

2008 SURVEY OF EMPLOYMENT IN NON-AGRICULTURAL ESTABLISHMENTS (First of a series)

This issue of LABSTAT Updates is the first in the series of reports based on statistics culled from the results of the 2007/2008 BLES Integrated Survey (BITS). The BITS is a nationwide sample survey covering 6,460 non-agricultural establishments with at least 20 workers. This issue presents estimates on employment level, growth rate and distribution across the twelve (12) major industry groups covered in the survey.

OVERVIEW

Statistics in this report present a snapshot of the estimated number of persons engaged by the establishments as of June 2008. As used in this survey, the term "total employment" refers to the sum of total establishment employment as of the payroll period June 30, 2008.

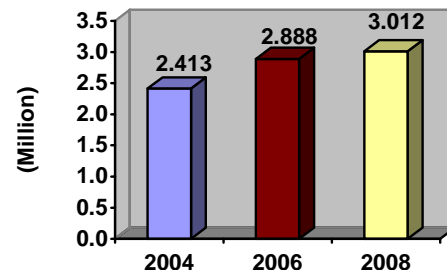
Specifically, the term employment is defined in this survey as the number of persons who worked or received pay from the establishment including those working away from the establishment but paid by and under its control (e.g., bus drivers). The former includes working owners without regular pay and unpaid workers while the latter includes all paid employees (managers and executives, supervisors/foremen and rank and file workers that include both regular and non-regular workers) and persons on paid vacation, paid leaves and those on strike.

SURVEY RESULTS

Total Employment

- Total employment in non-agricultural establishments with 20 or more employed workers was estimated at 3.012 million as of the payroll period June 30, 2008.
- This figure represents an increase of 124,000 employed persons or a growth rate of 4.3% over the employment estimates reported in the 2006 BITS and 24.8% (+599,000) over the employment estimates in the 2004 BITS.

FIG. 1 - Total Employment in Non-agricultural Establishments with 20 or More Workers, Philippines: 2004, 2006 and 2008



Source of data: Bureau of Labor and Employment Statistics, BLES Integrated Survey.

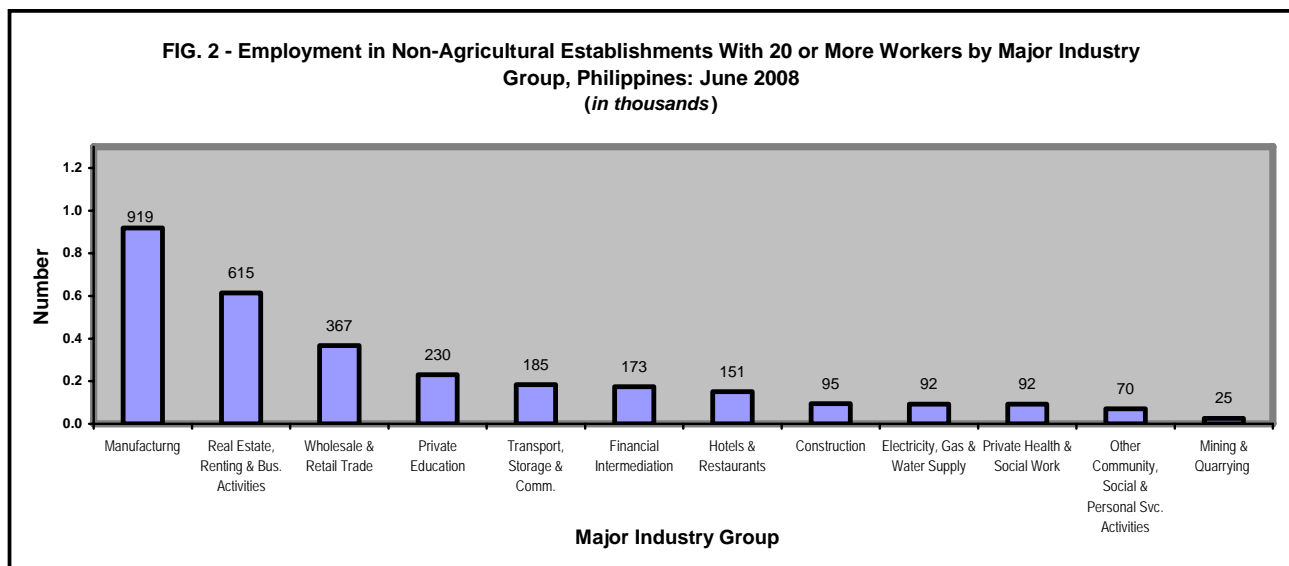
- Classified by two broad sectors, nearly two-thirds (62.5%) or 1.881 million were employed in the services sector and the rest (37.5%) or 1.131 million in the industry sector.
- Notable shift in employment pattern occurred over the 2006-2008 period as the share of the services sector expanded by 5.7 percentage points increasing from 56.8% to 62.5% while the industry share correspondingly fell from 43.2% to 37.5%. (Table 1)

