

THE 2009 EMPLOYMENT SITUATION

(THE YEAR IN REVIEW)



Overview

The employment situation in 2009 remained essentially stable and even managed to achieve modest gains amidst the global financial crisis and the extreme weather disturbances that occurred in the second half of the year. Overall, employment growth for the entire year was placed at 2.9%, almost double the 1.6% growth in 2008. Growth occurred almost entirely in the services sector (5.4%) with little gains in the combined agriculture, fishery and forestry sector (0.1%) and industry sector (0.9%). The growth in employment this year, however, was marked by the sharp rise in part-time employment (8.4%) and corresponding decline in full-time employment (-0.5%).

Other key indicators of the economically active population posted no significant changes in 2009 compared with 2008 figures: unemployment rate was up by a marginal 0.1 percentage point to 7.5%; labor force participation rate (LFPR) rose by 0.4 percentage point to 64.0%; while underemployment rate was down by 0.2 percentage point to 19.1%.

Unless indicated, the figures cited in this report are the averages of the estimates from the four (4) rounds of the Labor Force Survey (LFS) conducted by the National Statistics Office (NSO) in the months of January, April, July and October. This methodology for arriving annual employment estimates is contained in NSCB Resolution No. 9 s. 2009 dated July 6, 2009.

Labor Force

More persons joined the labor market in 2009 as the country's stock of the labor force grew by 3.0%, increasing from 36.805 million to 37.892 million. This means an increment of 1.087 million new entrants and re-entrants to the labor force – an almost two-fold increase from the 2008 figure of 592,000.

Except in January, the quarterly increments in the labor force exceeded more than a million persons. This suggests that more persons exerted pressure in the labor market as compared with 2008. This is also reflected by the rise in the labor force participation rate (LFPR) to 64.0% from 63.6% in 2008.

Table 1 – LABOR FORCE, PHILIPPINES: 2008-2009
(in thousands except rates)

YEAR/ SURVEY ROUND	LABOR FORCE	Increment	Labor Force Participation Rate (%)
2009 (Ave.)^P	<u>37,892</u>	<u>1,087</u>	<u>64.0</u>
January	37,116	748	63.3
April	37,824	1,374	64.0
July	38,432	1,089	64.6
October ^P	38,196	1,138	64.0
2008 (Ave)	<u>36,805</u>	<u>592</u>	<u>63.6</u>
January	36,368	-27	63.4
April	36,450	54	63.2
July	37,343	1,201	64.3
October	37,058	1,140	63.7

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

Employment

Employment grew at sluggish pace in January (1.7% or +569,000). This was followed by a robust expansion in April (4.4% or +1.462 million) and moderate growth rates in July (2.6% or 916,000) and October (2.7% or +944,000).

On the average, employment growth in 2009 was placed at 2.9% - total employment increased from 34.089 million a year earlier to 35.061 million. This figure translates to a net addition of almost a million (972,000) employed persons in the labor force, an improvement from the previous year's growth record of 1.6% or half a million (529,000) gain in employment.

- The services sector continued to be the growth driver expanding by 5.4% (+917,000) from a year ago level. The top three contributors were wholesale and retail trade (+289,000); private households with employed persons (+154,000) and real estate, renting and business activities (+113,000).

Modest growth also occurred in transport, storage and communications (+89,000), public administration and defense, compulsory social security (+73,000), education (+67,000) and hotels and restaurants (+57,000).

- Agriculture, hunting and forestry employment fell (-0.2% or -22,000) in 2009 due to the series of tropical storms that hit Luzon island in the second half of the year. On the other hand, employment was up in the fishing sub-sector (+35,000).

