

Vol. 16 No. 27

September 2012

HIGHLIGHTS OF THE JULY 2012 LABOR FORCE SURVEY



Overview

Employment growth remained positive in July 2012 despite strong typhoons and flooding that brought down employment level in the agriculture sector. Overall, employment has increased though moderately (1.3%) - as losses in agriculture (-4.1%) was more than compensated by the robust growth in industry sector (+5.4%) and continued expansion in services sector (+3.5%).

The quality of employment was mixed as indicated by the growth in full-time employment (2.3%), wage and salary employment (6.3%) and increase in mean hours of work a week (42.2 from 41.8). This was accompanied by the decline in part-time employment (-0.1%) and reduction in vulnerable employment rate (-3.2 percentage points). These improvements, however, was dampened by a sharp rise in underemployment rate (22.7%).

Unemployment rate eased marginally to 7.0% from 7.1% a year ago. Meanwhile, the growth in the country's labor force slowed down to 1.2% compared with 2.5% a year ago. This was reflected by the decline in labor force participation rate to 64.0% from 64.3%.

Labor Force

- Compared last year, fewer persons entered the labor market. In particular, the country's labor force grew by just 1.2% (+499,000) to reach 40.427 million. This figure is well below the 2.5% (+982,000) growth rate registered in July last year. (Table 1a)

The labor force participation rate (LFPR) stood at 64.0% - down by 0.3 percentage point (pp) from a year ago. The reduction in participation rate was observed among men (-0.7 pp) and across age groups except the youth 15 to 24 years old which posted a small increase (+0.1 pp) in participation rate. Reduction was most notable in the age cohorts 55 to 64 years old (-0.6% pp) and 65 years old and over (-0.6% pp). (Table 4a)

**TABLE 1 - Key Employment Indicators
Philippines: July 2011-2012
(In thousands except rates)**

Indicator	July 2012 ^p	July 2011	Year-on-Year Change
Household Population 15 Years Old and Over	63,119	62,053	1,066
Labor Force	40,427	39,928	499
– Employed Persons	37,584	37,106	478
– Unemployed Persons	2,842	2,822	20
Underemployed Persons	8,546	7,095	1,451
– Visibly underemployed	4,666	4,069	597
Not in the Labor Force	22,693	22,125	568
LFPR (%)	64.0	64.3	
Unemployment Rate (%)	7.0	7.1	
Underemployment Rate (%)	22.7	19.1	
– Visible Under-employment Rate (%)	12.4	11.0	
Mean Hours of Work	42.2	41.8	

^p Preliminary.

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

Employment

Employment grew at modest rate (1.3%) in July 2012. Total employed persons increased to 37.584 million from 37.106 million a year ago - this represents an employment generation of 478,000. The latest growth figure represents a slowdown from last year's growth rate of 2.4% (+869,000).

- The slowdown was largely due to the steep decline in agricultural employment (-4.1% or -496,000) brought about by the strong typhoons in Luzon and flooding in Mindanao. (*Table 2*)
- The shortfall in agriculture employment was more than made up by the continued expansion in the services sector (+3.5% or +671,000) and strong growth in the industry sector (+5.4% or +304,000).
- Employment gains were recorded in ten (10) regions – the biggest in Region V (+168,000) and Region III (+133,000). In contrast, employment losses were recorded in seven (7) regions most notably in Region I (-70,000) and Region VII (-63,000).
- The quality of employment was mixed. On the one hand, quality improved as indicated by the rise in the number of persons in full-time employment (+2.3% or +563,000) and corresponding reduction in persons in part-time employment (-0.1% or -8,000). This resulted to an increase in the mean hours of work a week, 42.2 from 41.8.

Moreover, wage and salary employment expanded by more than a million (6.3% or +1.314

million) alongside the large reduction in the number of persons in self-employment (-594,000) and among unpaid family workers (-425,000).

As a result, the proportion of persons in vulnerable employment (self-employed persons and unpaid family workers in total employment - a Millennium Development Goal indicator) dropped to 37.0% from 40.2% or by 3.2 percentage points.

Underemployment

- On the other hand, the gains mentioned above were negated by the steep rise in underemployment rate which rose to 22.7% from 19.1% a year ago. This corresponds to 8.546 million underemployed persons - an increase of 1.451 million from last year. The increase was most pronounced among wage and salary workers in private establishments (+1.0 million) and workers in the services sector (+747,000). (*Table 3*)
- For the same period, visible underemployment rate was up to 12.4% from 11.0%. Their number rose by 597,000 to 4.666 million. Visible underemployment refers to persons who worked less than 40 hours a week and wanting additional hours of work.

