

# REPORT ON LABOR FORCE SURVEY (FEBRUARY 2021)

## HIGHLIGHTS

Since 1987, the labor force survey (LFS) has been conducted on a quarterly basis. In order to provide more timely and high frequency statistics that will guide urgent and responsive policymaking, the February 2021 LFS is the first in a series of surveys that will be conducted monthly, with a smaller, nationally representative sample and no regional breakdown. The series of traditional LFS quarters of January, April, July, and October, will continue and offer the full regional breakdown.

The results of February 2021 round of the LFS show continued improvements in the economy. Reflecting the sectors in the economy that were opened further, a 3 ppt increase was recorded in the labor force participation rate (LFPR), a significant increase from 60.5 percent in January 2021 to 63.5 percent in February 2021. Together with only a modest decline in the employment rate from 91.3 to 91.2 percent, this is equivalent to 1.9 million additional employment created from January 2021 to February 2021. This brings the current employment level to 43.2 million, which surpasses the number of employed people during the pre-pandemic period of January 2020 at 42.6 million.

Meanwhile, the national unemployment and underemployment rose to 8.8 percent (+0.1 ppts) and 18.2 percent (+2.2 ppts), respectively. The marginal increase in unemployment is attributed to the increase in the number of individuals who looked for work, which increased to 2.3 million in February 2021 from 1.5 million in January 2021, as more job-seekers believe that work is available.<sup>1</sup> The underemployment rate is currently at its highest level since April

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<sup>1</sup> For instance, the number of unemployed who did not look for work due to the belief that no work was available decreased from 200,000 in January 2021 to 140,000 in February 2021.

2020 or during the implementation of the Enhanced Community Quarantine (ECQ).

Amidst the recent surge of COVID-19 cases, the government has imposed the ECQ in Metro Manila and the adjacent provinces of Bulacan, Cavite, Laguna, and Rizal, collectively called the “NCR Plus” bubble, from March 24 to April 4. Nevertheless, the government will use this opportunity to slow down the spread of the virus and recalibrate its COVID-19 response strategies to accelerate economic recovery and job creation, while putting health and safety above all: first, strictly implement public health protocols and intensify prevent, detect, isolate, treat, and recover (PDITR) strategies; second, fully implement the recovery package; and third, fast-track the vaccine roll-out to increase and sustain public confidence.

**Table 1. Summary of labor and employment indicators, January 2020 – February 2021 (in thousands)**

Indicators	2020 <sup>a,b</sup>				2021 <sup>p,a</sup>	
	Jan	Apr <sup>p</sup>	Jul <sup>p</sup>	Oct <sup>p</sup>	Jan <sup>b</sup>	Feb <sup>c</sup>
Population 15 years and over	72,841	73,722	74,061	74,307	74,733	74,603
Labor Force Level	44,934	41,058	45,877	43,649	45,201	47,341
Employment Level	42,543	33,830	41,306	39,836	41,248	43,153
Unemployment Level	2,391	7,228	4,571	3,813	3,953	4,187
Underemployment Level	6,299	6,398	7,137	5,747	6,589	7,850
Visible Underemployment	3,799	5,489	5,161	3,605	4,531	5,385
Employment Generation (QOQ)	6	(8,823)	7,476	(1,470)	1,411	1,905 <sup>d</sup>
Labor Force Participation Rate (%)	61.7	55.7	61.9	58.7	60.5	63.5
Employment Rate (%)	94.7	82.4	90.0	91.3	91.3	91.2
Unemployment Rate (%)	5.3	17.6	10.0	8.7	8.7	8.8
Underemployment Rate (%)	14.8	18.9	17.3	14.4	16.0	18.2
Visible Underemployment Rate (%)	8.9	16.2	12.5	9.0	11.0	12.5
Mean Hours of Work	41.3	35.0	38.2	40.8	39.3	38.9

<sup>p</sup> Estimates are preliminary and may change; <sup>a</sup> Estimates are based on 2015 CPH population projections;

<sup>b</sup> Estimates for the quarterly round of the LFS;

<sup>c</sup> Starting February 2021, monthly LFS will be conducted in between quarterly/regular LFS to generate national level labor and employment statistics from the survey;

