



AGRICULTURAL EMPLOYMENT TRENDS IN THE PHILIPPINES : THE DECADE PAST

Agriculture is said to be the foundation of all economies. Food crops and other raw materials come from agriculture. People need food and manufacturing firms need raw materials to produce new products. In addition, most people specifically from the rural areas get their livelihood from agriculture.

The Philippines is still an agricultural country as about two-fifths of national employment and 16.9 percent of our gross domestic is contributed by this sector. It is said that if the agricultural sector is well-developed, then it can support other sectors of the economy.

With agricultural development particularly food security as one of the priority thrusts of the Estrada Administration, it is timely to take a look at



the employment trend in this sector during the past decade.

Data presented in this report represent yearly averages of the four (4) survey rounds of the Labor Force Survey (LFS) conducted by the National Statistics Office during the months of January, April, July and October from 1989 to 1998. However, because of incomplete survey rounds in 1990 due to the conduct of the population census, data of the October round was considered for the year.

TEN-YEAR EMPLOYMENT TREND BY SECTOR

The percent share of agriculture to total employment continued to decline over the past decade.

While employment levels in agricultural sector increased from 9.901 million in 1989 to 10.933 million in 1998, its share to total employment declined by a full 6.0 percentage points from its 1989 figure. Employment levels further showed fluctuating growth experiencing big cutbacks during the past two years. These could be attributed to the continuous conversion of prime agricultural lands into industrial estates, export processing zones, subdivisions and even golf courses, and the prolonged drought and typhoons.

On the other hand, total employment in the service sector in 1998 stood at 12.388 million, an increment of almost four (4) million from 8.492 million ten years ago. Starting 1997, this sector became the country's biggest employer, posting a 42.4 percent share to total employment vis-à-vis the 40.8 percent share of agriculture.

Employment growth rate in the industry sector for the ten-year period likewise registered a 30.7 percent increase. The figures indicate an increment of about a million employed, i.e. from 3.506 million in 1989 to 4.583 million in 1998. However, its percent share to total employment remained stable at around 16.0 percent during the ten year period.

Table 1. EMPLOYMENT TRENDS BY MAJOR SECTOR, PHILIPPINES: 1989 - 1998
(In thousands except percent)

Year	Total Employment		Agriculture			Industry		Services	
	Number	Percent	Number	Percent	Growth Rate	Number	Percent	Number	Percent
1989	21,908	100.0	9,901	45.2	-	3,506	16.0	8,492	38.8
1990	22,532	100.0	10,185	45.2	2.9	3,386	15.0	8,946	39.7
1991	22,913	100.0	10,290	44.9	1.0	3,631	15.8	8,982	39.2
1992	23,696	100.0	10,726	45.3	4.2	3,823	16.1	9,127	38.5
1993	24,382	100.0	11,139	45.7	3.9	3,804	15.6	9,427	38.7
1994	25,032	100.0	11,286	45.1	1.3	3,949	15.8	9,788	39.1
1995	25,677	100.0	11,147	43.4	(1.2)	4,140	16.1	10,379	40.4
1996	27,186	100.0	11,645	42.8	4.5	4,431	16.3	11,107	40.9
1997	27,715	100.0	11,314	40.8	(2.8)	4,631	16.7	11,764	42.4
1998	27,912	100.0	10,933	39.2	(3.4)	4,583	16.4	12,388	44.4

Notes: 1. Figures represent the average of the four (4) survey rounds for each year except in 1990 where data from the October round were taken because of incomplete survey round for the year.

2. Details may not add up to totals due to rounding and the exclusion of non-classifiable activities.

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

AGRICULTURAL EMPLOYMENT

Minor Industry Group

Almost five out of six workers in agriculture, fishery and forestry are engaged in agricultural crops production, such as palay, corn, sugarcane and coconut.



The number of employed persons in the agriculture crops production accounted for about 82 percent of the workers in agriculture, fishery and forestry from 1989 to 1998. (Table 2)

On the other hand, the shares of workers in both the production of livestock,

poultry and other animals, and agricultural services to agricultural employment exhibited upward trends during the period. From 3.3 percent in 1989, the share of livestock workers continuously rose to 4.3 percent in 1994 and to 5.9 percent in 1998. Agricultural services which posted the least share, slightly increased to 0.9 percent in 1998 from 0.7 percent a decade ago.

