



2020 LABOR TURNOVER STATISTICS (In establishments with 20 or more workers) National Capital Region: First Quarter 2020

The Labor Turnover Survey (LTS) is a sample survey of establishments conducted by the Philippine Statistics Authority (PSA). The survey aims to capture “job creations” and “job displacements” in business establishments by collecting quarterly accessions and separations of workers as well as job vacancies in establishments.

In 2020, LTS was conducted semi-annually covering two-quarter information from the establishments based in the National Capital Region (NCR). A total of 1,206 establishments served as respondents in the conduct of the 2020 LTS. For the 1st and 2nd quarter rounds, information on the effect of the Coronavirus 2019 disease (COVID-19) pandemic on the day-to-day operation of the establishments and the coping mechanisms they employed to address the identified effects were gathered. The field operation was conducted from August to October 2020; thus, data gathering vis-à-vis results generated were greatly affected by the implementation of the Enhanced Community Quarantine due to the COVID-19 pandemic.

This issue of LABSTAT Updates presents the highlights of the Labor Turnover Survey (LTS) for the 1st quarter of 2020 which had a response rate of 69.6 percent.

Employment in establishments goes down in the first quarter of 2020

- For the first quarter of 2020, labor turnover rate was posted at -1.4 percent. This rate was lower compared to the first quarter (0.5%) and fourth quarter (1.9%) of 2019. (Table 1)
- The negative labor turnover rate implies that there was higher separation than accession rate during the period January to March 2020, during which time a lockdown in NCR, due to the COVID-19 pandemic, was implemented covering the second half of March 2020.
- The accession rate in the first quarter of 2020, recorded at 9.3 percent, means that 93 workers for every

1,000 employed were new hires, 45 of which were hired for business expansion and 48 as replacement for separated workers. Meanwhile, separation rate was recorded at 10.7 percent; i.e., 107 workers for every 1,000 were either laid off or had quit their jobs. This resulted to a -1.4 percent turnover rate or a reduction of 14 workers per 1,000 employed from the total workforce of establishments. (Tables 1 and 2)

Table 1. Labor Turnover Rates, NCR: 1st & 4th Quarters 2019, and 1st Quarter 2020 (Final)

Indicators	Rates (%)		
	2019		2020
	1 st	4 th	1 st
Accession Rate	9.3	6.6	9.3
Separation Rate	8.8	4.7	10.7
Labor Turnover Rate	0.5	1.9	-1.4

Source: Philippine Statistics Authority, Labor Turnover Survey.



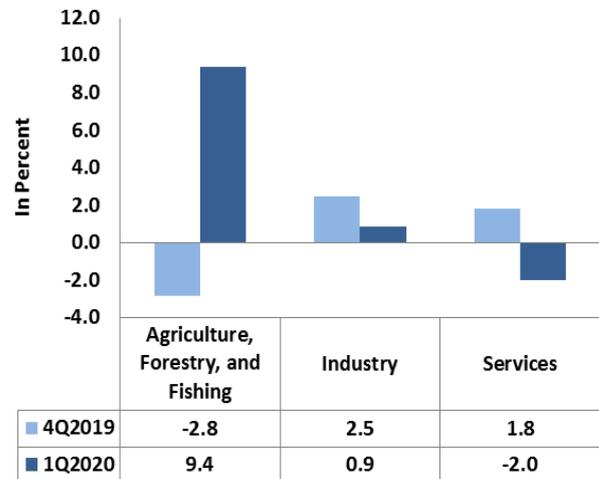
Agriculture, forestry, and fishing sector posts employment gains

- The highest labor turnover rate (LTR) during the quarter was recorded in the agriculture, forestry, and fishing sector at 9.4 percent. This rate can be translated to an additional of 94 workers for every 1,000 persons employed in establishments during the period. This was a recovery from an employment loss of -2.8 percent in the previous quarter. (Figure 1)
- A positive labor turnover rate was also registered in the industry sector at 0.9 percent. This was contributed by the positive rates in the manufacturing industry at 1.7 percent; and water supply, sewerage, waste management, and remediation activities at 0.2 percent. (Table 2 and Figure 1)
- The rest of the industries under this sector posted employment losses, the highest of which was in mining and quarrying (-3.6%). (Table 2)

