

## HIGHLIGHTS OF THE JANUARY 2009 LABOR FORCE SURVEY



### Overview

The employment situation in January 2009 remained essentially stable with little changes in employment, unemployment and underemployment, results of the latest Labor Force Survey (LFS) indicates. Employment continued to grow though at a modest pace (1.7%). The services sector was the main source of growth (3.8%) since little growth occurred in the combined agriculture, fishery and forestry sector (0.4%) while industry sector employment (-2.4%) was on the slump. Wage and salary employment grew by 2.8% while the incidence of underemployment fell slightly by 0.7 percentage point to 18.2%. On the downside, full-time employment fell (-0.8%) while part-time employment increased (4.8%).

Unemployment rate rose by a scant 0.3 percentage point to 7.7% which is less serious than earlier expected amidst the global economic downturn. Similarly, the labor force participation rate (LFPR) was unchanged at 63% from the rate reported a year ago.

### Labor Force

The country's labor force expanded by 2.0% or less than a million (+745,000) in January 2009. This figure is slightly lower compared with the 2.2% growth in household population 15 years old and over. As a consequence, the LFPR was virtually unchanged from last year at 63.3% from 63.4%. (Table 1)

### Employment

Employment level grew by 1.7% year-on-year, increasing from 33.693 million to 34.258 million. This indicates a net addition or new employment generated of more than half a million (+565,000). This figure represents an improvement from last year's sluggish growth rate of 0.4% (+148,000). (Table 2)

**Table 1 - KEY EMPLOYMENT INDICATORS  
PHILIPPINES: JANUARY 2008-2009**  
(in thousands except rates)

Indicator	Jan. 2009 <sup>p</sup>	Jan. 2008	Year-on-Year Change
Household Population 15 Years Old and Over	58,657	57,390	1,267
Labor Force	37,113	36,368	745
- Employed Persons	34,258	33,693	565
- Unemployed Persons	2,855	2,675	180
Underemployed Persons	6,238	6,368	-130
- Visibly underemployed	3,986	4,024	-38
Not in the Labor Force	21,544	21,022	522
LFPR (%)	63.3	63.4	
Unemployment Rate (%)	7.7	7.4	
Underemployment Rate (%)	18.2	18.9	
- Visible Under-employment Rate (%)	11.6	11.9	

<sup>p</sup> Preliminary.

Source: National Statistics Office, Labor Force Survey.

- The services sector continued to provide the dominant source of employment expanding by 3.8% (+638,000) year-on-year with wholesale and retail trade (+300,000), real estate, renting and business activities (+140,000) and education (+74,000) as the major gainers.

Other gainers were public administration and defense, compulsory social security (+47,000); health and social work (+45,000); private households with employed persons (+39,000); and hotels and restaurants (+21,000).

These offset the employment cutbacks in transport, storage and communications (-15,000) and financial intermediation (-28,000).

- Employment remained sluggish in agriculture, hunting and forestry (0.3% or +33,000) as well as in fishing (1.2% or +17,000). This was due in part to bad weather conditions that prevailed at the start of the year.
- The impact of the global crisis was most pronounced in the industry sector which suffered a 2.4% (-121,000) drop in employment. Manufacturing absorbed the full brunt of the crisis as it posted the biggest employment cutback (-3.8% or -112,000) across sub-sectors.

Employment also fell in construction (-17,000); was up in electricity, gas and water (+8,000); and unchanged in mining and quarrying.

- By class of worker, employment rose among wage and salary workers (+488,000), employers

(+131,000) and unpaid family workers (+104,000). Meanwhile, the number of self-employed workers fell (-156,000).

- Full-time employment also declined (-0.8% or -174,000) year-on-year while part-time employment posted a sharp increase (+574,000) – a clear manifestation of the impact of the global crisis on the labor market.
- Employment growth occurred in all but three regions. The top three gainers were Regions IX (+82,000), XII (+75,000) and I (+73,000).

The three (3) regions which suffered employment losses were Region XI (-48,000), NCR (-37,000) and CAR (-1,000).

### Underemployment

- The number of employed persons who wanted or expressed the desire for additional hours of work declined by 130,000 to 6.238 million. This figure corresponds to 18.2% of total employed, down from 18.9% a year before. (*Table 3*)
- Persons who worked less than 40 hours during the reference week and wanting additional hours of work (*time-rated underemployment*) also declined over the period by 101,000 to 3.795 million.

### Unemployment

The January 2009 unemployment rate recorded a marginal increase of 0.3 percentage point, from 7.4% to 7.7%. This was considerably lower than earlier expected considering the economic setback brought about by the global financial crisis. (*Table 4*)

In absolute terms, the total number of unemployed was placed at 2.855 million in January 2009 - an increase of 6.7% (+180,000) from the year ago level. This occurred as the modest growth in employment (1.7%) was accompanied by higher increase in the labor force (2.0%) and the growth in household population 15 years old and over (2.2%) as indicated earlier. (Table 1-A)

- Nearly half (49.2% or 1.405 million) of the total unemployed workforce were young workers (aged 15 to 24 years old). Youth unemployment rate at 16.6% was more than twice the national average. This rate was about the same last year. (Table 4)
- About two in every three unemployed were men (1.829 million or 64.1%). Men

unemployment rate at 8.0% was of little change from last year at 7.8% while women unemployment rate rose from 6.7% to 7.2% over the period.