<sup>d</sup> Increment from January 2021 to February 2021 LFS round; qoq – quarter on quarter difference

Source: Labor Force Survey (LFS), PSA

**The number of employed Filipinos rose to 43.2 million in February 2021, higher by 1.9 million from the previous month.**

1. Overall, employment increased across all major industry sectors. The continued labor market rebound is attributed to the further easing of

quarantine restrictions across the country and a more optimistic business outlook due to the increasing availability of the COVID-19 vaccine.<sup>2,3</sup>

**Table 2. Employment: January 2020 – February 2021 (in percent)**

Indicators	2020 <sup>a,b</sup>				2021 <sup>p,a</sup>	
	Jan	Apr <sup>p</sup>	Jul <sup>p</sup>	Oct <sup>p</sup>	Jan <sup>b</sup>	Feb <sup>c</sup>
Employment rate	94.7	82.4	90.0	91.3	91.3	91.2
Employment level (growth rate, QoQ)	0.01	(20.5)	22.1	(3.6)	3.5	4.6 <sup>d</sup>
<i>Employment share by sector</i>						
Agriculture	22.6	25.9	26.3	24.5	24.4	23.9
Industry	18.8	17.0	18.8	18.3	18.4	17.7
Manufacturing	8.5	8.0	8.2	7.6	7.6	7.6
Services	58.6	57.1	54.8	57.2	57.2	58.4

<sup>p</sup> Estimates are preliminary and may change;

<sup>a/</sup> Estimates are based on 2015 CPH population projections;

<sup>b/</sup> Estimates for the quarterly round of the LFS;

<sup>c/</sup> Starting February 2021, monthly LFS will be conducted in between quarterly/regular LFS to generate national level labor and employment statistics from the survey;

<sup>d/</sup> Increment from January 2021 to February 2021 LFS round; qoq – quarter on quarter difference

Source: Labor Force Survey (LFS), PSA

- The services sector, the largest workforce employer accounting for 58.4 percent of total employed, contributed the bulk of additional jobs created equivalent to 1.6 million. Employment gains were mainly recorded in wholesale and retail trade, repair of motor vehicles and motorcycles (+995,000), other service activities (+294,000), transportation and storage (+147,000), public administration and defense; compulsory social security (+142,000), and education (+129,000). The wholesale and retail trade sector and transportation and storage continued to post bullish growth driven by

<sup>2</sup> Business Expectations Survey – Q4 2020. Retrieved from [https://www.bsp.gov.ph/Lists/Business%20Expectations%20Report/Attachments/1/BES\\_4qtr2020.pdf](https://www.bsp.gov.ph/Lists/Business%20Expectations%20Report/Attachments/1/BES_4qtr2020.pdf)

<sup>3</sup> IATF Resolution no. 99 s. 2021. Retrieved from <https://www.officialgazette.gov.ph/downloads/2021/02feb/20210211-IATF-99-RRD.pdf>

the strong demand in e-commerce.<sup>4,5</sup> The uptick in employment for the subsectors of public administration and education is consistent with the Department of Labor and Employment's (DOLE) report on the top industries with the highest number of vacancies in its latest labor market information analysis.<sup>6</sup>

Despite recent efforts to boost the tourism industry such as easing mobility restrictions through uniform travel protocols across local government units (LGU),<sup>7</sup> reopening limited tourist attractions, and the authorization of limited social events,<sup>8</sup> subject to minimum health standards, the accommodation and food service activities continue to face headwinds as employment slowed down (-131,000) for the period. Other subsectors that posted declines were administrative and support service activities (-119,000), real estate activities (-17,000), and professional, scientific, and technical activities (-7,000). Employment losses in administrative and support activities may be due to the continued shift to flexible work mechanisms<sup>9</sup> and the preference for remote work arrangements. This has reduced the need for additional manpower in activities that support the day-to-day operations of organizations. Employment contractions in real estate activities were likewise affected by the dampened demand in the sector brought by temporary or permanent business closures and the adoption of flexible work arrangements.<sup>10</sup>

