



Vol. 6 No. 8 April 2002

### HIGHLIGHTS OF THE JANUARY 2002 LABOR FORCE SURVEY

#### Overview

Notwithstanding the effect of the global economic slowdown, the country managed to post a 5.7 percent growth in employment with agriculture, forestry and fishery sector and wholesale and retail trade sector providing the biggest source of growth. Moreover, unemployment rate fell to 10.3 percent from 11.3 percent a year ago while the rate of underemployment also edged down to 15.9 percent from 16.9 percent over the period.



Much of the increase in employment, however, was accounted for by the rise in part-time employment and unpaid family workers which expanded by 33.5 percent and 24.8 percent, respectively. The weakness in the labor market can also be seen by the slump in industry sector employment (-1.8%) which absorbed the brunt of the global economic slowdown.

# Labor Force and Labor Force Participation Rate (LFPR)

More people joined the labor market in January as labor force participation rate (LFPR) increased to 66.4 percent, upped 0.9 percentage points from the same month last year. Overall, the country's labor force population increased by 1.405 million to reach 33.098 million.

#### **Employment**

Employment level in January grew by 5.7 percent year-on-year, continuing the uptrend that began in the April (7.2%), July (8.1%) and October (8.3%) 2001 rounds of the Labor Force Survey. In absolute terms, total

employed persons increased from 28.096 million to 29,705 million or an increment of 1.609 million over the period.

KEY EMPLOYMENT INDICATORS PHILIPPINES: JANUARY 2001-2002						
(in thousands except rates)						
Indicator	Jan. 2002	Jan. 2001	Year-On- Year Change			
Labor Force Employed Persons Unemployed Persons Underemployed Persons	33,098 29,705 3,393 4,724	31,693 28,096 3,597 4,744	+1,405 +1,609 -204			
LFPR (%) Employment Growth	66.4 5.7	65.5 1.3	+0.9			
Rate(%)	J. 1	1.5	<b>⊤4.4</b>			
Unemployment Rate (%)	10.3	11.3	-1.0			
Underemployment Rate (%)	15.9	16.9	-1.0			

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

- Employment in the agriculture, fishery and forestry sector continued to expand, growing by 7.4 percent (+754,000) in January. Nearly one-half (46.9%) of the growth in employment this period was contributed by this sector.
- Industry sector employment was on the slump contracting by 1.8 percent (-86,000). Decline in employment level was noted in manufacturing (-55,000), construction (-32,000) and mining and quarrying (-3,000). Meanwhile, the electricity, gas and water employment posted a slight increase (+4,000).
- Employment in the service sector expanded by 7.2% (+943,000). The wholesale and retail trade posted the biggest increment in employment at 554,000. Notable increases were also observed in transportation, storage and communication (+86,000) and private households with employed persons (+160,000).
- Part-time employment (worked less than 40 hours a week) increased by a hefty 33.5 percent (+2.842 million). In contrast, full-time employment (worked 40 hours or more a week) declined by 7.2 percent (-1.393 million).
- Wage and salary employment was about unchanged. The increase in employment this period was almost evenly divided between own-account workers (+806,000) and unpaid

- family workers (+800,000). The rise in unpaid family employment was unusually large compared to the previous years.
- Employment level increased in all regions. Growth rates were recorded highest in Region VIII (7.4%), Region VI (6.9%) and Region XII (6.6%). It was posted lowest in Region I (1.1%) and Region V (1.4%).

#### Unemployment

Unemployment rate edged down by one percentage point to 10.3 percent in January 2001. Correspondingly, the number unemployed persons declined to 3.393 million from 3.597 million a year earlier. The decline in unemployment occurred despite of the increase in labor force participation rate.

- Unemployment rate declined for male workers (11.4% to 10.1%) and female workers (11.3% to 10.4%).
- Decline in unemployment rates was observed across all age groups but most pronounced among the youth aged 15 to 24 (22.5% to 20.1%).
- Unemployment rate recorded a decline in both urban areas (14.7% to 13.0%) and rural areas (8.1% to 7.6%).
- Unemployment rates eased considerably in Region VII (12.4% to 9.9%) and Region XII (10.3% to 6.0%). Likewise, six (6) regions recorded more than one percentage point decline in rates,

namely: NCR, Region IV, Region VI, Region VIII, Region IX and Region X. The rates in other regions were almost unchanged, except in Caraga which posted an increase (9.7% to 11.1%).

