

Employment Rate Registered at 92.2 Percent in January 2007 Results from the January 2007 Labor Force Survey (LFS)

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Philippines	January 2007	January 2006
Total 15 years old and over (in '000)	56,145	54,829
Labor Force Participation Rate (%)	64.8	63.6
Employment Rate (%)	92.2	91.9
Unemployment Rate (%)	7.8	8.1
Underemployment Rate (%)	21.5	21.1

*Notes: Estimates for January 2007 are preliminary and may change.
Population 15 years and over is from the 2000 Census-based population projections.*

The employment rate in January 2007 was estimated at 92.2 percent, which placed the unemployment rate at 7.8 percent. This means that nine in every 10 persons in the labor force were employed. By comparison, the employment rate in January 2006 was 91.9 percent. Cagayan Valley topped the regions in terms of employment rate with 96.9 percent, followed closely by Zamboanga Peninsula (96.3%), Autonomous Region in Muslim Mindanao (ARMM) (96.2%), and MIMAROPA (96.1%). The National Capital Region (NCR) recorded the lowest at 87.3 percent.

There were approximately 36.4 million Filipinos in the labor force in January 2007 out of the estimated 56.1 million population 15 years and over. These numbers imply a labor force participation rate of 64.8 percent. The January 2007 employment rate of 92.2 percent translates into a total employed population of 33.5 million. The number of employed persons in the services sector comprised half (50.5%) of the total employed population. The percentage reported in January 2006 was 48.3 percent. On the other hand, workers in the agriculture sector was 34.7 percent of the total employed in January 2007 and 36.5 percent a year earlier. The proportion of employed persons in the industry sector was 14.8 percent, and 15.2 percent in January 2006.

Among the various occupation groups, laborers and unskilled workers comprised the largest proportion (32.3%) of the total employed population. This was also the largest occupation group in

January 2006 (31.4%). Farmers, forestry workers and fishermen registered the next largest group of workers with 17.6 percent in January 2007 and 19.5 percent in January 2006.

Employed persons fall into any of these categories: wage and salary workers, own account workers and unpaid family workers. More than half (53.4%) of the total employed population in January 2007 were wage and salary workers. This is higher than the estimate reported in January 2006 at 50.2 percent. Wage and salary workers work mostly for private establishments (39.4% of total employed). Those working for the government or government corporations comprised only 7.8 percent of the total employed. Own-account workers constituted 35.1 percent of the total employed with self-employed workers having the largest share (30.4% of total employed). Unpaid family workers accounted for 11.5 percent of the total employed. In January 2006, the own-account workers accounted for 37.2 percent while unpaid family workers, 12.6 percent.

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. Six in every 10 employed persons in January 2007 were full-time workers, with those working for 40 to 48 hours having the highest proportion (39.3% of total employed). Part-time workers comprised 35.9 percent of the total employed.

Employed persons who want or desire additional hours of work are considered underemployed. In January 2007, one in every five employed Filipinos was underemployed. Most of the underemployed were found in the agriculture sector at 45.7 percent. Underemployed persons in the services sector accounted for 39.2 percent while those in the industry sector, 15.0 percent. About 58 percent of the underemployed were reported as visibly underemployed, or had been working for less than 40 hours a week.

The unemployment rate recorded in January 2007, which is 7.8 percent, is not significantly different to last year's estimate of 8.1 percent. Among the regions, the NCR and CALABARZON registered a 2-digit unemployment rate, at 12.7 percent and 10.4 percent, respectively. Males had higher unemployment rate at 8.1 percent compared to females at 7.4 percent. Approximately one-half (48.8%) of the unemployed belonged to age group 15-24 years. Thirty-five percent of the unemployed had attained college level; one in every three (32.9%) was a high school graduate.

(Sgd.) CARMELITA N. ERICTA

Administrator

Technical Notes

- Starting with the July 2003 round of the Labor Force Survey, the generation of the labor force and employment statistics adopted the 2003 Master Sample Design
- Using this new master sample design, the number of samples increased from 41,000 to around 51,000 sample households.
- The province of Basilan is now under Autonomous Region in Muslim Mindanao while Isabela City (Basilan) is 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 Industry Classification (PSIC) were used in classifying the occupation and industry.
- Starting April 2005, the new unemployment definition was adopted per NSCB Resolution Number 15 dated October 20, 2004. As indicated in the said resolution, the unemployed include all persons who are 15 years and over as of their last birthday and are reported as: (1) without work and currently available for work and seeking work; or (2) without work and currently available for work but not seeking work for the following reasons:
 - 1.) Tired/believed no work available
 - 2.) Awaiting results of previous job application
 - 3.) Temporary illness/disability
 - 4.) Bad weather
 - 5.) Waiting for rehire/job recall
- 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". Recalculation of estimates of employment indicators using data from previous LFS rounds, and the 2000 Census-based Population Projections, are presented below for comparison.

Philippines	January 2004		January 2005		January 2006	
	1995 Census- based	2000 Census- based	1995 Census- based	2000 Census- based	1995 Census- based	2000 Census- based
Labor Force Participation Rate (%)	67.3	67.2	66.1	66.0	63.7	63.6
Employment rate (%)	89.0	88.9	88.7	88.6	91.9	91.9
Unemployment rate (%)	11.0	11.1	11.3	11.4	8.1	8.1
Underemployment rate (%)	17.5	17.4	16.1	16.0	21.3	21.1

Source: Income and Employment Statistics Division
Household Statistics Department
National Statistics Office
Manila, Philippines

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