

Employment Situation in October 2008

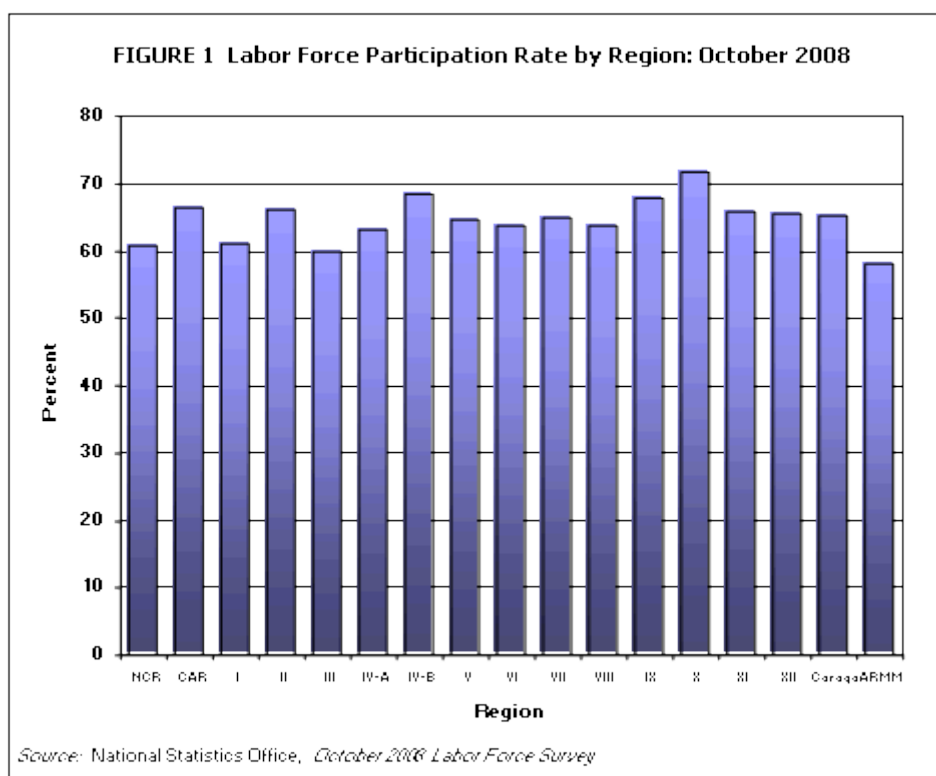
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Starting April 2005, the new unemployment definition has been adopted per NSCB Resolution Number 15 dated October 20, 2004. The new definition is presented in the Technical Notes of this report. For comparative purposes, the October 2008 results of the Labor Force Survey are presented in textual tables alongside the final estimates for the October 2007 survey round.



