

Employment Situation in April 2009

Reference Number:

551

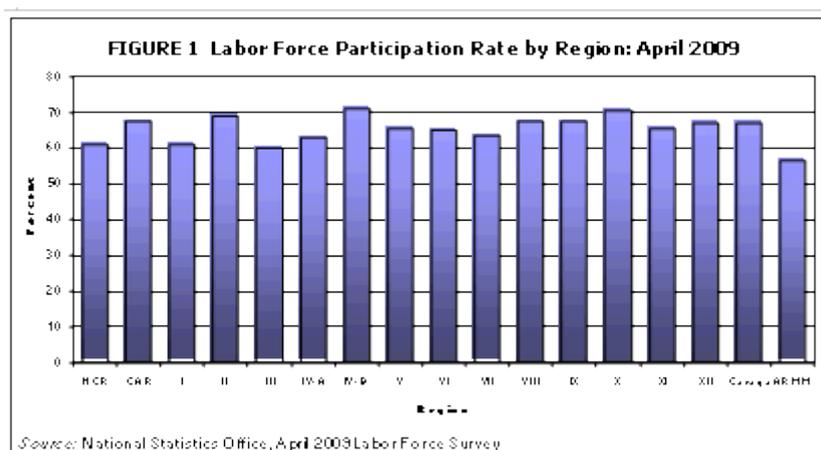
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Starting April 2005, the new unemployment definition has been adopted per NSCB Resolution Number 15 dated October 20, 2004. The new definition is presented in the Technical Notes of this report. For comparative purposes, aside from the April 2009 LFS results, the textual tables presented contain final estimates for the April 2008 survey round.

Sixty-four percent of the population 15 years old and over are in the labor force

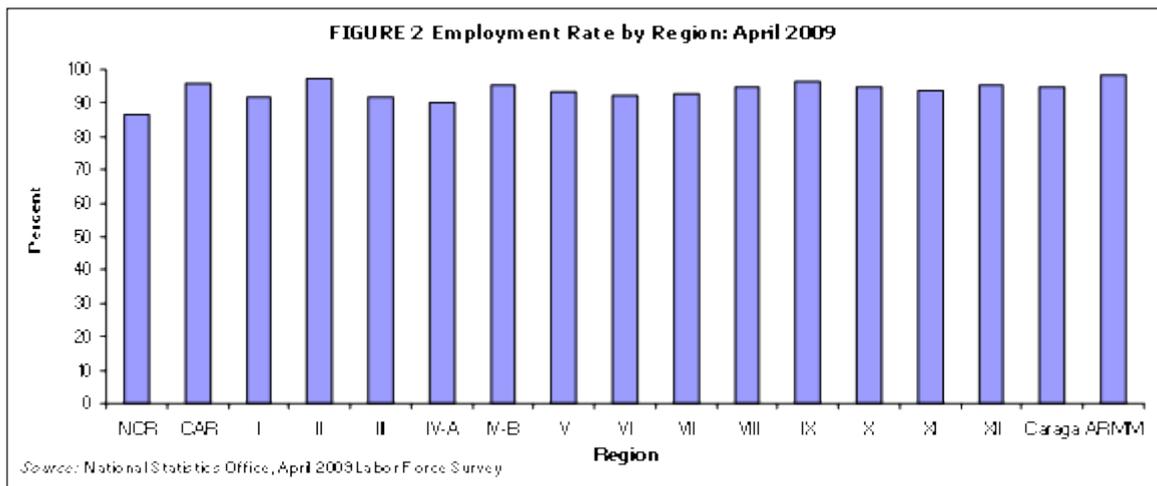
Out of the estimated 59.1 million population 15 years old and over in April 2009, 37.8 million were in the labor force. This placed the labor force participation rate (LFPR) at 64.0 percent, higher than last year's rate of 63.2 percent.



The highest LFPR was reported in MIMAROPA where 70.9 percent of the region's working age population was in the labor force. The lowest LFPR reported was in Autonomous Region in Muslim Mindanao (ARMM) at 56.4 percent.

