



TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

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# **LABOR MARKET INTELLIGENCE REPORT**

## **Highlights of the October 2011 Labor Force Survey**

*(Source: Dec. 2011 LABSTAT Updates, Vol. 15 No. 40)*

## **Profile of the Inactive Unemployed**

*(Source: Dec. 2011 LABSTAT Updates, Vol. 15 No. 41)*

## **Profile of Employers in Own Family-operated Farm or business**

*(Source: Dec. 2011 LABSTAT Updates, Vol. 15 No. 37)*

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## A. Highlights of the October 2011 Labor Force Survey (LFS)

This section of the *LABSTAT Updates* presents the highlights of the October 2011 LFS conducted by the National Statistics Office: highlights on labor force, employment, unemployment and underemployment. Data in each table are briefly described and sources of additional information are cited.

**Labor Force.** The labor force participation rate increased to 66.3% in October 2011 from 64.2% a year ago – as more persons (+1.902 million) entered/re-entered the labor market compared with the same period last year (+1.090 million). The increase was most pronounced among the young aged 15-24 years old (+4.9 percentage points or 1.078 million) and among women (+2.6 percentage points or +1.059 million).

On the overall, the stock of the country's labor force was estimated at 41.189 million in October 2011 – upped by 4.8% from last year's level of 39.287 million. (see table 1)

**Employment.** In October 2011, employment level posted a strong rebound by 5.6% from 2.8% growth recorded a year ago. The growth figure translates to a net addition or an employment generation of 2.057 million – more than twice the figure (1.010 million) reported a year ago. Over the period, total employed persons increased to 38.545 million from 36.488 million. (see table 1)

**Table 1. Key Employment Indicators**  
**Philippines: October 2010-2011**  
(In thousands except rates)

Indicator	October 2011p	October 2010	Year-on-Year Change
Household Population 15 Years Old and Over	62,165	61,169	996
Labor Force	41,189	39,287	1,902
- Employed Persons	38,545	36,488	2,057
- Unemployed Persons	2,644	2,799	-155
Underemployed Persons	7,380	7,141	239
Visibly Underemployed	4,447	4,109	338
Not in the Labor Force	20,976	21,882	-906
LFPR (%)	66.3	64.2	
Unemployment Rate (%)	6.4	7.1	
Underemployment Rate (%)	19.1	19.6	
- Visible Underemployment Rate (%)	11.5	11.3	

*p Preliminary.*

Source of data: National Statistics Office, Labor Force Survey.

- In October, services sector employment increased at 6.6% or a gain of 1.235 million. The largest increase in employment occurred in wholesale and retail trade (+620,000), followed by private households with employed persons (+104,000) and real estate, renting and business activities (+101,000). (see table 2)

- Other notable gainers were: other community, social and personal services (+92,000), transport, storage and communications (+88,000), hotels and restaurants (+83,000) and public administration and defense, compulsory social security (+72,000).
- Employment in agriculture, hunting and forestry expanded by 5.6% (+600,000) – a notable improvement from the 2.0% growth (+206,000) a year ago. This gain more than offset the decline in fishing (-10,000).
- Industry employment grew by 4.3% (+232,000) - at the same pace last year. Growth was led by manufacturing (+118,000) followed closely by construction (+109,000) and mining and quarrying (+26,000). Meanwhile, employment in electricity, gas and water supply fell from last year's level (-21,000).
- The quality of employment was mixed. Growth occurred largely among persons in part-time employment (11.8% or +1.504 million) while persons in full-time employment increased by just 2.4% (+562,000) – as a result, the mean hours of work fell to 40.9 from 41.6 in October 2010.
- Meanwhile, wage and salary employment was up by 7.0% (+1.378 million) but this was accompanied by a large expansion in unpaid family workers (12.1% or +516,000). Employers in own family operated farm or business grew by 7.6% (+106,000) while self-employment was of little change (0.5% or +57,000). The proportion of vulnerable employment (self-employed and unpaid family workers) to total employment improved slightly to 41.2% from 42.0% over the period.
- Employment growth occurred in all regions. The top three gainers were Region IV-A (+257,000), Region VII (+214,000) and Region III (+191,000).

