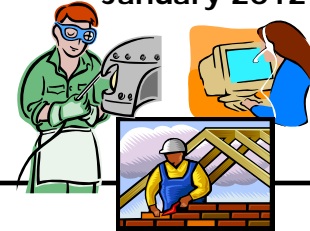


THE 2011 EMPLOYMENT SITUATION

(THE YEAR IN REVIEW)



Overview

The labor market performed better in 2011 as the country generated more employment compared a year ago. Employment level rose by 3.2% or 1.156 million, largely on the strength of the continued growth in services (3.8%) and the recovery in agriculture (2.6%) – albeit the slowdown in industry (2.4%). The quality of employment remained positive with strong growth in wage and salary employment (4.6%) and modest growth in full-time employment (1.5%). On the downside, underemployment rate was up (18.8% to 19.3%) while the mean hours of work per week slipped down to 41.2 from 41.7.

Meanwhile, unemployment rate eased to 7.0% from 7.4% in 2010 - despite the increase in the labor force participation rate or LFPR (64.1% to 64.6%). Likewise, two Millennium Development indicators posted modest improvement: employment-to-population ratio (60.1% from 59.3%) and vulnerable employment rate (41.1% from 41.7%).

Unless indicated, figures cited in this report represent the averages of 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.

Labor Force

The country's labor force reached the 40.0 million mark in 2011. It grew at a faster pace this year at 2.9% (+1.112 million) as compared with last year's growth rate of 2.6% (+1.001 million).

Correspondingly, the labor force participation rate (LFPR) was up to 64.6% from 64.1% a year ago. The increase in LFPR was higher among women (+0.7 percentage point) than men (+0.5 percentage point). By age cohort, the increase was most pronounced among the young aged 15-24 years old (+1.3 percentage points). Meanwhile, the LFPR was down (-0.8 percentage point) for age group 65 years old and over. (Table 6a)

The increments in labor force by survey round showed an erratic

**TABLE 1 – Labor Force by Survey Round,
Philippines: 2010 - 2011**

(In thousands except rates)

YEAR/ SURVEY ROUND	Labor Force	Year- on-Year Growth Rate (%)	Incre- ment	Labor Force Participation Rate (%)
2011 (Ave.)^p	<u>40,005</u>	<u>2.9</u>	<u>1,112</u>	<u>64.6</u>
January	39,210	1.0	382	63.7
April	39,691	3.1	1,179	64.2
July	39,928	2.5	982	64.3
October ^p	41,189	4.8	1,902	66.3
2010 (Ave.)	<u>38,893</u>	<u>2.6</u>	<u>1,001</u>	<u>64.1</u>
January	38,828	4.6	1,712	64.5
April	38,512	1.8	688	63.6
July	38,946	1.3	516	63.9
October	39,287	2.9	1,090	64.2

^p Preliminary.

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

pattern: exceeding more than a million in April (1.179 million) and October (1.902 million), but fell to less than a million in January (382,000) and July (982,000).

Employment

Employment level in 2011 expanded at a faster pace than last year. On the average, the full-year employment growth rate across the four (4) survey rounds was placed at 3.2% or new employment generated exceeding the one million target (+1.156 million).

- By survey round, employment growth was less than one percent (0.8% or +292,000) in January. This was followed by a strong recovery in April (4.0% or +1.407 million); a modest growth in July (2.4% or +869,000); and capped by a big expansion in October (5.6% or +2.057 million).
- The services sector continued to be the growth driver expanding by 3.8% (+713,000) from a year ago level. The major contributors were wholesale and retail trade (+367,000); and real estate, renting and business activities (+111,000).

Employment in agriculture, fishery and forestry rose by 2.6% (+310,000) - a recovery from the year ago slump. In 2010, employment in this sector was down by 0.7% (-87,000) due to the severe drought brought about by the El Nino weather phenomenon.

Meanwhile, growth in industry employment decelerated considerably to 2.4% (+131,000) from 6.0% (+306,000) posted in 2010 - due to employment slowdown in manufacturing (49,000 from 139,000) and construction (74,000 from 126,000).

- Persons in part-time employment increased by 6.3% (+794,000) while full-time employment grew at a much slower pace (1.5% or +352,000).

