Decent Work

International Labour Organization

PHILIPPINES

EMPLOYMENT AND ENVIRONMENTAL SUSTAINABILITY FACT SHEETS 2017

The Employment and Environmental Sustainability Fact Sheets series provides key features of employment and environmental sustainability performance. Jobs that are green and decent are central to sustainable development and resource productivity. They respond to the global challenges of environmental protection, economic development and social inclusion. Such jobs create decent employment opportunities, enhance resource efficiency and build low-carbon, sustainable societies. The fact sheets include the most recent available data for selected indicators[1] on employment and environmental sustainability: (i) employment in environmental sectors; (ii) skill levels; (iii) vulnerability of jobs; (iv) jobs in renewable energy; and (v) scoring on the Environmental Performance Index.

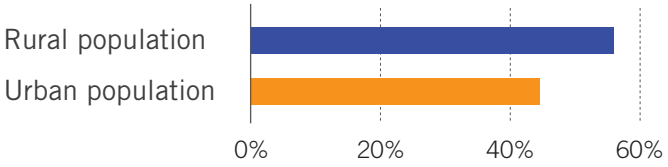
Figure 1. Map of Philippines

The Philippines[2] is an archipelago in South-East Asia (Fig. 1). Its population is majority rural and growing, with a fertility rate of 2.9 children and life expectancy at 68.4 years. Around 63 per cent of the population is of legal working age (15–64 years) (Fig. 2).

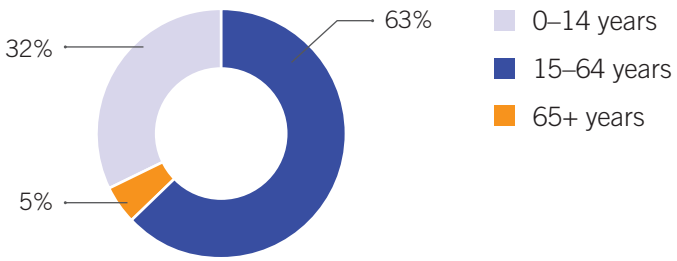
Figure 2. Demographics for Philippines

Population: 103.3 million

Population growth rate	Fertility rate	Life expectancy at birth
1.6%	2.9 children	68.4 years



Population age categories



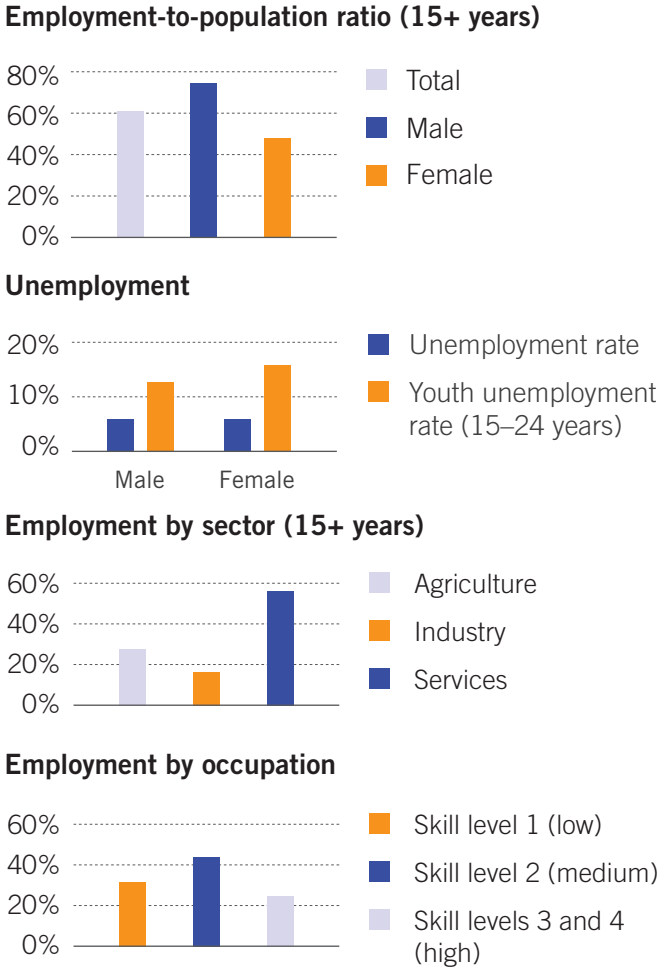
Note: All data for 2016, except fertility and life expectancy, which are 2015.