**Table 2. Summary Statistics on Employment  
Philippines: October 2009, 2010 and 2011**  
(In thousands except rates)

Indicator	2011p	2010	2009	Increment		Year-on-Year Growth Rate (%)	
				2010-2011	2009-2010	2010-2011	2009-2010
<b>EMPLOYED PERSONS</b>	<b>38,545</b>	<b>36,488</b>	<b>35,478</b>	<b>2,057</b>	<b>1,010</b>	<b>5.6</b>	<b>2.8</b>
<b>Agriculture, Fishery and Forestry</b>	<b>12,855</b>	<b>12,265</b>	<b>12,072</b>	<b>590</b>	<b>193</b>	<b>4.8</b>	<b>1.6</b>
Agriculture, Hunting and Forestry	11,369	10,769	10,563	600	206	5.6	2.0
Fishing	1,486	1,496	1,509	-10	-13	-0.7	-0.9
<b>Industry</b>	<b>5,607</b>	<b>5,375</b>	<b>5,154</b>	<b>232</b>	<b>221</b>	<b>4.3</b>	<b>4.3</b>
Mining and Quarrying	223	197	169	26	28	13.2	16.6
Manufacturing	3,176	3,058	2,937	118	121	3.9	4.1
Electricity, Gas and Water	143	163	160	-21	3	-12.3	1.9
Construction	2,066	1,957	1,888	109	69	5.6	3.7
<b>Services</b>	<b>20,083</b>	<b>18,848</b>	<b>18,250</b>	<b>1,235</b>	<b>598</b>	<b>6.6</b>	<b>3.3</b>
Wholesale and Retail Trade	7,778	7,158	6,901	620	257	8.7	3.7
Hotels and Restaurants	1,202	1,119	1,012	83	107	7.4	10.6
Transport, Storage and Communications	2,799	2,711	2,735	88	-24	3.2	-0.9
Financial Intermediation	466	412	375	54	37	13.1	9.9
Real Estate, Renting and Business Activities	1,340	1,239	1,100	101	139	8.2	12.6
Public Administration and Defense, Compulsory Social Security	1,842	1,771	1,771	72	0	4.0	0.0
Education	1,189	1,165	1,168	25	-3	2.1	-0.3
Health and Social Work	460	465	412	-5	53	-1.1	12.9
Other Community, Social and Personal Service Activities	947	855	868	92	-13	10.8	-1.5
Private Households with Employed Persons	2,058	1,954	1,908	104	46	5.3	2.4

Indicator	2011p	2010	2009	Increment		Year-on-Year Growth Rate (%)	
				2010-2011	2009-2010	2010-2011	2009-2010
Extra-Territorial Organizations and Bodies	2	1	-	1	0	100.0	0.0
<b>STATUS OF EMPLOYMENT</b>							
Wage and salary workers	21,151	19,773	18,997	1,378	776	7.0	4.1
Employers in own family-operated farm or business	1,506	1,400	1,436	106	-36	7.6	-2.5
Self-employed workers	11,092	11,035	10,816	57	219	0.5	2.0
Worked without pay in own family-operated farm or business	4,796	4,280	4,229	516	51	12.1	1.2
<b>HOURS OF WORK</b>							
Less than 40 Hours (Part-Time Employment)	14,277	12,773	12,884	1,504	-111	11.8	-0.9
40 Hours and Over (Full-Time Employment)	23,838	23,276	22,073	562	1,203	2.4	5.5
Did Not Work	430	439	520	-9	-81	-2.1	-15.6
<b>REGION</b>							
NCR	4,568	4,427	4,279	141	148	3.2	3.5
CAR	755	711	660	44	51	6.2	7.7
Region I	2,088	1,946	1,843	142	103	7.3	5.6
Region II	1,527	1,441	1,407	86	34	6.0	2.4
Region III	3,964	3,773	3,638	191	135	5.1	3.7
Region IV-A	4,872	4,615	4,408	257	207	5.6	4.7
Region IV-B	1,304	1,218	1,209	86	9	7.1	0.7
Region V	2,185	2,061	2,050	124	11	6.0	0.5
Region VI	3,131	2,994	2,851	137	143	4.6	5.0
Region VII	3,031	2,817	2,715	214	102	7.6	3.8
Region VIII	1,790	1,640	1,694	150	-54	9.1	-3.2
Region IX	1,474	1,413	1,340	61	73	4.3	5.4
Region X	1,958	1,919	1,915	39	4	2.0	0.2
Region XI	1,926	1,755	1,741	171	14	9.7	0.8
Region XII	1,739	1,613	1,625	126	-12	7.8	-0.7
Caraga	1,027	1,024	977	3	47	0.3	4.8
ARMM	1,206	1,122	1,126	84	-4	7.5	-0.4