Unemployment

Unemployment rate eased marginally to 7.0% in July 2012 from 7.1% a year ago. In absolute terms, however, the total number of unemployed persons was up by 20,000 to reach 2.842 million. This occurred despite the fewer number of persons who joined the labor force

this period as mentioned earlier in the report.

- More than half (51.2% or 1.455 million) of the total unemployed workforce were young workers (*aged 15 to 24 years old*). Youth unemployment rate at 17.0% was more than twice the national average. This percentage was lower than last year's unemployment rate by 0.9 percentage point. (*Table 4*)
- About three in every five unemployed were men (1.766 million or 62.1%). The unemployment rate of men was down slightly to 7.2% while the rate for women was unchanged at 6.7%.
- Most of the unemployed (44.7% or 1.269 million) were high school graduates or undergraduates. Equally large

were college undergraduates and graduates (33.1% or 940,000). Post secondary undergraduates and graduates made up 7.6% of the unemployed.

- Five regions posted unemployment rates higher than the national rate: NCR (9.9%), Region IV-A (9.4%), Region III (9.2%), Region I (8.6%), and Region VII (7.1%). (*Table 5*)
- Compared with last year, notable increases in unemployment rates occurred in Caraga (+1.0 percentage point), Region II (+0.9 pp), Region VII (+0.8 pp), Region IX (+0.8 pp) and Region I (+0.7 pp). Meanwhile, notable reductions occurred in NCR (-1.0 pp) and Region IV-A (-1.0 pp). There were little changes in unemployment rates in the rest of the regions.

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 1a - Key Employment Indicators
Philippines: July 2010, 2011 and 2012
(In thousands except rates)

INDICATOR	July 2012 ^p	July 2011	July 2010	Increment		Growth Rate (%)	
				2011-2012	2010-2011	2011-2012	2010-2011
Household Population 15 Years Old and Over	63,119	62,053	60,928	1,066	1,125	1.7	1.8
Labor Force	40,427	39,928	38,946	499	982	1.2	2.5
- Employed	37,584	37,106	36,237	478	869	1.3	2.4
- Unemployed	2,842	2,822	2,709	20	113	0.7	4.2
Underemployed	8,546	7,095	6,502	1,451	593	20.5	9.1
- Visible underemployment ¹	4,666	4,069	3,875	597	194	14.7	5.0
Not in the Labor Force	22,693	22,125	21,982	568	143	2.6	0.7
Labor Force Participation Rate (%)	64.0	64.3	63.9				
Employment Rate (%)	93.0	92.9	93.0				
Unemployment Rate (%)	7.0	7.1	7.0				
Underemployment Rate (%)	22.7	19.1	17.9				
Visible Underemployment Rate (%)	12.4	11.0	10.7				
Mean Hours of Work	42.2	41.8	41.8				

p Preliminary.

¹ 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 2 - Summary Statistics on Employment
Philippines: July 2010, 2011 and 2012
(In thousands except rates)**

INDICATOR	2012 ^p	2011	2010	Increment		Year-on-Year Growth Rate (%)	
				2011-2012	2010-2011	2011-2012	2010-2011
EMPLOYED PERSONS SECTOR	37,584	37,106	36,237	478	869	1.3	2.4
Agriculture	11,604	12,100	12,244	-496	-144	-4.1	-1.2
Industry	5,933	5,629	5,409	304	220	5.4	4.1
Services	20,047	19,376	18,585	671	791	3.5	4.3
CLASS OF WORKER							
Wage and salary workers	22,211	20,897	19,366	1,314	1,531	6.3	7.9
Worked for private household	1,846	1,960	1,831	-114	129	-5.8	7.0
Worked for private establishment	17,070	15,736	14,394	1,334	1,342	8.5	9.3
Worked with pay in own family-operated farm or business	147	114	93	33	21	28.9	22.6
Worked for government/government corporation	3,148	3,088	3,047	60	41	1.9	1.3
Employer in own family-operated farm or business	1,485	1,301	1,388	184	-87	14.1	-6.3
Self-employed without any paid employee	10,347	10,941	11,138	-594	-197	-5.4	-1.8
Worked without pay in own-family operated farm or business (Unpaid family workers)	3,541	3,966	4,346	-425	-380	-10.7	-8.7
HOURS OF WORK							
Less than 40 Hours (Part-Time Employment)	12,663	12,671	12,574	-8	97	-0.1	0.8
40 Hours and Over (Full-Time Employment)	24,638	24,075	23,379	563	696	2.3	3.0
Did Not Work	284	360	284	-76	76	-21.1	26.8
Mean Hours	42.2	41.8	41.8				
REGION							
NCR	4,555	4,497	4,427	58	70	1.3	1.6
CAR	730	737	716	-7	21	-0.9	2.9
Region I	1,937	2,007	1,956	-70	51	-3.5	2.6
Region II	1,415	1,462	1,397	-47	65	-3.2	4.7
Region III	3,911	3,778	3,774	133	4	3.5	0.1
Region IV-A	4,693	4,579	4,522	114	57	2.5	1.3
Region IV-B	1,233	1,263	1,221	-30	42	-2.4	3.4
Region V	2,246	2,078	2,093	168	-15	8.1	-0.7
Region VI	3,027	3,079	2,986	-52	93	-1.7	3.1
Region VII	2,890	2,953	2,899	-63	54	-2.1	1.9
Region VIII	1,770	1,728	1,678	42	50	2.4	3.0
Region IX	1,361	1,414	1,355	-53	59	-3.7	4.4
Region X	2,002	1,913	1,806	89	107	4.7	5.9
Region XI	1,900	1,793	1,730	107	63	6.0	3.6
Region XII	1,690	1,685	1,618	5	67	0.3	4.1
Caraga	1,042	1,002	969	40	33	4.0	3.4
ARMM	1,183	1,138	1,088	45	50	4.0	4.6

