

HIGHLIGHTS OF THE OCTOBER 2007 LABOR FORCE SURVEY



Overview

Employment continued to grow (1.5%) in October 2007 despite of the adverse impact of the dry spell on agricultural employment. Growth was posted highest in industry sector (3.7%) driven by the strong growth in construction sub-sector (7.0%). On the other hand, service sector employment grew at a modest pace (1.9%) on account of the decline in wholesale and retail trade and hotels and restaurants. The quality of employment improved as more people found full-time work and the incidence of underemployment fell by more than one percentage point (20.4% to 18.1%). Similarly, unemployment declined both in terms of rate (7.3% to 6.3%) and magnitude.

Starting with January 2007 Labor Force Survey (LFS), the population projections based on the 2000 Census of Population was adopted to generate the labor force statistics. This is in compliance with NSCB Resolution No. 1 series 2005 "Adoption of the Methodology Used in Generating the 2000 Census of Population and Housing-Based National Population Projections."

Labor Force

The country's working age population grew by 1.6% (+876,000) over the period. This was accompanied by a much slower growth in the labor force which expanded by a mere 0.3% (+111,000) to reach 35,919 million.

This occurred as more people stayed out of the labor force in October as reflected by the increase in the number of "persons not in the labor force" by 765,000 or 3.8% - from 20.180 million to 20.945 million.

As a consequence, labor force participation rate (LFPR) in October dropped by almost a full percentage point (-0.8%) to 63.2%. This is the lowest participation rate recorded in all survey rounds of 2007.

**Table 1. KEY EMPLOYMENT INDICATORS
PHILIPPINES: October 2006-2007
(in thousands except rates)**

Indicator	Oct. 2007 ^p	Oct. 2006	Year-on-Year Change
Household Population 15 Years Old and Over	56,864	55,988	876
Labor Force	35,919	35,808	111
– Employed Persons	33,671	33,188	483
– Unemployed Persons	2,248	2,620	-372
Underemployed Persons	6,104	6,762	-658
– Visibly underemployed	3,568	4,168	-600
Not in the Labor Force	20,945	20,180	765
LFPR (%)	63.2	64.0	
Unemployment Rate (%)	6.3	7.3	
Underemployment Rate (%)	18.1	20.4	
– Visible Under-employment Rate (%)	10.6	12.6	

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

Employment

Employment level expanded by 1.5% in October. Total employed persons increased to 33.671 million from 33.188 million a year ago of the same period. This translates to additional new employed of nearly half a million (+483,000) persons.

- Growth in employment was highest in the industry sector which grew by 3.7% (+181,000) - mainly on the strength of the robust increase in employment in the construction sub-sector (+7.0% or +114,000).
- Service sector employment grew by a modest 1.9% (+313,000) with transport, storage and communications (+130,000), private households with employed persons (+72,000) and real estate, renting and business activities (+68,000) as main employment generators. On the other hand, slump were noted in wholesale and retail trade (-51,000) and hotels and restaurants (-9,000).
- Employment in the combined agriculture, hunting and forestry was about unchanged from last year (+0.1% or +9,000). Meanwhile, employment in the fishing sector fell slightly by 1.4% (-20,000) over the period.
- Persons in full-time employment rose by 5.2% (+1.063 million) while those in part-time employment fell by 3.1% (-384,000).

- Growth also occurred among wage and salary workers (+442,000) and self-employed workers (+292,000) while decline was noted among employers (-99,000) and unpaid family workers (-151,000).

Underemployment

- The number of underemployed persons who want or expressed the desire for additional hours of work declined by 658,000 – from 6.762 million to 6.104 million. This corresponds to underemployment rate of 18.1%, down from 20.4% a year before.
- Invisibly underemployed persons (i.e., person who worked 40 hours or more a week and still wanting additional hours of work) also declined by 600,000 – from 4.168 million to 3.568 million.

UNEMPLOYMENT

Unemployment fell both in terms of rate (from 7.3% to 6.3%) and number (from 2.620 million to 2.248 million).

- The unemployed workforce were dominated by young persons 15 to 25 years old which comprised a little more than half (51.0% or 1.146 million) of the total unemployed. Persons in the prime working age 25 to 54 years old ranked a close second (45.1% or 1.013 million) and those aged 55 years old and over constituted 4.0% (89,000).

- Nearly two in every three unemployed were men (1.427 million or 63.5%).
- The majority (46.2% or 1.038 million) were high school graduates or undergraduates. Equally large were college undergraduates and graduates (39.5% or 888,000). Only a small proportion were elementary educated (13.7% or 308,000) or without formal school training (0.7% or 15,000).

FOR INQUIRIES:

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**Table 1 - KEY EMPLOYMENT INDICATORS
PHILIPPINES: OCTOBER 2006 AND 2007**
(in thousands except rates)

Indicator	October 2007 ^p	October 2006	Year-on-Year Change
Household Population 15 Years Old and Over	56,864	55,988	1.6
Labor Force	35,919	35,808	0.3
- Employed Persons	33,671	33,188	1.5
- Unemployed Persons	2,248	2,620	-14.2
Underemployed Persons	6,104	6,762	-9.7
- Visibly underemployed	3,568	4,168	-14.4
Not in the Labor Force	20,945	20,180	3.8
LFPR (%)	63.2	64.0	
Unemployment Rate (%)	6.3	7.3	
Underemployment Rate (%)	18.1	20.4	
- Visible Underemployment Rate (%)	10.6	12.6	

^p Preliminary.

