



THE LABOR FORCE SURVEY IN BRIEF

April (1999-2000)

Overview

The country's unemployment rate jumped to 13.9 percent in April from 11.8 percent posted a year ago. This, however, does not indicate that the economy is in bad shape as the unexpected rise in unemployment was due almost entirely to the steep fall in agricultural employment (-1.532 million) which pushes more people out of work. This situation is a repetition of the 1998 April survey results when the extreme drought resulted in a large reduction in agricultural employment (-1.168 million) causing unemployment rate to hit 13.3 percent. On the bright note, it is expected that agricultural employment will recover in the second quarter as the Department of Agriculture forecasts a 3.5 percent increase in agricultural output.

Participation Rate

Labor force participation rate (LFPR) was down to 66.7 percent from 69.6 percent a year ago. This figure corresponds to some 32.874 million persons in the labor force, a decline of 570,000 persons from last year. The decline in LFPR this survey round is a departure from the past pattern as the month of April is usually associated with higher LFPR due to new graduates and vacationing students looking for work during the summer months. Large reduction in LFPR were observed in the war-affected regions of ARMM (from 62.5% to 58.4%) and Region XII (from 74.1% to 68.7%).

Employment

- ❑ Employment level contracted during the period by 4.0 percent (-1.191 million). In absolute terms, total employed persons declined from 29.492 million to 28.301 million over the period under review.
- ❑ Employment losses were confined almost entirely in the agricultural, fishery and forestry sector where work was mostly seasonal or temporary and involved a large number of unpaid family workers.

For the period under review, employment in this sector was placed at 10.558 million, down by 1.532 million from last year of the same period.

- ❑ The number of persons in part-time employment (worked less than 40 hours a week) was down by 1.245 million while persons in full-time employment managed to post a modest increase of 222,000.
- ❑ By class of worker, a big reduction was observed among unpaid family workers whose number went down by 1.078 million. In contrast, wage and salary employment rose by 104,000 while own-account employment was down slightly by 218,000.
- ❑ Industry sector employment remained sluggish posting a slight decline (-62,000) over the period. While output in this sector has posted a recovery in the first quarter, its employment impact will most likely be felt only in the succeeding quarters as more firms continued to cut their workforce to boost profit. It is expected that industry employment will expand provided that growth in the sector continues to accelerate. Except for mining and quarrying which posted a modest increase (+7,000), other sub-sectors suffered a slight reduction in employment: manufacturing

(-38,000), electricity, gas and water (-15,000) and construction (-16,000).

- ❑ As observed in the past, service sector employment expanded (+404,000) as surplus agricultural labor seek employment in the community, social and personal services sector which grew by 3.8 percent in April (+213,000) or engage in trade activities (+85,000). Employment also rose in transportation, storage and communication (+83,000) and financing sector (+29,000).
- ❑ Employment levels declined practically in all regions, except Region IX. The biggest reductions were observed in Region VI (-182,000), Region X (-146,000), Region IV (-142,000) and Region VIII (-106,000).

Unemployment

The number of unemployed people rose to a record 4.573 million in April 2000, up by 621,000 from the same month last year. This figure corresponds to unemployment rate of 13.9 percent, 2.1 percentage points more than last year.

- ❑ Almost two-thirds (64.6% or 401,000) of the increment in the number of unemployed persons this period were rural workers possibly agricultural workers who failed to find jobs

in the service sector. Similarly, young workers (15-24 years old) accounted for more than one-half (54.4% or 338,000) of total addition to the ranks of unemployed persons.

- ❑ Youth unemployment rate hit a record 30.6 percent from 26.0 percent last year. Women unemployment rate also registered a marked increase during the period, from 12.8 percent to 15.9 percent.
- ❑ Unemployment rate in the National Capital Region was unchanged (18.6%) while large increases were posted in Region I (9.9% to 13.6%), Region VI (11.6% to 17.5%) and Region VIII (10.2% to 19.3%).

