



## The LABOR FORCE SURVEY in brief April (1997-1998)

### Overview

For the first time in many years, the country's total employment declined due to the twin effects of the prolonged drought adversely affecting the agriculture sector and the Asian financial crisis hitting the Philippine economy especially the industry and financial sectors. Results of the April 1998 Labor Force Survey (LFS) conducted by the National Statistics Office indicate a large drop in agricultural employment coupled by considerable slowdown in industry employment. Correspondingly, the rate of unemployment rose sharply during the period.

On a positive note, service sector employment managed to post a respectable growth. Wage and salary employment likewise went up for the period. Further, the incidence of

underemployment *was* down from its year ago figure.

### Participation Rate

Labor force participation rate (LFPR) in April was placed at 68.6, about the same from last year (68.8%). In nominal terms, the country's labor force population expanded by 745,000 to reach 32.113 million.

### Employment

For the first time since 1987, the country's employment growth rate contracted by about 1.0 percent. In absolute terms, total employed persons edged down by 270,000 to total 27.835 million in April 1998.

- The agriculture, fishery and forestry sector suffered the biggest decline in employment of a little more than a million (-1.168 million).
- Growth in industry employment while remaining positive slowed down considerably from 10.3 percent a year ago to only 1.4 percent. Compared to April last year, only small increases in employment were recorded in manufacturing (+36,000), electricity, gas and water (+6,000) and construction (+27,000).
- Only the service sector employment managed to post a respectable growth rate of 7.1 percent, an improvement from the 6.1 percent recorded a year ago. Large increases were noted in community, social and personal services sector (+496,000) and wholesale and retail trade (+285,000). The impact of the financial crisis was felt strongly in the financing, insurance, real estate and business services where employment fell by 41,000 from the year ago level.
- Part-time employment accounted mainly for the increase in employment (+158,000) while full-time employment went down (-631,000).
- Despite the crisis, *wage and salary* employment managed to post an increment (+374,000). The large reduction in employment occurred among unpaid family workers (-571,000) and to some extent among own-account workers (-72,000).
- Employment slumps were observed in most regions. The largest employment cutback was noted in Region XI (-106,000) followed by Region II (-70,000), Region I (-49,000), Region VIII (-49,000) and Region V (-45,000). Only four (4) regions posted employment increments, namely: NCR (+6,000), Region III (+82,000), Region IV (+70,000) and Region IX (+13,000).

## Unemployment

The national unemployment rate normally rises to two-digit figure during the April round of the LFS while usually posting a single digit for the rest of the year. This is due to

vacationing students and new graduates looking for work during summer.

But because of the economic difficulties, the April 1998 unemployment figure climbed to a record 13.3 percent or full 2.9 percentage points above the rate (10.47%) recorded a year ago. This is the highest recorded since 1991 when the rate reached 14.4 percent. This figure corresponds to a total of 4.278 million unemployed persons or an addition of 1.015 million to last year's only 3.263 million.

- The large increment in unemployed persons occurred among the age group 25 years old and over (633,000) with the rest (382,000) accounted for by young workers. In the past, the bulk of the increment in the number of unemployed was confined mostly among the youth (15-24 years old).
- Double-digit unemployment rates were noted in all but

three (3) regions. The highest rate was recorded in NCR (18.9%) followed by Region VI (16.8%), CARAGA (15.1%), Region 11 (14.8%), and Region VII (14.6%).

- A steep rise in youth (15-24 years old) unemployment rate was likewise noted (34.3% from 26.0% last year). Urban unemployment rate was also up during the period (15.3% from 12.7% last year).

## Underemployment

The incidence of underemployment edged down to 21.0 percent from 23.4 percent recorded in 1997 of the same month. Accordingly, the number of underemployed persons declined (-740,000) to 5.837 million. About two-thirds (62.6% or 3.656 million) of the underemployed were rural workers and the rest (2.181 million) were urban workers.

