

Philippine Labor Force Survey July 2002 (Preliminary Results)

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SUMMARY:

Philippines	July 2002	April 2002	January 2002	October 2001	July 2001
Total 15 years old & over (in 000)	50,530	50,167	49,839	49,424	49,137
Labor force (in 000) Participation rate (%)	33,918 67.1	35,052 69.9	33,098 66.4	33,354 67.5	32,567 66.3
Employment (in 000) Rate (%)	30,104 88.8	30,186 86.1	29,70 89.7	30,085 90.2	29,281 89.9
Unemployment (in 000) Rate (%)	3,814 11.2	4,866 13.9	3,393 10.3	3,269 9.8	3,286 10.1
Underemployment (in 000) Rate %	5,161 17.1	5,922 19.6	4,724 15.9	5,000 16.6	5,188 17.7

- Labor force population in July 2002 increased by 1.4 million or 4.1 percent compared to the same period last year. Labor force participation rate, likewise, increased by 0.8 percentage point, from 66.3 percent to 67.1 percent.
- Employed persons in July 2002 increased by 2.8 percent to 30.1 million from 29.3 million recorded in July last year. The employment rate, however, dropped by 1.1 percentage points, from 89.9 percent last year to 88.8 percent this year.
- Employment in agriculture rose by 1.5 percent to 11.1 million in July 2002 from 11.0 million a year ago but its share to total employed slightly declined by 0.5 percentage point.
- In industry, employment decreased by seven thousand or by 0.1 percent. Likewise, its share to total employed decreased by 0.5 percentage point.
- Employment in services increased by 666 thousand or by 4.9 percent. Its share to total employed increased to 47.4 percent from 46.4 percent last year.
- Unemployment rate increased to 11.2% from 10.1% in July last year.
- Underemployment rate decreased by 0.6 percentage point, from 17.7 percent in July last year to 17.1 percent this year.

HIGHLIGHTS

Of the 50.5 million persons 15 years old and over, there were those who were in the labor force and those who were not....

- The total labor force population in July 2002 reached 33.9 million, higher by 4.1 percent from its level of 32.6 million a year ago.
- The labor force participation rate, likewise, slightly increased by 0.8 percentage point, from 66.3 percent to 67.1 percent.
- Persons not in the labor force, like housewives, students, disabled and retired persons increased by 41 thousand or 0.2 percent, from 16.57 million a year ago to 16.61 million this year.

Of the 33.9 million persons in the labor force, there were those who were employed and those who were not...

- There was an increment of 823 thousand in the number of employed persons in July 2002 or by 2.8 percent, from 29.3 million in July last year.
- Despite this increase, the employment rate dropped by 1.1 percentage points, from 89.9 percent in July 2001 to 88.8 percent in July 2002.

Of the 30.1 million persons employed, there were those either working in agriculture, industry or services...

- The services sector absorbed the bulk of employed workforce in the labor market. The number of employed persons in the services sector increased by 666 thousand or by 4.9 percent, bringing the number at 14.3 million compared from 13.6 million registered in July last year. Its share to total employed also increased to 47.4 percent from 46.4 percent.
- The agricultural sector also increased its level by 164 thousand or by 1.5 percent, from 11.0 million a year ago to 11.1 million this year. However, its share to total employed persons decreased by 0.5 percentage point, from 37.5 percent to 37.0 percent.
- A minimal decrease of seven thousand (0.1%) in employment level was noted in the industry sector. Its share to total employed persons decreased by 0.5 percentage point, from 16.1 percent to 15.6 percent.

The employed in services...

- Employment in the services sector was registered at 14.3 million in July 2002, a 4.9 percent increase from 13.6 million in the same period last year.
- The wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods sub-sector accounted for the largest share, increasing employment by 260 thousand. The increase was attributed to the increase in employment among wage and salary workers (98 thousand), own-account workers (91 thousand) and unpaid family workers (71 thousand).
- Transport, storage and communications accounted for the second largest increase in employment with 93 thousand or 4.4 percent. Most of the increase came from wage and salary and own-account workers at 47 thousand and 42 thousand, respectively.
- The other sub-sectors that registered increases in employment were private households with employed persons (74 thousand), hotels and restaurants (55 thousand), other community, social and personal service activities (39 thousand), financial intermediation (37 thousand), health and social work (30 thousand) and education (8 thousand).
- Only the real estate, renting and business activities sub-sector posted a decline in employment levels by eight thousand or 1.5 percent.

The employed in agriculture...

- Employment in agriculture sector increased by 164 thousand (1.5%) but its share to total employment decreased by 0.5 percentage point.
- As expected, own-account workers contributed substantially to the increase in the number of employed in the agriculture sector with 117 thousand while unpaid family workers accounted for an additional 32 thousand. The number of wage and salary workers in the agriculture sector also increased by 16 thousand.

The employed in industry...

- Employment in the industry sector declined both in number and proportion to total employed persons. The number of employed persons in this sector decreased to 4.694 million in July 2002 from 4.701 million a year earlier. Its share to total employed persons decreased by 0.5 percentage point, from 16.1 percent to 15.6 percent.

- The combined losses of 56 thousand workers in manufacturing and electricity, gas and water was offset by the increase recorded in construction (41 thousand) and mining and quarrying (8 thousand).

The employed by occupation...

- Among the occupational groups, laborers and unskilled workers registered the largest increase in employment level at 502 thousand. Its share to total employed increased by 0.9 percentage point, from 29.2 percent in July 2001 to 30.1 percent in July this year. Officials of government and special interest organizations, corporate executives, managers, managing proprietors and supervisors recorded the next largest increase of 283 thousand, from 3.0 million to 3.2 million.
- The other groups that posted increments were service workers and shop and market sales workers (131 thousand), technicians and associate professionals (93 thousand), clerks (74 thousand) and professionals (54 thousand).
- A drop of 156 thousand workers was noted among farmers, forestry workers and fishermen. The number declined from 6.4 million in July last year to 6.2 million in July this year. Trades and related workers and plant and machine operators and assemblers declined by 118 thousand and 32 thousand, respectively.