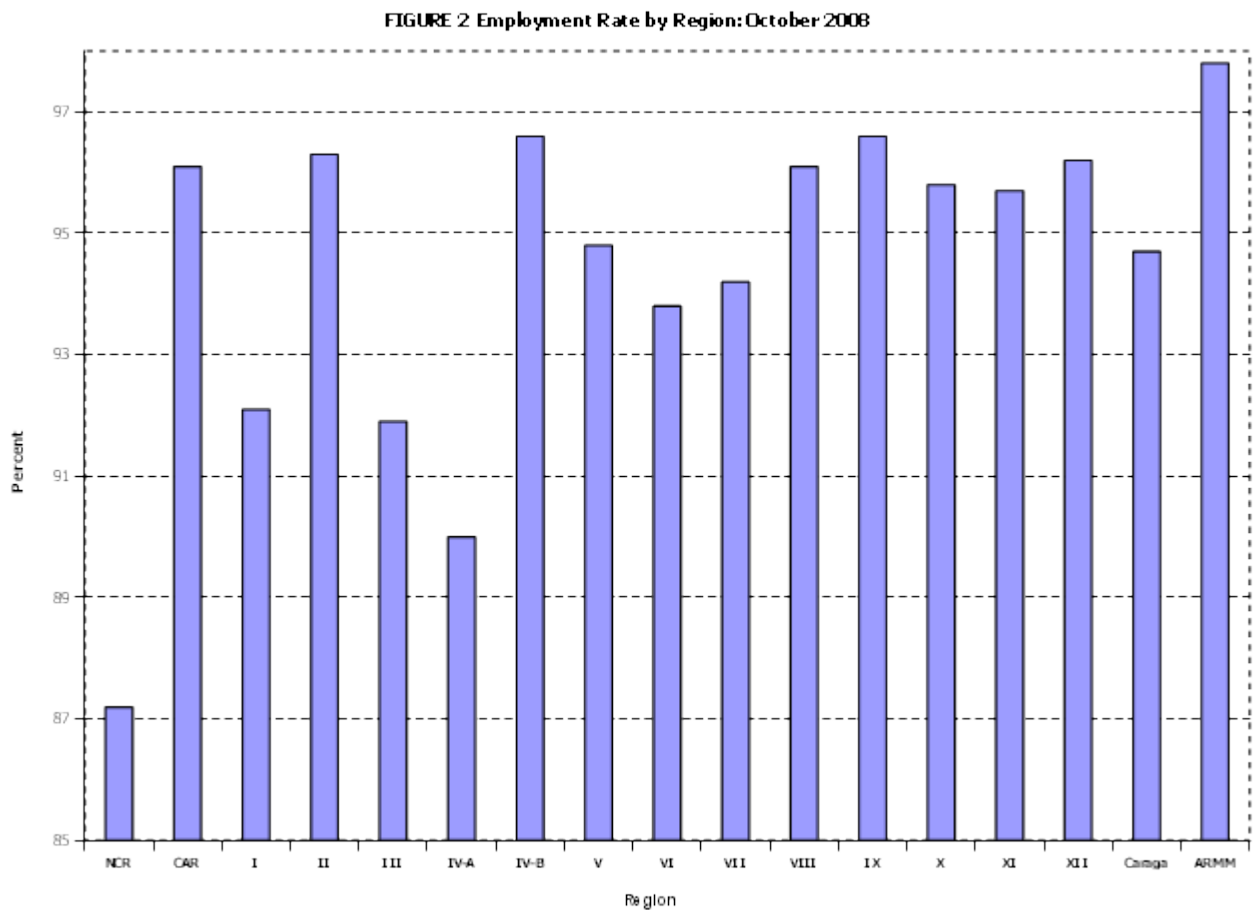
Six in ten of the population 15 years and over are in the labor force

Out of the estimated 58.2 million population 15 years old and over in October 2008, 37.1 million persons were in the labor force. This placed the labor force participation rate at 63.7 percent. Last year's labor force participation rate was 63.2 percent. Among the regions, Northern Mindanao posted the highest labor force participation rate at 71.6 percent.

Employment rate is recorded at 93.2 percent

The employment rate recorded for October 2008 was 93.2 percent. This means that nine in every 10 persons in the labor force were employed in October 2008. The October 2008 figure is slightly lower than last year's figure of 93.7 percent.

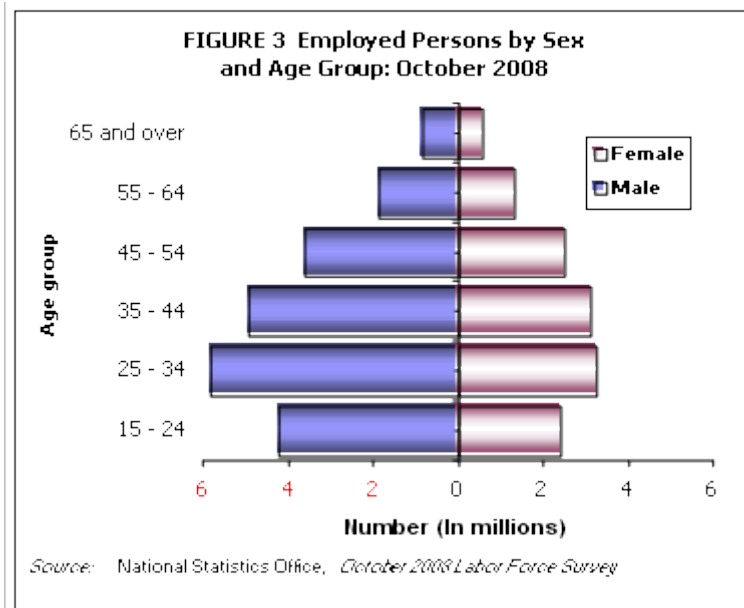
The National Capital Region (NCR) posted the lowest employment rate of 87.2 percent. Apart from the NCR, Central Luzon (91.9%) and CALABARZON (90.0%) had employment rates below the national value (93.2%).