Meanwhile, the share of the fishery workers decreased from 13.2 percent in 1989 to 10.2 percent in 1998. Similarly, the proportion of forestry workers fell slightly from 1.5 percent in 1989 to 1.0 percent in 1998.

Table 2. EMPLOYED PERSONS IN AGRICULTURE, FISHERY AND FORESTRY BY MINOR INDUSTRY GROUP, PHILIPPINES: 1989, 1994 AND 1998
(In thousands except percent)

Industry Group	1989		1994		1998	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Fishery and Forestry	9,901	100.0	11,286	100.0	10,933	100.0
Agriculture crops production	8,041	81.2	9,208	81.6	8,971	82.1
Production of livestock, poultry And other animals	326	3.3	490	4.3	645	5.9
Agricultural Services	70	0.7	96	0.9	95	0.9
Fishery	1,309	13.2	1,359	12.0	1,111	10.2
Forestry	152	1.5	131	1.2	105	1.0
Hunting, trapping and game Propagation	2	*	2	*	6	0.1

Note: Details may not add up to totals due to rounding.

** Less than 0.1 percent.*

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

Class Of Worker

By type of worker, own-account workers comprised one half of the sector's employment, the bulk of which were self-employed workers. In 1998, it accounted for 51.2 percent from 50.0 percent ten years ago. It is interesting to note that the share of employers grew to 5.4 percent from 4.0 percent for the same period.

On the other hand, the share of wage and salary workers in 1998 almost remained unchanged at 22.0 percent from 22.4 percent a decade ago.

Although unpaid family workers declined from 27.7 percent in 1989 to 26.8 percent in 1998, it still accounted for more than one-fourth of the total workers in the agriculture sector.

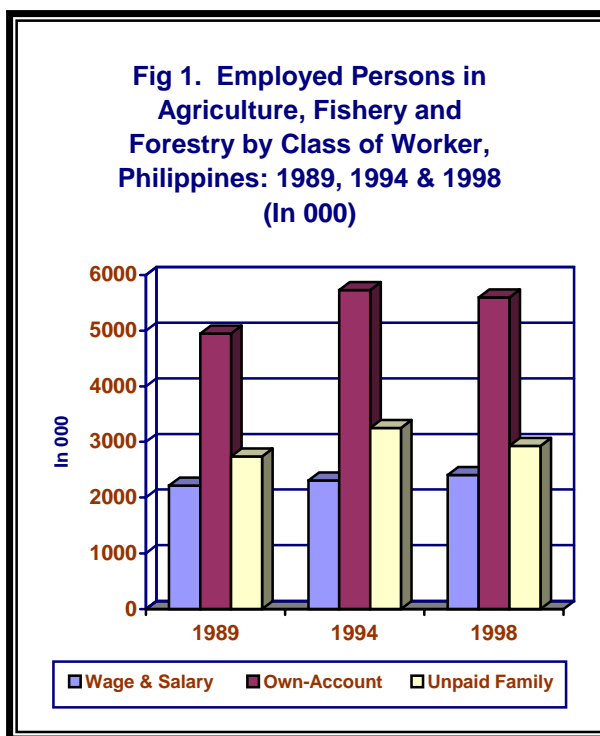


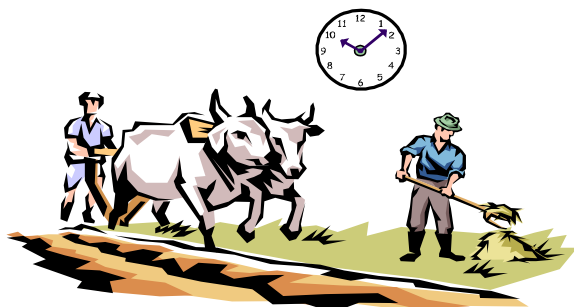
Table 3. EMPLOYMENT IN AGRICULTURE, FISHERY AND FORESTRY BY CLASS OF WORKERS, PHILIPPINES: 1989, 1994 AND 1998 (In thousands except percent)

