

DOF Economic Bulletin on the Feb-21 Employment Situation

- Preliminary figures in February show that, relative to their January levels, both the number of employed and unemployed increased. Employment rose by 4.6% representing 1.9 million new jobs while the unemployed rose by 5.9%.
- Employment rate marginally declined from 91.3% in January to 91.2% in February while unemployment rate inched higher from 8.7% to 8.8% over the two-month period.
- The labor force participation rate rose from 60.5% to 63.5% in February as more of the labor force started to look for jobs. Potential employees saw that the economy had begun to stir back to recovery although this was not enough to create jobs for the 2.1 million persons who joined the labor force.

DOF View

- While we have not yet reached the extent of infection spread as in Europe and the Americas, we do not want to reach those levels that would call for drastic measure as we did last year. Like fiscal incentives that should be time-bound and targeted, strict quarantine measures, if and when they are called for, should be localized and time-bound while not unnecessarily hampering the transportation of goods and delivery of services so as to minimize the collateral damage on the economy and, consequently, employment.
- It is important that the health risks posed by the epidemic be managed effectively, either by pharmaceutical or non-pharmaceutical interventions, and with the conscientious participation of all. Otherwise, government will be forced to take the difficult and painful decision of imposing much stricter quarantine measures. In this instance, in the process of attempting to stem the spread of the disease the risk of inadvertently killing the proverbial patient increases. Such potential unpleasant double-effect situation should be avoided.
- The timely passage of CREATE is a welcome development not only in improving the country's long-term competitiveness but also in providing immediate relief and support for enterprises, the important players in providing employment opportunities to a large portion of the population.

Table 1 Selected Employment Indicators, Jan-21 and Feb-21

	Jan-21 ^P	Feb-21 ^P
	Level ('000)	
Population, 15 yo and older*	74,733	74,603
Labor Force	45,201	47,341
Employed	41,248	43,153
Underemployed	6,589	7,850
Unemployed	3,953	4,187
Not in Labor force	29,532	27,262
	Ratio (%)	
Labor Force Participation Rate	60.5	63.5

Employment Rate	91.3	91.2
Underemployment Rate	16.0	18.2
Unemployment	8.7	8.8

Source of Basic Data: PSA

Notes: P – Preliminary

* – Excludes overseas Filipino workers (OFWs)

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