Employed males outnumber employed females

The proportion of males to total employed (61.6%) in October 2008 was greater than that of females (38.4%).

The largest number of employed persons was in the age group 25 to 34 years, representing more than one-fourth (26.4%) of the total employed.

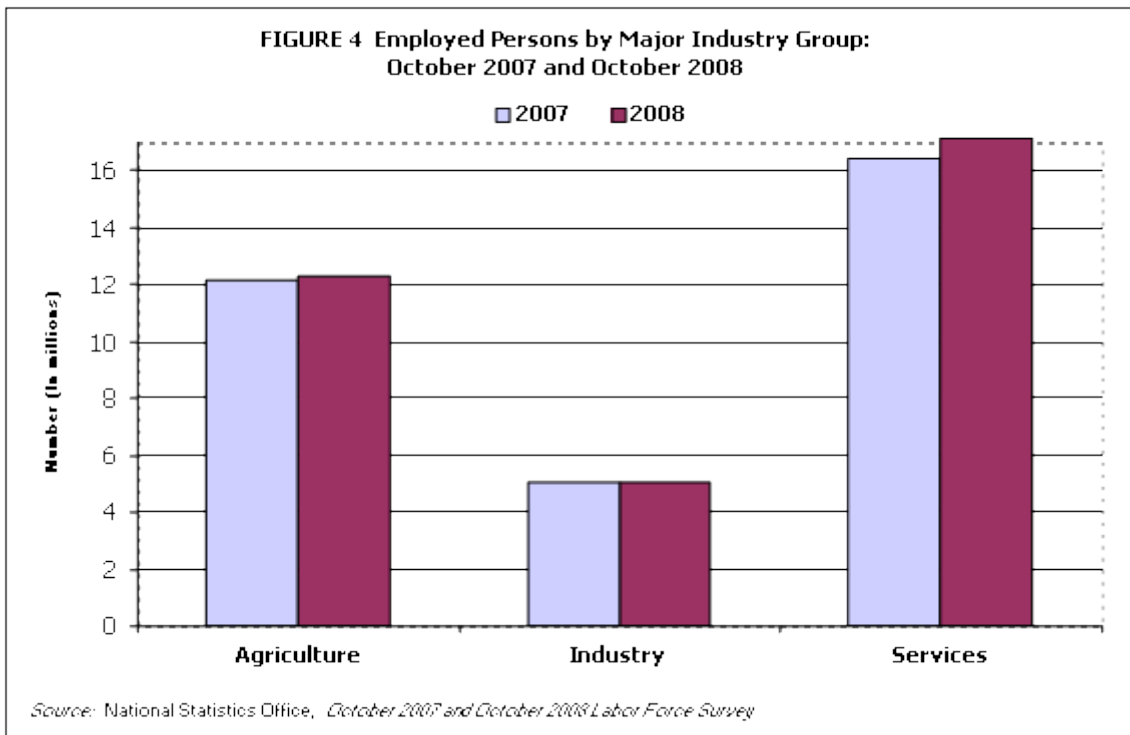


The 35 to 44 age group comprised the second largest employed population with a share of 23.2 percent, followed by the 15 to 24 age group with a share of 19.2 percent.

Almost half of the employed population are in the services sector

Of the total 34.5 million employed persons in October 2008, almost half (49.6%) worked in the services sector, with those engaged in wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods comprising the largest sub-sector (18.9% of the total employed).