3. Likewise, the agriculture sector sustained employment gains during the survey period, generating 259,000 additional employment relative to January 2021. Both the subsectors of agriculture and forestry (+156,000) and fishing and aquaculture (+103,000) registered a significant employment

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<sup>4</sup> 88K new online businesses register with DTI in 2020. Philippine News Agency (pna.gov.ph)

<sup>5</sup> Shopee sees digital payment adoption rise as e-commerce grows. Philippine News Agency (pna.gov.ph)

<sup>6</sup> JobsFit COVID-19 Labor Market Information Report. Retrieved from

<http://www.ble.dole.gov.ph/index.php/web-pages/120-jobsfit>

<sup>7</sup> IATF Resolution no. 101 s. 2021. Retrieved from

<https://www.officialgazette.gov.ph/downloads/2021/02feb/20210226-IATF-RESO-101-RRD.pdf>

<sup>8</sup> IATF Resolution no. 99 s. 2021. Retrieved from

<https://www.officialgazette.gov.ph/downloads/2021/02feb/20210211-IATF-99-RRD.pdf>

<sup>9</sup> Based on DOLE Jobs Displacement Report, as of February 28, a total of 3,640 establishments (up by 2,023 new establishments from 1,617 in January 2021) have adopted some forms of FWAs.

<sup>10</sup> National Income Accounts Technical Report for Q4 2020

growth. Compared to its pre-COVID employment levels in January 2020, the agriculture sector has manifested significant employment growth (7.0 percent or +678,000 employment created). The employment generated for this month may be attributed to continued government interventions,<sup>11,12,13</sup> along with the recent fishing bans that have been lifted.<sup>14,15</sup>

4. On the other hand, the industry sector posted a modest expansion (+46,000 additional employment) in employment activities for February 2021. This marginal increase was primarily driven by the employment growth in manufacturing (+136,000) followed by water supply; sewerage, waste management, and remediation activities (+15,000). The reopening of businesses and continued uptick in both domestic and external demand led to the maintained pace of the country's manufacturing Purchasing Managers' Index (PMI) score for February at 52.5, keeping the solid improvement in operating conditions for two consecutive months.<sup>16</sup> However, this robust expansion was tempered by employment losses in construction (-54,000), mining and quarrying (-34,000), and electricity, gas, steam, and air conditioning supply (-18,000). The sharp decline in employment for construction mirrored the latest DOLE report, where an additional 123 construction firms in the country have either permanently closed or have retrenched workers in February 2021.<sup>17</sup> Furthermore, initial delays in some infrastructure projects may have also accounted for this contraction.<sup>18</sup> Meanwhile, more stringent regulatory measures against mining and quarrying activities may have stalled employment activities in the sector.<sup>19,20,21</sup>

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<sup>11</sup> Landbank releases P231.7-B loans to 2.6M farmers, fisherfolk. Philippine News Agency ([pna.gov.ph](http://pna.gov.ph))

<sup>12</sup> DA, PhilMech distribute P98-M worth of farm machineries. Philippine Information Agency ([pia.gov.ph](http://pia.gov.ph))

<sup>13</sup> DA Rice Program allots ₱161M intervention to Caraga farmers. Philippine Information Agency ([pia.gov.ph](http://pia.gov.ph))

<sup>14</sup> DA-BFAR lifts Sardine closed season in the Visayan Sea. Retrieved from <https://www.bfar.da.gov.ph/BFARnews?id=416>

<sup>15</sup> DA-BFAR lifts three-month Galunggong closed season in Palawan. Retrieved from <https://www.bfar.da.gov.ph/BFARnews?id=413>

<sup>16</sup> HIS Markit Philippines Manufacturing PMI. Retrieved from <https://www.markiteconomics.com/Public/Home/PressRelease/8b00cc2d6f2a40c397a4e314d0d4d06b>

<sup>17</sup> DOLE Regular Jobs Displacement Monitoring Report as of February 28, 2021

<sup>18</sup> MinDA forms local body to monitor delayed infra in Mindanao. Philippine News Agency ([pna.gov.ph](http://pna.gov.ph))

<sup>19</sup> Duterte orders halt to mining ops in Tumbagaan island. Philippine News Agency ([pna.gov.ph](http://pna.gov.ph))