Employment rate is reported at 92.5 percent

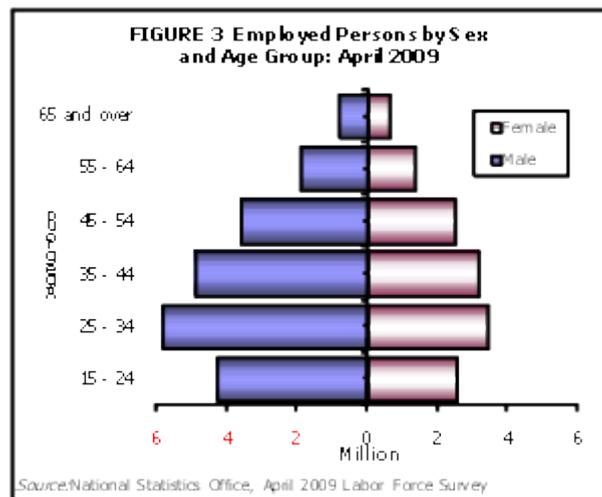
The number of employed persons in April 2009 was nearly 35.0 million. This was 1.5 million more than the 33.5 million employed persons reported in April 2008. The employment rate in April 2009 or the proportion of employed persons to total labor force was estimated at 92.5 percent, which is not significantly different from April 2008 figure of 92.0 percent.



Among regions, the ARMM registered the highest employment rate of 98.5 percent in April 2009. Cagayan Valley came in next with 97.2 percent. National Capital Region (NCR) registered the lowest employment rate of 86.6 percent.

Employed males are more than employed females

The employed population consisted of 61.3 percent males and 38.7 percent females. Employment rate reported among females (92.6%) was slightly higher than that of males (92.5%).



Nearly one-half (49.5%) of the employed population were in age group 25 to 44 years, while one in five (19.5%) employed persons were in the youngest age group 15 to 24 years.

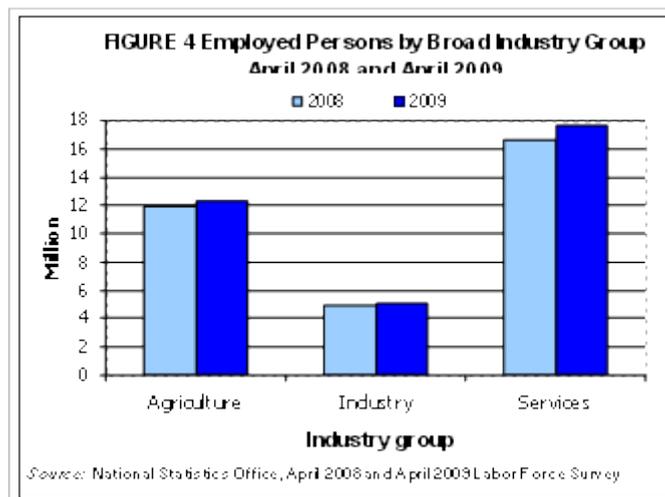
Services sector comprises more than half of the employed population

More than half (50.3%) of the employed population were in the services sector. About 35.2 percent were in the agriculture sector and the remaining 14.5 percent, in the industry sector.

All of these sectors had increased levels of employment. The number of employed persons went up to 409 thousand or 3.4 percent in the agriculture sector. On the other hand, in the services sector, the

increase was 5.8 percent or 965 thousand employed persons. The level of employment in the industry sector had also increased by 1.7 percent or 87 thousand employed persons.

The increase in the level of employment in the agriculture sector was due to the reported higher number of employed persons from the agriculture, hunting and forestry sub-sector which posted an increase of 391 thousand. The fishing sub-sector also reported an increase of 18 thousand employed persons.