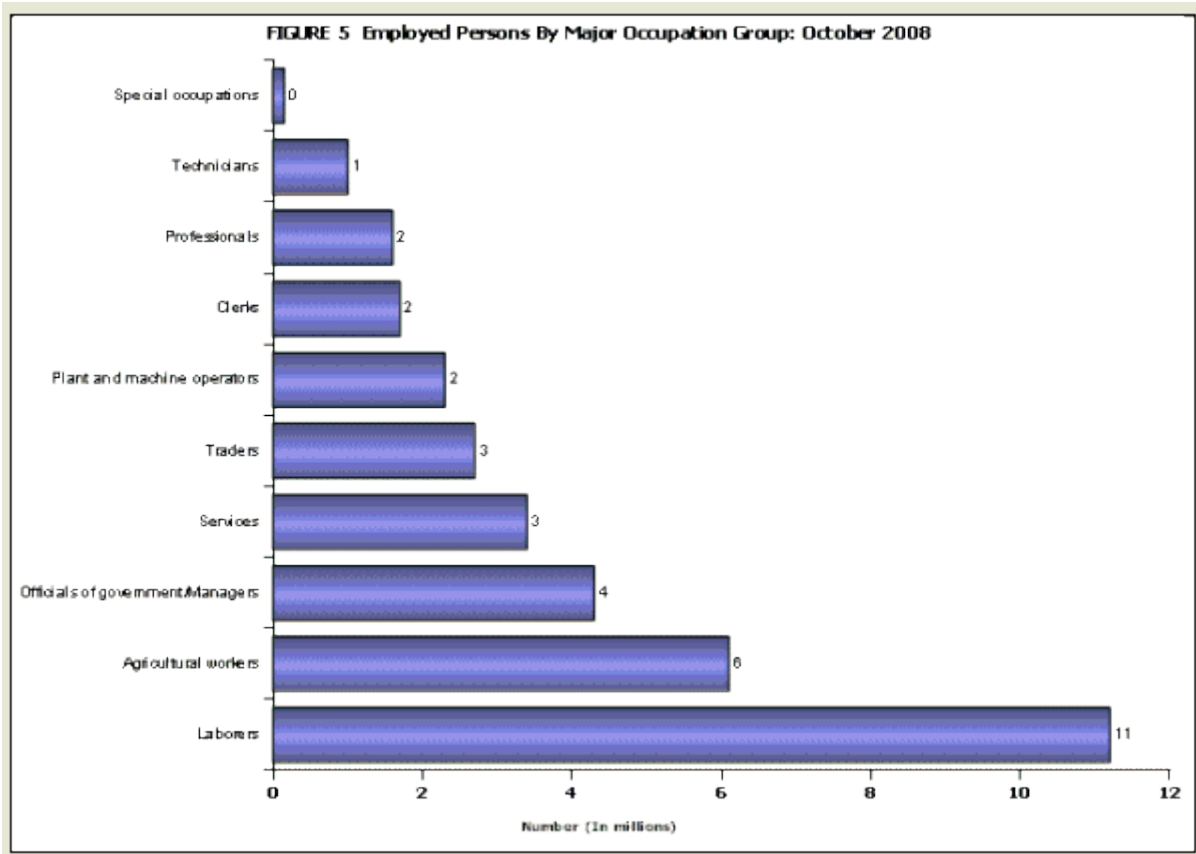
Workers in the agriculture sector accounted for 35.7 percent of the total employed, with workers in the agriculture, hunting and forestry making up the largest sub-sector (31.4% of the total employed).



Only 14.7 percent of the total employed were in the industry sector, with the manufacturing sub-sector making up the largest percentage (8.4% of the total employed).

One in three employed persons are laborers and unskilled workers

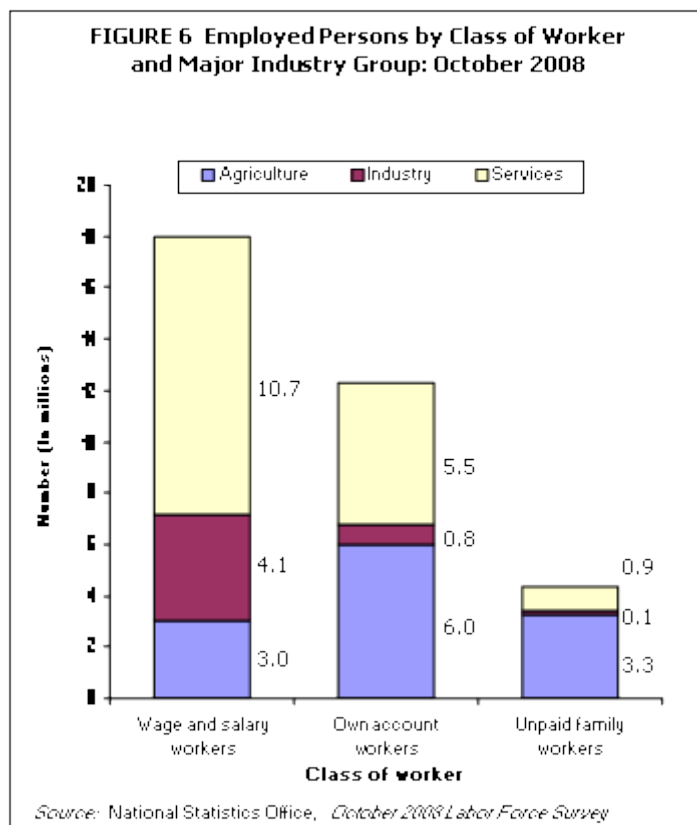
Among the various occupation groups, laborers and unskilled workers constituted the largest group of 32.5 percent of the total employed persons in October 2008.