### Underemployment

Of the total employed persons, million some 4.724 were underemployed i.e. they expressed desire for more hours work/additional job during the survey This figure corresponds to 15.9 percent of total employed persons, down by 1.0 percentage point from the previous year.

Close to one-half (2.354 million) of the total underemployed persons were engaged in agriculture, forestry and fishery. Relatively large numbers were also noted in wholesale and retail trade (597,000), manufacturing (407,000) and transportation,

- storage and communication (303,000).
- Underemployment is also a rural phenomenon as the majority (63.4% or 2.996 million) of the underemployed were rural workers.
- By class of worker, almost onehalf (47.8%) were in wage and salary employment. The rest were own-account workers (39.7%) and unpaid family workers (12.5%).

#### Visible Underemployment

- A little more than two-thirds (68.0%) of the total underemployed persons worked less than 40 hours a week or visibly underemployed.
- For the period under review, the number of visibly underemployed persons rose by 15.6 percent (+433,000), from 2.779 million to 3.212 million.

#### FOR INQUIRIES:

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## Table 1 - SUMMARY STATISTICS ON LABOR FORCE PHILIPPINES: JANUARY (2001-2002)

(in thousands except rates)

(III through	(in thousands except rates)					
Indicator	2001	2002	Increment	Growth Rate (Percent)		
LABOR FORCE POPULATION	31,693 33,098 1,405		4.4			
EMPLOYED PERSONS	28,096	29,705	1,609	5.7		
SECTOR						
Agriculture, Fishery and Forestry	10,252	11,006	754	7.4		
Industry	4,682	4,596	(86)	(1.8)		
Mining and Quarrying	118	115	(3)	(2.5)		
Manufacturing	2,885	2,830	(55)	(1.9)		
Electricity, Gas and Water	116	120	4	3.4		
Construction	1,563	1,531	(32)	(2.0)		
Services	13,161	14,104	943	7.2		
Wholesale and Retail Trade	4,964	5,518	554	11.2		
Hotels and Restaurants	668	676	8	1.2		
Transportation, Storage & Communication	2,081	2,167	86	4.1		
Financial Intermediation	285	299	14	4.9		
Real Estate, Renting & Bus. Activities Public Administration & Defense,	490	537	47	9.6		
Compulsory Social Security	1,380	1,424	44	3.2		
Education	892	932	40	4.5		
Health and Social Work	301	349	48	15.9		
Other Community, Social & Personal Services Private Households with Employed Persons	939 1,154	886 1,314	(53) 160	(5.6) 13.9		
Extra-Territorial Organizations	7	2	(5)	(71.4)		
CLASS OF WORKER						
Wage and Salary Workers	14,406	14,411	5	0.0		
Own-Account Workers	10,459	11,265	806	7.7		
Unpaid Family Workers	3,230	4,030	800	24.8		
HOURS OF WORK						
Less than 40 Hours (Part-Time Employment)	8,486	11,328	2,842	33.5		
40 Hours and Over (Full-Time Employment)	19,264	17,871	(1,393)	(7.2)		
Did Not Work	346	505	159	46.0		
REGION						
NCR	4,492	4,652	160	3.6		
CAR	566	586	20	3.5		
Region I	1,718	1,737	19	1.1		
Region II	1,214	1,268	54	4.4		
Region III	3,098	3,253	155	5.0		
Region IV	4,737	4,990	253	5.3		
Region V	1,939	1,967	28	1.4		
Region VI	2,567	2,745	178	6.9		
Region VII	2,312	2,398	86	3.7		
Region VIII	1,544	1,659	115	7.4		
Region IX	1,182	1,238	56	4.7		
Region X	1,313	1,340	27	2.1		
Region XI	2,266	2,355	89	3.9		
Region XII	1,067	1,137	70	6.6		
ARMM	757	795	38	5.0		
Caraga	919	978	59	6.4		

Notes: 1. Details may not add to totals due to rounding of figures.

<sup>2.</sup> Estimates based on the revised population benchmark using the 1995 Census of Population results. Source of basic data: National Statistics Office, Labor Force Survey.

