



THE LABOR FORCE SURVEY IN BRIEF

January (1998-1999)

Overview

With the economy on the path to recovery, the country's employment situation improved in January 1999. Data from the Labor Force Survey (LFS) of the National Statistics Office indicate a 2.4 percent growth rate in employment level exceeding the 1.3 percent growth rate registered a year ago of the same period. This can be attributed to the recovery in the agricultural and financial sectors which were badly hit last year by the prolonged drought and the Asian financial crisis.

This positive development, however, was negated by the slump in manufacturing and construction employment and the slight increase in unemployment rate (8.4% to 9.0 %). The latter is due partly to the higher participation rate recorded in January this year (65.0% to 65.3%).

Participation Rate

Labor force participation rate (LFPR) edged up slightly from 65.0 percent to 65.3 percent for the period under review. Notable increases were observed among women (48.0% to 48.5%), young workers who are 15 to 24 years old (48.3% to 48.5%) and urban workers (62.7% to 63.4%). Overall, the country's workforce expanded by 929,000 (3.1 percent) to reach 31.168 million over the period.

Employment

Employment level in January 1999 increased by 2.4 percent to 28.368 million, an improvement from last year's growth rate of 1.3 percent. This represents an employment increment of 679,000 about twice (356,000) the figure reported in 1998 of the same period.

- The **agriculture, fishery and forestry sector**, which suffered a severe slump last year (-387,000), shared the bulk of the employment increment this period (+286,000). Similarly, employment in the **financing, insurance, real estate and business services sector** was up this year (+58,000) from the previous year decline (-32,000).
- The slump in industry sector performance negated some of the employment gains for this period. Specifically, large employment losses were reported in the following sub-sectors: **construction** (-90,000), **manufacturing** (-24,000) and **mining and quarrying** (-12,000).
- Service sector employment rose but slower than last year: **wholesale and retail trade** (+146,000), **transportation, storage and communication** (+106,000) and **community, social and personal services** (+205,000).
- **Full-time employment** accounted for the large share of employment increment (+454,000). This is in sharp contrast to previous year when full-time employment posted a decline (-131,000).
- **Wage and salary workers** continued to account for the bulk of the employment increases (+436,000). Worthy of note, however, was the rise in employment of **unpaid family workers** (+99,000) and the slightly higher than last year growth in **own-account employment** (+144,000).
- The largest employment increment was recorded in the **NCR** (+134,000) followed by **Region VI** (+89,000) and **Region III** (+88,000). The lowest were reported in the **ARMM** (+9,000), **Caraga** (+5,000), **Region I** (+3,000) and the **CAR**, which suffered employment decline (-8,000).

Unemployment

The number of people seeking employment but failed to find one increased by 249,000 in January from a year earlier to reach 2.8 million. This translates to **unemployment rate**

of 9.0 percent, upped slightly from 8.4 percent recorded in 1998. The increase in unemployment rate can be traced partly to the higher participation rates among women, young workers and urban workers as mentioned earlier in the report.

- ❑ Over the period, unemployment rates rose considerably among **men** (8.2% to 9.0%), the **youth, 15-24 years old** (16.7% to 17.9%) and **urban workers** (10.9% to 11.9%).
- ❑ The **youth** continued to account for a nearly one-half (44.9%) of total unemployed persons.
- ❑ Double-digit unemployment rates were recorded in the **NCR** (15.7%) and **Region III** (10.2%). **Region VII** also posted unemployment rate (9.5%) higher than the national average.

Underemployment

The incidence of underemployment was up by 0.5 percentage point from a year earlier to 22.1 percent with the number of underemployed persons increasing by 283,000 to 6.269 million.

- ❑ More than one-half (54.8% or 3.433 million) of the underemployed persons worked less than 40 hours a week or **visibly underemployed**. Of this number, more than two-thirds (67.5% or 2.317 million) were rural workers.

