other hand, reported an average

basic pay of ₱199.90. Similarly, the overemployed employees in NCR received the highest at ₱271.20. However, lowest average pay was posted in Region VI-Western Visayas at ₱140.13.

The average basic pay of workers with excessive hours was 76% of the average pay of all employees or 24% lower. Relative to all-employee basic pay, the regional proportions ranged from 59.4% (Region VIII-Eastern Visayas) to 90.6% (ARMM).



Source of basic data: National Statistics Office, Labor Force Survey-Public Use Files.

Nature of Employment

Permanent employees had a higher basic pay (₱292.81) than short-term workers (₱191.12) and those with different employers on a day to day or week to week basis (₱155.13).

Employees with excessive hours of work recorded correspondingly lower average basic pay in these categories of employment at ₱210.62, ₱162.23 and ₱154.07.

Class of Worker

Among all employees, those in government/government corporations posted the highest average basic pay at ₱433.38 and their overemployed at ₱429.56. Employees in private households had the least basic pay at ₱114.66 and those with excessive hours in this group received lower pay at ₱100.84. Total employees and the overemployed in private establishments reported average basic pay at ₱251.66

and P227.93, respectively. Employees in own-family operated farm/business recorded an average basic pay at P202.01 and their overemployed at P187.54.

#### Major Industry Group

There were five industries which reported average basic pay higher than P400 a day or at least 1.6 times higher than the national average at P262.78. These were financial intermediation (P493.37), education (P460.12), electricity, gas and water (P441.36), other extra-territorial organizations and bodies (P441.29) and public administration and defense, compulsory social security (P414.62). Employees in private households with employed persons posted the least average basic pay (P113.94).

On the other hand, workers with excessive hours in health and social work recorded the highest average basic pay at P462.14, followed by those in public administration and defense, compulsory social security (P420.25), and education (P418.67). Industries with at least P300 average pay per day were electricity, gas and water (P395.36), financial intermediation (P392.10) and real estate, renting and business activities (P305.95). The least paid overemployed among industry groups were workers in private households with employed persons (P100.41).

It is notable that there were some industries whose workers with excessive hours had higher average

basic pay than the all-employee average in the same industry group.

#### Major Occupation Group

Officials of government and special-interest groups, corporate executives, managers, managing proprietors and supervisors reported the highest average basic pay at P631.40; professionals came second at P519.97. Expectedly, laborers and unskilled workers (P146.22) and farmers, forestry workers and fishermen (P161.09) were paid the lowest basic pay.

However, data on the average basic pay of the overemployed employees showed that professionals (P577.38) had basic pay a little higher than that of the managerial group (P572.47). Similarly, laborers and unskilled workers (P116.16) and farmers, forestry workers and fishermen (P175.01) were paid the lowest basic pay.

As in the data by major industry group, there were certain occupation groups where the workers with excessive hours reported higher average basic pay than that of the all-employee average in the same occupation group, i.e., professionals, farmers, forestry workers and fishermen and plant and machine operators and assemblers. This indicated that in these occupation groups there were more employees with basic pay lower than those of their overemployed colleagues. Thus, the all-employee average basic pay was relatively less.

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**TABLE 2 - Employed Who Worked More Than 48 Hours During the Past Week  
by Region and Selected Economic Characteristics, Philippines: 2006**

