

FOREIGN NATIONALS WORKING IN THE PHILIPPINES

Introduction

Globalization in recent decades has created a highly competitive environment of economies worldwide. It ushered in various new and rapidly changing technologies that challenged and compelled multinationals, entrepreneurs and investors to direct and intensify their resources in research for new products or improvement of products for a globally competitive output. Best practices in other countries are adopted and experts are hired to impart their knowledge/technology know-how in different fields of specialization. In the course of importation of labor/services, the domestic set-up is affected and must be addressed thru proper organization and regulation.

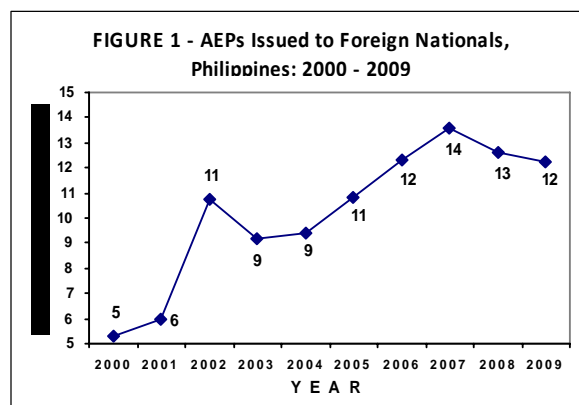
In the Philippine setting, the engagement of foreign labor/services is regulated thru the provision in the amended Labor Code of the Philippines on employment permit of non-resident aliens. It states that "any alien seeking

admission to the Philippines for employment purposes and any domestic or foreign employer who desires to engage an alien for employment in the Philippines shall obtain an employment permit from the Department of Labor and Employment (DOLE). The employment permit may be issued to a non-resident alien or to the applicant-employer after a determination of the non-availability of a person in the Philippines who is competent, able and willing at the time of application to perform the services for which the alien desired".

This issue of the LABSTAT Updates presents the profile of aliens employed in the Philippines from 2000-2009. Data are sourced from the Alien Employment Permits (AEPs) of the Bureau of Local Employment (BLE) of the Department of Labor and Employment (DOLE).

Alien employment permits issued more than doubled during the decade

- In the past ten years (2000-2009), AEPs issued to foreign nationals totaled 12,218 in 2009 translating to an increase of 6,642 from 5,576 in 2000. This growth reflected the demand for foreign labor/services to enable the local economy to cope with the fast changing innovations and technological advancements in the global market. (Table 1)



Source of data: Bureau of Local Employment (BLE).

- The largest number of foreign nationals issued with AEPs during the period was recorded at 13,592 in 2007. Their number in the next two years, however, recorded annual decrease of 7.3% (-993) in 2008 and 3.0% (-381) in 2009. (Figure 1)
- By nationality, Japanese nationals consistently took the lead for the first seven years, i.e., from year 2000 (1,352) until year 2006 (3,469) with its peak posted in 2002 at 3,576. (Table 1)
- Korean nationals were considered as the next largest group of locally hired foreign nationals in the country. They surpassed their Japanese counterparts from 2007 up to 2009. Moreover, their total count of 3,007 in 2009 was more than four times of the 2000 figure of 703. (Table 1)

TABLE 1 – Alien Employment Permits Issued by Nationality, Philippines: 2000 – 2009

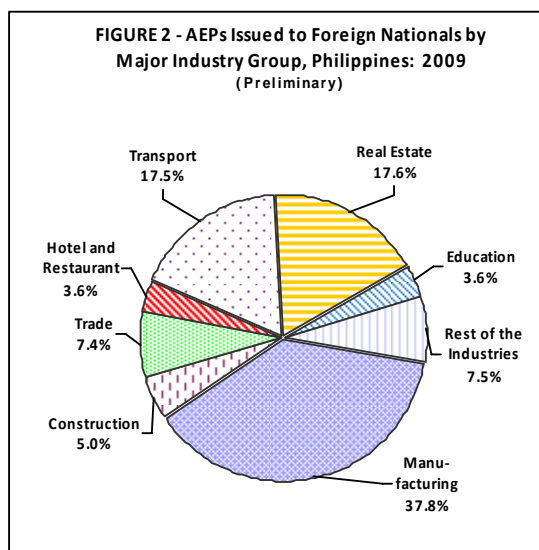
NATIONALITY	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 ^P
TOTAL	5,576	6,858	10,739	9,168	9,408	10,823	12,335	13,592	12,599	12,218
American	518	552	515	498	618	562	665	605	657	644
British	523	738	584	320	451	403	391	384	375	302
Chinese	362	367	1,098	928	984	1,370	1,592	1,754	1,929	1,776
Indian	219	229	589	370	438	384	438	598	640	740
Japanese	1,352	2,368	3,576	2,969	2,975	3,367	3,469	3,414	2,953	2,751
Korean	703	901	1,881	1,855	1,847	2,499	3,296	3,713	3,308	3,007
Malaysian	146	149	219	211	216	215	332	596	497	508
Taiwanese	274	341	506	412	389	434	486	456	439	506
Other Nationalities	1,479	1,213	1,771	1,605	1,490	1,589	1,666	2,072	1,801	1,984

^P Preliminary.

Source of data: Bureau of Local Employment.

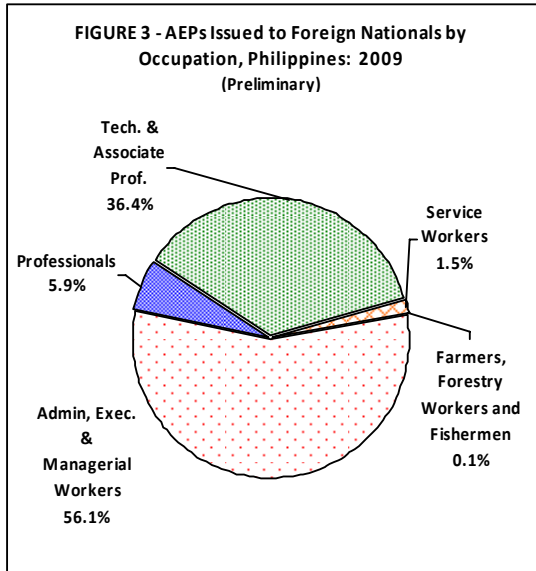
Bulk of the foreign workers were found in manufacturing

- In 2009, foreign workers were accounted mainly in three sectors. Manufacturing sector employed more than one-third (37.8% or 4,623 out of 12,218) of the total foreign workers particularly in firms located in the industrial zones of the country (NCR, Regions III, IV-A and VII). Following were real estate, renting and business activities with 17.6% (2,150) and transport, storage and communications with 17.5% (2,134). The rest of the industries each shared less than 10%. (Figure 2)



Source of data: Bureau of Local Employment (BLE).

Majority of AEPs were issued to workers of white collar jobs



Source of data: Bureau of Local Employment (BLE).

- Foreign nationals working in the country in 2009 were dominated by workers in white collar jobs with the occupation group of administrative, executive and managerial workers accounting for more than half (56.1% or 6,859 out of 12,218) of the total AEPs issued. Technicians and associate professionals comprised the second largest group at 36.4%. The professionals (5.9% or 718); service workers and shop and market sales workers (1.5% or 186); and farmers, forestry workers and fishermen (0.1% or 8) accounted for less than 10% each of the total. (Figure 3)

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