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

**Table 2 - SUMMARY STATISTICS ON EMPLOYMENT
PHILIPPINES: OCTOBER 2006 AND 2007**
(In thousands except rates)

INDICATOR	2007 ^p	2006	Increment	Year-on-Year Growth Rate (%)
EMPLOYED PERSONS	33,671	33,188	483	1.5
SECTOR				
Agriculture, Fishery and Forestry	12,155	12,166	-11	-0.1
Agriculture, Hunting and Forestry	10,763	10,754	9	0.1
Fishing	1,392	1,412	-20	-1.4
Industry	5,079	4,898	181	3.7
Mining and Quarrying	136	136	0	0.0
Manufacturing	3,061	3,012	49	1.6
Electricity, Gas and Water	141	123	18	14.6
Construction	1,741	1,627	114	7.0
Services	16,437	16,124	313	1.9
Wholesale and Retail Trade	6,176	6,227	-51	-0.8
Hotels and Restaurants	905	914	-9	-1.0
Transport, Storage & Communications	2,599	2,469	130	5.3
Financial Intermediation	384	372	12	3.2
Real Estate, Renting & Business Activities	881	813	68	8.4
Public Administration & Defense, Compulsory Social Security	1,568	1,541	27	1.8
Education	1,043	1,009	34	3.4
Health and Social Work	396	376	20	5.3
Other Community, Social & Personal Service Activities	780	773	7	0.9
Private Households with Employed Persons	1,701	1,629	72	4.4
Extra-Territorial Organizations	3	2	1	50.0
STATUS OF EMPLOYMENT				
Wage and Salary Workers	17,203	16,761	442	2.6
Self-employed Workers	10,870	10,578	292	2.8
Employers	1,418	1,517	-99	-6.5
Unpaid Family Workers	4,181	4,332	-151	-3.5
HOURS OF WORK				
40 Hours and Over (Full-Time Employment)	21,576	20,513	1,063	5.2
Less than 40 Hours (Part-Time Employment)	11,816	12,200	-384	-3.1
Did Not Work	280	474	-194	-40.9

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

p Preliminary.

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

**Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYMENT
PHILIPPINES: OCTOBER 2006 AND 2007**
(in thousands except percent)

INDICATOR	2007 ^p	2006	Increment
UNDEREMPLOYED PERSONS	6,104	6,762	-658
HOURS WORKED			
- Worked less than 40 hours/week	3,568	4,168	-600
- Worked more than 40 hours/week	2,446	2,422	24
- With a job but not at work	90	172	-82
SECTOR			
- Agriculture	2,969	3,262	-293
- Industry	876	1,028	-152
- Services	2,260	2,472	-212
Underemployment rate (%)	18.1	20.4	
Visible underemployment rate (%)	10.6	12.6	

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

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

**Table 4 - SUMMARY STATISTICS ON UNEMPLOYMENT
PHILIPPINES: OCTOBER 2006 AND 2007**
(in thousands except percent)

INDICATOR	Total Unemployed Persons		Percent Share (%)		Increment
	2007	2006	2007	2006	
TOTAL	2,248	2,620	100.0	100.0	-372
Sex					
Male	1,427	1,684	63.5	64.3	-257
Female	821	936	36.5	35.7	-115
Age Group					
15-24 years old	1,146	1,297	51.0	49.5	-151
25-54 years old	1,013	1,225	45.1	46.8	-212
55 years old and over	89	96	4.0	3.7	-7
Not Reported	0	0	0.0	0.0	0
Highest Grade Completed					
No Grade Completed	15	13	0.7	0.5	2
Elementary	308	368	13.7	14.0	-60
Undergraduate	137	156	6.1	6.0	-19
Graduate	171	212	7.6	8.1	-41
High School	1,038	1,191	46.2	45.5	-153
Undergraduate	292	316	13.0	12.1	-24
Graduate	746	875	33.2	33.4	-129
College	888	1,047	39.5	40.0	-159
Undergraduate	487	550	21.7	21.0	-63
Graduate	401	497	17.8	19.0	-96

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

p Preliminary.

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

**Table 5 - RATES OF LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
AND UNDEREMPLOYMENT BY REGION: OCTOBER 2007**
(in Percent)

Region	Labor Force Participation Rate ^p	Employment Rate ^p	Unemployment Rate ^p	Underemployment Rate ^p
PHILIPPINES	63.2	93.7	6.3	18.1
NCR	61.2	89.4	10.6	11.5
CAR	65.7	96.9	3.1	17.9
Region I	60.5	93.2	6.8	13.8
Region II	67.2	97.7	2.3	14.1
Region III	59.8	91.4	8.6	7.4
Region IV-A	62.7	92.0	8.0	15.8
Region IV-B	17.3	96.3	3.7	25.0
Region V	64.2	95.8	4.2	34.8
Region VI	63.5	94.0	6.0	22.0
Region VII	63.1	94.1	5.9	11.3
Region VIII	64.6	96.8	3.2	27.3
Region IX	62.6	97.1	2.9	19.8
Region X	71.2	94.9	5.1	34.0
Region XI	65.6	95.1	4.9	15.5
Region XII	65.1	95.2	4.8	19.6
ARMM	56.7	95.8	4.2	21.5
Caraga	65.8	97.0	3.0	25.7

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

^p Preliminary.

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