Source: ILO compilation using World Bank: World development indicators, last updated 20 July 2017, http://databank.worldbank.org (accessed 30 July 2017).

1. The fact sheet is based on available data only.
2. The Philippines became a member of the International Labour Organization in 1948.

As of 2017, the labour force participation rate is 64.8 per cent and the employment-to-population ratio is 61 per cent. Both of those rates are more than 26 percentage points higher for men than for women. The total unemployment rate is 5.9 per cent, and the youth unemployment rate is 13.8 per cent, with the female youth unemployment rate 3.1 percentage points higher than the male rate. The youth (aged 15–24 years) not in employment, education or training rate was 22.1 per cent in 2016. Formal employment is heavily reliant on services (56.1 per cent) and moderately reliant on medium-skilled occupations (43.6 per cent) (Fig. 3).[3]

Figure 3. Basic employment statistics for the Philippines, 2017

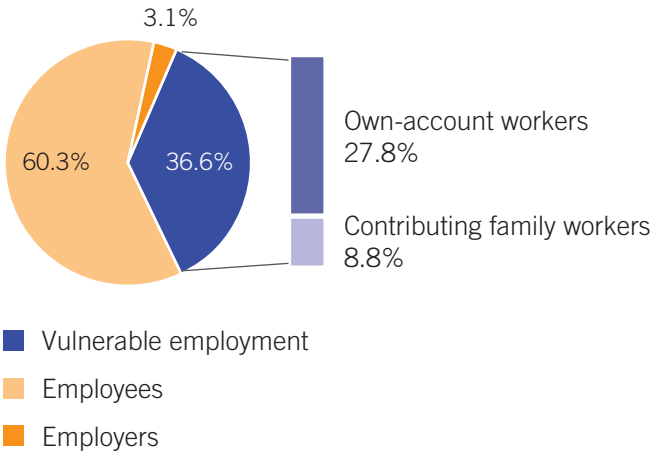


Note: ILO estimates. Labour force participation rate and unemployment: aged 15 years and older. Youth unemployment: aged 15–24 years. Employment by occupation: skill level 1 (low) for elementary occupations; skill level 2 (medium) for clerical, service and sales workers, skilled agricultural and trade workers, plant machinists and assemblers; and skill level 3 and 4 (high) for managers, professionals and technicians.

Source: ILO compilation using ILOSTAT, http://www.ilo.org/ilostat (accessed 17 July 2017).

Vulnerable employment in the Philippines as of 2017 accounts for 36.6 per cent of the labour force, with the majority of those workers having own-account status (Fig. 4). Own-account and contributing family workers are more likely to experience low job and income security than employees and employers, as well as lower coverage by social protection systems and employment regulation.

Figure 4. Vulnerable employment, by status, 2017



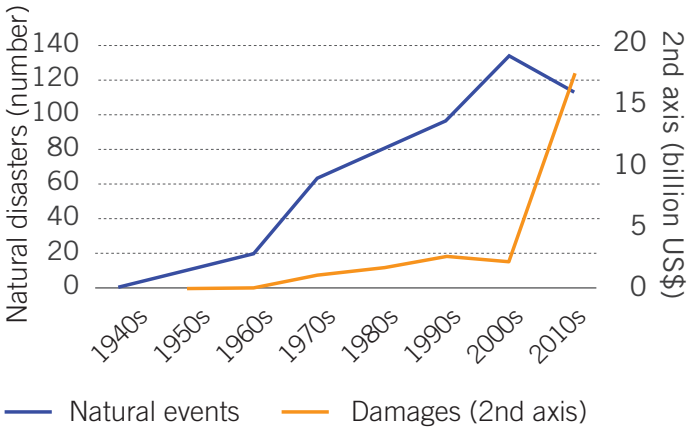
Note: Vulnerable employment includes own-account workers and contributing family workers.

