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## 2012 SURVEY OF EMPLOYMENT in establishments with 20 or more workers

*(First of a series)*

*This LABSTAT is the first in the series of reports on employment based on statistics culled from the 2011/2012 BLES Integrated Survey (BITS). Conducted every two years, the BITS is a nationwide sample survey covering more than 7,000 establishments with 20 or more workers. This issue presents estimates on employment level, sectoral growth rates and industry structure. Cautions should be observed in comparing the results with previous year's surveys due to the following changes in the 2012 BITS: (1) inclusion of the agriculture sector in the survey; and (2) the shift from the 1994 Philippine Standard Industrial Classification (PSIC) to the 2009 PSIC.*

### OVERVIEW

Statistics in this report presents a snapshot of the estimated number of persons employed by the establishments as of June 2012. As used in this survey, the term "*total employment*" refers to the sum of *total establishment employment* as of the payroll period covering June 30, 2012.

The term *employment* is defined in this survey as the number of persons who worked for or received pay from the establishments including those working away from the establishment but paid by and under its control (e.g., bus drivers).

The former includes working owners without regular pay and unpaid workers while the latter includes all paid employees (*salaried directors, managers and executives, regular and non-regular workers, e.g., probationary, casual, contractual/project-based,*

*seasonal and paid apprentices/learners*) including persons on paid vacation, paid leaves and those on strike.

### SURVEY RESULTS

#### Total Employment

- Total employment in establishments with 20 or more workers was estimated at 3.769 million as of the payroll period June 30, 2012.
- Excluding the agriculture sector, this figure represents significant improvement from the results of the 2010 survey. More specifically, total employment in the industry sector grew by 16.5% (+176,215) to 1.241 million from 1.065 million in 2010. Similarly, employment in the services sector expanded by 19.2% (+380,447) to 2.358 million from 1.978 million in 2010. (*Table 1*)

- The growth in employment can be attributed to the recovery of the economy in 2010 (7.8%) and the strong performance thereafter particularly in 2012 (6.8%). It can be recalled that total employment in 2010 posted little gains compared with the 2008 survey results. (See LABSTAT Updates Vol. 15 No. 30). This is largely due to the adverse effects of the 2008/2009 global financial crisis that led to downsizing of workforce and deferment of expansion plans including hiring by many employers in 2010.
- The structure of employment continued to be dominated by three (3) major industries or sub-sectors which accounted for more than one-half (55.9% or 2.110 million) of total establishment employment in 2012.

Manufacturing comprised the largest share at 24.5% (923,062). It covered the largest number (i.e., 23 divisions) and the most diversified division groups in the 2009 PSIC and is considered the backbone of the industry sector.

In recent years, the economy has grown and in the process created more jobs as reflected in the results of this survey. This occurred as many establishments resumed the expansion of their operations and in the process hired more workers.

Ranking second was administrative and support service activities with a share of 20.3% or 766,949 workers. Employment growth in this industry is largely driven by the continued boom in business process outsourcing (BPO) industry in recent years and particular in call center activities (voice) where the Philippines ranked foremost in the global standing.

- The expansion in employment was led by the services sector which now accounted for nearly two-thirds (62.6%) of total establishment employment. This means that 2 in every 3 employed were in the services sector.

The wholesale and retail trade industry ranked third with a large margin at 11.1% or 419,852 workers. Workers in this industry were employed mostly in large shopping malls and supermarkets which have proliferated in many urban areas of the country.

Another one-third (32.9%) of total employment was absorbed in the industry sector. Meanwhile, the agriculture sector comprised only a small fraction (4.5%) of total employment.

- Other industries which contributed fairly large shares to total establishment employment were private education (6.4% or 239,955); accommodation and food service activities (5.4% or 204,339); construction (5.0% or 187,077); agriculture (4.5% or 169,845); and human health and social work activities (3.1%

### **Employment Distribution by Major Industry Group**

*(Note: Analysis of industry growth rates is not possible in the 2012 BITS due to the adoption of the 2009 Philippine Standard Industrial Classification.)*

- or 116,381). Altogether, they accounted for 24.4% of total employment that corresponds to nearly a million workers (917,597).
- On the other hand, support service industries comprised one-tenth (10.9% or 410,351) of total establishment employment that includes: financial and insurance activities (4.6% or 172,280); transport and storage (3.4% or 128,554); and information and communication (2.9% or 109,517).
  - The rest came from industries with less than a hundred thousand workers: professional, scientific and technical activities (94,057); electricity, gas, steam and air-conditioning supply (72,006); arts, entertainment and recreation (44,940); real estate activities (44,284); mining and quarrying (30,065); water supply; sewerage, waste management and remediation activities (28,911); and repair of computers and personal and household goods; other personal service activities (17,183).

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**FOR INQUIRIES**

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**TABLE 1 - Total Employment in Establishments with 20 or More Workers by Sector  
Philippines: 2010-2012 (June)**

SECTOR	2012	2010	2010-2012 Change		Percent Share	
			Percent	Number	2012	2010
<b>ALL SECTORS</b>	<b>3,769,259</b>	<b>3,042,750</b>	<b>23.9</b>	<b>726,509</b>	<b>100.0</b>	<b>100.0</b>
Agriculture	169,845	a	a	169,845	4.5	a
Industry	1,241,121	1,064,906	16.5	176,215	32.9	35.0
Services	2,358,291	1,977,844	19.2	380,447	62.6	65.0

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

*a Not covered in the 2010 BITS.*

*Source of data: Bureau of Labor and Employment Statistics, 2011/2012 BITS.*

**TABLE 2 - Total Employment in Establishments with 20 or More Workers  
by Industry, Philippines: June 2012**

MAJOR INDUSTRY GROUP	Number	Percent Share
<b>ALL INDUSTRIES</b>	<b>3,769,259</b>	<b>100.0</b>
<b>AGRICULTURE</b>	<b>169,845</b>	<b>4.5</b>
<b>INDUSTRY</b>	<b>1,241,121</b>	<b>32.9</b>
Mining & quarrying	30,065	0.8
Manufacturing	923,062	24.5
Electricity, gas, steam and air-conditioning supply	72,006	1.9
Water supply; sewerage, waste management and remediation activities	28,911	0.8
Construction	187,077	5.0
<b>SERVICES</b>	<b>2,358,291</b>	<b>62.6</b>
Wholesale and retail trade; repair of vehicles and motorcycles	419,852	11.1
Transportation and storage	128,554	3.4
Accommodation and food service activities	204,339	5.4
Information and communication	109,517	2.9
Financial and insurance activities	172,280	4.6
Real estate activities	44,284	1.2
Professional, scientific and technical activities	94,057	2.5
Administrative and support service activities	766,949	20.3
Education except public education	239,955	6.4
Human health and social work activities	116,381	3.1
Arts, entertainment and recreation	44,940	1.2
Repair of computers and personal and household goods; other personal service activities	17,183	0.5

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

*Source of data: Bureau of Labor and Employment Statistics, 2011/2012 BITS.*