Employment Distribution by Major Industry Group

- Total employment in the covered non-agricultural establishments was dominated by three (3) sub-sectors. Manufacturing which is viewed as the backbone of the industry continued to account for the largest share at 30.5% or 919,400. Real, estate, renting and business services ranked far

second (20.4% or 614,500) followed by wholesale and retail trade (12.2% or 367,500).

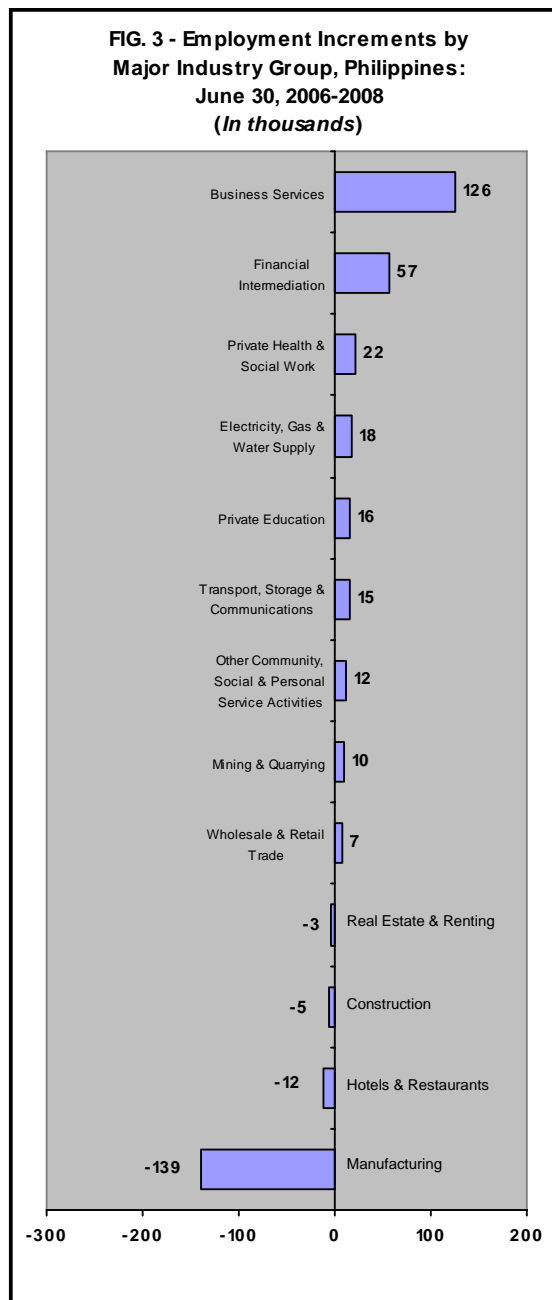
- Relatively large number of employment were also reported in private education (229,700 or 7.6%); transport, storage and communications (184,700 or 6.1%); financial intermediation (172,600 or 5.7%); and hotels and restaurants (150,500 or 5.0%).
- The rest of the employed were spread thinly across the other five (5) industries, namely: electricity, gas and water (91,600 or 3.0%); construction (95,200 or 3.2%); private health and social work (91,500 or 3.0%); other community, social and personal service activities (69,900 or 2.3%); and mining and quarrying which has the smallest workforce at 24,700 or less than one percent (0.8%) of total establishment employment.



