



BUREAU OF
LABOR AND
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STATISTICS

DEPARTMENT OF LABOR AND EMPLOYMENT
Manila, Philippines

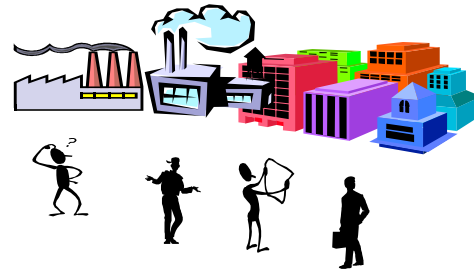
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PROFILE OF LAID OFF WORKERS IN METRO - MANILA (JANUARY - JULY 1998)



INTRODUCTION

This report presents statistics on the demographic profile of workers laid off due to the recent financial crisis in the National Capital Region. Statistics used in this report were culled from the database provided by DOLE-NCR Office to the Bureau of Labor and Employment Statistics.

The database contains a partial list of 19,926 displaced workers as reported by employers to the DOLE and encoded by NCR Office from January to July 1998.

PROFILE OF ESTABLISHMENTS RESORTING TO CLOSURES/ RETRENCHMENTS

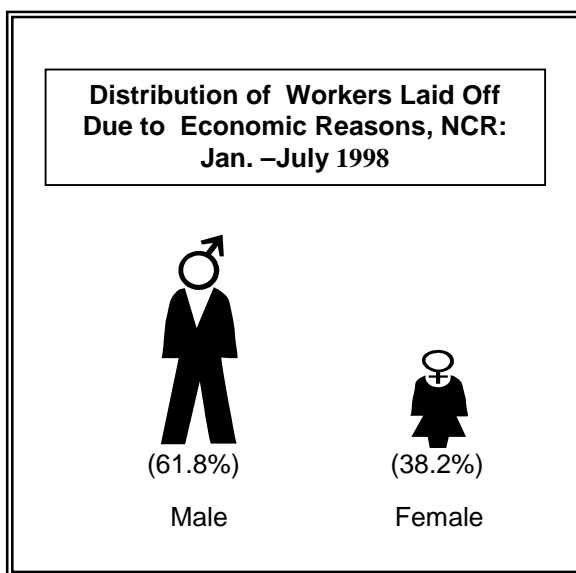
Metro-Manila establishments were most adversely affected by the financial crisis. For the period under review, more than one-half (58.7%) of total reported establishment closures/retrenchments in the country occurred in this region. Most of them were engaged in manufacturing (38.3%) and wholesale and retail trade (21.3%).

The crisis affected both large and small establishments. Data indicates that more than one half of the affected establishments (26.3%) were micro-establishments (less than 20 workers); 22.3 percent, small- sized establishments (20 to 49 workers); 19.3 percent medium-sized establishments (50-99 workers); and 32.1 percent, large-sized establishments (more than 100 workers).

Slump in market demand was the main reason for establishment closures/retranchments (35.3%). Financial losses due to peso depreciation (9.9%) and downsizing /reorganization (13.2%) were the other two important reasons cited by the establishments.

Number of Workers Affected

For the first seven months of 1998, a total of 52,193 workers from establishments in Metro-Manila were displaced from their jobs due to economic reasons. Of this number, 50.1 percent lost their jobs permanently, 27.3 percent were temporarily laid off and 22.6 percent were placed on rotation/reduced working hours.



The months of March and July recorded the biggest volume of workers affected at 10,396 and 9,840, respectively.

DEMOGRAPHIC PROFILE OF LAID OFF WORKERS

SEX

Based on the 19,926 displaced workers encoded by DOLE-NCR Office covering the period January to July 1998, data shows that establishment layoff has predominantly affected male workers who were mostly breadwinners of household. As a proportion to total affected workers, nearly two-thirds (61.8%) were male and the rest female (38.2 %).

AGE GROUPS

The impact of the crisis on the household can also be seen by the fact that the large majority of those who lost their jobs were concentrated in the prime-working age groups 25-34 (40.8%) and 35-54 (20.3%) which suggests that these were holders of full-time and permanent jobs. On the other hand, young workers (15-24 years old), most of them in new or transitory jobs, made up for only 15.5 percent of reported total job loss.

EDUCATIONAL ATTAINMENT

A sizeable proportion (36.2%) of the reported displaced workers did not indicate their educational attainment. However, certain pattern can still be discerned from the data set.

The educational attainment of laid off workers were relatively high: 21.7 percent were college graduates or with MA units; another 22.7 percent were high school or vocational graduates; and only 11.2 percent were high school or elementary undergraduates. This is expected as most establishments require at least high school graduates or college graduates for their entry positions.

total job loss covered in this report were factory or manufacturing workers.