Farmers, forestry workers and fishermen were the second largest group, accounting for 17.7 percent of the total employed population.

Number of own account workers increases

Employed persons fall into any of these three categories: 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 corporations and those who work with pay in own-family operated farms or businesses. More than half (51.9%) of the total employed persons in October 2008 were wage and salary workers, more than one-third (35.5%) were own-account workers, and 12.5 percent were unpaid family workers. Among the wage and salary workers, those working for private establishments comprised the largest proportion (38.7% of the total employed). Government workers or those working for government corporations comprised only 8.0 percent of the total employed, while 5.0 percent were workers in private households. Meanwhile, among the own-account workers, the self-employed comprised the majority (31.4% of total employed).



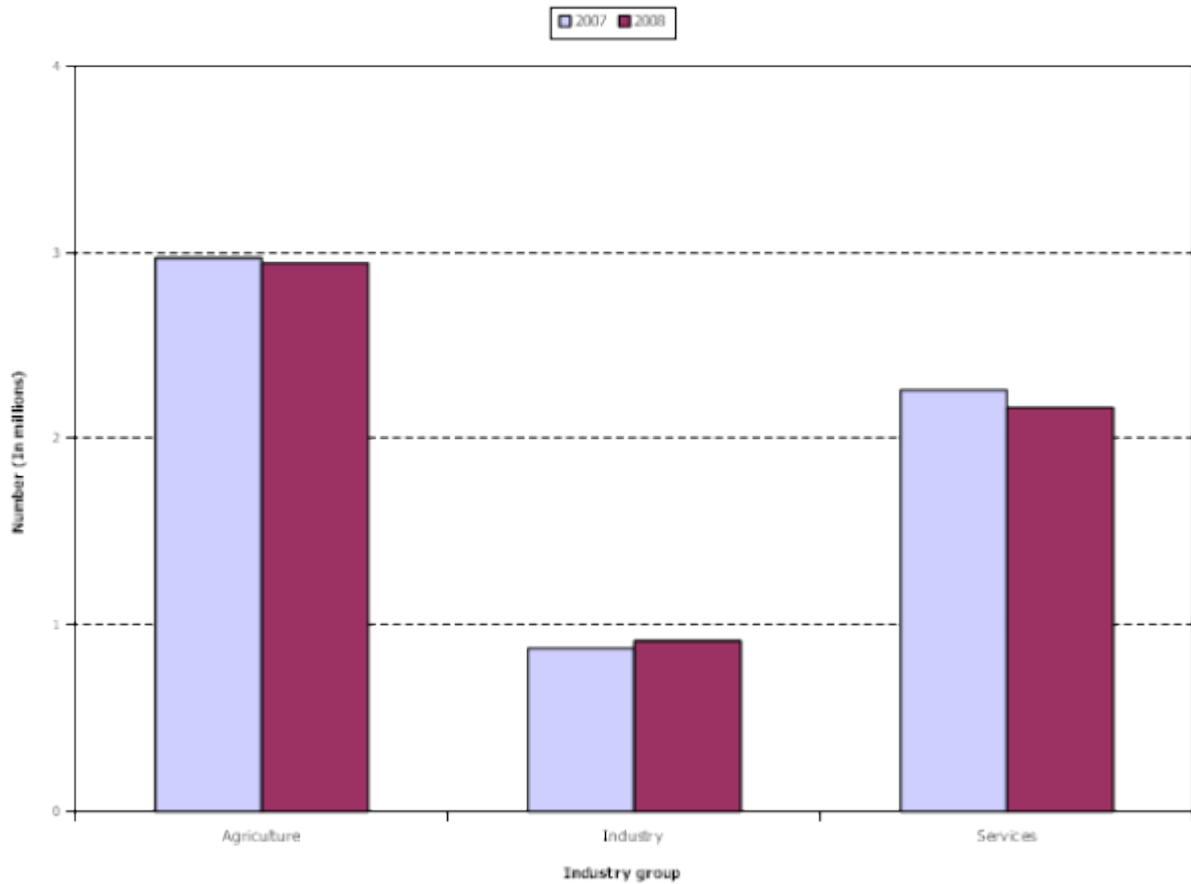
More workers work full-time

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. In October 2008, 63.5 percent of the employed were full-time workers, while 35.4 percent were part-time workers.

Underemployment rate declines to 17.5 percent from 18.1 percent in October 2007