<sup>20</sup> SoCot to regulate quarry ops in Allah River. Philippine News Agency ([pna.gov.ph](http://pna.gov.ph))

<sup>21</sup> Laguna village chair, 4 others nabbed for illegal quarrying. Philippine News Agency ([pna.gov.ph](http://pna.gov.ph))

5. In terms of major occupations, the bulk of the employment generated for the period was for professions requiring medium and lower-level skills, particularly service and sales workers (+685,000) and elementary occupations (+633,000). Nonetheless, significant employment growth was also observed among high-skilled occupations, namely, managers (+382,000) and professionals (+340,000).

Meanwhile, employment losses in the subsectors of administrative and support service activities as well as in accommodation were mirrored by the contraction in employment among clerical support workers<sup>22</sup> (-123,000). Likewise, employment among craft and related trades workers<sup>23</sup> also recorded a decline (-56,000) which is consistent with the employment loss in the construction sector.

6. Employment created between January 2021 and February 2021 were mostly permanent in nature (+1.9 million). In particular, these jobs were mainly concentrated in the same subsectors which recorded the highest employment generation for the period, such as wholesale and retail, repair of motor vehicles and motorcycles (+671,000), agriculture and forestry (+329,000), other service activities (+270,000), public administration and defense compulsory social security (+193,000), education (+179,000), and manufacturing (+67,000). Similarly, short-term employment grew by 133,000 during the survey period, with additional short-term jobs recorded in wholesale and retail, repair of motor vehicles and motorcycles (+335,000), fishing and aquaculture (+91,000), other service activities (+66,000), and manufacturing (+57,000).

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<sup>22</sup> Workers in this group record, organize, store, compute and retrieve information related, and perform a number of clerical duties in connection with money-handling operations, travel arrangements, requests for information, and appointments. (PSA, 2012 PSOC)

<sup>23</sup> Workers in this group apply specific knowledge and skills in the fields to construct and maintain buildings, form metal, erect metal structures, set machine tools, or make, fit, maintain and repair machinery, equipment or tools, among others. (PSA, 2012 PSOC)

7. Broad-based employment growth was observed across all classes of workers except for employers in their own family-operated farms or businesses, which further declined by 16.9 percent (-189,000 individuals) from the previous month. Meanwhile, the more remunerative and stable work (or wage and salary workers<sup>24</sup>) grew by 3.2 percent, which is equivalent to an additional 824,000 individuals. This increase is due to the 976,000 individuals from the services sector which was tempered by a slight decline in the industry (-90,000) and agriculture (-62,000) sectors.

Despite the overall improvement in employment profiles, vulnerable employment<sup>25</sup> continued to be a challenge as it registered an increase of 1.3 million, bringing total vulnerable employment to 15.5 million in February 2021 from 14.2 million in January 2021. This translates to a 1.4 percentage point increase in the proportion of vulnerable employment to total employment, from 34.5 to 35.9 percent.

8. As for full-time employment, or those who worked for 40 hours and more a week, this increased by 537,000, bringing the new total to 25.9 million people in February compared to 25.3 million recorded in the previous month. These are mostly from the services sector which contributed 683,000, followed by industry at 56,000. Nevertheless, this growth was moderated by a reduction of 202,000 in full-time employment for agriculture. By class of worker, wage and salaried workers contributed substantially (+403,000) to the increase in full-time employment.

Part-time employment, or those who worked for less than 40 hours, also increased by almost a million individuals compared to the previous month. This is mainly attributed to services (+724,000) and agriculture (+305,000). We likewise observe that the main driver for the increase in part-time employment is classified as vulnerable (+892,000).

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<sup>24</sup> This includes those who worked in private households, private establishments, government or government corporation, and with pay in own family-operated farm or business.

<sup>25</sup> Refers to: (a) self-employed workers without any paid employee; and (b) unpaid family workers.



Due to the sharp increase in part-time employment, the mean hours of work declined from 39.3 in January 2021 to 38.9 in February 2021.

