



THE LABOR FORCE SURVEY IN BRIEF

JULY (1998-1999)

Overview

The country's labor market improved in July 1999 compared to the same period last year, data from the Labor Force Survey (LFS) of the National Statistics Office indicate. This can be attributed mainly to the strong employment growth in agriculture, the turnaround in industry employment, particularly in manufacturing and the general improvement in the quality of work. Moreover, the national unemployment rate edged down slightly by 0.5 percentage point. However, the incidence of underemployment continued to rise during the period

Participation Rate

Labor force participation rate (LFPR) rose to 65.6 percent from 64.9 percent a year ago. Notable increases were observed among women (48.0% to 49.4%) and prime working age group 25 to 54 (76.9% to 77.7%). Overall, the country's labor force population expanded by 1.12 million to reach 31.713 million.

Employment

Employment level grew by a moderate 4.3 percent (+1.199 million) from a year ago level to 29.055 million in July 1999. The quality of employment generally improved this year as indicated below.

- Employment in the agricultural, fishery and forestry sector continued to recover posting a strong 6.8 percent growth rate (+750,000) up from last year's sluggish 0.2 percent (+19,000) growth.

- ❑ For the first time, industry employment posted a turnaround (0.3%) after suffering a series of decline in 1998 and in January and April this year. This is attributed mainly to the 3.6 percent growth (+96,000) in manufacturing employment. The rest of the sub-industry sectors remained on the slump: mining and quarrying (-23.4%), electricity, gas and water (-8.6%) and construction (-2.5%).
- ❑ Employment in the service sector grew by 3.5 percent (+434,000), about the same last year. Growth was particularly strong in the financing sector (-7.0% to 10.1%) and transportation, storage and communication (4.6% to 5.5%). But it exhibited a considerable decline in the community, social and personal services (4.8% to 1.0%).
- ❑ Persons in full-time employment (worked 40 hours and over a week) grew by 1.2 percent (+219,000) after declining by 4.1 percent (-767,000) a year ago. In contrast, part-time employment was down to 10.4 percent (+975,000) from 12.4 percent (1.042 million) last year.

- ❑ Wage and salary employment expanded 2.8 percent (+381,000), a turnaround from last year's decline of 2.0 percent (-276,000). Higher employment increments were also noted among own-account workers (+498,000) and unpaid family workers (+320,000) relative to last year.
- ❑ Employment increments were posted highest in Southern Tagalog (+147,000), Central Luzon (+117,000), Central Visayas (+114,000) and Northern Mindanao (+110,000).

Unemployment

The number of unemployed people declined (-49,000) from last year to 2.658 million in July. This figure corresponds to unemployment rate of 8.4 percent, down slightly by 0.5 percent from 1998 figure. This occurred despite the increase in participation rate by 0.7 percentage point over the period.

- ❑ Unemployment rate among young workers (15 to 24 years old) which constituted nearly one-half (47.4%) of total unemployed persons was up to 18.2 percent from 17.8 percent a year ago.

- ❑ The jobless rate was down mainly among rural workers (6.5% to 5.8%) and women (9.4% to 8.5%).
- ❑ The highest unemployment rate was recorded in the National Capital Region (15.4%) followed by Central Luzon (9.3%), Southern Tagalog (8.8%) and Central Visayas (8.8%). The lowest were recorded in ARMM and Cagayan Valley (3.2% each).

Visible Underemployment

- ❑ The visible underemployment rate (employed persons who worked less than 40 hours and wanting additional hours of work or job) inched up by 1.1 percentage points from 3.036 million to 3.481 million. Majority (67.6%) was employed in the rural areas (2.352 million workers).