Employed persons who expressed the desire to have additional hours of work in their present job or to have additional job, or to have a new job with longer working hours are considered underemployed. Underemployment rate in October 2008 was estimated at 17.5 percent. This means that approximately 6.0 million employed persons were underemployed in October 2008. Around 3.7 million or 61.8 percent of the total underemployed were reported as visibly underemployed or working less than 40 hours during the reference week. Those working for 40 hours or more accounted for 36.3 percent. Most of the underemployed were working in the agriculture sector (48.8%) and services sector (36.0%). The underemployed in the industry sector accounted for 15.2 percent.

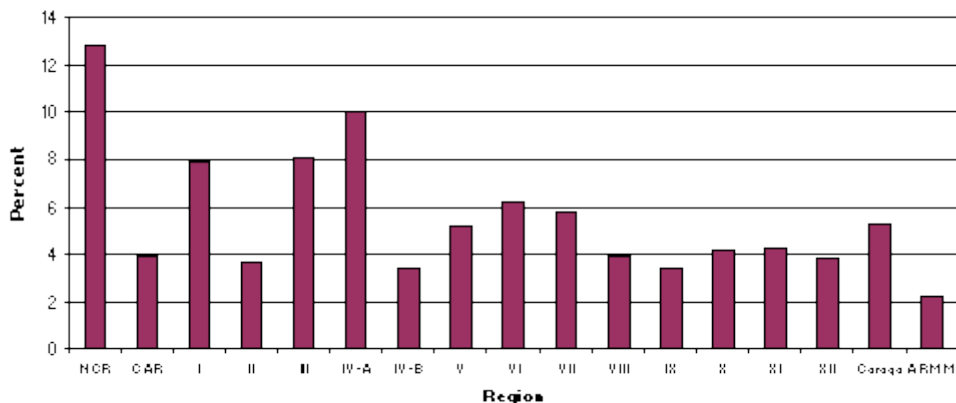
**Figure 7 Underemployed Persons by Major Industry Group
October 2007 and October 2008**



Unemployment rate in October 2008 is 6.8 percent

The unemployment rate in October 2008 was estimated at 6.8 percent compared to 6.3 percent posted in October last year.

FIGURE 8 Unemployment Rate by Region: October 2008



Source: National Statistics Office, *October 2008 Labor Force Survey*

Among the regions, the highest unemployment rate was recorded in the NCR at 12.8 percent. The next high rates were posted in CALABARZON (10.0%) and Central Luzon (8.1%).