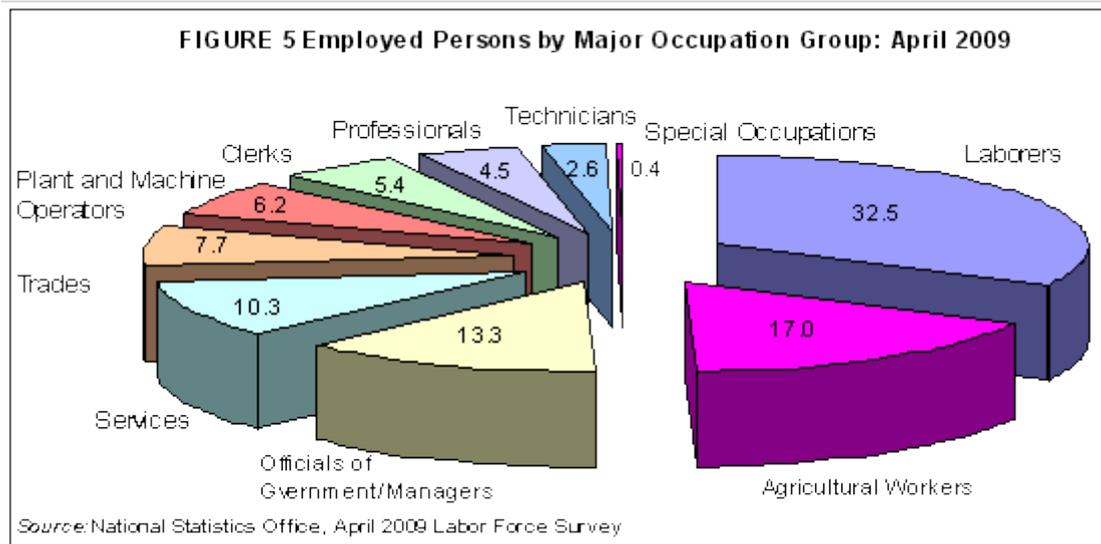


The number of employed persons in the services sector was reported at 17.6 million compared to 16.6 million in April 2008. An increase of workers was reported in wholesale and retail trade (359 thousand), private households with employed persons, other community, social and personal services activities (210 thousand), public administration and defense; and compulsory social security sub-sector (133 thousand). A combined total of 262 additional workers were reported under the hotels and restaurants; transport, storage and communication; financial intermediation; real estate, renting and business activities; education; and health and social work sub-sectors.

Among the industry sub-sectors, only the manufacturing sub-sector posted a decrease of 43 thousand workers or 1.5 percent.

One in three employed persons is a laborer or unskilled worker

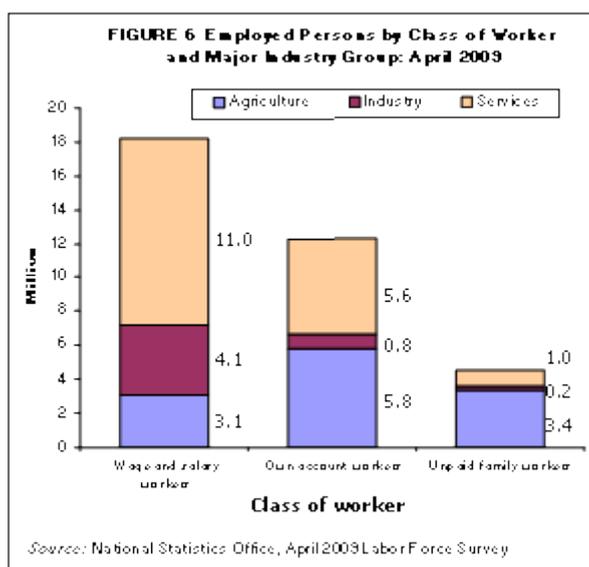
Of the various occupation groups, laborers and unskilled workers comprised the largest group, making up 32.5 percent of the total employed population in April 2009.



Farmers, forestry workers, and fishermen were the second largest group, accounting for 17.0 percent of the total employed. Among occupation groups, the largest increase was reported by laborers and unskilled workers with 422 thousand additional workers. Meanwhile, plant and machine operators and assemblers were down by 60 thousand.

Number of own account workers increases

Employed persons fall into any of these three classes of workers: wage and salary workers, own account workers, and unpaid family workers. Wage and salary workers are those who work for private households, private establishments, government or government-owned/controlled corporations and those who work with pay in family-operated/owned farms or businesses. Of the total employed population in April 2009, 51.9 percent were wage and salary workers, mostly working for private establishments (38.5% of the total employed). Those working for the government or government-owned/controlled corporations accounted for 8.2 percent of the total employed population and 4.9 percent were workers in private households. Own account workers constituted 34.9 percent of the total employed, with the self-employed workers having the larger share (31.1% of the total employed). Unpaid family workers were estimated at 13.1 percent.