TABLE 2 – Employed Persons by Survey Round, Philippines: 2010 – 2011
(In thousands except rates)

YEAR/ SURVEY ROUND	Total Employed Persons	Increment	Year-on-Year Growth Rate (%)	Employment to Population Ratio (%)
2011 (Ave.)^p	<u>37,191</u>	<u>1,156</u>	<u>3.2</u>	<u>60.1</u>
January	36,293	292	0.8	58.9
April	36,820	1,407	4.0	59.6
July	37,106	869	2.4	59.8
October ^p	38,545	2,057	5.6	62.0
2010 (Ave.)	<u>36,035</u>	<u>974</u>	<u>2.8</u>	<u>59.3</u>
January	36,001	1,739	5.1	59.8
April	35,413	416	1.2	58.5
July	36,237	729	2.1	59.5
October	36,488	1,010	2.8	59.7

^p Preliminary.

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

- Wage and salary employment expanded by almost a million (4.6% or +911,000). But this was accompanied by a notable increase in unpaid family workers (3.6% or +150,000). Meanwhile, growth in self-employment was unchanged (1.2% or +134,000) from last year while growth in employers in own family-operated farm or business fell (-2.8% or -39,000).
- Employment growth was broad based occurring in all regions - the top three gainers were Region IV-A (+172,000), Region III (+115,000) and Region XI (+101,000).
- *Two of the five Millennium Development Goal indicators on employment posted modest improvement: employment-to-population ratio went up to 60.1% from 59.3% while vulnerable employment rate (self-employment plus unpaid family workers as proportion to total employment) was eased slightly to 41.1% from 41.7%.*

TABLE 3 - Total Underemployed and Visibly Underemployed Persons by Survey Round, Philippines: 2010 - 2011

(In thousands except rates)

YEAR/SURVEY ROUND	Under-employed Persons	Under-employment Rate	Visibly Underemployed Persons ¹	Visible Underemployment Rate (%)
2011 (Ave.)	<u>7,163</u>	<u>19.3</u>	<u>4,340</u>	<u>11.7</u>
January	7,050	19.4	4,443	12.2
April	7,127	19.4	4,402	12.0
July	7,095	19.1	4,069	11.0
October ^P	7,380	19.1	4,447	11.5
2010 (Ave.)	<u>6,762</u>	<u>18.8</u>	<u>4,015</u>	<u>11.1</u>
January	7,107	19.7	4,174	11.6
April	6,297	17.8	3,904	11.0
July	6,502	17.9	3,875	10.7
October	7,141	19.6	4,109	11.3

^p Preliminary.

¹ Include number of underemployed persons who were with jobs but did not work during the reference period.

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

TABLE 3a - Total Underemployed by Sector, Philippines: 2010 - 2011

Underemployment

Underemployment was a major concern in 2011 as the number of underemployed persons rose by almost half a million (+401,000) to reach 7.163 million. This figure translates to an underemployment rate of 19.3%, an increase from 18.8% in 2010. Of this number, 4.340 million were visibly underemployed (worked less than 40 hours a week and wanting additional work) - an increase of 325,000 from previous year.

Item	All Sectors	Sector		
		Agriculture	Industry	Services
2011^P				
No. ('000)	7,163	3,110	1,139	2,914
% Share	100.0	43.4	15.9	40.7
Rate (%)	19.3	25.4	20.6	15.0
2010				
No. ('000)	6,762	3,063	1,042	2,656
% Share	100.0	45.3	15.4	39.3
Rate (%)	18.8	25.6	19.3	14.2
Change ('000)	401	47	97	258

^p Preliminary.

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

- The incidence of underemployment was highest in the agricultural sector both in terms of rate (25.4%) and share to total underemployed persons (43.4% or 3.110 million). The rates were comparatively lower in industry sector (20.6%) and services sector (15.0%). Between 2010 and 2011, underemployment rose in three broad sectors and was most pronounced in services (+258,000).
- Underemployment rate was posted highest in Region V (35.4%) followed by Region X (27.1%) and Caraga (26.0%). It

was lowest in Region III (11.1%), ARMM (13.3%), NCR (14.6%), and CAR and NCR (14.6%). (Table 7)

- Between 2010 and 2011, underemployment rate worsened in nine (9) regions most notably in Caraga (+3.8 percentage points), Region I (+3.5 percentage points), Region VIII (+3.2 percentage points), and NCR (+2.7 percentage points).

Unemployment

With employment growing faster than labor force, the number of unemployed persons this year declined by 45,000 to 2.814 million. This brought down the average unemployment rate for 2011 to 7.0% from 7.4% a year earlier.

