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SPECIAL RELEASE

EMPLOYMENT SITUATION IN NATIONAL CAPITAL REGION (NCR) OCTOBER 2008 FINAL RESULTS

The Labor Force Survey (LFS) is a nationwide survey conducted quarterly by the National Statistics Office (NSO). For this particular release, the data being presented are based on the results of the October 2008 LFS round.

Labor Force Participation Rate (LFPR) in the NCR decreases in October 2008

For the entire country, the LFPR registered 63.6 percent in October 2008 from 63.2 percent in October 2007. In the NCR, the LFPR decreased to 60.8 percent in October 2008 from 61.3 in percent October 2007.

Comparative labor force counts and LFPR for the Philippines and NCR for October 2007 and October 2008 LFS rounds are shown below.

Labor Force Survey Round	Total Population 15 years and over (in million)		Persons in the Labor Force (in million)		Labor Force Participation Rate (in percent)	
	Philippines	NCR	Philippines	NCR	Philippines	NCR
October 2008	58.11	7.68	37.05	4.67	63.6	60.8
October 2007	56.84	7.54	35.92	4.62	63.2	61.3

Employment Rate in NCR decreases to 87.2 percent

The employment rate of the country in October 2008 reached 93.2 percent, numbering 34.53 million employed persons. In NCR, the employment rate was recorded at 87.2 percent in October 2008, or a 2.1 percentage point decrease from October 2007.

Comparative employment figures and employment rates for the October 2008 and October 2007 LFS results are shown below.

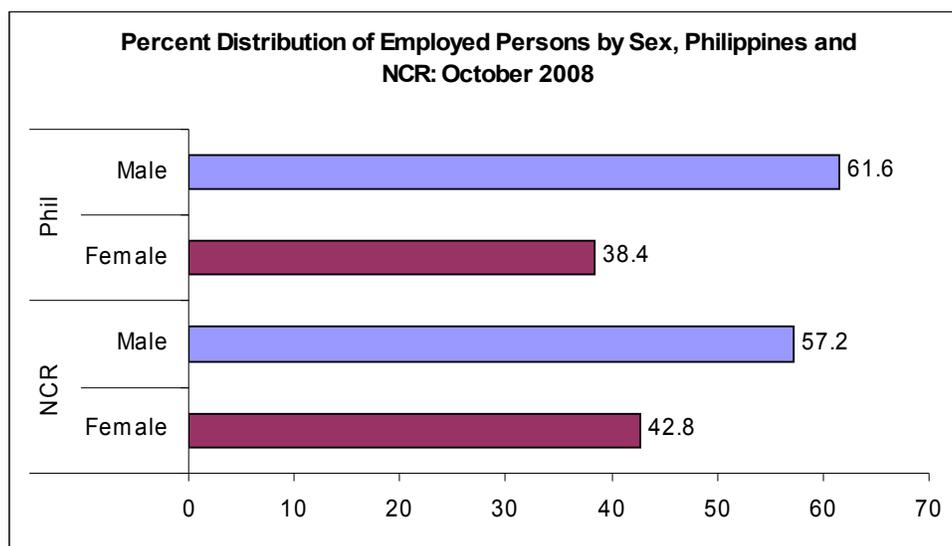
Labor Force Survey Round	Employed Person (in millions)		Employment Rate (in percent)	
	Philippines	NCR	Philippines	NCR
October 2008	34.53	4.07	93.2	87.2
October 2007	33.67	4.13	93.7	89.3

For the Philippines and NCR, employment rate in October 2008 was comparatively lower than in October 2007. The figure below shows the trend of employment rate of the country and NCR for the October 2007 and October 2008 LFS rounds.