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Table 2 - SUMMARY STATISTICS ON LABOR FORCE PARTICIPATION RATE PHILIPPINES: JANUARY (2001-2002)

(in thousands except percent)

Region	Partici	Participation Unem		Total Unemployed Persons		nt Share %)	-	loyment e (%)
	2001	2002	2001	2002	2001	2002	2001	2002
Sex Men Women	<b>65.5</b> 81.2 49.9	<b>66.4</b> 81.3 51.5	<b>3,597</b> 2,224 1,373	<b>3,393</b> 2,051 1,342	<b>100.0</b> 61.8 38.2	<b>100.0</b> 60.4 39.6	<b>11.3</b> 11.4 11.3	<b>10.3</b> 10.1 10.4
Age group 15-24 years old 25-54 years old 55 years old and over	<b>65.5</b> 48.1 78.1 57.3	<b>66.4</b> 49.9 78.8 57.0	<b>3,597</b> 1,612 1,652 334	<b>3,393</b> 1,581 1,529 284	<b>100.0</b> 44.8 45.9 9.3	<b>100.0</b> 46.6 45.1 8.4	11.3 22.5 8.3 7.2	10.3 20.1 7.3 6.0
<b>Area</b> Urban Rural	<b>65.5</b> 63.8 67.2	<b>66.4</b> 64.4 68.4	<b>3,597</b> 2,285 1,312	<b>3,393</b> 2,109 1,284	<b>100.0</b> 63.5 36.5	<b>100.0</b> 62.2 37.8	<b>11.3</b> 14.7 8.1	<b>10.3</b> 13.0 7.6
Region  NCR CAR Region I Region III Region IVI Region V Region VI Region VII Region VIII Region IX Region X Region X Region X Region XI Region XII Region XII	65.5 63.9 65.0 64.7 69.6 62.4 65.5 68.2 63.9 65.5 68.4 61.5 76.1 69.4 65.3	66.4 64.4 64.8 63.9 70.9 63.7 66.5 67.7 66.4 66.0 71.5 62.4 75.4 70.0 67.7	3,597 805 41 186 52 378 597 164 272 287 158 86 96 231	3,393 750 42 194 56 375 570 157 241 237 145 76 82 251 68	100.0 22.4 1.1 5.2 1.4 10.5 16.6 4.6 7.6 8.0 4.4 2.4 2.7 6.4 3.1	100.0 22.1 1.2 5.7 1.7 11.0 16.8 4.6 7.1 7.0 4.3 2.2 2.4 7.4 2.0	11.3 17.9 7.3 10.8 4.3 12.2 12.6 8.5 10.6 12.4 10.2 7.3 7.3 10.2	10.3 16.1 7.2 11.2 4.4 11.5 11.4 8.0 8.8 9.9 8.8 6.1 6.1 10.7 6.0
ARMM Caraga	55.1 68.1	56.4 70.1	44 89	41 109	1.2 2.5	1.2 3.2	5.8 9.7	5.2 11.1

Notes: 1. Details may not add to totals due to rounding of figures.

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

<sup>2.</sup> Estimates based on the revised population benchmark using the 1995 Census of Population results.

### Table 3 - SUMMARY STATISTICS ON UNDEREMPLOYED PERSONS PHILIPPINES: JANUARY (2001-2002)

(in thousands except percent)

Indicator	2001	2002
UNDEREMPLOYED PERSONS ('000)	4,744	4,724
UNDEREMPLOYMENT RATE (%)	16.9	15.9
Hours Worked	0.770	2.040
Less than 40 hours (Visibly Underemployed) 40 hours and more (Invisibly Underemployed)	2,779 1,965	3,212 1,512
Area		
Urban Rural	1,806 2,939	1,728 2,996
Sector		
Agriculture, Fishery and Fishery	2,247	2,354
Industry	821	786
Mining and Quarrying	28	21
Manufacturing	457	407
Electricity, Gas and Water	11	17
Construction	325	341
Services	1,674	1,584
Wholesale and Retail Trade	613	597
Hotels and Restaurants	81	60
Transportation, Storage & Communication	307	303
Financial Intermediation	27	23
Real Estate, Renting & Business Activities Public Administration & Defense,	57 196	61 166
Compulsory Social Security	130	100
Education	65	54
Health and Social Work	32	35
Other Community, Social & Personal Services	198	195
Private Households with Employed Persons	98	90
Extra-Territorial Organizations	-	-
Class of Worker		
Wage and Salary Worker	2,398	2,258
Own-account Worker	1,756	1,875
Unpaid Family Worker	590	591

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

Notes: 1. Details may not add to totals due to rounding of figures.
2. Estimates based on the revised population benchmark using the 1995 Census of Population results.