Growth was seen among wage and salary workers, from 17.7 million in April 2008 to 18.2 million in April 2009. The number of own account workers increased by 5.3 percent or 620 thousand and unpaid family workers, 9.4 percent or 396 thousand.

The increase among wage and salary workers was due to the increase of 592 thousand persons in the services sector. The number of unpaid family workers in the agriculture sector increased by 374 thousand from 3.0 million in April 2008 to 3.4 million in April 2009. Among own account workers, an increase of 376 thousand workers in the services sector and 241 thousand in the agriculture sector was recorded.

Number of part-time workers increases

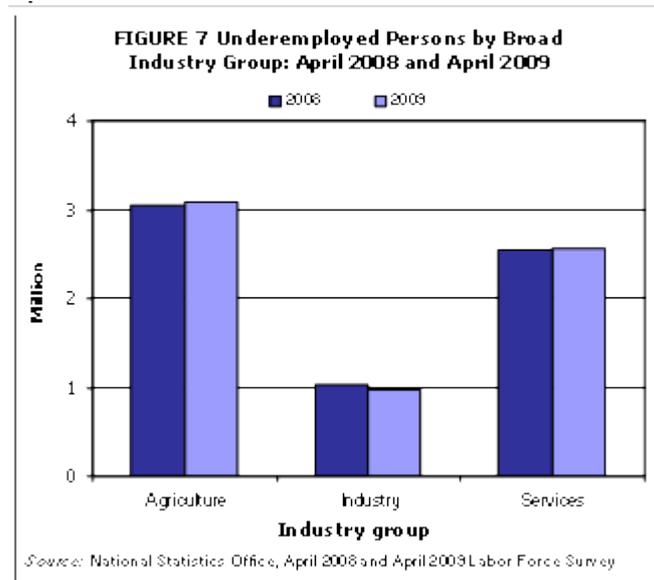
Employed persons are classified as either full-time workers or part-time workers. Full-time workers are those who work for 40 hours or more while part-time workers work for less than 40 hours. More than half (56.6%) of the total employed persons in April 2009 were full-time workers, most of them working for 40 to 48 hours (36.1% of total employed). Part-time workers comprised 41.0 percent of the total employed.

Full-time workers decreased by 4.4 percent, from 20.7 million in April 2008 to 19.8 million in April 2009. On the other hand, part-time employees increased to 14.3 million in April 2009 from 12.0 million in the same period last year.

Underemployment rate down to 18.9 percent

Underemployed persons are employed persons who express the desire to have additional hours of work in their present job or an additional job, or have a new job with longer working hours. They were estimated at 6.6 million in April 2009, which was 4 thousand less than the figure in the same month a year ago. The underemployment rate or the proportion of underemployed persons to total employed declined to 18.9 percent in April 2009 from 19.8 percent in April 2008. About 62.6 percent of the