Services sector experiences a decline in employment

- Meanwhile, the services sector posted a reduction in employment of -2.0 percent as separation rate (11.3%) was higher than accession rate (9.2%) during the quarter. Five sub-industries registered employment growth led by information and communication (3.2%). The decline in employment was contributed by the negative LTRs in accommodation and food services activities (-8.3%), other service activities (-7.6%), and wholesale and retail trade; repair of motor vehicle, motorcycles (-4.4%). (Table 2)

Figure 1. Labor Turnover Rates by Major Sector, NCR: 4th Quarter 2019 and 1st Quarter 2020 (Final)

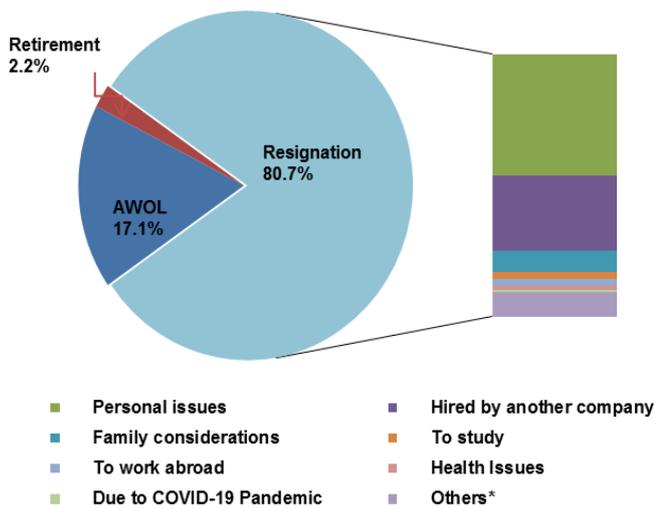


Source: Philippine Statistics Authority, Labor Turnover Survey.

Reasons for separation of employees

- To get a closer look into why employees leave or are terminated from their jobs, the survey also inquired on the reasons for these separations. These are classified into employee-initiated (quits) and employer-initiated (lay-offs/dismissal/displacement).
- About 80.7 percent of employee-initiated separations were due to resignations, followed by absence without leave or AWOL at 17.1 percent and retirement at 2.2 percent. The top reasons for resignations were personal issues (37.2 percentage points) and hired by another company (23.1 percentage points). (Table 6 and Figure 2)

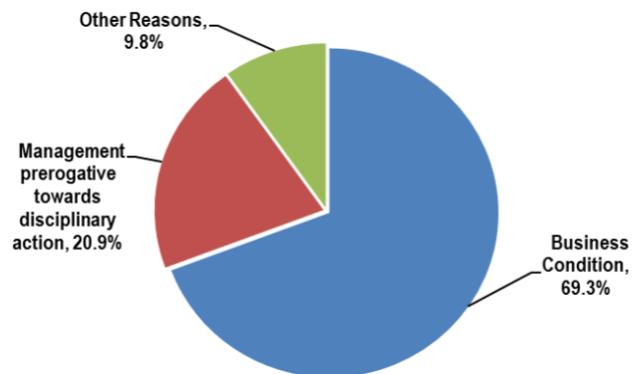
Figure 2. Reasons for Employee-Initiated Separations, NCR: 1st Quarter 2020 (Final)



Source: Philippine Statistics Authority, Labor Turnover Survey

- On the other hand, the paramount reason for separations initiated by employers was due to business condition (69.3%). This is mainly comprised of laid-off employees due to project completion/end of contract at 37.0 percentage points. Moreover, floating status of employees due to COVID-19 pandemic has emerged as a reason for separation, with a 17.7 percentage points. Floating is considered as a temporary lay-off. (Figure 3 and Table 5)
- Other reason behind the termination was management prerogative towards disciplinary action implemented by the employers (20.9%), which includes AWOL (13.4%) as the top cause.