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

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Source of data: National Statistics Office, Labor Force Survey.

**Underemployment.** The number of employed persons who wanted or expressed the desire for additional hours of work increased by 239,000 to 7.380 million in October. This figure corresponds to 19.1% of total employed, a slight decline from 19.6% a year before. (see table 3). On the other hand, the number of persons who worked less than 40 hours during the reference week and wanting additional hours of work also increased over the period by 338,000 to 4.447 million.

**Table 3. Summary Statistics on Underemployment  
Philippines: October 2010 and 2011**  
(In thousands except rates)

Indicator	2011p	2010	Increment
			2010-2011
<b>Underemployed Persons</b>	<b>7,380</b>	<b>7,141</b>	<b>239</b>
<b>Hours Worked</b>			
- Worked less than 40 hours/week <sup>1</sup>	4,447	4,109	338
- Worked more than 40 hours/week	2,933	3,033	100
<b>Industry</b>			
- Agriculture	3,091	3,073	18
- Industry	1,213	1,175	38
- Services	3,076	2,894	182
Underemployment rate (%)	19.1	19.6	0.5
Visible underemployment rate (%) <sup>1</sup>	11.5	11.3	0.3

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

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<sup>1</sup> Includes number of underemployed persons who were with jobs but did not work during the reference period

Source of data: National Statistics Office, Labor Force Survey

**Unemployment.** In October 2011, the unemployment rate was 7.1%, compared with 6.4% in October 2010. (see table 4)

- About half (49.5% or 1.308 million) of the total unemployed workforce were young workers (aged 15 to 24 years old). Youth unemployment rate at 14.0% was more than twice the national average. This rate was higher in the same period last year at 16.6%.
- More than three-fifths of total unemployed persons were men (1.656 million or 62.6%). Men unemployment rate at 6.7% and women unemployment rate at 6.1% were both lower compared with last year.
- The majority (44.7% or 1.182 million) were high school graduates or undergraduates. Equally large were college undergraduates and graduates (42.8% or 1.132 million). Those who completed college accounted for 20.2% of total unemployed.
- Four regions posted unemployment rates higher than the national rate: NCR (10.4%), Region I (6.6%), Region III (8.3%) and Region IV-A (9.0%). (see table 5)
- Compared with last year, notable reduction in unemployment rate occurred in six regions: NCR (-2.2 percentage points), Region I (-2.0 percentage points), Region IV-B (-1.6 percentage points), Region VII (-1.6 percentage points), Region VIII (-2.1 percentage points) and Region XI (-1.5 percentage points).