Underemployment

With agricultural employment on the slump, the incidence of underemployment jumped to 25.1 percent from 22.7 percent last year of the same period. As a result, employed persons wanting additional hours of work or job inched from 6.694 million to 7.105 million.

- ❑ One-half (50.1% or 3.557 million) of the total underemployed persons worked less than 40 hours a week or visibly underemployed. Majority of the underemployed persons (60.2% or 4.274 million) were rural workers.

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TABLE 1.0
SUMMARY STATISTICS ON LABOR FORCE, PHILIPPINES: 1997-2000 (April)
(In thousands)

Year/Month	Labor Force	Employment	Unemployment	Underemployment
1997 (Ave.)	30,355	27,715	2,640	6,122
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
1998 (Ave.)	31,056	27,910	3,145	6,082
January	30,239	27,689	2,551	5,986
April	32,113	27,835	4,274	5,837
July	30,593	27,855	2,737	5,803
October	31,278	28,262	3,016	6,701
1999 (Ave.)	32,081	28,980	3,102	6,481
January	31,168	28,368	2,800	6,269
April	33,444	29,492	3,952	6,694
July	31,713	29,055	2,658	6,466
October	32,000	29,003	2,997	6,415
2000				
January	31,848	28,895	2,953	6,117
April	32,874	28,301	4,573	7,105

Note: Details may not add up to totals due to rounding of figures.
Source: Labor Force Survey, National Statistics Office.

TABLE 2.0
SUMMARY STATISTICS ON LABOR FORCE, PHILIPPINES: 1997-2000 (April)
(In percent)

Year/Month	Labor Force Participation Rate	Employment Rate	Unemployment Rate	Underemployment Rate	Visible Underemployment Rate
1997 (Ave.)	66.4	91.3	8.7	22.1	10.9
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
1998 (Ave.)	66.1	89.9	10.1	21.8	11.8
January	65.0	91.6	8.4	21.6	11.9
April	68.6	86.7	13.3	21.0	12.0
July	64.9	91.1	8.9	20.8	10.9
October	66.0	90.4	9.6	23.7	12.6
1999 (Ave.)	66.6	90.3	9.7	22.3	12.0
January	65.3	91.0	9.0	22.1	12.1
April	69.6	88.2	11.8	22.7	12.4
July	65.6	91.6	8.4	22.3	12.0
October	65.8	90.6	9.4	22.1	11.4
2000					
January	65.1	90.7	9.3	21.1	11.7
April	66.7	86.1	13.9	25.1	12.6

Source: National Statistics Office, Labor Force Survey.

Table 3.0
SUMMARY STATISTICS ON LABOR FORCE, PHILIPPINES: 1997-2000 (April)
(in thousands except rates)

Indicator	1999	2000	Increment	Growth Rate (Percent)
LABOR FORCE POPULATION	33,444	32,874	-570	-1.7
EMPLOYED PERSONS	29,492	28,301	-1,191	-4.0
SECTOR				
Agriculture, Fishery and Forestry	12,090	10,558	-1,532	-12.7
Industry	4,633	4,571	-62	-1.3
Mining and Quarrying	108	115	7	6.5
Manufacturing	2,784	2,746	-38	-1.4
Electricity, Gas and Water	155	140	-15	-9.7
Construction	1,586	1,570	-16	-1.0
Services	12,768	13,172	404	3.2
Wholesale and Retail Trade	4,548	4,633	85	1.9
Transportation, Storage & Comm.	1,903	1,986	83	4.4
Financing, Insurance, R. Estate & Bus.Svs.	702	731	29	4.1
Community, Social & Personal Services	5,604	5,817	213	3.8
NEC	11	5	-6	-54.5
CLASS OF WORKER				
Wage and Salary Workers	14,224	14,328	104	0.7
Own-Account Workers	10,803	10,585	-218	-2.0
Unpaid Family Workers	4,465	3,387	-1,078	-24.1
HOURS OF WORK				
Less than 40 Hours (Part-Time Employment)	10,772	9,527	-1,245	-11.6
40 Hours and Over (Full-Time Employment)	18,040	18,262	222	1.2
Did Not Work	680	510	-170	-25.0
REGION				
NCR	3,720	3,666	-54	-1.5
CAR	595	571	-24	-4.0
Region I	1,622	1,575	-47	-2.9
Region II	1,322	1,269	-53	-4.0
Region III	2,769	2,685	-84	-3.0
Region IV	3,897	3,755	-142	-3.6
Region V	2,049	1,954	-95	-4.6
Region VI	2,611	2,429	-182	-7.0
Region VII	2,162	2,106	-56	-2.6
Region VIII	1,554	1,448	-106	-6.8
Region IX	1,165	1,173	8	0.7
Region X	1,343	1,197	-146	-10.9
Region XI	2,004	1,946	-58	-2.9
Region XII	988	925	-63	-6.4
ARMM	746	707	-39	-5.2
Caraga	948	896	-52	-5.5

