



HIGHLIGHTS OF THE JANUARY 1997 LABOR FORCE SURVEY (Preliminary Results)

The January 1997 Labor Force Survey (LFS) showed mixed results for the country's labor market. Compared to last year's performance, employment growth this year slowed down to 3.1 percent from 5.3 percent registered last year due to the slump in employment in the agricultural sector which traditionally provides the bulk of employment.

This, notwithstanding, strong employment growth rates were achieved in the industrial and services sectors which is accompanied by considerable improvement in the quality of employment generated during the period. Moreover, the national jobless rate managed to edged down from 8.3 percent in 1996 to 7.7 percent despite the higher labor force participation rate (LFPR) registered during the period. It was likewise observed that the incidence of underemployment was held at about the same rate last year at 21.1 percent, although visible underemployment exhibited an increase.

LABOR FORCE

The country's labor force population expanded by 2.5 percent over the year ago level to reached 29.641 million. For the period under review, the labor force participation rate increased from 62.5 percent to 65.4 percent.

LABOR MARKET INDICATORS		
Indicator	January	
	1996	1997
1. Labor Force ('000)	28,924	29,641
LFPR (%)	62.5	65.4
2. Employment ('000)	26,527	27,346
Growth rate (%)	5.3	3.1
Employment rate (%)	91.7	92.3
3. Underemployment ('000)	5,561	5,757
Underemployment rate ('000)	21.0	21.1
4. Unemployment ('000)	2,397	2,295
Unemployment rate (%)	8.3	7.7

EMPLOYMENT

An estimated 27.346 million persons was reported employed in January 1997. This meant an **employment growth** rate of 3.1 percent or an **employment increment** of 819,000. This figure, however, fell short of the of the previous year performance both in terms of growth rate and level of increment, 5.3 percent and 1.333 million, respectively.

Year	TOTAL EMPLOYED PERSONS		
	Number ('000)	Growth rate (%)	Increment
January 1996	26,527	5.3	1,333
January 1997	27,346	3.1	819

The slowdown in employment growth, however, was accompanied by the following positive developments:

- More persons found **full-time employment** (i.e. persons working 40 hours or more during the reference week) as their number grew by 4.0 percent to reached 17.710 million. This represent an increment of 682,000 or more than three-fourths (83.1%) of additional employment created during the period. **Part-time employment** was about unchanged at 9.296 million.
- **Wage and salary employment** grew by 6.6 percent (12.171 million to 12.974 million) as their share to total employed increased from 45.9% to 47.0 %. Data showed that the lion share (97.9% or 803,000) of the total increment in employment during the period was attributed to this group of worker. In contrast, **own-account employment** and employment of **unpaid-family workers**, both suffered a slump (0.8%) and (-1.7%).
- **Industrial sector and service sector employment** both grew strongly by 4.9% and 6.2%, respectively, and together offset the fall in employment in the **agricultural sector** (-0.5%). **Manufacturing sector** employment remained sluggish (1.6%).

The bulk of the employment increment during the period was contributed by the three sub-sectors comprising of **community, social and personal services** (340,000); **financing, insurance, real estate and business services** (161,000); and **construction** (115,000).

It is worthnothing that most of the gain in employment during the period occurred in the rural areas. Data indicate that **rural employment** expanded by 7.3 percent (13.890 million to 14.902 million) as compared to **urban employment** which contracted by 1.5 percent (12.637 million to 12.444 million).

Positive employment gains were reported in all but five regions. The bulk of the employment increment were, however, concentrated only in the three regions of **NCR** (201,000), **Region I** (177,00) and **Region IV** (166,000).

Decline in employment levels were observed in **CAR** (12,000), **Region II** (4,000), **Region IX** (6,000), **Region XII** (37,000) and **ARMM** (21,000).

UNDEREMPLOYMENT

Underemployment defined as employed persons wanting additional hours of work or another jobs with longer hours of work stood at 5,757 million, an increase of 196,000 from last year level. As a proportion to total employed, the **underemployment rate** was pegged at 21.1 percent, about the same from previous year figure of 21.0 percent.

The higher number of underemployed persons reported during this period was accounted for by the increase in the number of **visibly underemployed persons** (i.e. worked for less than 40 hours during the reference week). Their number rose by 114,000 to reached 3.005 million or more than one-half of the total underemployed persons (52.3%).

UNEMPLOYMENT

The national **jobless rate** dipped to 7.7 percent in January, a slight decline from the year ago rate of 8.3 percent. In absolute terms, the number of **underemployed persons** was down from 2.397 million to 2.295 million.