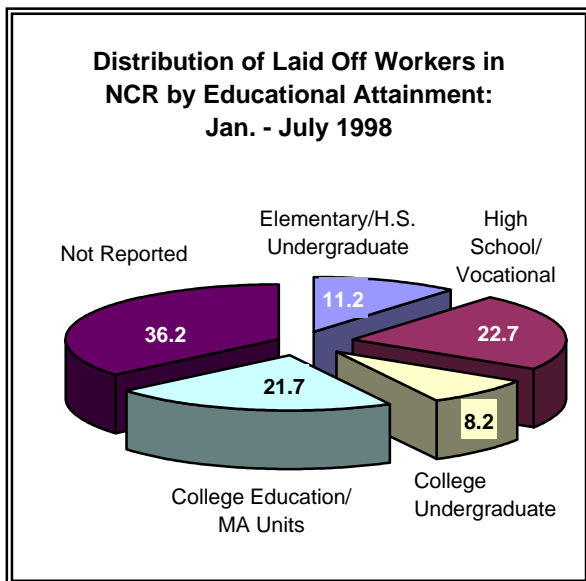
Sizeable shares were likewise reported in wholesale and retail trade (12.2%) and the financial sector (10.4%) while the least affected was the community, social and personal services sector (5.8%).

This distribution also suggests that job losses due to the economic crisis have cut across a wide range of occupational groups.

SIZE OF ESTABLISHMENT EMPLOYMENT

Large-sized establishments (100 workers and over) coping with the crisis by restructuring their workforce contributed the largest share to workers layoff/retrenchment. Collectively, they accounted for 67.8 percent of total reported layoff.

The least proportion was reported among micro-establishments (1-19 workers) at 6.3 percent most of them resorted to closures/shutdowns. The rest were almost evenly divided among small-sized establishments (20-49 workers) and medium-sized establishments (50-99 workers) at 13.1 percent and 12.8 percent, respectively.



INDUSTRY

Workers from the manufacturing establishments comprised the single largest groups who lost their jobs due to the crisis. A little more than half (53.3%) of

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**Table 1 - SUMMARY STATISTICS:
ESTABLISHMENTS REPORTING CLOSURES/
RETRENCHMENTS AND TOTAL WORKERS AFFECTED,
NATIONAL CAPITAL REGION: JANUARY– JULY 1998**

Item	Establishment Closures/Retrenchments		Workers Affected	
	Number	Percent	Number	Percent
1. Industry Sector	<u>1,131</u>	<u>100.0</u>	<u>52,193</u>	<u>100.0</u>
Agri, Fishery & Forestry	5	0.4	93	0.2
Industry	515	45.5	35,620	68.2
Mining & Quarrying	13	1.1	188	0.04
Manufacturing	433	38.3	30,844	59.1
Electricity, Gas & Water	1	0.1	4	0.0
Construction	68	6.0	4,584	8.8
Services	611	54.0	16,480	31.6
Wholesale & Retail Trade	241	21.3	5,194	10.0
Transport., Storage & Comm.	83	7.3	5,464	10.5
Financing and Related Services	176	15.6	3,275	6.3
Community, Social & P. Services	111	9.8	2,547	4.9
2. Employment Size	<u>1,131</u>	<u>100.0</u>	<u>52,193</u>	<u>100.0</u>
Less than 20 Workers	298	26.3	2,102	4.0
20-49 Workers	252	22.3	4,292	8.2
50-99 Workers	218	19.3	6,022	11.5
100 Workers and Over	363	32.1	39,777	76.2
3. Economic Reasons	<u>1,131</u>	<u>100.0</u>	<u>52,193</u>	<u>100.0</u>
Lack of Market	399	35.3	22,959	44.0
Reorganization/Downsizing	149	13.2	9,611	18.4
Peso Depreciation	112	9.9	4,277	8.2
Others	471	41.6	15,346	29.4

Source of Data: DOLE-NCR

**TABLE 2.0 - SUMMARY STATISTICS
 DEMOGRAPHIC CHARACTERISTICS OF
 DISPLACED WORKERS DUE TO FINANCIAL CRISIS
 NATIONAL CAPITAL REGION: JANUARY – JULY 1998**

Item	Number of Displaced Worker	Percent (%)
1. Sex	19,926	100.0
Male	12,313	61.8
Female	7,613	38.2
2. Age Group	19,926	100.0
15-19	204	1.0
20-24	2,879	14.4
25-34	8,134	40.8
35-44	4,048	20.3
45-54	1,425	7.2
55 and over	347	1.8
Not reported	2,889	14.5
3. Educational Attainment	19,926	100.0
Elem./High Sch. Undergrad.	2,235	11.2
High School/Voc. Graduate	4,527	22.7
College Undergraduate	1,629	8.2
College Educ./MA units	4,321	21.7
Not reported	7,214	36.2
4. Industry	19,926	100.0
Agri, Fishery & Forestry	59	0.3
Mining & Quarrying	27	0.1
Manufacturing	10,613	53.3
Electricity, Gas & Water	2	0.0
Construction	1,606	8.1
Wholesale & Retail Trade	1,972	12.2
Transport., Storage & Comm.	2,428	9.9
Financing and Related Services	2,063	10.4
Community, Social & P. Services	1,156	5.8
5. Employment Size	19,926	100.0
Less than 20 Workers	1,247	6.3
20-49 Workers	2,620	13.1
50-99 Workers	2,554	12.8
100 Workers and Over	13,505	67.8

Based on partial list of workers reported from January to July 1998.
 Source of Data: DOLE-NCR