**Table 4. Summary Statistics on Unemployment  
Philippines: October 2009, 2010 and 2011**  
(In thousands except rates/percent)

Indicator	Total Unemployed Persons			Percent Share (%)			Unemployment Rate (%)			Increment	
	2011p	2010	2009	2011p	2010	2009	2011p	2010	2009	2010-2011	2009-2010
<b>TOTAL</b>	2,644	2,799	2,719	100.0	100.0	100.0	6.4	7.1	7.1	-155	80
<b>Sex</b>											
Men	1,656	1,772	1,736	62.6	63.3	63.8	6.7	7.4	7.4	-116	36
Women	988	1,027	984	37.4	36.7	36.2	6.1	6.7	6.7	-39	43
<b>Age Group</b>											
15-24 years old	1,308	1,378	1,369	49.5	49.2	50.3	14.0	16.6	16.6	-70	9
25-54 years old	1,226	1,319	1,251	46.4	47.1	46.0	4.6	5.1	5.0	-93	68
55 years old and over	109	101	100	4.1	3.6	3.7	2.0	1.9	2.0	8	1
Not reported	-	-	-	-	-	-	-	-	-	-	-
<b>Highest Grade</b>											
No Grade Completed	14	10	13	0.5	0.4	0.5				4	-3
Elementary	316	326	343	12.0	11.6	12.6				-10	-17
Undergraduate	140	140	145	5.3	5.0	5.3				0	-5
Graduate	176	186	198	6.7	6.6	7.3				-10	-12
High School	1,182	1,279	1,286	44.7	45.7	47.3				-97	-7
Undergraduate	311	346	342	11.8	12.4	12.6				4	-35
Graduate	871	933	944	32.9	33.3	34.7				-62	-11
College	1,132	1,184	1,078	42.8	42.3	39.6				-52	106
Undergraduate	597	639	590	22.6	22.8	21.7				-42	49
Graduate	535	545	488	20.2	19.5	17.9				-10	57

Note: Based on the new official unemployment definition (NSCB Resolution No. 15 s 2004).

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Source of data: National Statistics Office, Labor Force Survey.

**Table 5. Labor Force, Employment, Unemployment and Underemployment by Region  
Philippines: October 2010 and 2011**  
(In thousands except rates)

Region	Labor Force				Employment				Unemployment				Underemployment			
	2011P		2010		2011P		2010		2011P		2010		2011P		2010	
	No.	LFPR %	No.	LFPR %	No.	Rate %	No.	Rate %	No.	Rate %	No.	Rate %	No.	Rate %	No.	Rate %
PHL	41,189	66.3	39,287	64.2	38,545	93.6	36,488	92.9	2,644	6.4	2,799	7.1	7,380	19.1	7,141	19.6
NCR	5,101	63.7	5,066	63.4	4,568	89.6	4,427	87.4	533	10.4	639	12.6	695	15.2	680	15.4
CAR	793	70.3	744	66.7	755	95.2	711	95.6	38	4.8	33	4.4	140	18.5	96	13.5
Region I	2,236	64.7	2,128	62.6	2,088	93.4	1,946	91.4	148	6.6	182	8.6	387	18.5	275	14.1
Region II	1,570	69.9	1,480	66.5	1,527	97.2	1,441	97.4	44	2.8	39	2.6	203	13.3	228	15.8
Region III	4,324	63.0	4,102	61.3	3,964	91.7	3,773	92.0	360	8.3	330	8.0	534	13.5	456	12.1
Region IV-A	5,356	66.1	5,070	64.1	4,872	91.0	4,615	91.0	484	9.0	455	9.0	835	17.1	980	21.2
Region IV-B	1,351	71.8	1,283	69.2	1,304	96.5	1,218	94.9	48	3.5	65	5.1	256	19.6	311	25.5
Region V	2,308	67.2	2,187	63.7	2,185	94.7	2,061	94.2	123	5.3	126	5.8	784	35.9	721	35.0
Region VI	3,347	65.7	3,190	64.1	3,131	93.6	2,994	93.9	216	6.4	196	6.1	698	22.3	805	26.9
Region VII	3,227	68.6	3,050	65.3	3,031	93.9	2,817	92.4	196	6.1	234	7.7	649	21.4	533	18.9
Region VIII	1,865	68.0	1,746	63.7	1,790	96.0	1,640	93.9	74	4.0	106	6.1	434	24.2	396	24.1
Region IX	1,526	68.1	1,456	66.2	1,474	96.6	1,413	97.0	52	3.4	44	3.0	323	21.9	257	18.2
Region X	2,037	71.4	2,003	70.9	1,958	96.1	1,919	95.8	79	3.9	84	4.2	448	22.9	500	26.1
Region XI	2,019	69.0	1,869	65.5	1,926	95.4	1,755	93.9	93	4.6	114	6.1	316	16.4	285	16.2
Region XII	1,807	67.5	1,675	64.4	1,739	96.3	1,613	96.3	67	3.7	63	3.8	305	17.5	290	18.0
Caraga	1,087	66.7	1,076	66.1	1,027	94.5	1,024	95.2	60	5.5	52	4.8	253	24.6	194	18.9
ARMM	1,235	57.1	1,160	56.3	1,206	97.7	1,122	96.7	29	2.3	38	3.3	119	9.9	134	11.9