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**TABLE 1 – SUMMARY STATISTICS
ON LABOR FORCE, PHILIPPINES: JULY (1998-1999)**
(In thousands except rates)

Industry	1998	1999	Increment	Growth Rate (Percent)
LABOR FORCE POPULATION	30,593	31,713	1,120	3.7
Labor Force Participation Rate (%)	64.9	65.6	0.7	
EMPLOYED PERSONS	27,856	29,055	1,199	4.3
Industry				
Agriculture, Fishery and Forestry	11,006	11,756	750	6.8
Mining and Quarrying	128	98	(30)	(23.4)
Manufacturing	2,646	2,742	96	3.6
Electricity, Gas and Water	151	138	(13)	(8.6)
Construction	1,595	1,555	(40)	(2.5)
Wholesale and Retail Trade	4,241	4,449	208	4.9
Transportation, Storage and Communication	1,831	1,931	100	5.5
Financing, Insurance, Real Estate & Bus. Svc.	671	739	68	10.1
Community, Social and Personal Services	5,584	5,642	58	1.0
Not adequately classified	3	4	1	0.0
Class of Worker				
Wage and salary workers	13,641	14,022	381	2.8
Own-account workers	10,446	10,944	498	4.8
Unpaid family workers	3,770	4,090	320	8.5
Hours of Work				
Less than 40 hours (Part-time Employment)	9,419	10,394	975	10.4
40 hours and over (Full-time Employment)	18,132	18,351	219	1.2
Did not work	305	310	5	1.6
Region				
NCR - National Capital Region	3,602	3,660	58	1.6
CAR -Cordillera Administrative Region	554	559	5	0.9
Region I - Ilocos Region	1,541	1,590	49	3.2
Region II - Cagayan Valley	1,204	1,295	91	7.6
Region III - Central Luzon	2,666	2,783	117	4.4
Region IV - Southern Tagalog	3,744	3,891	147	3.9
Region V- Bicol Region	1,987	1,993	6	0.3
Region VI - Western Visayas	2,490	2,566	76	3.1
Region VII - Central Visayas	2,016	2,130	114	5.7
Region VIII - Eastern Visayas	1,446	1,532	86	5.9
Region IX - Western Mindanao	1,069	1,137	68	6.4
Region X - Northern Mindanao	1,208	1,318	110	9.1
Region XI - Southern Mindanao	1,900	1,986	86	4.5
Region XII - Central Mindanao	901	976	75	8.3
ARMM-Autonomous Region in Muslim Mindanao	676	707	31	4.6
Caraga	853	932	79	9.3
UNDEREMPLOYED PERSONS	5,803	6,466	663	11.4
Worked less than 40 hours	3,036	3,481	445	14.7
Worked 40 hours or more	2,767	2,985	218	7.9

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

**TABLE 2 – SUMMARY STATISTICS
ON UNEMPLOYMENT, PHILIPPINES: JULY (1998-1999)**
(In thousands except rates)

Indicator	Total Unemployed Persons		Increment	Unemployment Rate	
	1998	1999	1998	1998	1999
UNEMPLOYED PERSONS	2,737	2,658	(79)	8.9	8.4
Sex					
Men	1,661	1,641	(20)	8.7	8.3
Women	1,076	1,018	(58)	9.4	8.5
Age					
15 - 24	1,244	1,260	14	17.8	18.2
25 - 54	1,256	1,174	(82)	6.5	5.8
55 and over	237	225	(12)	5.5	4.9
Area					
Urban	1,683	1,671	(12)	11.7	11.3
Rural	1,054	988	(66)	6.5	5.8
Region					
NCR - National Capital Region	620	664	44	14.7	15.4
CAR -Cordillera Administrative Region	33	29	(4)	5.6	5.0
Region I - Ilocos Region	146	111	(35)	8.7	6.5
Region II - Cagayan Valley	51	43	(8)	4.1	3.2
Region III - Central Luzon	256	284	28	8.7	9.3
Region IV - Southern Tagalog	354	374	20	8.6	8.8
Region V- Bicol Region	153	170	17	7.2	7.9
Region VI - Western Visayas	218	213	(5)	8.1	7.7
Region VII - Central Visayas	261	206	(55)	11.5	8.8
Region VIII - Eastern Visayas	122	107	(15)	7.8	6.5
Region IX - Western Mindanao	78	69	(9)	6.8	5.8
Region X - Northern Mindanao	91	85	(6)	7.0	6.1
Region XI - Southern Mindanao	169	149	(20)	8.2	7.0
Region XII - Central Mindanao	75	55	(20)	7.7	5.3
ARMM-Autonomous Region in Muslim Mindanao	16	23	7	2.3	3.2
Caraga	95	75	(20)	10.0	7.4

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

Source: National Statistics Office.