- The majority (44.7% or 1.275 million) were high school graduates or undergraduates. Equally large were college undergraduates and graduates (40.5% or 1.156 million).
- Five regions posted unemployment rates higher than the national rate. These were: NCR (14.0%), Region I (8.5%), Region III (9.7%), Region IV-A (10.9%) and Region VII (7.8%). (Table 5)
- The remaining regions had unemployment rates ranging from 2.4% (ARMM) to 6.3% (Caraga).

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**Table 1-A - KEY EMPLOYMENT INDICATORS**  
**PHILIPPINES: JANUARY 2007, 2008 and 2009**  
(in thousands except rates)

INDICATOR	Jan. 2009 <sup>P</sup>	Jan. 2008	Jan. 2007	Increment		Growth Rate	
				2008- 2009	2007- 2008	2008- 2009	2007- 2008
Population 15 Years Old and Over	58,657	57,390	56,145	1,267	1,245	2.2	2.2
Labor Force	37,113	36,368	36,395	745	-27	2.0	-0.1
- Employed	34,258	33,693	33,545	565	148	1.7	0.4
- Unemployed	2,855	2,675	2,850	180	-175	6.7	-6.1
Underemployed	6,238	6,368	7,214	-130	-846	-2.0	-11.7
- Visible underemployment <sup>1</sup>	3,986	4,024	4,320	-38	-296	-0.9	-6.9
Not in the Labor Force	21,544	21,022	19,750	522	1,272	2.5	6.4
Labor Force Participation Rate (%)	63.3	63.4	64.8				
Unemployment Rate (%)	7.7	7.4	7.8				
Underemployment Rate (%)	18.2	18.9	21.5				
Visible Underemployment Rate (%)	11.6	11.9	12.9				

<sup>P</sup>Preliminary.

<sup>1</sup> Includes number of underemployed persons who were with jobs but did not work during the reference period.

Source: National Statistics Office, Labor Force Survey.

**Table 2 - SUMMARY STATISTICS ON EMPLOYMENT**  
**PHILIPPINES: JANUARY 2007, 2008 and 2009**  
(in thousands except rates)

INDICATOR	2009 <sup>p</sup>	2008	2007	Increment (2008- 2009)	Year- on-Year Growth Rate (%)
<b>EMPLOYED PERSONS</b>	<b>34,258</b>	<b>33,693</b>	<b>33,545</b>	<b>565</b>	<b>1.7</b>
<b>SECTOR</b>					
<b>Agriculture, Fishery and Forestry</b>	<b>11,842</b>	<b>11,793</b>	<b>11,639</b>	<b>49</b>	<b>0.4</b>
Agriculture, Hunting and Forestry	10,442	10,409	10,211	33	0.3
Fishing	1,400	1,383	1,428	17	1.2
<b>Industry</b>	<b>4,860</b>	<b>4,981</b>	<b>4,977</b>	<b>-121</b>	<b>-2.4</b>
Mining and Quarrying	152	152	144	-	-
Manufacturing	2,851	2,963	3,041	-112	-3.8
Electricity, Gas and Water	134	126	124	8	6.3
Construction	1,723	1,740	1,668	-17	-1.0
<b>Services</b>	<b>17,557</b>	<b>16,919</b>	<b>16,929</b>	<b>638</b>	<b>3.8</b>
Wholesale and Retail Trade	6,633	6,333	6,418	300	4.7
Hotels and Restaurants	985	964	964	21	2.2
Transport, Storage & Communications	2,659	2,674	2,604	-15	-0.6
Financial Intermediation	336	364	344	-28	-7.7
Real Estate, Renting & Bus. Activities	1,044	904	910	140	15.5
Public Administration & Defense, Compulsory Social Security	1,659	1,612	1,541	47	2.9
Education	1,157	1,083	1,032	74	6.8
Health and Social Work	435	390	388	45	11.5
Other Community, Social & Personal Service Activities	858	846	858	12	1.4
Private Households w/ Employed Persons	1,786	1,747	1,869	39	2.2
Extra-Territorial Organizations	3	2	2	1	50.0
<b>STATUS OF EMPLOYMENT</b>					
Wage and Salary Workers	17,909	17,421	17,911	488	2.8
Self-employed Workers	10,724	10,880	10,194	-156	-1.4
Employers	1,412	1,281	1,570	131	10.2
Unpaid Family Workers	4,214	4,110	3,870	104	2.5
<b>HOURS OF WORK</b>					
Less than 40 Hours (Part-Time Employment)	12,450	11,876	12,046	574	4.8
40 Hours and Over (Full-Time Employment)	21,233	21,407	21,077	-174	-0.8
Did Not Work	575	410	422	165	40.2
<b>REGION</b>					
NCR	4,059	4,096	4,098	-37	-0.9
CAR	677	678	659	-1	-0.1
Region I	1,866	1,793	1,731	73	4.1
Region II	1,367	1,343	1,353	24	1.8
Region III	3,512	3,447	3,477	65	1.9
Region IV-A	4,222	4,171	4,181	51	1.2
Region IV-B	1,169	1,121	1,097	48	4.3
Region V	1,978	1,921	1,953	57	3.0
Region VI	2,842	2,788	2,893	54	1.9
Region VII	2,611	2,581	2,525	30	1.2
Region VIII	1,573	1,568	1,587	5	0.3
Region IX	1,323	1,241	1,260	82	6.6
Region X	1,763	1,719	1,678	44	2.6
Region XI	1,643	1,691	1,599	-48	-2.8
Region XII	1,579	1,504	1,484	75	5.0
Caraga	979	952	877	27	2.8
ARMM	1,094	1,078	1,094	16	1.5