Source of data: Bureau of Labor and Employment Statistics, BLES Integrated Survey.

Employment Growth Rates

- Overall, employment in the service sector grew by 14.6% over the 2006-2008 period. The gains in employment occurred in all sub-sectors except in hotels and restaurants.
- On the other hand, industry employment contracted (-9.3%) over the same period due to large losses in manufacturing employment.
- The biggest employment gain came from business services (+126,000). Employment level in this industry group increased by 27.1% over the two-year period and is now ranked second to manufacturing in terms of employment. Growth was driven by the continued expansion in business process outsourcing (BPO).
- Financial intermediation contributed the second largest gain (+56,600) as it grew by 48.8% over the same period.
- Robust growth (72.0%) occurred in mining and quarrying as its workforce almost doubled over the period under review - from 14,400 to 24,700.
- Other major gainers were private health and social work (+21,900); electricity, gas and water supply (+17,900); private education services (+16,300); and transport, storage and communications (+15,000).
- Reduction in employment occurred in three industry groups with manufacturing posting the biggest decline (-139,400) followed by hotels and restaurants (-12,100) and construction (-4,500).



Source of data: Bureau of Labor and Employment Statistics, BLES Integrated Survey.

FOR INQUIRIES:

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**TABLE 1 - Total Employment in Non-Agricultural Establishments With 20 or More Workers
By Major Industry Group, Philippines: June 2006-2008**

Major Industry Group	2008		2006		2004		2006-2008 Change	
	Number	%	Number	%	Number	%	Number	Growth Rate (%)
ALL INDUSTRIES	3,011,801	100.0	2,887,510	100.0	2,413,443	100.0	124,291	4.3
INDUSTRY	1,130,866	37.5	1,246,571	43.2	1,049,664	43.5	-115,705	-9.3
Mining and Quarrying	24,721	0.8	14,372	0.5	10,710	0.4	10,349	72.0
Manufacturing	919,387	30.5	1,058,824	36.7	894,932	37.1	-139,437	-13.2
Electricity, Gas and Water Supply	91,606	3.0	73,693	2.6	59,273	2.5	17,913	24.3
Construction	95,152	3.2	99,682	3.5	84,749	3.5	-4,530	-4.5
SERVICES	1,880,935	62.5	1,640,940	56.8	1,363,779	56.5	239,995	14.6
Wholesale and Retail Trade	367,460	12.2	360,379	12.5	367,703	15.2	7,081	2.0
Hotels and Restaurants	150,501	5.0	162,643	5.6	127,709	5.3	-12,142	-7.5
Transport, Storage and Communications	184,713	6.1	169,651	5.9	189,025	7.8	15,062	8.9
Financial Intermediation	172,620	5.7	115,984	4.0	101,788	4.2	56,636	48.8
Real Estate, Renting and Business Services	614,529	20.4	491,277	17.0	269,793	11.2	123,252	25.1
<i>Real Estate and Renting</i>	23,944	0.8	26,722	0.9	25,553	1.1	-2,778	-10.4
<i>Business Services</i>	590,584	19.6	464,555	16.1	244,241	10.1	126,029	27.1
<i>Call Center Including Medical Transcription</i>	247,085	8.2	109,933	3.8	-	-	137,152	124.8
<i>Other Business Activities</i>	343,499	11.4	354,622	12.3	244,241	10.1	-11,123	-3.1
Private Education Services	229,710	7.6	213,398	7.4	192,351	8.0	16,312	7.6
Private Health and Social Work	91,518	3.0	69,573	2.4	59,631	2.5	21,945	31.5
Other Community, Social and Personal Service Activities	69,884	2.3	58,035	2.0	55,779	2.3	11,849	20.4

Source of data: Bureau of Labor and Employment Statistics, 2007/2008 BLES Integrated Survey.