- By survey round, the lowest unemployment rate at 6.4% was registered in October while the highest at 7.4% occurred in January.
- Young persons 15-24 years old dominated the ranks of the unemployed as they comprised 50.4% (1.417 million) of the total unemployed. (Table 6)
- More than three out of every five unemployed were men (1.772 million or 63.0%).
- The majority (45.1% or 1.268 million) were high school graduates or undergraduates. Equally large were college graduates and undergraduates (42.0% or 1.181 million).
- Four (4) regions recorded unemployment rates higher than the national average figure of 7.0%: NCR (11.3%), Region IV-A (9.7%), Region III (8.5%) and Region I (8.5%). The lowest rate occurred in Region II (2.9%) followed by Region IX (3.2%) and ARMM (3.4%). (Table 7)

TABLE 4 – Unemployed Persons by Survey Round, Philippines: 2010 - 2011

(In thousands except rates)

YEAR/ SURVEY ROUND	Total Unemployed Persons	Incre- ment	Unemploy- ment Rate (%)
2011 (Ave.)^P	<u>2,814</u>	<u>-45</u>	<u>7.0</u>
January	2,917	90	7.4
April	2,871	-228	7.2
July	2,822	113	7.1
October ^P	2,644	-155	6.4
2010 (Ave)	<u>2,859</u>	<u>28</u>	<u>7.4</u>
January	2,827	-27	7.3
April	3,099	272	8.0
July	2,709	-213	7.0
October	2,799	80	7.1

^p Preliminary.

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

Compared with last year, all regions except for three (3) posted declines in unemployment rate. The decline was most notable in Region VII (-0.9 percentage point) and Region II (-0.8 percentage point).

The two regions which recorded higher unemployment rates were Region IV-A (+0.2 percentage point) and Region V (+0.2 percentage point). On the other hand, the rate was unchanged in Region I.

FOR INQUIRIES:

Regarding this report contact **EMPLOYMENT AND MANPOWER STATISTICS DIVISION** at 527-3000 loc. 312/313

Regarding other statistics and technical services contact **BLES DATABANK** at 527-3000 loc. 317

Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**

FAX **527-93-24** E mail: bles_emsd@dole.gov.ph or visit our website at <http://www.bles.dole.gov.ph>

TABLE 5 - Summary Statistics on Employment, Philippines: 2009, 2010 and 2011*(In thousands except rates/percent)*

INDICATOR	2011 ^P	2010	2009	Increment		Year-on-Year Growth Rate (%)	
				2010-2011 ^P	2009-2010	2010-2011 ^P	2009-2010
EMPLOYED PERSONS	37,191	36,035	35,061	1,156	974	3.2	2.8
SECTOR							
Agriculture, Fishery and Forestry	12,266	11,956	12,043	310	-87	2.6	-0.7
Agriculture, Hunting and Forestry	10,802	10,488	10,582	314	-94	3.0	-0.9
Fishing	1,464	1,468	1,461	-4	7	-0.3	0.5
Industry	5,530	5,399	5,093	131	306	2.4	6.0
Mining and Quarrying	211	199	166	12	33	6.0	19.9
Manufacturing	3,082	3,033	2,894	49	139	1.6	4.8
Electricity, Gas and Water	148	150	142	-3	8	-1.7	5.6
Construction	2,091	2,017	1,891	74	126	3.6	6.7
Services	19,395	18,682	17,925	713	757	3.8	4.2
Wholesale and Retail Trade	7,401	7,034	6,736	367	298	5.2	4.4
Hotels and Restaurants	1,118	1,063	1,010	55	53	5.2	5.2
Transport, Storage and Communications	2,775	2,723	2,679	52	44	1.9	1.6
Financial Intermediation	434	400	369	34	31	8.6	8.4
Real Estate, Renting and Business Activities	1,257	1,146	1,064	111	82	9.6	7.7
Public Administration and Defense, Compulsory Social Security	1,874	1,847	1,749	27	98	1.5	5.6
Education	1,199	1,176	1,138	23	38	2.0	3.3
Health and Social Work	452	451	421	1	30	0.2	7.1
Other Community, Social and Personal Service Activities	933	914	877	19	37	2.1	4.2
Private Households with Employed Persons	1,951	1,926	1,880	25	46	1.3	2.4
Extra-Territorial Organizations	2	2	2	0	0	0.0	0.0
CLASS OF WORKER							
Wage and salary workers	20,537	19,626	18,681	911	945	4.6	5.1
Employers in own family-operated farm or business	1,356	1,394	1,438	-39	-44	-2.8	-3.1
Self-employed workers	10,992	10,858	10,724	134	134	1.2	1.2
Workers without pay in own family-operated farm or business	4,307	4,157	4,218	150	-61	3.6	-1.4
HOURS OF WORK							
Less than 40 Hours (Part-Time Employment)	13,448	12,654	12,945	794	-291	6.3	-2.2
40 Hours and Over (Full-Time Employment)	23,257	22,905	21,544	352	1,361	1.5	6.3
Did Not Work	486	475	571	11	-96	2.3	-16.8
Mean Hours Worked per Week	41.2	41.7	41.2	-0.5	0.5	-1.2	1.2
REGION							
NCR	4,464	4,371	4,163	93	208	2.1	5.0
CAR	730	707	679	23	28	3.2	4.1
Region I	1,981	1,920	1,872	61	48	3.2	2.6
Region II	1,465	1,399	1,404	66	-5	4.7	-0.4
Region III	3,831	3,716	3,592	115	124	3.1	3.5
Region IV-A	4,665	4,493	4,303	172	190	3.8	4.4
Region IV-B	1,263	1,204	1,188	59	16	4.9	1.3
Region V	2,093	2,072	2,029	21	43	1.0	2.1
Region VI	3,072	2,974	2,883	98	91	3.3	3.2
Region VII	2,902	2,809	2,674	93	135	3.3	5.0
Region VIII	1,721	1,661	1,663	60	-2	3.6	-0.1
Region IX	1,426	1,386	1,359	40	27	2.9	2.0
Region X	1,921	1,858	1,831	63	27	3.4	1.5
Region XI	1,825	1,724	1,706	101	18	5.8	1.1
Region XII	1,682	1,617	1,606	65	11	4.0	0.7
Caraga	1,006	983	977	23	6	2.3	0.6
ARMM	1,146	1,142	1,135	4	7	0.4	0.6