Table 2 - TOTAL EMPLOYED PERSONS
PHILIPPINES: 2008-2009
(in thousands except rates)

YEAR/ SURVEY ROUND	Total Employed Persons	Incre- ment	Growth Rate (%)
2009 (Ave.)^P	<u>35,061</u>	<u>972</u>	<u>2.9</u>
January	34,262	569	1.7
April	34,997	1,462	4.4
July	35,509	916	2.6
October ^P	35,477	944	2.7
2008 (Ave.)	<u>34,089</u>	<u>529</u>	<u>1.6</u>
January	33,693	148	0.4
April	33,535	-169	-0.5
July	34,593	1,275	3.8
October	34,533	861	2.6

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

- Industry sector employment was positive but remained weak growing by less than one percent (0.9% or +43,000) over the previous year. Manufacturing employment continued its downtrend (-33,000) negating the gains in construction (+55,000), electricity, gas and water (+12,000) and mining and quarrying (+8,000).
- Persons in full-time employment fell slightly (-0.5% or -111,000) from last year while persons in part-time employment rose sharply by 8.4% (+1.008 million) over the period.
- Nearly all the gains in employment occurred among wage and salary workers (+835,000) while small increases occurred among self-employed workers (+71,000), employers (+11,000) and unpaid family workers (+55,000).
- Employment levels rose in all regions. The top three gainers were Region IV-A (+144,000), Region III (+107,000) and NCR (+87,000).

**Table 3 - TOTAL UNDEREMPLOYED AND VISIBLY UNDEREMPLOYED PERSONS
PHILIPPINES : 2008-2009**
(in thousands except rates)

YEAR/SURVEY ROUND	Under-employed Persons	Under-employment Rate (%)	Visibly Underemployed Persons ¹	Visible Underemployment Rate (%)
2009 (Ave.)^p	<u>6,692</u>	<u>19.1</u>	<u>4,088</u>	<u>11.7</u>
January	6,238	18.2	3,985	11.6
April	6,621	18.9	4,335	12.4
July	7,034	19.8	3,947	11.1
October ^p	6,875	19.4	4,085	11.5
2008 (Ave.)	<u>6,579</u>	<u>19.3</u>	<u>4,018</u>	<u>11.8</u>
January	6,368	18.9	4,024	11.9
April	6,625	19.8	4,025	12.0
July	7,293	21.1	4,183	12.1
October	6,029	17.5	3,841	11.1

^p Preliminary.

¹ Include 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.

Underemployment

Underemployment rate stood at 19.1% - almost unchanged from 19.3% in 2008. This corresponds to 6.692 million underemployed persons, up by 113,000 from last year. The underemployed were employed persons who expressed the desire for additional hours of work or additional job or an entirely new job with longer hours.

Of the total underemployed, around 61.1% (4.088 million) worked less than 40 hours a week or visibly underemployed. They accounted for 11.7% of total employed persons, down by 0.1 percentage point from last year.

Unemployment

With the growth in the labor force outstripping the growth in employment, the average unemployment rate in 2009 was up to 7.5% - as the number of unemployed persons rose by 115,000 to reach 2.831 million. However, this rate was not significantly different from the 7.4% recorded in 2008.

- By survey round, the lowest unemployment rate at 7.1% was noted in October while the highest, at 7.7%, occurred in January.
- Young persons 15 to 24 years old dominated the ranks of the unemployed as they comprised 50.8% (1.437 million) of the total unemployed.
- Nearly two in every three unemployed were men (1.770 million or 62.5%).
- The majority (45.2% or 1.279 million) were high school graduates or undergraduates.

Table 4 – UNEMPLOYED PERSONS, PHILIPPINES: 2008-2009
(in thousands except rates)

YEAR/SURVEY ROUND	Total Unemployed Persons	Increment	Unemployment Rate (%)
2009 (Ave.)^p	<u>2,831</u>	<u>115</u>	<u>7.5</u>
January	2,854	179	7.7
April	2,827	-87	7.5
July	2,922	173	7.6
October ^p	2,719	194	7.1
2008 (Ave)	<u>2,716</u>	<u>63</u>	<u>7.4</u>
January	2,675	-175	7.4
April	2,914	222	8.0
July	2,749	-75	7.4
October	2,525	279	6.8

^p Preliminary.

Source: National Statistics Office, Labor Force Survey.

Equally large were college undergraduates and graduates (41.1% or 1.163 million).