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

p Preliminary.

Source of data: National Statistics Office, Labor Force Survey.

## B. Profile of the Inactive Unemployed

This section provides a summary of the demographic characteristics of the inactive unemployed in 2010. The data presented refer to the averages of the January, April, July and October rounds of the Labor Force Survey conducted by National Statistics Office.

The inactive unemployed are those persons who are jobless and available for work but did not look for work due to the following valid reasons: **1) belief that no work was available (discouraged); 2) temporary illness/disability; 3) bad weather; 4) awaiting results of previous job applications; and 5) awaiting for rehire/job recall.**

### Overview

In 2010, the number of inactive unemployed slightly increased by 61,000 or a growth rate of 4.2% from 1.450 million in 2006 to 1.511 million in 2010, translating to a yearly increment of 15,250 persons. Men accounted for more than two-thirds (67.2% or 1.016 million) of the total inactive unemployed in 2010. Among major demographic characteristics, the largest share of inactive unemployed (46.8% or 707,000) had secondary education, 35.5% or 536,000 had tertiary

education and 15.9% or 241,000 completed college. Discouraged workers were most prevalent among those with lesser educational attainment. (see table 6)

**Table 6. Demographic Characteristics of Inactive Unemployed Persons by Reason for Not Looking for Work, Philippines: 2010**  
(In Thousands Except Percent)

Indicator	Total		Believed No Work Available (Discouraged)	Awaiting Results of Previous Job Application	Temporary Illness/ Disability	Bad Weather	Waiting for Rehire/Job Recall
	No.	%	No.	No.	No.	No.	No.
<b>TOTAL</b>	<b>1,511</b>	<b>100.0</b>	<b>470</b>	<b>408</b>	<b>161</b>	<b>32</b>	<b>439</b>
<b>Sex</b>							
Men	1,016	67.2	331	244	113	23	305
Women	495	32.8	139	164	49	9	134
<b>Age</b>							
15 - 24 Years Old	707	46.8	253	222	39	13	180
25 - 54 Years Old	715	47.3	194	182	85	14	240
55 Years Old and Over	88	5.8	23	4	37	5	19
<b>Marital Status</b>							
Single	1,020	67.5	349	308	69	16	279
Married	434	28.7	103	92	78	15	146
Others	57	3.8	18	8	14	2	15
<b>Relationship to Household Head</b>							
Head	239	15.8	60	32	60	9	78
Non-head	1,272	84.2	410	377	101	23	362
<b>Educational Attainment</b>							
No Formal Education	11	0.7	5	1	4	*	2
Primary	257	17.0	100	26	56	13	61
Secondary	707	46.8	250	160	67	15	214
Tertiary	536	35.5	114	221	34	4	162
Undergraduate	295	19.5	79	100	21	3	92
Graduate	241	15.9	36	121	13	1	70

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

\* Less than 500.