Of the 30.1 million employed, there were those who were paid wages and salaries, worked on their account, or worked for the family...

- The 823 thousand increase in the July 2002 employment came mostly from wage and salary workers as the number rose to 14.9 million from 14.3 million. Most of these wage and salary workers were in the services sector.
- Own-account workers added 177 thousand to the total employed with the agriculture sector contributing much to the increase. The number of workers in the agriculture sector increased by 117 thousand, from 5.6 million to 5.7 million. Own-account workers belonging to the services sector also increased by 86 thousand while employment in the industry sector decreased by 25 thousand (3.1%).
- The number of unpaid family workers also increased by 124 thousand, from 3.8 million to 3.9 million. This increase could be due to the increasing number of employed workforce in the services sector with a registered level of 871 thousand from 782 thousand.

The employed by region...

- All regions, except Caraga, exhibited employment growth with Southern Tagalog posting the highest increment of 156 thousand. Western Visayas and Zamboanga Peninsula registered second and third with an increase of 128 thousand and 108 thousand, respectively. SOCCSKSARGEN registered the least increase in employment at six thousand.
- Most of the regions showed decreases in employment rates with Central Luzon leading the regions, posted the highest decrease of 3.2 percentage points, from 89.9 percent to 86.7 percent. Cordillera Administrative Region and Caraga followed next both decreasing by 1.8 percentage points.
- Only three regions showed minimal increases in employment rate. Bicol and Zamboanga Peninsula both registered an increase of 0.4 percentage point. Western Visayas posted a 0.2 percentage point increase in employment rate, from 89.9 percent to 90.1 percent.

The employed by number of hours worked...

- Full-time workers or those who worked for 40 hours or more increased to 18.3 million in July 2002, from 17.9 million in July last year. However, its share to total employment decreased by 0.4 percentage point, from 61.3 percent to 60.9 percent.
- Those who worked for less than 40 hours increased in number but decreased in proportion to total employment. The number rose to 11.1 million in July 2002 from 10.9 million last year. Its share, however, decreased by 0.2 percentage point, from 37.2 percent to 37.0 percent.

Of the employed, there were those who desired more hours of work, the underemployed...

- The number of underemployed persons or those who desired additional hours of work decreased by 28 thousand, from 5.188 million in July 2001 to 5.161 million in July this year. The corresponding underemployment rate dropped to 17.1 percent this year from 17.7 percent last year.
- More underemployed persons were found in the rural areas than in the urban. Around 3.2 million (62.0% of the total) were registered in rural areas while 2.0 million (38.0%) were recorded in urban areas.
- The industry sector recorded the highest decrease in underemployment at 26 thousand (2.9%), while the services sector reduced its underemployment by 11 thousand (0.6%). The agriculture sector recorded an increase in underemployment at 12 thousand (0.5%).

And there were those who looked for work and did not find any, the unemployed...

- The unemployment rate was posted at 11.2 percent in July 2002. This was 1.1 percentage points higher than the estimate last year.
- Unemployment levels, likewise, increased by 16.1 percent, from 3.3 million in July 2001 to 3.8 million in July this year.
- Six regions posted a double-digit unemployment rate with National Capital Region posting the highest at 17.4 percent. This was followed by Central Luzon (13.3%), Southern Tagalog (12.5%), Central Visayas (12.4%), Ilocos (10.8%) and Davao Region (10.0%).

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Technical Notes

- Starting with the April 2002 round of the Labor Force Survey, the generation of the labor force and employment statistics adopted the regional grouping under Executive Order (EO) No. 36 which was signed last September 19, 2001. This EO provided for the reorganization of the Administrative Regions in Mindanao.
- Basilan, which is now under ARMM by EO 36, shall remain as part of Region IX, until Isabela City is formed as separate domain in the upcoming revision of the master sample.
- The province of Lanao del Norte and Iligan City, which were formerly under Region XII, are now under Region X.
- The province of South Cotabato and the new province of Sarangani, General Santos City and Koronadal City, which were formerly under Region XI, are now under Region XII.
- Marawi City, which was formerly under Region XII, is now under the administrative supervision of Autonomous Region in Muslim Mindanao (ARMM).
- Given the new set up, the composition of the following regions are as follows:

Region	Province
Region IX (Zamboanga Peninsula)	Provinces: Basilan, Zamboanga del Norte and Zamboanga del Sur Cities: Dapitan City, Dipolog City, Isabela City, Pagadian City and Zamboanga City
Region X (Northern Mindanao)	Provinces: Bukidnon, Camiguin, Misamis Occidental, Misamis Oriental and Lanao del Norte Cities: Cagayan de Oro City, Gingoog City, Iligan City, Malaybalay City, Oroquieta City, Ozamis City, Tangub City and Valencia City
Region XI (Davao Region)	Provinces: Davao Norte, Davao del Sur and Davao Oriental Cities: Davao City, Digos City, Panabo City, Tagum City and the Island Garden City of Samal
Region XII (SOCCSKSARGEN)	Provinces: North Cotabato, Sarangani, South Cotabato and Sultan Kudarat Cities: Cotabato City, General Santos City, Kidapawan City, Koronadal City and Tacurong City
Autonomous Region in Muslim Mindanao (ARMM)	Provinces: Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi Cities: Marawi City

Source: National Statistics Office

Manila, Philippines