- Five (5) regions recorded unemployment rates at par or higher than the national average of 7.5%: NCR (12.8%), Region IV-A (10.4%), Region III (9.2%), Region I (8.2%) and Region VII (7.5%). The lowest rate was noted in ARMM (2.3%) followed by Region II (2.8%).
- Relative to 2008 data, there were very little changes in regional unemployment rates: 10 regions posted marginal increases; four (4) regions recorded slight declines; and three (3) regions had no changes in their rates.

FOR INQUIRIES:

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Table 4 - SUMMARY STATISTICS ON EMPLOYMENT BY MAJOR INDUSTRY GROUP
PHILIPPINES: 2008-2009
(in thousands except rates)

INDUSTRY	Total Employed Persons		Increment	Growth Rate (%)
	2009 ^p	2008		
EMPLOYED PERSONS	35,061	34,089	972	2.9
SECTOR				
Agriculture, Fishery and Forestry	12,043	12,031	12	0.1
Agriculture, Hunting and Forestry	10,583	10,604	-22	-0.2
Fishing	1,461	1,426	35	2.5
Industry	5,090	5,047	43	0.9
Mining and Quarrying	166	158	8	4.9
Manufacturing	2,893	2,926	-33	-1.1
Electricity, Gas and Water	142	130	12	9.4
Construction	1,889	1,834	55	3.0
Services	17,928	17,011	917	5.4
Wholesale and Retail Trade	6,735	6,446	289	4.5
Hotels and Restaurants	1,010	953	57	6.0
Transport, Storage & Communications	2,679	2,590	89	3.4
Financial Intermediation	370	368	2	0.4
Real Estate, Renting & Business Activities	1,066	953	113	11.8
Public Administration & Defense, Compulsory Social Security	1,749	1,676	73	4.4
Education	1,138	1,071	67	6.2
Health and Social Work	422	392	30	7.6
Other Community, Social & Personal Service Activities	876	833	43	5.2
Private Households with Employed Persons	1,883	1,729	154	8.9
Extra-Territorial Organizations	2	1	1	100.0
CLASS OF WORKER				
Wage and Salary Workers	18,682	17,847	835	4.7
Self-employed Workers	10,725	10,654	71	0.7
Employers	1,438	1,427	11	0.8
Unpaid Family Workers	4,217	4,162	55	1.3
HOURS OF WORK				
40 Hours and Over (Full-Time Employment)	21,545	21,655	-111	-0.5
< 40 Hours (Part-Time Employment)	12,946	11,938	1,008	8.4
Did Not Work	571	496	75	15.1

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

p Preliminary.

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

Table 5 - TOTAL EMPLOYED PERSONS BY REGION, PHILIPPINES: 2008–2009
(in thousands except rates)

Region	Total Employed Persons		Increment	Growth Rate (%)
	2009 ^p	2008		
PHILIPPINES	<u>35,060</u>	<u>34,089</u>	<u>972</u>	<u>2.9</u>
NCR	4,164	4,077	87	2.1
CAR	679	667	12	1.8
Region I	1,872	1,795	77	4.3
Region II	1,404	1,350	54	4.0
Region III	3,592	3,485	107	3.1
Region IV-A	4,303	4,159	144	3.5
Region IV-B	1,188	1,133	55	4.8
Region V	2,028	1,998	30	1.5
Region VI	2,883	2,799	84	3.0
Region VII	2,674	2,624	50	1.9
Region VIII	1,663	1,610	53	3.3
Region IX	1,358	1,314	44	3.3
Region X	1,831	1,789	42	2.3
Region XI	1,705	1,695	10	0.6
Region XII	1,607	1,535	72	4.7
ARMM	1,136	1,107	29	2.6
Caraga	977	951	26	2.7

Note: 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 6 - SUMMARY STATISTICS ON UNEMPLOYED PERSONS BY SEX, AGE, AND HIGHEST EDUCATIONAL ATTAINMENT, PHILIPPINES: 2008-2009
(in thousands except rates)