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TABLE 1.0
SUMMARY STATISTICS ON LABOR FORCE, PHILIPPINES: 1996-1999 (January)
(In thousands)

Year/Month	Labor Force	Employment	Unemployment	Underemployment
1996 (Ave.)	29,733	27,186	2,546	5,719
January	28,924	26,527	2,397	5,561
April	30,713	27,358	3,355	6,086
July	29,657	27,419	2,238	5,904
October	29,637	27,442	2,195	5,326
1997 (Ave.)	30,355	27,715	2,640	6,122
January	29,631	27,335	2,296	5,755
April	31,368	28,105	3,263	6,577
July	30,154	27,531	2,623	6,348
October	30,265	27,888	2,377	5,806
1998 (Ave.)	31,056	27,910	3,145	6,082
January	30,239	27,689	2,551	5,986
April	32,113	27,835	4,274	5,837
July	30,593	27,855	2,737	5,803
October	31,278	28,262	3,016	6,701
1999				
January	31,168	28,368	2,800	6,269

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

TABLE 2.0
SUMMARY STATISTICS ON EMPLOYMENT BY INDUSTRY
PHILIPPINES: January (1998-1999)
(In thousands except rates)

Industry	Total Employed Persons		Increment		Growth Rate (%)	
	1998	1999	1998	1999	1998	1999
ALL INDUSTRIES	27,689	28,368	356	679	1.3	2.4
Agriculture, Fishery and Forestry	11,020	11,306	-387	286	-3.4	2.6
Industry	4,569	4,447	103	-122	4.5	-2.7
Mining and Quarrying	116	104	-12	-12	-9.4	-10.3
Manufacturing	2,705	2,681	22	-24	8.2	-0.9
Electricity, Gas and Water	134	138	9	4	7.2	3.0
Construction	1,614	1,524	84	-90	5.2	-5.6
Services	12,097	12,612	642	515	5.9	4.3
Wholesale and Retail Trade	4,237	4,383	187	146	4.6	3.4
Transportation, Storage and Communication	1,821	1,927	140	106	8.3	5.8
Financing, Insurance, Real Estate & Bus. Svc.	665	723	-32	58	-4.6	8.7
Community, Social and Personal Services	5,374	5,579	347	205	6.9	3.8
Not adequately classified	4	5	-2	1		

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

TABLE 3.0
SUMMARY STATISTICS ON EMPLOYMENT BY HOURS OF WORK
AND CLASS OF WORKER
PHILIPPINES: January (1998-1999)
(In thousands except rates)

Indicator	Total Employed Persons		Increment		Growth Rate	
	1998	1999	1998	1999	1998	1999
ALL EMPLOYED PERSONS	27,689	28,368	354	679	1.3	2.4
Hours of Work						
Less than 40 hours (Part-time Employment)	9,687	9,899	399	212	4.3	2.2
40 hours and over (Full-time Employment)	17,578	18,032	-131	454	-7.4	2.6
Did not work	424	435	86	11	25.4	2.6
Class of Worker						
Wage and salary workers	13,452	13,888	477	436	3.7	3.2
Own-account workers	10,463	10,607	136	144	1.3	1.4
Unpaid family workers	3,774	3,873	-259	99	-6.4	2.6

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

TABLE 4.0
SELECTED CHARACTERISTICS OF UNEMPLOYED PERSONS
PHILIPPINES: January (1998-1999)
(In thousands except rates)

Indicator	Total Unemployed Persons		LF Participation Rate		Percent Share		Unemployment Rate	
	1998	1999	1998	1999	1998	1999	1998	1999
Sex	2,546	2,800	65.0	65.3	100.0	100.0	8.4	9.0
Men	1,549	1,761	82.3	82.2	60.8	62.9	8.2	9.0
Women	997	1,039	48.0	48.5	39.2	37.1	8.9	8.9
Age	2,546	2,800	65.0	65.3	100.0	100.0	8.4	9.0
15 -24	1,144	1,256	48.3	48.5	44.9	44.9	16.7	17.9
25 -54	1,158	1,292	76.8	77.2	45.5	46.1	6.1	6.5
55 and over	244	252	57.4	57.2	9.6	9.0	5.7	5.7
Area	2,546	2,800	65.0	65.3	100.0	100.0	8.4	9.0
Urban	1,555	1,757	62.7	63.4	61.1	62.8	10.9	11.9
Rural	991	1,043	67.2	67.1	38.9	37.3	6.2	6.3

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

LF -Labor Force

Source: National Statistics Office.