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: July 2011 and 2012
(In thousands except rates)

INDICATOR	2012 ^p	2011	Increment
			2011-2012
UNDEREMPLOYED PERSONS	8,546	7,095	1,451
Hours Worked			
- Worked less than 40 hours/week ¹	4,666	4,069	597
- Worked more than 40 hours/week	3,880	3,026	854
Industry			
- Agriculture	3,545	3,098	447
- Industry	1,367	1,110	257
- Services	3,634	2,887	747
Class of Worker			
Wage and salary workers	4,921	3,795	1,126
Worked for private household	291	274	17
Worked for private establishment	4,049	3,049	1,000
Worked with pay in own family-operated farm or business	27	21	6
Worked for government/government corporation	554	451	103
Self-employed without any paid employee	2,571	2,331	240
Employer in own family-operated farm or business	276	208	68
Worked without pay in own-family operated farm or business (Unpaid family workers)	778	762	16
Underemployment rate (%)	22.7	19.1	
Visible underemployment rate (%) ¹	12.4	11.0	

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

p Preliminary.

¹ 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: July 2010, 2011 and 2012
(In thousands except rates/percent)

INDICATOR	Total Unemployed Persons			Percent Share (%)			Unemployment Rate (%)		
	2012 ^p	2011	2010	2012 ^p	2011	2010	2012 ^p	2011	2010
TOTAL	2,842	2,822	2,709	100.0	100.0	100.0	7.0	7.1	7.0
Sex									
Men	1,766	1,766	1,697	62.1	62.6	62.6	7.2	7.3	7.1
Women	1,076	1,056	1,013	37.9	37.4	37.4	6.7	6.7	6.7
Age Group									
15-24 years old	1,455	1,498	1,419	51.2	53.1	52.4	17.0	17.9	17.3
25-54 years old	1,264	1,218	1,198	44.5	43.2	44.2	4.8	4.6	4.7
55 years old and over	123	105	92	4.3	3.7	3.4	2.3	2.0	1.8
Not reported	-	-	-	-	-	-	-	-	-
Highest Grade Completed									
No Grade Completed	13	12	11	0.5	0.4	0.4			
Elementary	403	362	337	14.2	12.8	12.4			
Undergraduate	181	169	157	6.4	6.0	5.8			
Graduate	223	193	180	7.8	6.8	6.6			
High School	1,269	1,245	1,193	44.7	44.1	44.0			
Undergraduate	321	298	313	11.3	10.6	11.6			
Graduate	948	947	880	33.4	33.6	32.5			
Post secondary	217	-	-	7.6	-	-			
Undergraduate	70	-	-	2.5	-	-			
Graduate	147	-	-	5.2	-	-			
College	940	1,203*	1,169*	33.1	42.6*	43.2*			
Undergraduate	394	615	614	13.9	21.8	22.7			
Graduate	545	587	555	19.2	20.8	20.5			

^p Preliminary.

*Includes post secondary. The inquiry on post secondary educational attainment was included in the LFS questionnaire starting January 2012 LFS.

This explains the drop in the figures on the college-educated unemployed.

