



**THE MARCH 2021 LABOR FORCE SURVEY RESULTS  
JOINT STATEMENT  
OF THE DUTERTE ADMINISTRATION'S ECONOMIC MANAGERS:**

**SOCIOECONOMIC PLANNING SECRETARY KARL KENDRICK T. CHUA  
FINANCE SECRETARY CARLOS G. DOMINGUEZ  
BUDGET AND MANAGEMENT SECRETARY WENDEL E. AVISADO  
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**Labor force survey (LFS) results**

The labor market continued to see gains in March 2021 following the further reopening of the economy, while adhering to the minimum health standards.

Rising labor force participation and falling unemployment have enabled millions of Filipinos to regain their jobs and incomes in March 2021.

As reported by the Philippine Statistics Authority, the unemployment rate significantly declined from 8.8 percent in February 2021 to 7.1 percent in March 2021. This is the lowest reported rate since the height of the enhanced community quarantine (ECQ) last April 2020.

The underemployment rate also decreased from 18.2 percent in February 2021 to 16.2 percent in March 2021, reflecting the improvement in the quality of jobs. In addition, more people rejoined the labor force, with the labor force participation rate improving from 63.5 percent to 65 percent.

These resulted in a net job creation of 2.2 million between February 2021 and March 2021, with the number of employed Filipinos increasing from 43.2 million to 45.3 million.

With the recovery of the economy after the ECQ was relaxed in mid-2020, 11.5 million jobs have been generated as of March 2021, more than offsetting the 8.7 million jobs that were lost in the period March to May 2020. This translates to a net job creation of 2.8 million jobs.

## **Prospects and policy**

Following the second spike in Covid-19 infections in the latter half of March, the government once again prioritized saving lives from Covid-19 and using the ECQ and modified ECQ (MECQ) period to further improve the health system capacity.

Given the imposition of ECQ and MECQ in the NCR-plus bubble from March 29 to May 15, 2021, we expect to see a temporary reversal of these employment gains in the next LFS round. However, the impact is expected to be less severe compared to April 2020 given our more risk-managed approach to the present quarantines.

Unlike last year's ECQ and MECQ where around three-fourths of the economy was shut down, most sectors of the economy, including public transport, this time around are allowed to operate subject to guidelines from the Inter-Agency Task Force (IATF) on the Management of Emerging Infectious Diseases.

To help low-income families cope with the ECQ, the government swiftly implemented a supplemental social amelioration program amounting to PHP 22.9 billion for 22.9 million individuals in the NCR-plus bubble, which includes the adjacent provinces of Bulacan, Rizal, Cavite, and Laguna.

The government has also lowered the tariff rates and increased the minimum access volume (MAV) for pork to address the supply shortage through importation and help bring down rising food inflation. This decisive measure will benefit some 100 million Filipino consumers of pork, especially those who have lost their jobs or income due to the quarantine restrictions.

Lastly, the government continues to intensify the implementation of the Prevent, Detect, Isolate, Treat, and Recover (PDITR) strategy to reduce Covid-19 cases and allow the lifting of the MECQ status by mid-May. Among the key initiatives are the provision of more isolation and quarantine beds and the move towards automatic contact tracing.

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