Four regions experienced a marked decline in jobless rate, namely, **NCR** (14.4% to 12.1%), **Region I** (8.7% to 6.9%), **Region III** (10.7% to 8.1%), and **CARAGA** (9.7% to 7.5%). In contrast, relatively large increases in jobless rates were noted in **Region V** (6.0% to 7.0%), **Region VIII** (5.3% to 7.7%), **Region XI** (6.5% to 7.8%), **Region XII** (4.9% to 5.9%) and **ARMM** (1.3% to 2.6%).

Jobless rates declined among selected group of workers as follows: **youth unemployment** (16.2% to 14.7%), **urban unemployment** (10.6% to 9.6%) and **female unemployment** (9.3% to 8.5%).

FOR INQUIRIES:

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**TABLE 1 - SELECTED STATISTICS: LABOR FORCE SURVEY
PHILIPPINES
(January 1996-1997)**

Indicator	TOTAL EMPLOYMENT					
	NUMBER (‘000)		GROWTH RATE (%)		INCREMENT (‘000)	
	1996	1997	1996	1997	1996	1997
EMPLOYED PERSONS	26,527	26,346	5.3	3.1	1,333	819
Hours Worked						
Part-time	9,220	9,296	19.0	0.8	1,473	76
Full-time	17,028	17,710	-1.1	4.0	-196	682
Did not work	278	340	25.2	22.3	56	62
Class of worker						
Wage & Salary	12,171	12,974	1.0	6.6	115	803
Own-account	10,245	10,332	5.3	0.8	518	87
Unpaid Family	4,110	4,040	20.5	-1.7	700	-70
Area						
Urban	12,637	12,444	5.6	-1.5	673	-193
Rural	13,890	14,902	5.0	7.3	660	1,012
Sector						
Agriculture	11,485	11,426	5.8	-0.5	631	59
Industry	4,256	4,464	3.4	4.9	141	208
Mining & Quarrying	87	126	-20.9	44.8	-23	39
Manufacturing	2,645	2,686	0.8	1.6	22	41
Electricity, Gas & Water	112	125	0.9	11.6	1	13
Construction	1,412	1,527	11.1	8.1	141	115
Services	10,781	11,448	5.4	6.2	560	667
Wholesale & Retail Trade	3,954	4,050	8.6	2.4	312	96
Transportation	1,606	1,676	12.9	4.4	183	70
Financing	535	696	-0.4	30.1	-2	161
Community	4,686	5,026	1.4	7.3	67	340
NEC	5	6	0.0	20.0	0	1

Source: Integrated Survey of Households, Labor Force Survey, National Statistics Office.

**TABLE- 2. REGIONAL STATISTICS ON LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT,
PHILIPPINES: JANUARY 1996-1997**

REGION	LABOR FORCE (‘000)		TOTAL EMPLOYED (‘000)		INCREMENT (‘000)		TOTAL UNEMPLOYED (‘000)		UNEMPLOYMENT RATE (‘000)	
	1996	1997	1996	1997	1996	1997	1996	1997	1996	1997
PHILIPPINES	28,924	29,641	26,527	27,346	1,333	819	2,397	2,295	8.3	7.7
NCR- METRO MANILA	3,800	3,929	3,252	3,453	116	201	548	476	14.4	12.1
CAR	578	567	549	537	59	-12	29	30	5.0	5.3
REGION I	1,532	1,693	1,399	1,576	42	177	133	117	8.7	6.9
REGION II	1,239	1,244	1,208	1,204	55	-4	31	40	2.5	3.2
REGION III	2,816	2,795	2,514	2,568	143	54	302	227	10.7	8.1
REGION IV	3,855	3,988	3,521	3,687	184	166	334	301	8.7	7.6
REGION V	2,025	2,078	1,904	1,933	25	29	121	145	6.0	7.0
REGION VI	2,587	2,589	2,374	2,400	69	26	13	189	8.2	7.3
REGUIB VII	2,124	2,170	1,915	1,956	103	41	209	214	9.8	9.9
REGION VIII	1,532	1,589	1,451	1,467	76	16	81	122	5.3	7.7
REGION IX	1,104	1,098	1,049	1,043	51	-6	55	55	5.0	5.0
REGION X	1,150	1,251	1,086	1,183	*	97	64	68	5.6	5.5
REGION XI	2,200	2,264	2,058	2,087	*	29	142	177	6.5	7.8
REGION XII	803	773	764	727	84	-37	39	46	4.9	5.9
ARMM	691	679	682	661	11	-21	9	18	1.3	2.6
CARAGA	887	934	801	875	*	63	86	70	9.7	7.5

* Data not computed due to non-availability of data for CARAGA in 1995.

Source: Integrated Survey of Households, Labor Force Survey, National Statistics Office