**The national underemployment rate rose to 18.2 percent in February compared to the 16.0 percent growth recorded in the previous month, with increases observed in both visible and invisible underemployment.**

9. The number of underemployed, or those who need more income and want more hours of work, increased by 1.3 million from January to February 2021, elevating the underemployment rate to 18.2 percent.
10. In particular, those who are visibly underemployed (persons who are working less than 40 hours per week and wanting more hours of work) increased by 855,000 month-on-month. In particular, more than half or 552,000 of this increase was from the services sector, mostly driven by the wholesale and retail trade (+228,000), other service activities (+167,000), and transportation and storage (+129,000) subsectors. All these sectors recorded significant employment gains that are part-time in nature. Moreover, invisible underemployment (number of people working at least 40 hours and still seeking additional hours of work) also increased by 407,000 workers. Majority of the respondents answered that they wanted more earnings as a reason to work more than 48 hours per week.

**Table 3. Underemployment rates, January 2020 – February 2021  
(in percent)**

Area	2020 <sup>a,b</sup>				2021 <sup>p,a</sup>	
	Jan	Apr <sup>p</sup>	Jul <sup>p</sup>	Oct <sup>p</sup>	Jan <sup>b</sup>	Feb <sup>c</sup>
<b>National</b>	14.8	18.9	17.3	14.4	16.0	18.2

<sup>p</sup> Estimates are preliminary and may change;

<sup>a</sup> Estimates are based on 2015 CPH population projections;

<sup>b</sup> Estimates for quarterly round of the LFS;

<sup>c</sup> Starting February 2021, monthly LFS will be conducted in between quarterly/regular LFS to generate national level labor and employment statistics from the survey

Source: Labor Force Survey (LFS), PSA

11. Within the industry sector, manufacturing posted an additional 142,000 underemployed workers. On the other hand, underemployment in construction grew by 108,000 as the subsector recorded an increase in workers with a job but not at work. Meanwhile, the agriculture and forestry sector registered 250,000 more underemployed workers as the sector incurred damages from Tropical Depression Auring,<sup>26</sup> compounded with the impact of the African Swine Fever (ASF) on meat producers.<sup>27</sup>
12. Underemployment increased across almost all classes of workers. Some 767,000 more underemployed workers were recorded among wage and salary workers. This was followed by the self-employed without any paid employee (+434,000) and unpaid family workers (+83,000). Only employers in their own family-operated farm and business saw a decline in underemployment by 23,000.

<sup>26</sup> <https://www.pna.gov.ph/articles/1131630>

<sup>27</sup> <https://www.pna.gov.ph/articles/1131562>

## Youth unemployment improved to 18.5 percent, slightly tempering the increase in the overall unemployment rate to 8.8 percent in February 2021 from 8.7 percent in January 2021.

13. The unemployment rate in February 2021 was 8.8 percent, which is equivalent to about 4.2 million unemployed individuals. Compared to the previous month, the 234,000 increase in the unemployed may be attributed to the persistent difficulties of some businesses to resume operations. Based on DOLE's Job Displacement report, 3,164 establishments have either reduced their workforce or permanently closed, displacing 71,744 workers in February 2021 alone. In addition, a total of 3,093 businesses with 96,799 affected workers were also recorded to have temporarily closed in the same month.

**Table 4. Unemployment Rates: January 2020 – February 2021 (in percent)**

Indicator	2020 <sup>a,b</sup>				2021 <sup>a</sup>	
	Jan	Apr <sup>p</sup>	Jul <sup>p</sup>	Oct <sup>p</sup>	Jan <sup>b</sup>	Feb <sup>c</sup>
Overall	5.3	17.6	10.0	8.7	8.7	8.8
15-24	13.6	31.6	22.4	19.4	19.8	18.5
25-54	4.0	16.0	8.1	7.3	7.4	7.5
55 & over	2.0	10.6	4.3	4.3	3.7	4.8

<sup>p</sup> Estimates are preliminary and may change;

<sup>a/</sup> Estimates are based on 2015 CPH population projections;

<sup>b/</sup> Estimates for quarterly round of the LFS;

<sup>c/</sup> Starting February 2021, monthly LFS will be conducted in between quarterly/regular LFS to generate national level labor and employment statistics from the survey