Region and Selected Economic Characteristics	Total Employed (in 000)	Employed Who Worked More Than 48 Hours		
		Number (in 000)	As % of Total Employed	Average Hours Worked
<b>Philippines</b>	<b>32,962</b>	<b>7,554</b>	<b>22.9</b>	<b>66.0</b>
<b>Region</b>				
National Capital Region	4,168	1,315	31.5	68.1
Cordillera Administrative Region	659	126	19.1	62.3
Region I - Ilocos Region	1,675	315	18.8	64.1
Region II - Cagayan Valley	1,347	197	14.6	62.7
Region III - Central Luzon	3,163	796	25.2	63.9
Region IVA - CALABARZON	3,938	992	25.2	67.7
Region IVB - MIMAROPA	1,008	161	16.0	63.0
Region V- Bicol	1,952	389	19.9	66.9
Region VI - Western Visayas	2,789	561	20.1	64.7
Region VII - Central Visayas	2,423	541	22.3	67.8
Region VIII - Eastern Visayas	1,653	365	22.1	66.3
Region IX - Zamboanga Peninsula	1,298	252	19.4	65.9
Region X - Northern Mindanao	1,769	363	20.5	66.9
Region XI - Davao	1,687	371	22.0	65.4
Region XII - SOCCSKSARGEN	1,518	309	20.4	67.2
Region XIII - Caraga	988	225	22.8	66.6
Autonomous Region in Muslim Mindanao	928	277	29.8	59.2
<b>Nature of Employment</b>				
Permanent Job/Business	25,895	6,464	25.0	66.3
Short-term/Seasonal/Casual	6,172	1,001	16.2	64.6
Different Employers (from day to day or week to week basis)	895	89	9.9	60.9
<b>Class of Worker</b>				
Wage and Salary Workers	16,793	3,738	22.3	65.3
Private Households	1,639	987	60.2	68.9
Private Establishments	12,489	2,506	20.1	63.9
Own-Family Operated Farm/Business	126	39	31.0	66.0
Government/Government Corporations	2,539	206	8.1	64.8
Self-Employed	10,665	2,970	27.8	67.1
Employers	1,467	322	21.9	66.4
Unpaid Family Workers	4,037	523	13.0	64.9

**TABLE 2 - Employed Who Worked More Than 48 Hours During the Past Week  
by Region and Selected Economic Characteristics, Philippines: 2006 (cont'd.)**

Region and Selected Economic Characteristics	Total Employed (in 000)	Employed Who Worked More Than 48 Hours		
		Number (in 000)	As % of Total Employed	Average Hours Worked
<b>Philippines</b>	<b>32,962</b>	<b>7,554</b>	<b>22.9</b>	<b>66.0</b>
<b>Major Industry Group</b>				
Agriculture, Hunting and Forestry	10,395	808	7.8	57.3
Fishery	1,418	295	20.8	64.4
Mining and Quarrying	141	27	19.1	61.3
Manufacturing	3,058	568	18.6	64.1
Electricity, Gas and Water	129	14	10.9	62.0
Construction	1,678	172	10.3	58.0
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	6,283	2,705	43.1	69.2
Hotels and Restaurants	893	324	36.3	66.9
Transport, Storage and Communications	2,492	1,025	41.1	64.9
Financial Intermediation	350	24	6.9	59.5
Real Estate, Renting and Business Activities	798	218	27.3	67.5
Public Administration and Defense, Compulsory Social Security	1,510	164	10.9	65.9
Education	1,013	26	2.6	58.9
Health and Social Work	366	37	10.1	61.8
Other Community, Social and Personal Service Activities	813	160	19.7	64.2
Private Households with Employed Persons	1,625	986	60.7	68.9
Other Extra-Territorial Organizations and Bodies	2	a	10.6	73.0
<b>Major Occupation Group</b>				
Officials of Government and Special-interest Groups, Corporate Executives, Managers, Managing Proprietors and Supervisors	3,886	1,885	48.5	70.9
Professionals	1,426	73	5.1	60.1
Technicians and Associate Professionals	893	82	9.2	62.8
Clerks	1,526	183	12.0	62.5
Service Workers and Shop and Market Sales Workers	3,138	1,132	36.1	67.0
Farmers, Forestry Workers and Fishermen	6,205	690	11.1	59.4
Trades and Related Workers	2,814	415	14.7	61.1
Plant and Machine Operators and Assemblers	2,491	947	38.0	64.9
Laborers and Unskilled Workers	10,434	2,101	20.1	65.3
Special Occupations	148	47	31.8	68.5

**Notes:**

1. Estimates based on 1995 Census-based population projections.

2. Statistics pertain to the employed in their primary jobs.

3. Details may not add up to respective totals due to rounding.

a Less than 500.