Class of Workers	1989		1994		1998	
	Number	Percent	Number	Percent	Number	Percent
Total	9,901	100.0	11,286	100.0	10,933	100.0
Wage and Salary Workers	2,215	22.4	2,306	20.4	2,406	22.0
Worked for private household/establishment/family operated business	2,177	22.0	2,282	20.2	2,385	21.8
Worked for government/government corporation	38	0.4	23	0.2	21	0.2
Own-Account Workers	4,947	50.0	5,729	50.8	5,599	51.2
Self-employed	4,549	45.9	5,263	46.6	5,011	45.8
Employers	398	4.0	466	4.1	588	5.4
Unpaid Family Workers	2,739	27.7	3,251	28.8	2,928	26.8

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

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

Hours Of Work



The country's agricultural and related workers are rendering less and less hours of work per week (Table 4). Those who worked

less than 40 hours a week steadily rose from 49.8 percent in 1989 to 53.4 percent in 1994, and 58.3 percent in 1998.

In contrast, the proportion of those who worked 40 hours or more a week has declined over the past ten years. In 1989, there were about 49.3 percent of them; five years after, it declined to 45.6 percent, and in 1998, the proportion further went down to 39.8 percent.

Table 4. AGRICULTURAL AND RELATED WORKERS BY HOURS WORKED DURING THE PAST WEEK, PHILIPPINES: 1989, 1994 AND 1998
(In thousands except percent)

Hours Worked	1989		1994		1998	
	Number	Percent	Number	Percent	Number	Percent
Total	9,772	100.0	11,176	100.0	10,815	100.0
Under 20 hours	1,199	12.3	1,596	14.3	1,893	17.5
20 - 29 hours	1,601	16.4	1,940	17.4	2,088	19.3
30 - 39 hours	2,058	21.1	2,423	21.7	2,324	21.5
40 hours and over	4,820	49.3	5,094	45.6	4,304	39.8
Did not work/Not reported	89	0.9	123	1.1	206	1.9

Note: Details may not add up to totals due to rounding.

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

UNDEREMPLOYMENT

The incidence of underemployment, or agricultural and related workers who wanted additional hours of work, however does not seem related to the declining work hours. Underemployment rates fluctuated over the past decade from 28.7% in 1989; 25.9% in 1994 and 26.7% in 1998. Meanwhile, the

invisibly underemployment rate, or the proportion of underemployed who worked 40 or more hours a week, steadily went down from 12.2 percent in 1989 to 10.2 percent five years later and, further dipped to 8.6 percent in 1998 (Table 5).

Table 5. UNDEREMPLOYMENT AND UNDEREMPLOYMENT RATE OF AGRICULTURAL AND RELATED WORKERS, PHILIPPINES: 1989, 1994 AND 1998
(In thousands except percent)

Indicator	1989	1994	1998
Total Employed Agricultural and Related Workers	9,772	11,176	10,815
Underemployed Agricultural Workers	2,805	2,890	2,885
Underemployment Rate (%)	28.7	25.9	26.7
Worked less than 40 hours a week	1,611	1,753	1,958
Visibly Underemployment Rate (%)	16.5	15.7	18.1
Worked 40 hours or more hours a week	1,194	1,136	925
Invisibly Underemployment Rate (%)	12.2	10.2	8.6

Note: Details may not add up to totals due to rounding.

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

NATURE OF EMPLOYMENT

Data in Table 6 showed that the proportion of agricultural workers whose work of permanent nature remained steady at about 75 percent of total wage and salary and own-account workers.

The proportion of those who did not have permanent employers however, was seen to be declining from 9.9 percent in 1989, its percent share went down to 8.6 percent in 1994 and in 1998.

Table 6. AGRICULTURAL AND RELATED WORKERS WHO ARE WAGE AND SALARY AND OWN-ACCOUNT WORKERS BY NATURE OF EMPLOYMENT, PHILIPPINES: 1989, 1994 AND 1998
(In thousands except percent)

Nature of Employment	1989		1994		1998	
	Number	Percent	Number	Percent	Number	Percent
Total	7,034	100.0	7,928	100.0	7,894	100.0
Permanent Job/ Business/ Unpaid Family Workers	5,248	74.6	5,934	74.8	5,944	75.3
Short-Term/Seasonal Job/ Business/Unpaid Family Workers	1,091	15.5	1,311	16.5	1,273	16.1
Worked for Different Employers on Day to Day or Week to Week Basis	695	9.9	683	8.6	677	8.6

Note: Details may not add up to totals due to rounding-offs.

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

FOR INQUIRIES:

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