Source: ILO compilation using ILOSTAT, http://www.ilo.org/ilostat (accessed 17 July 2017).

According to the *World Risk Report*,[4] the Philippines has a very high World Risk Index score. It ranks third (of 171 countries) because of its very high exposure to natural hazards and limited institutional capacity to cope and adapt. Additionally, the 5.7 per cent of the total population who lived in the 2.6 per cent of the total land area below 5 meters above sea level in 2010 contributes to the country's vulnerability.[5] According to the Emergency Events Database,[6] there was a substantial increase in natural disasters[7] and associated damage costs between the 1940s and the 2010s (Fig. 5). The natural disasters in that time were mostly tropical cyclones, storms, floods, landslides, droughts and forest fires which resulted in more than 53,600 deaths (1940–2017). Developing preventive measures to limit infrastructure and property damage and increase institutional capacity, particularly for small businesses to respond to climate events, can be a source of decent job creation while building resilience.

3. Informal employment (self-employed and contributing family members) is excluded from the agriculture calculations.
4. Bündnis Entwicklung Hilft and United Nations University: *World risk report 2016* (Berlin, 2016), http://weltrisikobericht.de/english/.
5. World Bank: World development indicators, last updated 20 July 2017, http://databank.worldbank.org/.
6. EM–DAT: The Emergency Events Database – Université catholique de Louvain (UCL) – CRED, D. Guha-Sapir – www.emdat.be, Brussels, Belgium.
7. Climatological, hydrological and meteorological disasters.

Figure 5. Natural disaster occurrence and damage costs in Philippines, 1940s–2010s

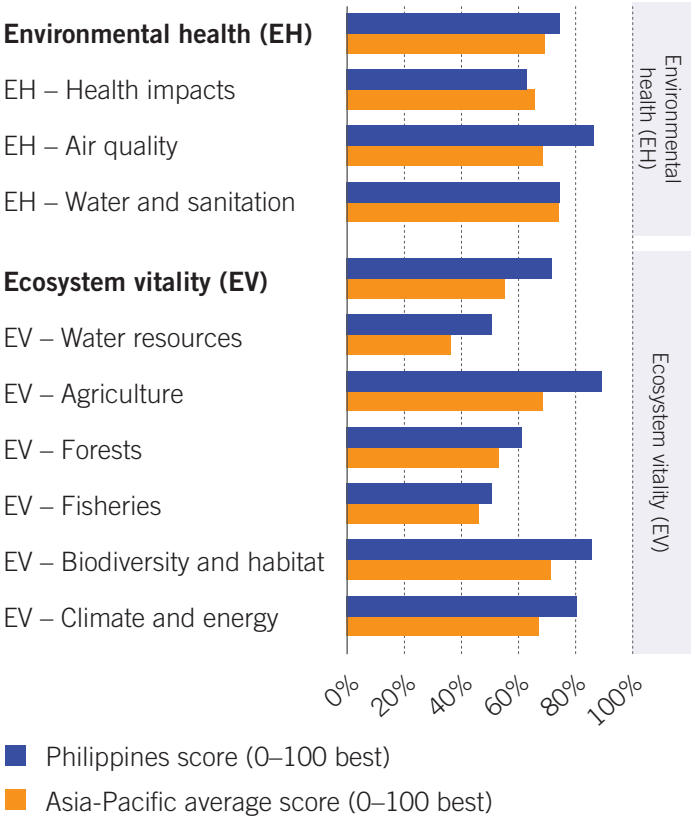


Note: Natural events include climatological, hydrological and meteorological disasters. 2010s data are only for the first half of the decade.

Source: ILO compilation using EM–DAT: The Emergency Events Database – Université catholique de Louvain (UCL) – CRED, D. Guha-Sapir – www.emdat.be, Brussels, Belgium.