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

p Preliminary.

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

Table 6 - Summary Statistics on Unemployment, Philippines: 2009, 2010 and 2011*(In thousands except rates/percent)*

INDICATOR	Total Unemployed Persons			Percent Share (%)			Unemployment Rate (%)			Increment	
	2011 ^P	2010	2009	2011 ^P	2010	2009	2011 ^P	2010	2009	2010-2011 ^P	2009-2010
TOTAL	2,814	2,859	2,831	100.0	100.0	100.0	7.0	7.4	7.5	-45	28
Sex											
Men	1,772	1,808	1,770	63.0	63.2	62.5	7.3	7.6	7.6	-36	38
Women	1,042	1,051	1,062	37.0	36.8	37.5	6.7	6.9	7.2	-9	-11
Age Group											
15-24 years old	1,417	1,460	1,437	50.4	51.0	50.8	16.3	17.6	17.6	-43	22
25-54 years old	1,290	1,294	1,284	45.8	45.3	45.4	4.9	5.1	5.2	-4	10
55 years old and over	106	106	110	3.8	3.7	3.9	2.0	2.1	2.3	0	-4
Highest Grade Completed											
No Grade Completed	12	14	13	0.4	0.5	0.5		2.2	2.0	-2	1
Elementary	354	374	377	12.6	13.1	13.3		3.3	3.3	-20	-3
Undergraduate	160	174	167	5.7	6.1	5.9		3.1	3.0	-14	7
Graduate	193	200	210	6.9	7.0	7.4		3.5	3.6	-7	-10
High School	1,268	1,293	1,279	45.1	45.2	45.2		8.4	8.6	-25	14
Undergraduate	323	363	344	11.5	12.7	12.2		7.0	6.8	-40	19
Graduate	944	930	936	33.5	32.5	33.1		9.0	9.5	14	-6
College	1,181	1,178	1,162	42.0	41.2	41.0		10.3	10.7	3	16
Undergraduate	613	621	619	21.8	21.7	21.9		11.3	11.8	-8	2
Graduate	568	557	544	20.2	19.5	19.2		9.4	9.6	11	13

*p Preliminary.**Source of basic data: National Statistics Office, Labor Force Survey.*

TABLE 6a - Summary Statistics on Household Population 15 Years Old and Over and Labor Force
Philippines: 2010 and 2011
(In thousands except rates/percent)