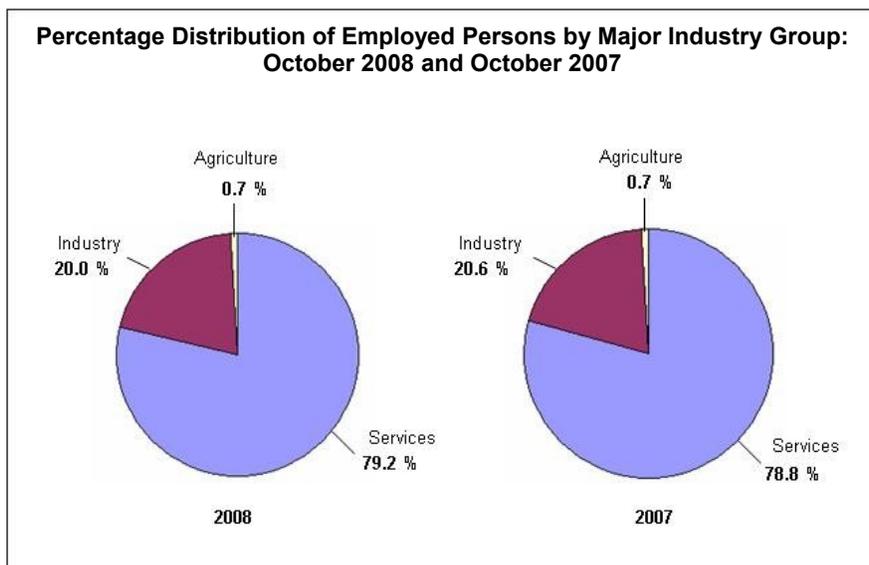
More than half of the employed persons in NCR are males

In the October 2008 LFS round, Philippine male population dominated the employed workforce. Of the 34,533 thousand employed persons, there were 61.6 percent employed males compared to 38.4 percent employed females. Of the 4,076 thousand employed persons in the NCR, 57.2 percent were employed males. Refer Table 1 for Philippines and NCR household population by sex and employment status for October 2007 and October 2008.



Services Sector employs more than half of the total workforce in NCR

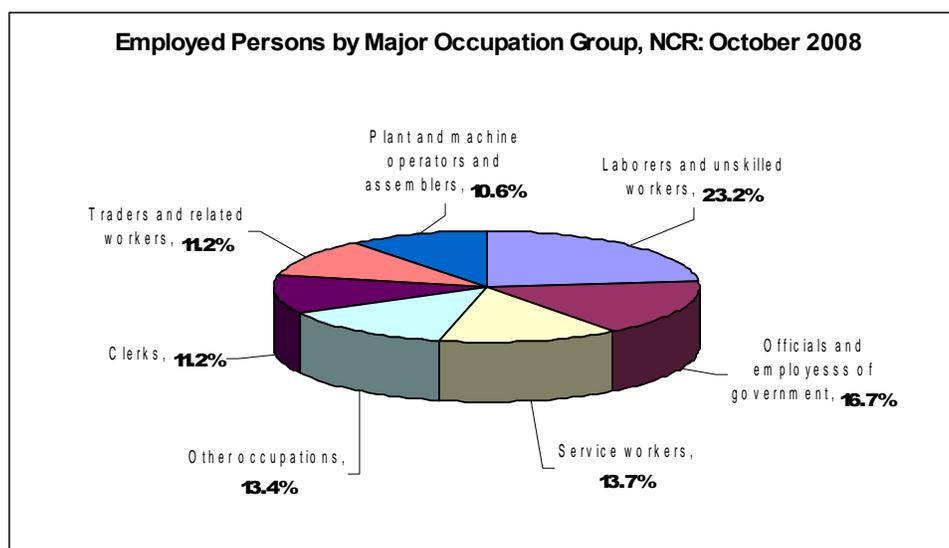
Of the 4.00 million employed persons in the NCR in October 2008, more than three quarters (79.2%) were employed in the service sector while less than a quarter (20.0%) were employed in the industry sector. The remaining proportion was employed in the agriculture sector. Similar proportions were observed in the October 2007 LFS round. Refer Table 2 for the employed persons by sex and major industry group for October 2007 and October 2008.



Laborers and unskilled workers registered the largest share of employment in NCR

In the October 2008 LFS round, laborers and unskilled workers registered the largest share of employment in the NCR at 23.2 percent. Official and employees of government comprised the second largest group at 20.0 percent, while service workers were the third largest group at 13.7 percent.

Refer to Table 3 for NCR employed persons by sex and major occupation group for October 2007 and October 2008.