The Philippines ranks 66 of 180 countries in the Environmental Performance Index (EPI), with a score of 73.7 (with 0 furthest from the high-performance benchmark target of 100). The Philippines outperforms the average score for Asia and the Pacific (Fig. 6) in most of the EPI categories. Still, there is room for improvement, especially in environmental health (in health impacts and water and sanitation) and ecosystem vitality (in water resources, forests and fisheries). Action to improve environmental health, ecosystem vitality, climate change and resilience to weather disasters all have the potential to provide job creation, green economy growth and innovation in the Philippines.

Figure 6. Environmental Performance Index 2016 for the Philippines



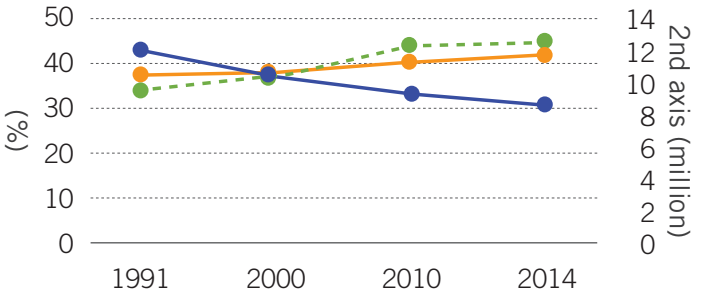
Note: Score 0–100 best. Asia-Pacific: Each score is an average of all data for ILO member States in the region, excluding four countries with no data (Cook Islands, Marshall Islands, Palau and Tuvalu).

Source: ILO compilation using, A. Hsu et al.: *2016 Environmental Performance Index* (New Haven, CT, Yale University, 2016), www.epi.yale.edu.

Rural population growth was 1.8 per cent in 2015. The share of agricultural land in total land area increased by 4.3 percentage points between 1991 and 2014, and agricultural employment also increased, from 9.6 million to 12.4 million people. The share of agricultural employment in total employment fell by approximately 12.5 percentage points due to faster job creation in other sectors (Fig. 7). Based on a green jobs mapping study in 2014 but using 2006 figures,[8] the organic agriculture industry employs between 14,160 and 118,000 people, assuming at least 50 per cent of organic farmers satisfy the decent work criteria. Although reliance on agriculture is significant, there are opportunities for job creation for sustainable production and organic farming.

8. ILO: *Green jobs mapping study in the Philippines: An overview based on initial desk research* (Bangkok, 2014).

Figure 7. Agricultural land and agricultural employment, 1991–2014



Agricultural land (% of land area)

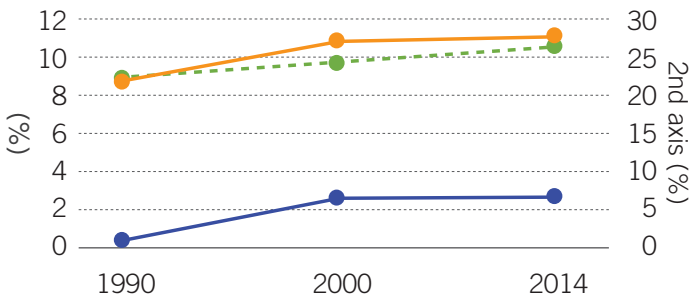
Employment in agricultural (% of total employment)

Agricultural employment (thousand, 2nd axis)

Source: ILO compilation using World Bank: World development indicators, last updated 20 July 2017, http://databank.worldbank.org/; ILOSTAT, http://www.ilo.org/ilostat (accessed 30 July 2017).

Forest area increased between 1990 and 2014, to approximately 26.2 per cent of total land area. During the same period, the share of terrestrial protected area slightly increased, reaching 10.96 per cent, while the proportion of marine protected area rose to 2.5 per cent of total territorial waters (Fig. 8). In 2016, 27 per cent of total employment was in the agriculture, forestry and fishing sector (Fig. 9) According to the 2014 green jobs mapping study,[9] the forestry sector included an estimated 35,125 people in green jobs, approximately 910 of them in protected-area management in 2005, while the government employed approximately 22,500 professionally qualified people to support forestry. The study also found an estimated 113,096 green jobs in the fisheries sector. There will be greater prospects for employment opportunities with the commitment to transition to a low-carbon and resource-efficient economy, such as jobs in resource management and environmental services.[10]