INDICATOR	Total Population 15 Years Old and Over			Labor Force			Labor Force Participation Rate (%)		
	2011 ^P	2010	Increment	2011 ^P	2010	Increment	2011 ^P	2010	Increment
TOTAL	61,882	60,717	1,165	40,005	38,893	1,112	64.6	64.1	0.5
Sex									
Men	30,806	30,223	583	24,342	23,729	613	79.0	78.5	0.5
Women	31,076	30,493	584	15,663	15,164	499	50.4	49.7	0.7
Age Group									
15-24 years old	18,576	18,220	356	8,675	8,276	399	46.7	45.4	1.3
25-34 years old	14,256	13,977	280	10,607	10,373	234	74.4	74.2	0.2
35-44 years old	11,066	10,892	174	8,759	8,565	194	79.2	78.6	0.5
45-54 years old	8,498	8,332	166	6,753	6,589	164	79.5	79.1	0.4
55-64 years old	5,363	5,253	110	3,686	3,566	120	68.7	67.9	0.8
65 years old and over	4,120	4,039	82	1,525	1,525	0	37.0	37.8	-0.8
Not reported	3	3	0	1	*	-	40.0	*	-

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

p Preliminary.

** Less than 500.*

Source: National Statistics Office, Labor Force Survey.

**TABLE 7 - Labor Force, Employment, Unemployment and Underemployment
by Region, Philippines: 2010 and 2011**

(In thousands except rates/percent)

Region	Labor Force				Employment				Unemployment				Underemployment			
	2011 ^p		2010		2011 ^p		2010		2011 ^p		2010		2011 ^p		2010	
	No.	LFPR (%)	No.	LFPR (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
PHILIPPINES	40,005	64.6	38,893	64.1	37,191	93.0	36,035	92.7	2,814	7.0	2,859	7.4	7,163	19.3	6,762	18.8
NCR	5,030	63.0	4,941	62.4	4,464	88.7	4,371	88.5	567	11.3	570	11.5	652	14.6	520	11.9
CAR	768	68.5	745	67.4	730	95.0	707	94.9	39	5.0	38	5.1	107	14.6	111	15.7
Region I	2,166	62.5	2,098	61.8	1,981	91.5	1,920	91.5	185	8.5	178	8.5	362	18.3	285	14.8
Region II	1,509	67.8	1,452	66.2	1,465	97.1	1,399	96.3	44	2.9	53	3.7	221	15.1	206	14.7
Region III	4,188	61.3	4,074	61.0	3,831	91.5	3,716	91.2	358	8.5	358	8.8	425	11.1	339	9.1
Region IV-A	5,167	64.7	4,966	63.6	4,665	90.3	4,493	90.5	502	9.7	473	9.5	834	17.9	784	17.4
Region IV-B	1,314	70.0	1,260	69.2	1,263	96.1	1,204	95.6	51	3.9	56	4.4	273	21.6	285	23.7
Region V	2,229	64.4	2,201	64.4	2,093	93.9	2,072	94.1	136	6.1	130	5.9	740	35.4	762	36.8
Region VI	3,291	64.9	3,201	64.8	3,072	93.3	2,974	92.9	220	6.7	227	7.1	710	23.1	793	26.7
Region VII	3,109	66.5	3,040	65.8	2,902	93.3	2,809	92.4	208	6.7	231	7.6	533	18.4	461	16.4
Region VIII	1,815	65.4	1,758	64.1	1,721	94.8	1,661	94.5	94	5.2	96	5.5	414	24.1	347	20.9
Region IX	1,474	65.7	1,439	65.9	1,426	96.8	1,386	96.3	48	3.2	53	3.7	313	21.9	296	21.4
Region X	2,011	70.0	1,956	69.8	1,921	95.5	1,858	95.0	90	4.5	97	5.0	521	27.1	520	28.0
Region XI	1,929	66.7	1,835	65.0	1,825	94.6	1,724	94.0	104	5.4	111	6.0	301	16.5	342	19.8
Region XII	1,749	66.3	1,691	65.9	1,682	96.1	1,617	95.6	68	3.9	74	4.4	345	20.5	337	20.8
Caraga	1,070	65.7	1,051	65.4	1,006	94.0	983	93.5	64	6.0	68	6.5	262	26.0	218	22.2
ARMM	1,186	55.6	1,188	57.1	1,146	96.6	1,142	96.1	41	3.4	46	3.9	153	13.3	154	13.5

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

p Preliminary.

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