Source: Labor Force Survey (LFS), PSA

14. Meanwhile, youth unemployment rate recorded improvements at 18.5 percent, which is equivalent to 22,000 less unemployed young individuals compared to the previous month. In addition, more than half of the additional number of unemployed came from older age cohorts, such as 35 to 44 years old (+68,000) and 55 years old and above (+106,000). This is likely due to difficulties for older individuals to find employment,<sup>28</sup> further exacerbated by the current labor market situation. Aside from this, the additional unemployed were women (+270,000) of the prime working age.
15. By highest grade completed, the unemployment rate of the senior high school graduates and undergraduates dropped to 24.5 percent from 34.4 percent and 6.2 percent from 13.5 percent, respectively. This is equivalent to 88,000 less unemployed individuals with a senior high school education. Likewise, the unemployment rate for those who completed junior high school marginally improved to 8.1 percent (-21,000) from 8.2 percent in January 2021. However, this improvement was largely offset by the growth in the unemployment rates of junior high school undergraduates at 9.0 percent from 7.4 percent (+125,000 additional unemployed individuals), college graduates at 11.4 percent from 11.0 percent (+106,000), and elementary undergraduates at 5.1 percent from 4.4 percent or (+49,000).
16. Among the unemployed, there has been significant decline in the number of those not looking for work due to valid reasons (-501,000). In particular, more than half of these individuals (-256,000) no longer cite ECQ restrictions or any COVID-19-related reasons for not looking for work.

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<sup>28</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5843690/>

**Table 5. Comparison of the latest unemployment rates<sup>29</sup> across selected Asian economies**

Indicator	Latest Period		Previous Period	
	Unemployment Rate	Month released	Unemployment Rate	Month released
China <sup>a</sup>	4.2	Dec 2020	4.2	Sep 2020
India <sup>b</sup>	6.7	Jan-Feb 2021	7.5	Oct-Dec 2020
Indonesia <sup>c</sup>	7.1	Aug 2020	5.0	Feb 2020
Malaysia <sup>b</sup>	4.9	Jan 2021	4.8	Oct-Dec 2020
Philippines	8.8	Feb 2021	8.7	Jan 2021
Thailand <sup>b</sup>	1.9	Oct-Dec 2020	1.9	Jul-Sep 2020
Vietnam <sup>a</sup>	2.5	Sep 2020	2.7	Jun 2020

*Notes:*

*a/ Unemployment in these countries is reported quarterly (March, June, September, December);*

*b/ Unemployment in these countries is reported monthly; Figures above refer to quarterly average;*

*c/ Indonesia unemployment is reported semi-annually (February and August); Figures in February 2020 do not take into account COVID-19 impact*

17. The sustained unemployment rate compared to the previous survey round remains at par with the observed trend of gradual labor market recovery among select Asian economies. Nevertheless, returning to the pre-pandemic unemployment rate of 5.3 percent in January 2020 remains a challenge.

<sup>29</sup> <https://www.ceicdata.com/en/indicator/china/unemployment-rate>;  
<https://unemploymentinindia.cmie.com/>;  
<https://www.thejakartapost.com/news/2020/11/05/unemployment-surges-to-decade-high-as-covid-19-causes-millions-to-lose-jobs.html>;  
<https://www.economy.com/malaysia/unemployment-rate>;  
<https://www.ceicdata.com/en/indicator/thailand/unemployment-rate>;  
<https://www.ceicdata.com/en/indicator/vietnam/unemployment-rate>

**The labor force participation rate in February 2021 significantly increased to 63.5 percent, surpassing the LFPR from the previous month and the pre-pandemic rates of 60.5 percent and 61.7 percent, respectively.**

**Table 6. LFPR, January 2020 – February 2021 (in percent)**

Indicator	2020 <sup>a,b</sup>				2021 <sup>p,a</sup>	
	Jan	Apr <sup>p</sup>	Jul <sup>p</sup>	Oct <sup>p</sup>	Jan <sup>b</sup>	Feb <sup>c</sup>
<b>LFPR (total)</b>	61.7	55.7	61.9	58.7	60.5	63.5
Youth	37.4	32.4	38.9	33.9	34.7	37.7
Male	74.8	69.8	75.3	72.3	73.9	75.9
Female	48.4	41.5	48.5	45.0	46.9	50.9