Figure 8. Forest area and terrestrial and marine protected areas, 1990–2014



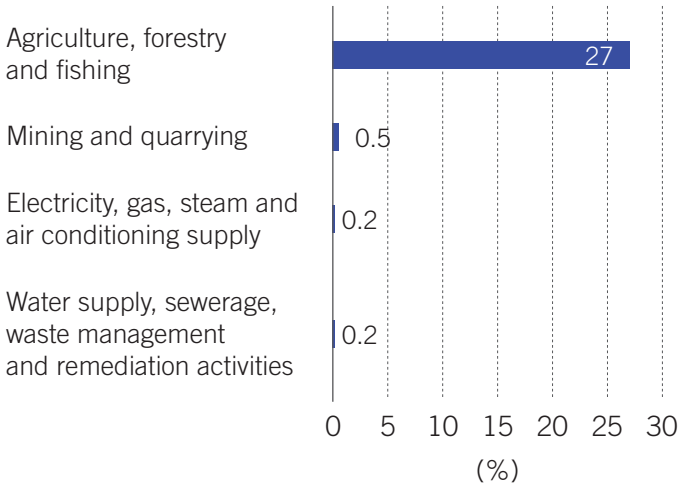
Terrestrial protected area (% of total land area)

Marine protected area (% of terrestrial waters)

Forest area (% of land area) (2nd axis)

Source: ILO compilation using World Bank: World development indicators, last updated 20 July 2017, http://databank.worldbank.org/ (accessed 30 July 2017).

Figure 9. Employment in sectors with strong green jobs potential, 2016



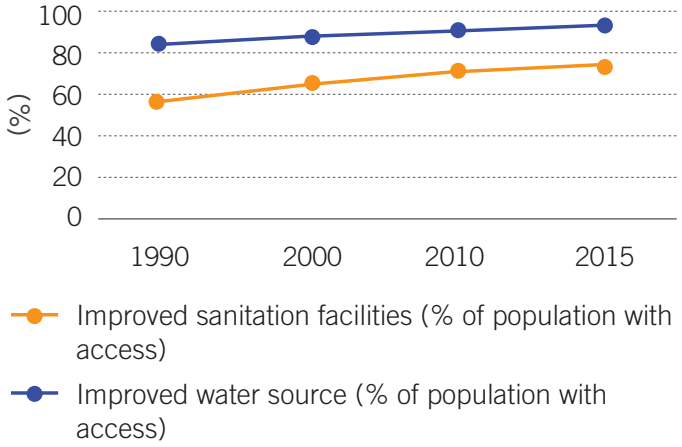
Note: These sectors have the most potential for green job opportunities. Employment by selected 1-digit sector level (ISIC-Rev. 4, 2008).

Source: ILO compilation using ILOSTAT, http://www.ilo.org/ilostat (accessed 16 November 2017).

9. ibid.
10. Organisation for Economic Co-operation and Development: The jobs potential of a shift towards a low-carbon economy, *OECD Green Growth Papers*, No. 2012/01 (Paris, 2012), http://dx.doi.org/10.1787/5k9h3630320v-en.