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**TABLE 1.0**  
**SUMMARY STATISTICS ON LABOR FORCE**  
**PHILIPPINES: 1996-1998 (April)**  
*(In thousands)*

Year/Month	Labor Force	Employment	Unemployment	Underemployment
<b>1996 (Average)</b>	<b>29,733</b>	<b>27,186</b>	<b>2,546</b>	<b>5,719</b>
January	28,924	26,527	2,397	5,561
April	30,713	27,358	3,355	6,086
July	29,657	27,419	2,238	5,904
October	29,637	27,442	2,195	5,326
<b>1997 (Average)</b>	<b>30,355</b>	<b>27,715</b>	<b>2,640</b>	<b>6,122</b>
January	29,631	27,335	2,296	5,755
April	31,368	28,105	3,263	6,577
July	30,154	27,531	2,623	6,348
October	30,265	27,888	2,377	5,806
<b>1998</b>				
January	30,239	27,693	2,546	6,004
April	32,113	27,835	4,278	5,837

*Note: Details may not add up to totals due to rounding of figures.*  
Source: National Statistics Office.

**TABLE 2.0**  
**SUMMARY STATISTICS ON LABOR FORCE**  
**PHILIPPINES: 1996-1998 (April)**  
*(in percent)*

Year/Month	Labor Force Participation Rate	Employment Rate	Unemployment Rate	Underemployment Rate	Visible Underemployment Rate
<b>1996 (Average)</b>	<b>66.7</b>	<b>91.4</b>	<b>8.6</b>	<b>21.0</b>	<b>11.2</b>
January	66.5	91.7	8.3	21.0	10.9
April	69.1	89.1	10.9	22.2	13.1
July	66.3	92.5	7.5	21.5	10.6
October	65.8	92.6	7.4	19.4	10.1
<b>1997 (Average)</b>	<b>66.4</b>	<b>91.3</b>	<b>8.7</b>	<b>22.1</b>	<b>10.9</b>
January	65.4	92.3	7.7	21.1	11.0
April	68.8	89.6	10.4	23.4	11.8
July	65.7	91.3	8.7	23.1	10.4
October	65.5	92.1	7.9	20.8	10.5
<b>1998</b>					
January	65.0	91.6	8.4	21.7	11.9
April	68.6	86.7	13.3	21.0	12.0

Source: National Statistics Office

**TABLE 3.0**  
**SUMMARY STATISTICS ON EMPLOYMENT BY INDUSTRY**  
**PHILIPPINES: April (1997-1998)**  
*(In thousands except rates)*

Industry	Total Employed Persons		Increment		Growth Rate (%)	
	1997	1998	1997	1998	1997	1998
<b>ALL INDUSTRIES</b>	<b>28,105</b>	<b>27,835</b>	<b>748</b>	<b>-270</b>	<b>2.7</b>	<b>-0.5</b>
<b>Agriculture, Fishery &amp; Forestry Industry</b>	<b>11,601</b>	<b>10,433</b>	<b>-374</b>	<b>-1,168</b>	<b>-3.1</b>	<b>-10.1</b>
Mining and Quarrying	134	130	12	-4	9.8	-3.0
Manufacturing	2,791	2,827	164	36	6.2	1.3
Electricity, Gas and Water	139	145	37	6	36.3	4.3
Construction	1,677	1,704	229	27	15.8	1.6
<b>Services</b>	<b>11,756</b>	<b>12,587</b>	<b>676</b>	<b>831</b>	<b>6.1</b>	<b>7.1</b>
Wholesale and Retail Trade	4,154	4,439	56	285	1.4	6.9
Transportation, Storage and Communication	1,768	1,859	146	91	9.0	5.1
Financing, Insurance, Real Estate & Bus. Services	700	659	95	-41	15.7	-5.9
Community, Social & Personal Services	5,134	5,630	379	496	8.0	9.7
<b>Not adequately classified</b>	<b>7</b>	<b>9</b>	<b>4</b>	<b>2</b>		