NCR Unemployment reaches 12.7 percent in October 2008

The number of unemployed persons in Philippines and the NCR reached 2.52 million in October 2008 and 0.59 million, respectively. The resulting unemployment rates in the country and the NCR were 6.9 percent and 12.7 percent, respectively.

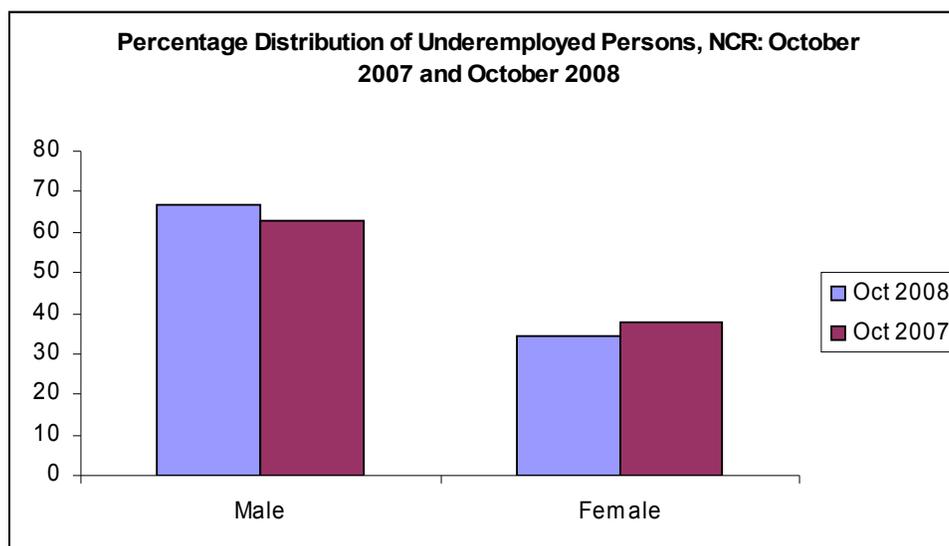
Unemployment figures of the Philippines and NCR based from the final estimates of the October 2007 and October 2008 LFS rounds are shown below.

Labor Force Survey Round	Unemployed Persons in the Labor Force			
	(in millions)		(in percent)	
	Philippines	NCR	Philippines	NCR
October 2008	2.52	0.60	6.9	12.7
October 2007	2.25	0.50	6.3	10.6

Underemployment rate in NCR decreases in October 2008

In the October 2008 LFS round, underemployment rate in NCR decreased to 11.3 percent from 11.5 percent in October 2007.

In the NCR, nearly two-thirds (61.4%) of the 597 thousand underemployed persons in October 2008 were males. Approximately, the gender distribution was similar in October 2007 and October 2008 LFS rounds. Refer to Table 4 for Philippines and NCR underemployed persons by sex for October 2007 and October 2008.



TECHNICAL NOTES ON THE LABOR FORCE SURVEY (LFS)

GENERAL BACKGROUND

The stability and growth of a country's economy hinges on its ability to produce goods and services for both domestic and international use. Labor represents an important factor of production, hence, the improvement of the quality of the labor force and efforts to make it more productive and responsive to growth are necessary for the development of the economy. A clear knowledge and understanding of the size, composition and other characteristics of the segment of the population is a big step in this direction. A continuing supply of data on labor force is indispensable to national as well as regional planning.

OBJECTIVES OF THE SURVEY

The Labor Force Survey (LFS) is a nationwide quarterly survey conducted by the National Statistics Office (NSO). For the release, the data being presented are based on the final results from April 2007, January and April 2008 round of the LFS.

Specifically, the survey is designed to provide statistics on levels and trends of employment, unemployment and underemployment for the country, as a whole, and for each of the administrative regions, including provinces and key cities.

Starting with 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". Estimates of employment indicators using data from previous LFS rounds and the 2000 Census-based population projections, and another set of estimates using the 1995 Census-based population, are presented below for comparison.

SCOPE AND COVERAGE

Starting with July 2003 round of the Labor Force Survey (LFS), the generation of the labor force and employment statistics adopted the 2003 Master Sample Design.