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: JANUARY 2007, 2008 and 2009**  
(in thousands except percent)

INDICATOR	2009 <sup>p</sup>	2008	2007	Increment	
				2008-2009	2007-2008
<b>UNDEREMPLOYED PERSONS</b>	<b>6,238</b>	<b>6,368</b>	<b>7,214</b>	<b>-130</b>	<b>-846</b>
<b>Hours Worked</b>					
- Worked less than 40 hours/week	3,795	3,896	4,165	-101	-269
- Worked more than 40 hours/week	2,253	2,344	2,894	-91	-550
- With a job but not at work	191	128	154	63	-26
<b>Industry</b>					
- Agriculture	2,931	3,138	3,301	-207	-163
- Industry	942	952	1,083	-10	-131
- Services	2,365	2,278	2,828	87	-550
Underemployment rate (%)	18.2	18.9	12.4	-0.7	6.5
Visible underemployment rate (%) <sup>1</sup>	11.6	11.9	12.9	-0.3	-1.0

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

<sup>p</sup> Preliminary.

<sup>1</sup> Includes number of underemployed persons who were with jobs but did not work during the reference period.

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

**TABLE 4 – SUMMARY STATISTICS ON UNEMPLOYMENT**  
**PHILIPPINES: JANUARY 2009<sup>P</sup> and 2008**  
(In thousands except percent)

INDICATOR	Total Unemployed Persons		Percent Share (%)		Unemployment Rate (%)		Increment 2008-2009
	2009 <sup>P</sup>	2008	2009 <sup>P</sup>	2008	2009 <sup>P</sup>	2008	
<b>TOTAL</b>	<b>2,855</b>	<b>2,675</b>	<b>100.0</b>	<b>100.0</b>	<b>7.7</b>	<b>7.4</b>	<b>180</b>
<b>Sex</b>							
Male	1,829	1,741	64.1	65.1	8.0	7.8	88
Female	1,026	935	35.9	35.0	7.2	6.7	91
<b>Age Group</b>							
15-24 years old	1,405	1,328	49.2	49.6	16.6	16.9	77
25-54 years old	1,331	1,245	46.6	46.5	5.8	5.2	86
55 years old and over	119	102	4.2	3.8	2.8	2.2	17
Not Reported	-	-	-	-	-	-	-
<b>Highest Grade Completed</b>							
No Grade Completed	11	10	0.4	0.4			1
Elementary	412	396	14.4	14.8			16
Undergraduate	183	180	6.4	6.7			3
Graduate	229	215	8.0	8.0			14
High School	1,275	1,238	44.7	46.3			37
Undergraduate	343	343	12.0	12.8			0
Graduate	932	895	32.6	33.5			37
College	1,156	1,032	40.5	38.6			124
Undergraduate	634	551	22.2	20.6			83
Graduate	522	481	18.3	18.0			41

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.

**TABLE 5 - RATES OF LABOR FORCE, EMPLOYMENT,  
UNEMPLOYMENT AND UNDEREMPLOYMENT  
BY REGION: JANUARY 2009<sup>P</sup>**  
(In percent)

Region	Labor Force Participation Rate	Employment Rate	Unemployment Rate	Underemployment Rate
<b>PHILIPPINES</b>	<b>63.3</b>	<b>92.3</b>	<b>7.7</b>	<b>18.2</b>
NCR	60.9	86.0	14.0	12.4
CAR	66.9	95.7	4.3	18.3
Region I	62.3	91.5	8.5	20.9
Region II	66.1	97.1	2.9	14.1
Region III	60.2	90.3	9.7	4.9
Region IV-A	63.0	89.1	10.9	14.6
Region IV-B	69.4	95.5	4.5	26.3
Region V	63.8	93.9	6.1	38.0
Region VI	63.7	94.0	6.0	23.0
Region VII	63.2	92.2	7.8	14.0
Region VIII	63.9	94.4	5.6	25.1
Region IX	65.8	96.4	3.6	21.2
Region X	68.3	95.7	4.3	27.2
Region XI	64.6	94.2	5.8	19.1
Region XII	65.3	96.5	3.5	17.8
Caraga	66.9	93.7	6.3	28.9
ARMM	55.9	97.6	2.4	12.0

*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.*