\*\* Less than 0.05 percent.

Source of basic data: National Statistics Office, Labor Force Survey, Public Use Files.

### C. Profile of Employers in Own Family-operated Farm or Business

Class of worker or status in employment categorizes the total employed as **a)** wage and salary worker, **b)** employer in own family-operated farm or business, **c)** self-employed without any paid employee and, **d)** without pay in own family-operated farm or business (unpaid family worker).

**An employer is a person who employs one or more regular paid employees including paid family members in the operation of its own farm or business.** However, domestic helpers, family drivers and other household helpers helping out in the family-operated business, regardless of time spent in this activity, are not hired employees in the enterprise/business. In like manner, a farm or business proprietor being assisted purely by such domestic help is not also considered an employer.

In 2010, there were 1.394 million employers in own family-operated farm or business out of the 36.035 million employed. They constituted the **smallest class (3.9%) of the total employed**.

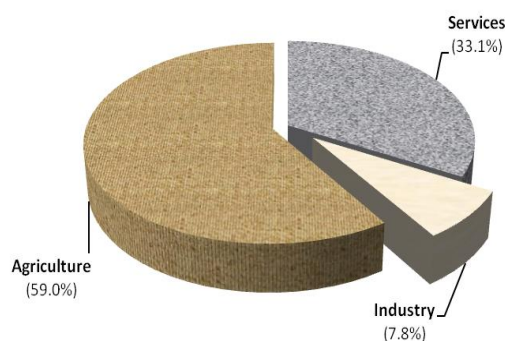
### **Demographic Characteristics of Employers in Own-family Operated Farm or Business** (see table 7)

- Men numbered three times (1.065 million) more than women (328,000) in 2010.
- Two (2) in every 3 (65.1% or 908,000 employers) were in the prime working age of 25-54 years old.
- Mostly married (82.0% or 1.143 million).
- Majority (1.059 million or 76.0%) of them were heads of their respective households.
- Distribution by educational attainment were almost the same at 33.0%.

### **Economic Characteristics**

- Work of the bulk of employers (95.8% or 1.336 million) was permanent in nature as they had been engaged in their own family-operated farm or business for at least a year.
- A little over fifty percent (50.9% or 709,000) were full time employers or worked 40 hours and more in a week.
- Three (3) out of every 5 were employers in the agriculture sector (823,000 or 59.0%). (see figure 1)

**Figure 1. Percent Distribution of Employers in Own Family-operated Farm or Business by Sector, Philippines: 2010**



- Farmers, forestry workers and fishermen accounted for more than half (750,000 or 53.8%) of the total employers in own family-operated farm or business.
- On the average, workers in this class reported 38.4 weekly hours work.



- Across regions, Region II placed the highest share of 14.1% or 197,000 followed by Region VI (12.9% or 180,000). On the other hand, the lowest share of 0.6% (8,000) was noted in Autonomous Region in Muslim Mindanao.

**Table 7. Demographic Characteristics of Employers in Own Family-operated Farm or Business, Philippines: 2010**

(In Thousands Except Percent)

Indicator	Number	Percent Share
<b>TOTAL</b>	<b>1,394</b>	<b>100.0</b>
<b>Sex</b>		
Men	1,065	76.4
Women	328	23.5
<b>Age Group</b>		
15 – 24 years old	29	2.1
25 – 54 years old	908	65.1
55 years old and over	456	32.7
<b>Marital Status</b>		
Single	107	7.7
Married	1,143	82.0
Others	144	10.3
<b>Relationship to Household Head</b>		
Head of Household	1,059	76.0
Non-head	334	24.0
<b>Educational Attainment</b>		
No formal education	21	1.5
Primary	460	33.0
Secondary	454	32.6
Tertiary	459	32.9
Undergraduate	211	15.1
Graduate	248	17.8

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

*p Preliminary.*

*Source of data: National Statistics Office, Labor Force Survey.*