*Note: Details may not add up to totals due to rounding of figures.*  
*Source: National Statistics Office.*

**TABLE 4.0**  
**SUMMARY STATISTICS ON EMPLOYMENT BY HOURS OF WORK**  
**AND CLASS OF WORKER**  
**PHILIPPINES: April (1997-1998)**  
*(In thousands except rates)*

Indicator	Total Employed Persons		Increment		Growth Rate (%)	
	1997	1998	1997	1998	1997	1998
<b>ALL EMPLOYED PERSONS</b>	<b>28,105</b>	<b>27,835</b>	<b>748</b>	<b>-270</b>	<b>2.7</b>	<b>-1.0</b>
<b>Employed Working</b>						
Less than 40 hours (Part-time Employment)	9,497	9,655	-2,216	158	-18.9	1.7
40 hours and over (Full-time Employment)	17,975	17,344	2,875	-631	19.0	-3.5
Did not work	632	836	90	204	16.6	32.3
<b>Class of Workers</b>						
Wage and salary workers	13,386	13,760	991	374	8	2.8
Own-account workers	10,416	10,344	49	-72	4.7	-0.7
Unpaid family workers	4,302	3,731	-293	-571	-6.4	-13.3

*Note: Details may not add up to totals due to rounding of figures.*  
*Source: National Statistics Office.*

**TABLE 5.0**  
**SUMMARY STATISTICS ON EMPLOYMENT BY REGION**  
**PHILIPPINES: April (1997-1998)**  
*(In thousands except rates)*

Region	Total Employed Persons		Increment	Growth rate (%)
	1997	1998		
<b>PHILIPPINES</b>	<b>28,105</b>	<b>27,835</b>	<b>-270</b>	<b>-1.0</b>
NCR - National Capital Region	3,597	3,603	6	0.2
CAR -Cordillera Administrative Region	585	573	-12	-2.1
Region I - Ilocos Region	1,622	1,573	-49	-3.0
Region II - Cagayan Valley	1,255	1,185	-70	-5.6
Region III - Central Luzon	2,552	2,634	82	3.2
Region IV - Southern Tagalog	3,699	3,769	70	1.9
Region V- Bicol Region	2,022	1,977	-45	-2.2
Region VI - Western Visayas	2,405	2,375	-30	-1.2
Region VII - Central Visayas	2,087	2,047	-40	-1.9
Region VIII - Eastern Visayas	1,543	1,494	-49	-3.2
Region IX - Western Mindanao	1,071	1,084	13	1.2
Region X - Northern Mindanao	1,197	1,194	-3	-0.3
Region XI - Southern Mindanao	1,990	1,884	-106	-5.3
Region XII - Central Mindanao	921	912	-9	-1.0
ARMM-Autonomous Region in Muslim Mindanao	664	662	-2	-0.3
Caraga	894	869	-25	-2.8

*Note: Details may not add up to totals due to rounding of figures.*  
*Source: National Statistics Office.*



**TABLE 6.0**  
**SUMMARY STATISTICS ON UNEMPLOYMENT BY REGION**  
**PHILIPPINES: April (1997-1998)**  
*(In thousands except rates)*

Region	Total Unemployed Persons		Increment	Unemployment Rate (%)
	1997	1998		
<b>PHILIPPINES</b>	<b>3,263</b>	<b>4,278</b>	<b>1,015</b>	<b>13.3</b>
NCR - National Capital Region	612	841	229	18.9
CAR -Cordillera Administrative Region	51	50	-1	8.0
Region I - Ilocos Region	157	175	18	10.0
Region II - Cagayan Valley	110	206	96	14.8
Region III - Central Luzon	355	355	0	11.9
Region IV - Southern Tagalog	355	450	95	10.7
Region V- Bicol Region	222	279	57	12.4
Region VI - Western Visayas	349	479	130	16.8
Region VII - Central Visayas	215	350	135	14.6
Region VIII - Eastern Visayas	188	207	19	12.2
Region IX - Western Mindanao	103	115	12	9.6
Region X - Northern Mindanao	102	161	59	11.9
Region XI - Southern Mindanao	197	255	58	11.9
Region XII - Central Mindanao	90	132	42	12.6
ARMM-Autonomous Region in Muslim Mindanao	32	69	37	9.4
Caraga	124	154	30	15.1