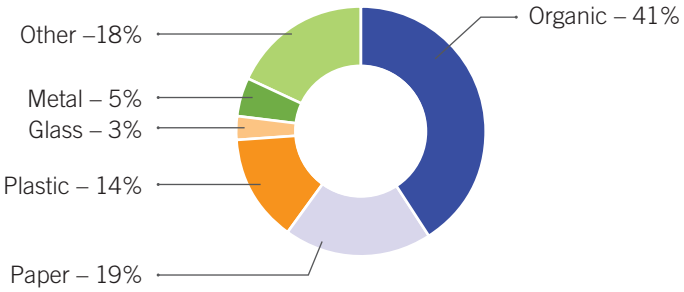
Since 1990, the percentage of the population with access to improved water supply has increased 7.9 percentage points, to 91.8 per cent in 2015. There was a 16.8-percentage point increase in access to improved sanitation between 1990 and 2015, reaching 73.9 per cent (Fig. 10). Both rates, however, remain below the ideal threshold of 100 per cent. According to the 2014 green jobs mapping study,[11] in the Philippine coastal areas, raw sewage is often dumped, which contaminates water supplies. According to the World Bank, municipal solid waste generation in the Philippines in 2008 was 0.5 kg per capita per day and is expected to increase to 0.9 kg per capita per day by 2025.[12] The largest share of the waste in 2000 was organic (at 41 per cent), followed by paper (at 19 per cent) and plastics (at 14 per cent) (Fig. 11).[13] According to the 2014 green jobs mapping study,[14] approximately half of all waste is collected in the country; within Metro Manila, that amount rises to 70 per cent. Uncollected waste ends up in the waterways and blocking drainage systems, which leads to floods and pollution. There are 1,205 waste disposal facilities in the Philippines, 1,172 are open and controlled dumpsites and only 33 are sanitary landfills.[15] According to the Asian Development Bank,[16] around 150,000 residents of Metro Manila lived near open dump sites in 2004, with thousands of waste pickers relying on the dump for their livelihood. Only 0.2 per cent of the country's labour force was employed in water supply, sewerage, waste management and remediation activities in 2016 (Fig. 9). Improvements in safe water supply and sanitation access and the much-needed implementation of a municipal waste management system for collection, safe and sustainable disposal, recycling and composting practices will provide decent job opportunities in the future.

Figure 10. Improved sanitation and water supply access, 1990–2015



Source: ILO compilation using World Bank: World development indicators, last updated 20 July 2017, http://databank.worldbank.org/ (accessed 30 July 2017).

Figure 11. Waste composition, 2000



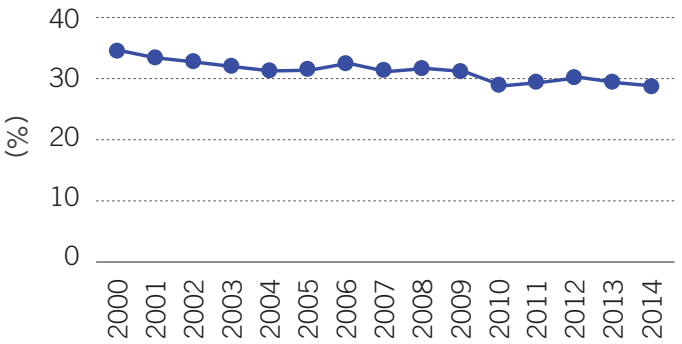
Source: ILO compilation using World Bank: *What a waste: A global review of solid waste management* (Washington, DC, 2012).

In 2014, 44.9 per cent of the population relied primarily on clean fuel and technology, in the sense that they do not create indoor pollution within the home.[17] The share of renewable energy in total energy consumption has not kept pace with overall consumption. In 2000, it was 34.9 per cent but fell below 30 per cent in 2011 and continued to decline, to 28.7 per cent in 2014 (Fig. 12). Renewable energy generation had a big fluctuation between 2011 and 2015, with geothermal and hydropower the main sources in 2015 (Fig. 13). In 2016, approximately 80,200 people were employed in the renewable energy sector, with 53 per cent of them in liquid biofuels, 31 per cent in solar photovoltaic and 11 per cent in wind energy production (Fig. 14). The

11. ILO: *Green jobs mapping study in the Philippines: An overview based on initial desk research* (Bangkok, 2014).
12. World Bank: *What a waste: A global review of solid waste management* (Washington, DC, 2012).
13. ibid.
14. ILO: *Green jobs mapping study in the Philippines: An overview based on initial desk research* (Bangkok, 2014).
15. ibid.
16. Asian Development Bank: *The garbage book: Solid waste management in Metro Manila* (Manila, 2008).
17. The proportion of population with primary reliance on clean fuels and technology is calculated as the number of people using clean fuels and technologies for cooking, heating and lighting divided by total population reporting any cooking, heating or lighting, expressed as a percentage. "Clean" is defined by the emission rate targets and specific fuel recommendations (against unprocessed coal and kerosene) included in the normative World Health Organization guidelines for indoor air quality; see the data for household fuel combustion, https://unstats.un.org/sdgs/metadata/files/Metadata-07-01-02.pdf.

country's employment rate in electricity, gas, steam and air conditioning was only 0.2 per cent in 2016 (Fig. 9). With the push for increasing reliance on renewable energy, there is potential for decent job opportunities in the future.