Using the master sample design, the number of samples increased from 41,000 for the January 1997 to April 2003 LFS rounds to around 51,000 sample households for the July 2003 and subsequent LFS rounds.

CONCEPTS, DEFINITIONS AND EXPLANATIONS

This section presents the important concepts used in the LFS. Concepts and definitions mentioned in previous Integrated Survey of Households (ISH) series are in most cases the same as those in this survey round.

2.1 Barangay

A city municipality is composed of several barangays, the smallest political subdivision in the country. For purpose of enumeration in the LFS, a barangay is considered the basic geographic enumeration area.

2.2 Urban – Rural Areas

The following guidelines used in the 1980 Census of Population and Housing (CPH) are adopted in classifying urban areas.

- a. In their entirety, all cities and municipalities having a population density of at least 1,000 persons per square kilometer.

- b. Poblaciones or central districts of municipalities and cities which have a population density of at least 500 persons per square kilometer.
- c. Poblaciones or central districts not included in (a) and (b) regardless of the population size, which have the following:
 - iv. Street pattern, i.e. network of streets in either parallel or right angle orientation;
 - v. At least six establishments (commercial, manufacturing, recreational, and /or personal services at least once a month).
 - vi. At least three of the following:
 - 7) A town hall, church or chapel with religious services at least once a month.
 - 8) A public plaza or cemetery
 - 9) A public plaza or building where trading activities are carried on at least once a month.
 - 10) A public building like school, hospital, puericulture and health center or library.
- k. Barangays having at least 1,000 inhabitants meeting the conditions set forth in (c) above and where the occupation of the inhabitants is predominantly non-farming or non-fishing.

All areas not falling under any of the above classifications are considered rural.

2.3 Household

A household is an aggregate of persons, generally but not necessarily bound by ties of kinship, who live together under the same roof and eat together or share in common the household food. Members comprise the head of the household, relatives living with him and other persons who share the community life for reasons of work or other consideration. A person who lives alone is considered a separate household.

2.4 Reference Period

The reference period for the survey is the “past week” referring to the past seven (7) days preceding the date of visit of the enumerator or interviewer.

2.5 Employment Status Concepts

In the Labor Force or Economically Active Population. This refers to population 15 years old and over who are either employed or unemployed in accordance with the definitions described below.

Labor Force Participation Rate (LFPR). This refers to the proportion of the household population aged 15 years old and over who are employed and unemployed, or proportion of the labor force to the working age population.

Employed. Employed persons include all those who, during the reference period are 15 years and over as of their last birthday and are reported either:

- a. **At work.** Those who do any work even for one hour during the reference period for pay or profit, or work without pay on the farm or business enterprise operated by a member of the same household related by blood, marriage or adoption; or
- b. **With a job but not at work.** Those who have a job or business but are not at work because of temporary illness/injury, vacation or other reasons. Likewise, persons who expect to report for work or to start operation of a farm or business enterprise within two weeks from the date of the enumerator's visit are considered employed.

Employment Rate. This refers to the proportion of employed persons to the total labor force.

Underemployed. Underemployed persons include all employed persons who express the desire to have additional hours of work in their present job or an additional job, or to have a new job with longer working hours. Visibly underemployed persons are those who work for less than 40 hours during the reference period and want additional hours of work.

Underemployment Rate. This refers to the proportion of underemployed persons to the total employed persons.

Unemployed. Unemployed persons include all those who, during the reference period 15 years old and over as of their last birthday who have no job or business and actively looking for work. Also considered as unemployed are persons without a job or business who are reported not looking for work because of their belief that no work was available or because of temporary illness/disability, bad weather, pending job application or waiting for job interview.

Unemployment Rate. This refers to the proportion of unemployed persons to the total labor force.

Persons Not in the Labor Force. Persons 15 years old and over who are neither employed nor unemployed according to the definitions mentioned. Those not in the labor force are those persons who are not looking for work because of reasons such as housekeeping, schooling, etc. Examples are housewives, students, disabled or retired persons.

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

2.6 Work

Work means something a person does during the past week, for pay in cash or in kind, in any establishment, office, farm, private home or for profit or without pay on a family farm or enterprise. It also includes what a farm operator or member of the operator's family does on the farm operated by another household on exchange labor arrangement.