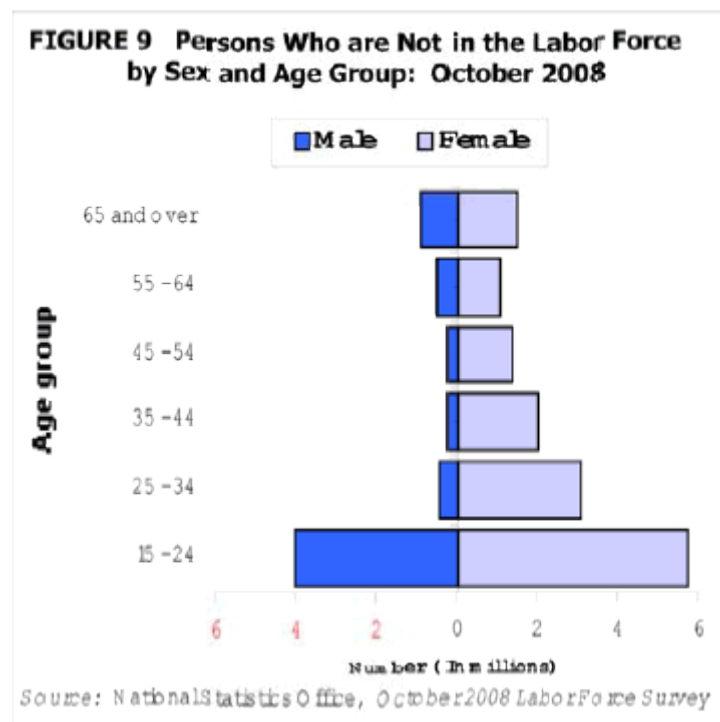
Six in every ten unemployed persons are males

The number of unemployed was higher among males (63.2% of total unemployed) than among females (36.8%). By age group, for every 10 unemployed persons, five (52.0%) belonged to age group 15 to 24 years while three (27.2%) were in the age group 25 to 34 years.

Across educational groups, among the unemployed, the high school graduates comprised 32.9 percent, the college undergraduates comprised about one-fifth (22.1%), while the college graduates, 18.9 percent.

Majority of the population who are not in the labor force are women

More than one-third (36.3%) of the population 15 years old and over in October 2008 were not in the labor force, like housewives, students, persons with disability, and retirees.



Majority of persons who were not in the labor force belonged to younger age group, that is, 9.7 million or 46.1 percent were 15 to 24 years old and 3.5 million or 16.7 percent were 25 to 34 years old. More females (71.0%) were not in the labor force than males.

SUMMARY

Philippines	October 2008	October 2007
Total 15 Years Old and Over (in '000)	58,182	56,845
Labor Force (in '000)	37,058	35,918
Labor Force Participation Rate (%)	63.7	63.2
Employment (in '000)	34,533	33,672
Employment Rate (%)	93.2	93.7
Unemployment (in '000)	2,525	2,246
Unemployment Rate (%)	6.8	6.3
Underemployment (in '000)	6,029	6,109
Underemployment Rate (%)	17.5	18.1

There were 37.1 million persons in the labor force out of the estimated 58.2 million population 15 years old and over.

The employment rate in October 2008 was registered at 93.2 percent, slightly lower than last year's rate of 93.7 percent.

Almost half or 49.6 percent of the employed population were in the services sector, 35.7 percent in the agriculture sector and the rest (14.7%) in the industry sector.

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 17.7 percent.

More than half (51.9%) of the total employed persons were wage and salary workers, 35.5 percent were own-account workers and 12.5 percent were unpaid family workers.

Underemployment rate was estimated at 17.5 percent in October 2008 from 18.1 percent in October 2007.

Unemployment rate in October 2008 was estimated at 6.8 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 October 2008 round of the LFS.

The reference period used in the survey is the past seven (7) days preceding the date of visit of the enumerator.

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

- a. Labor Force - refers to the 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 - consists of persons in the labor force who are reported either as 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. Underemployed - refers to 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
- d. Labor Force Participation Rate (LFPR) - proportion of total labor force to the total household population 15 years old and over
- e. Employment Rate - proportion of employed persons to the total labor force
- f. Unemployment Rate - proportion of unemployed persons to the total labor force
- g. Underemployment Rate - proportion of underemployed persons to total employed persons.

Starting April 2005, the new unemployment definition has been 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 or believed no work available
2. Awaiting results of previous job application
3. Temporary illness or disability
4. Bad weather
5. Waiting for rehire or job recall

Starting with the July 2003 round, the quarterly Labor Force Survey has been using the 2003 Master Sample Design. With this new master sample design, the number of samples increased from 41,000 to around 51,000 households.

The province of Basilan is now under the ARMM 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 Industrial Classification (PSIC) were used in classifying the occupation and industry, respectively.

Starting with the January 2007 LFS round, the population projections based on the 2000 Census of Population has been 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*.