Source of basic data: National Statistics Office, Labor Force Survey-Public Use Files.

**TABLE 3 - Average Basic Pay Per Day of Wage and Salary Workers  
and Those Who Worked More Than 48 Hours During the Past Week by Region  
and Selected Economic Characteristics, Philippines: 2006**

Region and Selected Economic Characteristics	Average Basic Pay Per Day (₱)	
	Total Wage and Salary Workers	Wage and Salary Workers Who Worked More Than 48 Hours
<b>Philippines</b>	<b>262.78</b>	<b>199.90</b>
<b>Region</b>		
National Capital Region	363.43	271.20
Cordillera Administrative Region	300.05	218.48
Region I - Ilocos Region	227.91	175.99
Region II - Cagayan Valley	194.66	148.84
Region III - Central Luzon	281.38	218.64
Region IVA - CALABARZON	293.54	220.08
Region IVB - MIMAROPA	229.95	162.58
Region V- Bicol	217.33	160.37
Region VI - Western Visayas	206.96	140.13
Region VII - Central Visayas	202.54	169.85
Region VIII - Eastern Visayas	216.05	128.42
Region IX - Zamboanga Peninsula	202.85	173.25
Region X - Northern Mindanao	223.16	171.15
Region XI - Davao	220.60	153.37
Region XII - SOCCSKSARGEN	199.15	148.40
Region XIII - Caraga	202.69	154.22
Autonomous Region in Muslim Mindanao	232.78	210.97
<b>Nature of Employment</b>		
Permanent Job/Business	292.81	210.62
Short-term/Seasonal/Casual	191.12	162.23
Different Employers (from day to day or week to week basis)	155.13	154.07
<b>Wage and Salary Workers</b>		
Private Households	114.66	100.84
Private Establishments	251.66	227.93
Own-Family Operated Farm/Business	202.01	187.54
Government/Government Corporations	433.38	429.56



**TABLE 3 - Average Basic Pay Per Day of Wage and Salary Workers and Those Who Worked More Than 48 Hours During the Past Week by Region and Selected Economic Characteristics, Philippines: 2006 (cont'd.)**

Region and Selected Economic Characteristics	Average Basic Pay Per Day (₱)	
	Total Wage and Salary Workers	Wage and Salary Workers Who Worked More Than 48 Hours
<b>Philippines</b>	<b>262.78</b>	<b>199.90</b>
<b>Major Industry Group</b>		
Agriculture, Hunting and Forestry	130.06	138.68
Fishery	156.88	169.77
Mining and Quarrying	200.75	230.25
Manufacturing	265.82	240.36
Electricity, Gas and Water	441.36	395.36
Construction	263.66	269.70
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	228.72	168.92
Hotels and Restaurants	238.33	200.00
Transport, Storage and Communications	327.80	297.69
Financial Intermediation	493.37	392.10
Real Estate, Renting and Business Activities	363.54	305.95
Public Administration and Defense, Compulsory Social Security	414.62	420.25
Education	460.12	418.67
Health and Social Work	394.58	462.14
Other Community, Social and Personal Service Activities	269.52	268.15
Private Households with Employed Persons	113.94	100.41
Other Extra-Territorial Organizations and Bodies	441.29	159.37
<b>Major Occupation Group</b>		
Officials of Government and Special-interest Groups, Corporate Executives, Managers, Managing Proprietors and Supervisors	631.40	572.47
Professionals	519.97	577.38
Technicians and Associate Professionals	415.77	366.93
Clerks	332.18	319.70
Service Workers and Shop and Market Sales Workers	221.42	195.68
Farmers, Forestry Workers and Fishermen	161.09	175.01
Trades and Related Workers	248.60	240.81
Plant and Machine Operators and Assemblers	264.14	269.11
Laborers and Unskilled Workers	146.22	116.16
Special Occupations	457.99	457.59

**Notes:**

1. Estimates based on 1995 Census-based population projections.

2. Average basic pay per day relates to wage and salary workers with reported basic pay in their primary jobs.

Source of basic data: National Statistics Office, Labor Force Survey-Public Use Files.