In addition to the above, any activity that a person does during the past week in relation to minor activities in home gardening, raising of crops, fruits, hogs, poultry etc., fishing for home consumption and manufacturing for own use are also considered work. However, there must be some harvest in the case

of home gardening, raising of crops, fruits, and gathering of wild fruits and vegetables, animal disposed of (sold, consumed, bartender or given away) or some catch in fishing in order that these activities will be considered work.

2.7 Occupation and Industry

The data on occupation and industry relates to the job held by employed persons during the past week. Occupation refers to the specific kind of work a person does while industry refers to the nature or character of the business or enterprise or the place wherein a person works. Persons employed at two or more jobs are reported in the job at which they worked the greatest number of hours during the past week.

The occupational and industrial categories used in the survey are the 1977 Philippine Standard Classification recommended by the Statistical Advisory Board in its Resolution No. 3 – 76. The 1977 Philippine Standard Occupation Classification and the Philippine Standard Industrial Classification are the results of the coordinative and cooperative efforts of the Statistical Programs and Standards Staff of the National Economic and Development Board (NEDA) Inter-Agency Committee on Philippine Standard Classification, NEDA.

2.8 Class of Worker

Employed Persons are classified according to the following categories, namely:

Wages and Salary Workers include the following:

- 1. Worked for private household.** These are employed persons working in a private household for pay, in cash or in kind. Examples are domestic helper, household cook, gardener, family driver.
- 2. Worked for private establishment.** These are persons working in a private establishment for pay, in cash or in kind. This category includes not only persons working for a private industry but also those working for a religious group, missionary, unions, and non-profit organizations. Examples of persons working for private establishment are public transport drivers who do not own the vehicle but drive them on boundary basis, persons working in public works projects on private contractors, dock hands or stevedores, cargo handlers in railroad stations or piers, etc.
- 3. Worked for government/government corporation.** These are persons working for the government or a government corporation or any of its instrumentalities. This category of worker includes the following workers, chaplains in the Armed Forces of the Philippines, Filipinos working embassies, legation, chancelleries or consulates of the foreign government in the Philippines and those working in international organizations of Sovereign States if Governments like the United Nations (UN). World Health Organization (WHO), etc.
- 4. Worked with pay on own family-operated farm or business.** These are members of the family who receives cash or fixed share of the produce as payment for his services in a farm or business operated by another member living in the same household.

Own-Account Workers include the following:

- 1. Self-employed.** These are persons who operate their own businesses or trades and do not employ paid workers in the conduct of their economic activities. This category includes workers who worked purely on commission basis and who may not have regular working hours.
- 2. Employers.** These are persons who employ one or more paid employees in the operation of their business or trades. Thus, domestic helpers, family drivers and other household helpers who

assist in the family-operated business, regardless of time spent in this activity are not hired employees in the enterprise/business. A farm or business proprietor who is assisted purely by such domestic help is not also considered an employer.

Unpaid Family Workers or Those Who Worked without pay on own family-operated farm or business. These are members of the family who assist another member in the operation of the family farm or business enterprise and who do not receive any wage or salary for their work. The room and board and any cash allowance given as incentives are not counted as compensation for these family workers.

2.9 Number of Hours Worked

Number of hours worked refers to the total number of hours a persons actually worked in all the job/business that he held. It includes the duration or the period the person was occupied in his work, including overtime, but excluding hours paid but not worked. The normal working hours per day is the usual or prescribed working hours of a person in his primary job/business which is considered a full day's work.

ITEMS/VARIABLES GATHERED

For All Persons

- Relationship to the Household Head
- Age as of Last Birthday
- Marital Status
- Highest Grade Completed

For Employed Persons

- Main Activity/Usual Occupation During the Past Twelve Months
- Primary Occupation
- Kind of Industry/Business
- Class of Worker
- Nature of Employment
- Normal Working Hours Per Day During the Past Week
- Total Hours Worked During the Past Week
- Whether Wanting More Hours of Work

For Persons Who Had No Job/Business

- Job Search Method
- Number of Weeks Looking for Work