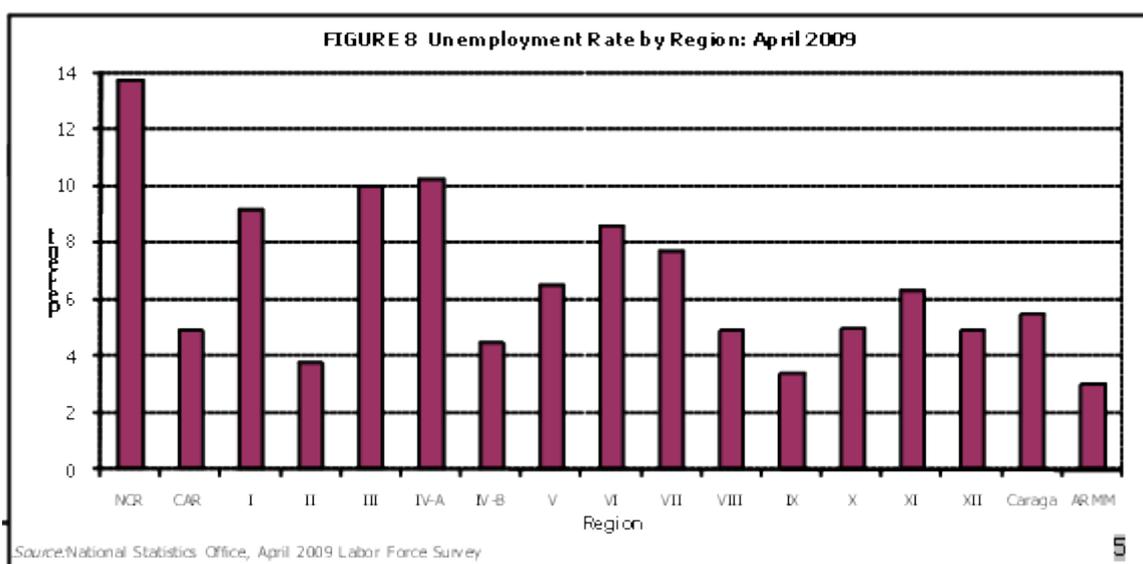
underemployed were reported as visibly underemployed or had been working for less than 40 hours a week.



The underemployed were found mostly (46.6%) in the agriculture sector. Underemployed persons in the services sector accounted for 38.8 percent while those in the industry sector, 14.5 percent. The level of underemployment had increased in the agriculture and services sectors by 39 thousand and 25 thousand, respectively. The number of underemployed persons in the industry sector went down by 6.6 percent or 68 thousand.

Unemployment rate is reported at 7.5 percent

Of the 37.8 million population in the labor force, 2.8 million were reported unemployed. This resulted to an unemployment rate of 7.5 percent in April 2009, compared to last year's estimate of 8.0 percent.



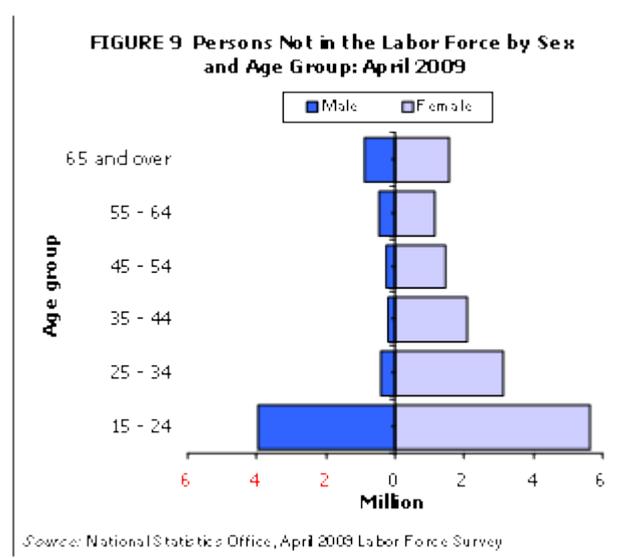
Among regions, only NCR recorded a double-digit unemployment rate of 13.4 percent. The ARMM and Cagayan Valley posted the lowest unemployment rate of 1.5 and 2.8 percent, respectively.

Half of the unemployed are aged 15 to 24 years

The proportion of males among unemployed (61.5%) was higher than that of females (38.5%). Most of the unemployed belonged to the younger age groups, that is, 50.7 percent were aged 15 to 24 years, 30.0 percent were 25 to 34 years, and 9.5 percent were 35 to 44 years. Among unemployed persons, those who had attained high school level comprised 43.9 percent, of which 32.0 percent of the total unemployed were high school graduates. About 42.9 percent of the total unemployed had reached college level and 12.7 percent attained elementary level.

Seven for every ten persons not in the labor force are women

About 21.3 million persons aged 15 years and over in April 2009 were not in the labor force, like housewives, students, persons with disability, and retirees. They constituted 36.0 percent of the total population 15 years old and over. Females comprised 71.0 percent of the total persons not in the labor force.



By age group, those who were 15 to 24 years old comprised the largest proportion among those who were not in the labor force (45.3%), followed by those who were 25 to 34 years old (16.7%). Persons in the age group 65 years and over comprised 11.5 percent of the population not in the labor force.