Figure 3. Reasons for Employer-Initiated Separations, NCR: 1st Quarter 2020 (Final)



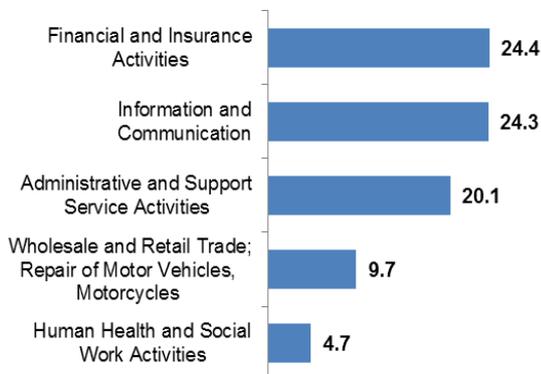
Source: Philippine Statistics Authority, Labor Turnover Survey

Job Vacancies

Majority of the existing job vacancies were found in services sector

- A total of 85,426 unfilled positions in various industries and occupational groups were available for placement in the first quarter of 2020.
- By sector, services comprised the bulk of vacancies with 94.5 percent share; followed by industry with 5.4 percent; and agriculture, forestry, and fishing with 0.2 percent. (Table 3)
- The three sub-industries which had the most number of job offerings for the period were part of the services sector. Financial and insurance activities accounted 24.4 percent of the total vacancies, closely followed by information and communication at 24.3 percent and administrative and support service activities at 20.1 percent. The rest of the industries had shares of less than 10.0 percent each. (Figure 4)

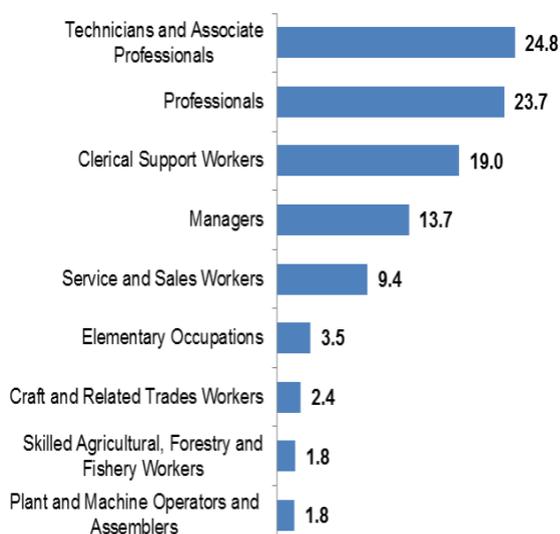
Figure 4. Top Five Industries with Job Vacancies, NCR: 1st Quarter 2020 (Final)



Note: Figures are in percent share.
Source: Philippine Statistics Authority, Labor Turnover Survey.

- Across major occupation groups, the demand for technicians and associate professionals accounted the highest share at 24.8 percent to total vacancies in the first quarter of 2020. (Figure 5)
- This was followed by professionals which registered 23.7 percent of the unfilled positions. Job opportunities were also available for clerical support workers (19.0%) and managers (13.7%). (Figure 5)

Figure 5. Percent Distribution of Job Vacancies by Major Occupation Group, NCR: 1st Quarter 2020 (Final)

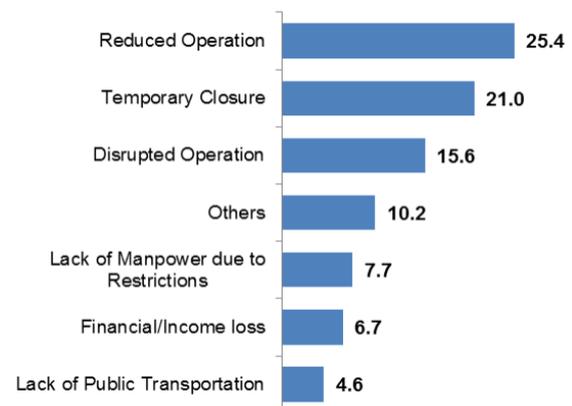


Note: Figures are in percent.
Source: Philippine Statistics Authority, Labor Turnover Survey