INDICATOR	Total Unemployed		Percent Share (%)	
	2009 ^p	2008	2009 ^p	2008
TOTAL	<u>2,831</u>	<u>2,716</u>	<u>100.0</u>	<u>100.0</u>
Sex				
Male	1,770	1,714	62.5	63.1
Female	1,062	1,002	37.5	36.9
Age Group				
15-24 years old	1,437	1,389	50.8	51.1
25-54 years old	1,284	1,224	45.4	45.1
55 years old and over	111	104	3.9	3.8
Highest Grade Completed				
No Grade Completed	13	14	0.5	0.5
Elementary	377	380	13.3	14.0
High School	1,279	1,237	45.2	45.5
Undergraduate	343	338	12.1	12.4
Graduate	936	899	33.1	33.1
College	1,163	1,086	41.1	40.0
Undergraduate	619	574	21.9	21.1
Graduate	545	512	19.3	18.9

Note: 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 7 - TOTAL UNEMPLOYED PERSONS BY REGION, PHILIPPINES: 2008-2009
(in thousands except rates)

Region	Total Unemployed Persons		Unemployment Rate (%)	
	2009 ^p	2008	2009 ^p	2008
PHILIPPINES	<u>2,831</u>	<u>2,716</u>	<u>7.5</u>	<u>7.4</u>
NCR	613	608	12.8	13.0
CAR	33	32	4.6	4.6
Region I	168	159	8.2	8.1
Region II	41	48	2.8	3.4
Region III	364	355	9.2	9.2
Region IV -A	500	463	10.4	10.0
Region IV -B	55	50	4.4	4.2
Region V	126	118	5.8	5.6
Region VI	216	210	7.0	7.0
Region VII	216	197	7.5	7.0
Region VIII	95	76	5.4	4.5
Region IX	51	48	3.6	3.5
Region X	94	89	4.9	4.7
Region XI	107	105	5.9	5.8
Region XII	69	73	4.1	4.5
ARMM	27	31	2.3	2.7
Caraga	60	57	5.8	5.7

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

p Preliminary.

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

Table 8 - HOUSEHOLD POPULATION 15 YEARS OLD AND OVER, LABOR FORCE PARTICIPATION AND LABOR FORCE PARTICIPATION RATE BY REGION, PHILIPPINES: 2008-2009
(in thousands except rates)

Region	Household Population 15 Years Old and Over		Labor Force			Labor Force Participation Rate (%)	
	2009 ^p	2008	2009 ^p	2008	Increment	2009 ^p	2008
PHILIPPINES	<u>59,237</u>	<u>57,848</u>	<u>37,892</u>	<u>36,805</u>	<u>1,087</u>	<u>64.0</u>	<u>63.6</u>
NCR	7,764	7,638	4,776	4,685	91	61.5	61.3
CA R	1,068	1,051	711	699	12	66.6	66.5
Region I	3,315	3,214	2,039	1,954	85	61.5	60.8
Region II	2,150	2,108	1,444	1,398	46	67.2	66.3
Region III	6,530	6,368	3,956	3,840	116	60.6	60.3
Region IV -A	7,596	7,415	4,802	4,623	179	63.2	62.3
Region IV -B	1,773	1,709	1,243	1,182	61	70.1	69.2
Region V	3,342	3,244	2,155	2,116	39	64.5	65.2
Region VI	4,813	4,707	3,099	3,009	90	64.4	63.9
Region VII	4,506	4,381	2,890	2,820	70	64.1	64.4
Region VIII	2,658	2,603	1,758	1,686	72	66.2	64.8
Region IX	2,110	2,072	1,409	1,362	47	66.8	65.7
Region X	2,735	2,668	1,925	1,878	47	70.4	70.4
Region XI	2,759	2,718	1,812	1,800	12	65.7	66.2
Region XII	2,513	2,434	1,676	1,608	68	66.7	66.1
ARMM	2,031	1,988	1,163	1,138	25	57.2	57.2
Caraga	1,574	1,532	1,037	1,007	30	65.9	65.7

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

p Preliminary.

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