SUMMARY

Philippines	April 2009	April 2008
Total 15 years old and over (in '000)	59,074	57,700
Labor Force (in '000)	37,824	36,450
Labor Force Participation Rate (%)	64.0	63.2
Employment (in '000)	34,997	33,535
Employment Rate (%)	92.5	92.0
Unemployment (in '000)	2,827	2,914
Unemployment Rate (%)	7.5	8.0
Underemployment (in '000)	6,621	6,625
Underemployment Rate (%)	18.9	19.8

- Labor force participants, or those who are either employed or unemployed, numbered 37.8 million, resulting to a labor force participation rate of 64.0 percent.

- Employment increased by 1.5 million, from 33.5 million in April 2008 to 35.0 million in April 2009.

- Employment rate was reported at 92.5 percent in April 2009 while it was 92.0 percent in April 2008.

- An increase of 409 thousand workers was registered in the agriculture sector and 965 thousand additional workers in the services sector. The level of employment in the industry sector also went up by 1.7 percent or 87 thousand.

- Laborers and unskilled workers continued to make up the largest proportion of the employed as they comprised almost one-third (32.5%) of the employed population. Farmers, forestry workers, and fishermen came second with 17.0 percent.

- More than half (51.9%) of the total employed persons were wage and salary workers, 34.9 percent were own account workers and 13.1 percent were unpaid family workers.

- The incidence of underemployment declined to 18.9 percent in April 2009 from 19.8 percent in April 2008.

- In April 2009, the number of unemployed persons was 2.8 million, placing the unemployment rate at 7.5 percent.

TECHNICAL NOTES

The Labor Force Survey (LFS) is a nationwide quarterly survey conducted by the National Statistics Office (NSO). For this release, the data being presented are based on the final results of the April 2009 round of the LFS.

The reference period used in the survey is the past seven (7) days preceding the date of interview of the enumerator. The number of sample households was 51,000.

The concepts and definitions used in the survey can be found in the regular NSO-ISH Bulletins. Some are given below:

- a. Labor Force - population 15 years old and over who contribute to the production of goods and services in the country; it comprises the employed and unemployed
- b. Employed - persons in the labor force who are reported either at work or with a job or business although not at work; persons at work are those who did some work, even for an hour during the reference period
- c. Unemployed - persons in the labor force who are reported as: (1) without work; and (2) currently available for work; and (3) seeking work or not seeking work because of the belief that no work is available, or awaiting results of previous job application, or because of temporary illness or disability, bad weather or waiting for rehire or job recall

Note: The new definition of unemployed was adopted starting April 2005 per NSCB Resolution No. 15 dated October 20, 2004.

The old definition of unemployed considered only two criteria:

- 1) Without work and looking for work; or
 - 2) Without work and not looking for work due to valid reasons.
- d. Underemployed - employed persons who express the desire to have additional hours of work in their present job or an additional job, or have a new job with longer working hours
 - e. Labor Force Participation Rate (LFPR) - ratio of total labor force to the total household population 15 years and over
 - f. Employment Rate - proportion of employed persons to the total labor force
 - g. Unemployment Rate - proportion of unemployed persons to the total labor force

h. Underemployment Rate - proportion of underemployed persons to total employed persons.

Starting with the July 2003 round, the LFS used the 2003 Master Sample Design. Using this new design, the number of samples increased from 41,000 to around 51,000 sample households.

The province of Basilan had been included in the Autonomous Region in Muslim Mindanao while Isabela City (Basilan) was placed under Region IX, in accordance with Executive Order No. 36.

The 1992 four-digit code for Philippine Standard Occupational Classification (PSOC) and 1994 Philippine Standard Industrial Classification (PSIC) were used in classifying the occupation and industry.

Starting with the January 2007 LFS round, the population projections based on the 2000 Census of Population was adopted to generate the labor force statistics. This is in compliance with NSCB Resolution No. 1 series of 2005 entitled 'Adoption of the Methodology Used in Generating the 2000 Census of Population and Housing-Based National Population Projections.'