Effects of Coronavirus Disease 2019 (COVID-19) in Daily Operations

- Since mid-March 2020, lockdowns and safety regulations to cope with the COVID-19 pandemic have dramatically affected the business community and the economy as a whole. About one-fourth (25.4%) of the establishments claimed that the main effect of this pandemic was to reduce their operations, and 21.0 percent of them resorted to temporary closure of their businesses. (Figure 6)

Figure 6. Top Identified Effect of the COVID-19, NCR: 1st Quarter 2020 (Final)

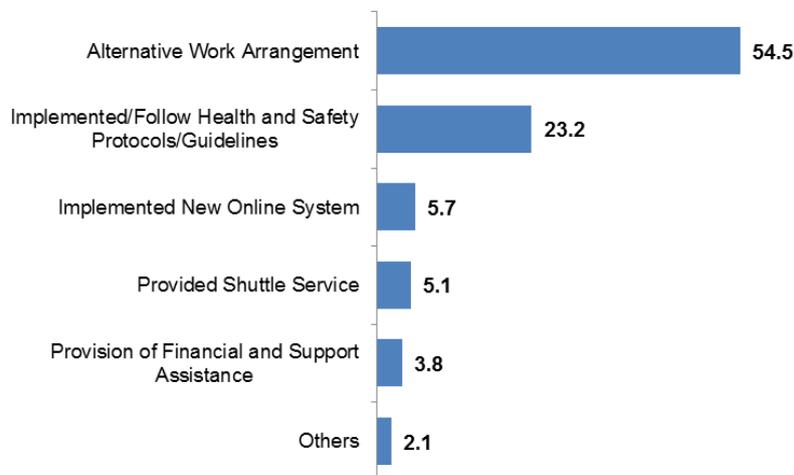


Note: (1) Figures are in percent; (2) Multiple response allowed.
Source: Philippine Statistics Authority, Labor Turnover Survey

Coping Mechanism done by the Establishments

- More than half of the establishments (54.5%) adopted the alternative work arrangement for their employees as response mechanism to the COVID-19 pandemic. About 23.2 percent implemented/followed health and safety protocols/guidelines in order to ensure the well-being and safety of their employees. Other measures adopted were use of new online platforms (5.7%); provision of shuttle service to employees (5.1%); and provision of financial and support assistance to their workers (3.8%). (Figure 7)

Figure 7. Top Identified Coping Mechanism, NCR: 1st Quarter 2020
(Final)



Note: (1) Figures are in percent; (2) Multiple response allowed.
Source: Philippine Statistics Authority, Labor Turnover Survey.

Definition of Terms:

Accessions (New Hires) - refer to permanent or temporary additions to employment in the establishment due to 1) expansion of business activity and 2) replacement of separated workers and employment resulting from changes in methods/technology of production or service.

Separations - refer to terminations of employment due to (a) layoffs or terminations initiated by the employers due to economic reasons (e.g., lack of market, financial losses, reorganization, end of contract) and non-economic reasons (e.g., gross negligence, AWOL, failure rating on performance, health reasons) and (b) quits or termination initiated by the employees (e.g., resignations due to being hired by another company, to work abroad).

Labor Turnover – refers to changes in the employment of an establishment resulting from accessions, and separations.

Existing Job Vacancies – defined as a paid post that is newly created, unoccupied, or unfilled job openings at the end of the quarter which are immediately available for employment and for which active recruitment steps are being undertaken.