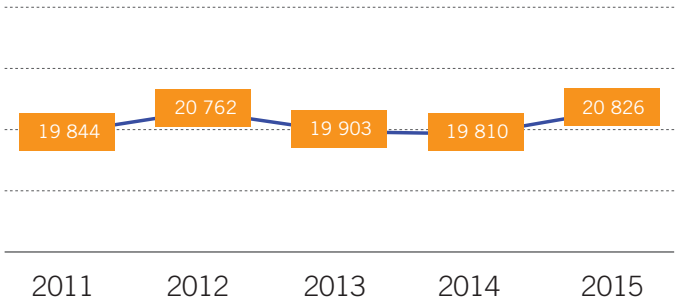
Figure 12. Renewable energy share in total final energy consumption, 2000–14



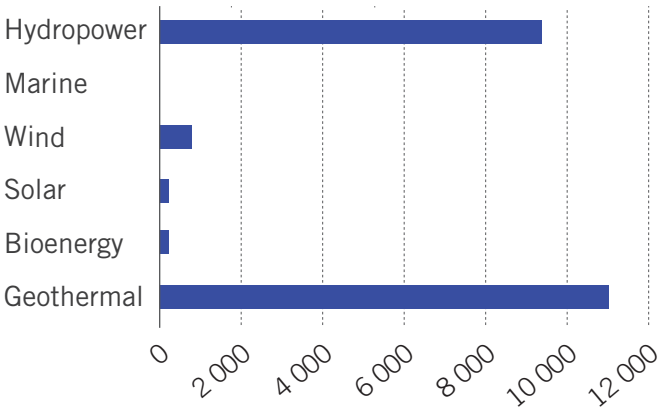
Source: ILO compilation using UN: SDG indicators: Global database (2017), https://unstats.un.org/ (accessed 17 July 2017).

Figure 13. Renewable energy generation, 2011–15

Total renewable energy electricity generation (GWh)

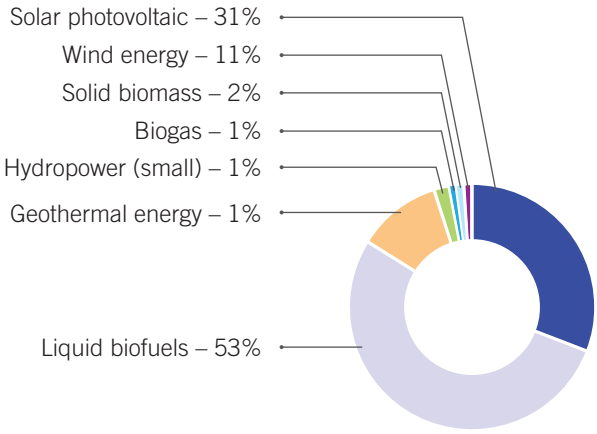


Renewable energy electricity generation (GWh), by technology 2015



Source: ILO compilation using International Renewable Energy Agency: Dashboards (2017), http://resourceirena.irena.org/gateway/dashboard/ (accessed 17 July 2017).

Figure 14. Renewable energy employment, by energy source, 2016



Note: Data limitations apply for certain technologies in certain countries. The lack of data reported for any specific technology may thus be indicative of a data gap, rather than the absence of renewable energy jobs using that technology.

Source: ILO compilation using International Renewable Energy Agency: Dashboards (2017), http://resourceirena.irena.org/gateway/dashboard/ (accessed 17 July 2017).

Better data collection relating to the green economy and the environmental sector would be valuable for policy-makers in the Philippines and Asian-Pacific countries. Better data on green and decent jobs is particularly needed to assess the impact of climate change and climate-related policies on social inclusion. Without better data, it will be difficult to determine what policy changes are needed to assure a just transition to environmental sustainability and to monitor progress going forward.