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

TABLE 4a - Summary Statistics on Household Population 15 Years Old and Over and Labor Force, Philippines: July 2011 and 2012
(In thousands except rates/percent)

INDICATOR	Total Population 15 Years Old and Over			Labor Force			Labor Force Participation Rate (%)		
	2012 ^p	2011	Increment	2012 ^p	2011	Increment	2012 ^p	2011	Percentage Points
TOTAL	63,119	62,053	1,066	40,427	39,928	499	64.0	64.3	-0.3
Sex									
Men	31,479	30,916	563	24,469	24,241	228	77.7	78.4	-0.7
Women	31,641	31,137	504	15,958	15,687	271	50.4	50.4	0.1
Age Group									
15-24 years old	18,955	18,614	341	8,561	8,388	173	45.2	45.1	0.1
25-34 years old	14,575	14,332	243	10,768	10,657	111	73.9	74.4	-0.5
35-44 years old	11,251	11,078	173	8,919	8,809	110	79.3	79.5	-0.2
45-54 years old	8,668	8,523	145	6,884	6,815	69	79.4	80.0	-0.5
55-64 years old	5,464	5,372	92	3,747	3,717	30	68.6	69.2	-0.6
65 years old and over	4,207	4,130	77	1,547	1,542	5	36.8	37.3	-0.6
Not reported	-	3	(3)	-	1	-1	-	33.3	-33.3

p Preliminary.

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

**TABLE 5 - Labor Force, Employment, Unemployment and Underemployment
by Region, Philippines: July 2011 and 2012**
(In thousands except rates)

Region	Labor Force				Employment				Unemployment				Underemployment			
	2012 ^P		2011		2012 ^P		2011		2012 ^P		2011		2012 ^P		2011	
	No.	LFPR (%)	No.	LFPR (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
Philippines	40,427	64.0	39,928	64.3	37,584	93.0	37,106	92.9	2,842	7.0	2,822	7.1	8,546	22.7	7,095	19.1
NCR	5,055	63.2	5,049	63.0	4,555	90.1	4,497	89.1	500	9.9	552	10.9	756	16.6	647	14.4
CAR	767	67.9	773	68.3	730	95.1	737	95.3	37	4.9	37	4.8	156	21.3	99	13.4
Region I	2,120	61.9	2,179	61.9	1,937	91.4	2,007	92.1	182	8.6	172	7.9	414	21.4	376	18.7
Region II	1,462	65.1	1,497	68.0	1,415	96.8	1,462	97.7	47	3.2	35	2.3	237	16.8	199	13.6
Region III	4,307	62.3	4,178	61.3	3,911	90.8	3,778	90.4	396	9.2	400	9.6	778	19.9	409	10.8
Region IV-A	5,182	63.8	5,109	63.4	4,693	90.6	4,579	89.6	489	9.4	530	10.4	988	21.1	786	17.2
Region IV-B	1,286	67.4	1,313	69.8	1,233	95.9	1,263	96.2	53	4.1	50	3.8	317	25.7	293	23.2
Region V	2,380	63.1	2,196	63.8	2,246	94.4	2,078	94.6	133	5.6	118	5.4	752	33.5	713	34.3
Region VI	3,234	63.7	3,277	65.0	3,027	93.6	3,079	94.0	208	6.4	198	6.0	674	22.3	750	24.4
Region VII	3,112	64.9	3,150	66.8	2,890	92.9	2,953	93.7	222	7.1	197	6.3	618	21.4	556	18.8
Region VIII	1,849	62.7	1,813	65.0	1,770	95.7	1,728	95.3	80	4.3	85	4.7	511	28.9	429	24.8
Region IX	1,419	65.0	1,462	66.3	1,361	95.9	1,414	96.7	58	4.1	48	3.3	421	30.9	335	23.7
Region X	2,102	71.0	2,018	69.4	2,002	95.3	1,913	94.8	100	4.7	105	5.2	576	28.8	427	22.3
Region XI	2,028	66.7	1,903	65.7	1,900	93.6	1,793	94.2	129	6.4	110	5.8	407	21.4	333	18.6
Region XII	1,767	66.7	1,764	67.8	1,690	95.6	1,685	95.5	77	4.4	80	4.5	476	28.2	361	21.4
Caraga	1,119	65.9	1,064	65.2	1,042	93.1	1,002	94.2	77	6.9	63	5.9	319	30.6	252	25.1
ARMM	1,237	54.5	1,181	54.1	1,183	95.7	1,138	96.4	54	4.3	44	3.7	146	12.3	127	11.2

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

p Preliminary.

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