<sup>p</sup> Estimates are preliminary and may change

<sup>a</sup> Estimates are based on 2015 CPH population projections;

<sup>b</sup> Estimates for the quarterly round of the LFS;

<sup>c</sup> Starting February 2021, monthly LFS will be conducted in between quarterly/regular LFS to generate national level labor and employment statistics from the survey;

Source: Labor Force Survey (LFS), PSA

18. Given the further easing of restrictions and resumption of economic activities during the survey period,<sup>30</sup> the total labor force increased by 2.1 million, translating into significant improvements in the LFPR. In fact, the increased labor force is reflected across age groups. For instance, notable growth was recorded among females (+1.5 million) of which, almost a million came from the relatively younger cohorts (15-44 years old). The shift to flexible working arrangements that allowed women to combine work with household duties may have encouraged women to join the labor force, as other countries have experienced.<sup>31</sup>

<sup>30</sup> <https://www.officialgazette.gov.ph/downloads/2021/02feb/20210211-IATF-99-RRD.pdf>

<sup>31</sup> [https://www.nber.org/system/files/working\\_papers/w26947/w26947.pdf](https://www.nber.org/system/files/working_papers/w26947/w26947.pdf)

## **Managing the current risks brought about by the COVID-19 pandemic and other economic shocks will be crucial in continuously improving labor market conditions.**

19. Amid the current surge of COVID-19 cases in the country, the government has imposed the ECQ in Metro Manila and the adjacent provinces of Bulacan, Cavite, Laguna, and Rizal, collectively called the “NCR Plus” bubble, from March 24 to April 4. Nevertheless, it will use this opportunity to slow down the spread of the virus and recalibrate its COVID-19 response strategies to accelerate economic recovery and job creation, while putting health and safety above all.
20. For instance, it is necessary to pursue and intensify the *Prevent, Detect, Isolate, Treat, and Recover* (PDITR) strategies to observe public health protocol in addressing the recent spike of COVID-19 cases.
21. Given the government’s target of inoculating at least 70 million Filipinos or the entire adult population this year, there may be a need to further accelerate vaccine deployment, especially in high-risk populations in the coming months. The effective roll-out of these vaccine doses, complemented by the safe and gradual reopening of low-risk areas, will build confidence and allow the economy to further restore jobs and incomes.
22. To help Filipinos cope with the impact of the pandemic and the community quarantines, the 2021 budget contains PHP 284 billion worth of subsidies and assistance. The implementation of these programs may be accelerated, especially those with direct household transfers.
23. Aside from this, programs on upskilling and retooling for in-demand skills under the new normal, such as digital adeptness and technological skills, may also be widely promoted. It is crucial to equip workers with higher competencies combined with lifelong learning skills to enable them to move

across industries and occupations, including nonlinear career paths.<sup>32</sup> Other training and vocational programs may also be supported by the government in partnership with the private sector, academe, or civil society organizations to facilitate the shift of the workforce from the industries severely affected by the crisis into priority sectors such as agriculture, manufacturing, and infrastructure under the Build, Build, Build (BBB) program. In relation to this, the government can further boost and expand its existing programs to increase the employability and productivity of workers, especially among women and the older working age cohort.

24. The swift implementation of recently-enacted legislations is crucial to recovery. The recent passage of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act is expected to modernize the fiscal incentives system and attract more foreign direct investments that will result in better job opportunities. The passage of the economic liberalization bills, such as the amendments to the Public Service Act, Foreign Investment Act, and Retail Trade Liberalization Act, will ease restrictions on foreign investments to complement and maximize the benefits of CREATE in promoting inclusive economic growth and accelerated economic recovery from COVID-19. There is also the need to support the passage of the Government Financial Institutions Unified Initiative to Distressed Enterprises for Economic Recovery (GUIDE) as it aims to provide support to strategically important firms facing solvency issues, that can help address and preserve employment.

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<sup>32</sup> Technical and Vocational Education and Training in the Philippines in the Age of Industry 4.0. (Asian Development Bank, March 2021)