*Note: Details may not add up to totals due to rounding of figures.*  
*Source: National Statistics Office.*

**TABLE 7.0**  
**SELECTED CHARACTERISTICS OF UNEMPLOYED PERSONS**  
**PHILIPPINES: April (1997-1998)**  
*(In thousands except rates)*

Indicator	Total Unemployed Persons		Percent Share (%)		Unemployment Rate (%)	
	1997	1998	1997	1998	1997	1998
<b>Sex</b>	<b>3,263</b>	<b>4,278</b>	<b>100.0</b>	<b>100.0</b>	<b>10.4</b>	<b>13.3</b>
Male	1,817	2,435	55.7	56.9	10.2	12.1
Female	1,447	1,843	44.3	43.1	12.3	15.2
<b>Age</b>	<b>3,263</b>	<b>4,278</b>	<b>100.0</b>	<b>100.0</b>	<b>10.4</b>	<b>13.3</b>
15 -24	1,118	1,500	34.3	35.1	26.0	34.3
25 and Over	2,145	2,778	65.7	64.9	12.1	11.1
<b>Area</b>	<b>3,263</b>	<b>4,278</b>	<b>100.0</b>	<b>100.0</b>	<b>10.4</b>	<b>13.3</b>
Urban	1,848	2,326	56.6	54.4	12.7	15.3
Rural	1,415	1,951	43.4	45.6	8.4	11.5

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

*Source: National Statistics Office.*

**TABLE 8.0**  
**SUMMARY STATISTICS ON UNDEREMPLOYMENT**  
**PHILIPPINES: 1996-1998 (April)**  
*(In thousands except rates)*

Year/Month	Total Underemployed Persons	Visibly Underemployed Persons	Underemployment Rate (%)	Visible Underemployment Rate (%)
<b>1996 (Average)</b>	<b>5,719</b>	<b>3,042</b>	<b>21.0</b>	<b>11.2</b>
January	5,561	2,891	21.0	10.9
April	6,086	3,596	22.2	13.1
July	5,904	2,919	21.5	10.6
October	5,326	2,763	19.4	10.1
<b>1997 (Average)</b>	<b>6,122</b>	<b>3,031</b>	<b>22.1</b>	<b>10.9</b>
January	5,755	3,006	21.1	11.0
April	6,577	3,321	23.4	11.8
July	6,348	2,866	23.1	10.4
October	5,806	2,932	20.8	10.5
<b>1998</b>				
January	5,984	3,289	21.6	11.9
April	5,837	3,330	21.0	12.0

*Note: Details may not add up to totals due to rounding of figures.*  
*Source: National Statistics Office.*

**TABLE 9.0**  
**DISTRIBUTION OF UNDEREMPLOYED PERSONS BY AREA**  
**PHILIPPINES: April (1997-1998)**  
*(In thousands except rates)*

Year/Area	Total Underemployed Persons	Visibly Underemployed Persons	Underemployment Rate (%)	Visible Underemployment Rate (%)
<b>1997</b>				
<b>Area</b>	<b>6,577</b>	<b>3,321</b>	<b>23.4</b>	<b>11.8</b>
Urban	2,572	1,028	20.2	8.1
Rural	4,004	2,293	26.1	14.9
<b>1998</b>				
<b>Area</b>	<b>5,837</b>	<b>3,330</b>	<b>21.0</b>	<b>12.0</b>
Urban	2,181	973	17.1	7.6
Rural	3,656	2,357	24.3	15.7

*Note: Details may not add up to totals due to rounding of figures.*  
*Source: National Statistics Office*