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

Source: National Statistics Office, Labor Force Survey.

**Table 4.0 – SUMMARY STATISTICS ON LABOR FORCE PARTICIPATION RATE
AND UNEMPLOYED PERSONS, PHILIPPINES: 1997-2000 (April)**
(In thousands except percent)

Indicator	Labor Force Participation Rate (%)		Total Unemployed Persons		Percent Share (%)		Unemployment Rate (%)	
	1999	2000	1999	2000	1999	2000	1999	2000
Sex	69.6	66.7	3,952	4,573	100.0	100.0	11.8	13.9
Men	86.0	83.8	2,319	2,631	58.7	57.5	11.2	12.7
Women	51.5	49.7	1,634	1,942	41.3	42.5	12.8	15.9
Age Group	69.6	66.7	3,952	4,573	100.0	100.0	11.8	13.9
15-24 years old	61.2	57.5	2,308	2,646	58.4	57.9	26.0	30.6
25-54 years old	78.2	76.1	1,380	1,655	34.9	36.2	7.3	8.3
55 years old and over	57.3	53.8	264	273	6.7	6.0	6.2	6.3
Area	69.6	66.7	3,952	4,573	100.0	100.0	11.8	13.9
Urban	66.8	65.1	2,316	2,536	58.6	55.5	14.8	16.2
Rural	72.2	68.3	1,636	2,037	41.4	44.5	9.2	11.8
Region	69.6	66.7	3,952	4,573	100.0	100.0	11.8	13.9
NCR	67.0	64.5	831	837	21.0	18.3	18.3	18.6
CAR	72.9	69.2	51	57	1.3	1.2	7.9	9.0
Region I	67.8	67.2	178	248	4.5	5.4	9.9	13.6
Region II	76.5	70.7	138	117	3.5	2.6	9.5	8.5
Region III	65.5	61.2	433	383	11.0	8.4	13.5	12.5
Region IV	66.2	64.3	436	578	11.0	12.6	10.1	13.4
Region V	71.9	68.2	279	310	7.1	6.8	12.0	13.7
Region VI	69.7	67.8	342	515	8.7	11.3	11.6	17.5
Region VII	69.5	68.7	289	370	7.3	8.1	11.8	14.9
Region VIII	71.0	72.1	177	347	4.5	7.6	10.2	19.3
Region IX	67.8	66.8	125	130	3.2	2.8	9.7	10.0
Region X	82.3	71.7	148	137	3.7	3.0	9.9	10.3
Region XI	74.4	71.2	231	249	5.8	5.4	10.3	11.3
Region XII	74.1	68.7	125	136	3.2	3.0	11.3	12.8
ARMM	62.5	58.4	49	53	1.2	1.2	6.2	7.0
CARAGA	75.2	68.7	120	107	3.0	2.3	11.2	10.6

*Note: Details may not add to totals due to rounding of figures.
Source: National Statistics Office, Labor Force Survey.*