FOR INQUIRIES

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Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 462-6600 local 834
Or visit our website at <http://www.psa.gov.ph>

**Table 2. Accession, Separation and Labor Turnover Rates in Establishments with 20 or More workers by Major Industry,
National Capital Region: 1st Quarter 2019, and 1st Quarter 2020
(Final)**

Industry	Total						Accession				Separation			
	Accession		Separation		Labor Turnover		Expansion		Replacement		Employer-Initiated		Employee-Initiated	
	1Q 2019	1Q 2020	1Q 2019	1Q 2020	1Q 2019	1Q 2020	1Q 2019	1Q 2020	1Q 2019	1Q 2020	1Q 2019	1Q 2020	1Q 2019	1Q 2020
Total	9.3	9.3	8.8	10.7	0.5	-1.4	4.0	4.5	5.3	4.8	5.8	4.9	3.1	5.8
Agriculture, Forestry, and Fishing	8.3	11.2	2.0	1.8	6.3	9.4	5.5	10.4	2.8	0.8	1.4	0.3	0.5	1.5
Industry	10.8	9.6	8.4	8.7	2.4	0.9	3.3	7.4	7.5	2.1	5.0	5.4	3.3	3.3
Mining and Quarrying	9.8	8.0	3.7	11.6	6.1	-3.6	7.9	4.5	2.0	3.5	1.4	10.0	2.4	1.6
Manufacturing	6.8	9.7	8.4	8.0	-1.6	1.7	2.9	7.9	3.9	1.9	3.9	4.9	4.5	3.1
Electricity, Gas, Steam and Air Conditioning Supply	2.3	0.4	1.8	1.3	0.5	-0.9	0.6	0.1	1.7	0.3	1.3	1.0	0.5	0.3
Water Supply; Sewerage Waste Management and Remediation Activities	8.7	3.3	3.4	3.1	5.3	0.2	7.7	0.8	1.0	2.5	2.8	0.5	0.6	2.7
Construction	18.7	10.0	9.2	11.7	9.5	-1.6	3.8	7.0	14.9	3.0	7.6	7.7	1.6	4.0
Services	9.0	9.2	9.0	11.3	*	-2.0	4.2	3.7	4.8	5.5	6.0	4.8	3.0	6.4
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	6.2	10.5	5.9	14.8	0.3	-4.4	2.3	3.5	3.9	7.0	4.1	7.2	1.8	7.6
Transportation and Storage	4.7	5.6	5.2	8.0	-0.4	-2.4	1.3	2.8	3.4	2.8	3.2	6.0	2.0	2.0
Accommodation and Food Service Activities	8.3	3.7	8.0	12.0	0.4	-8.3	2.6	1.1	5.8	2.6	6.6	6.5	1.3	5.6
Information and Communication	7.6	16.9	5.9	13.8	1.7	3.2	3.7	5.1	4.0	11.8	4.6	2.8	1.4	10.9
Financial and Insurance Activities	4.1	4.7	4.6	4.6	-0.5	0.1	1.5	1.8	2.6	3.0	3.9	0.5	0.7	4.1
Real Estate Activities	6.6	5.6	5.8	5.7	0.8	-0.1	3.2	2.3	3.4	3.4	4.5	0.9	1.3	4.8
Professional, Scientific and Technical Activities	6.3	4.4	3.8	6.9	2.5	-2.5	3.5	1.8	2.8	2.7	3.4	1.0	0.4	5.9
Administrative and Support Service Activities	12.8	11.7	13.3	14.5	-0.6	-2.8	6.5	5.6	6.2	6.1	8.1	6.8	5.2	7.7
Education	3.3	2.9	2.5	2.3	0.7	0.6	1.7	0.1	1.5	2.8	2.3	1.5	0.3	0.8
Human Health and Social Work Activities	7.1	6.9	6.8	5.7	0.4	1.1	1.2	1.4	5.9	5.4	6.5	0.4	0.3	5.3
Arts, Entertainment and Recreation	4.2	3.2	3.4	2.9	0.8	0.4	2.5	0.8	1.6	2.4	2.0	1.0	1.4	1.9
Other Service Activities	4.6	3.9	4.9	11.5	-0.3	-7.6	2.3	0.7	2.3	3.2	4.0	2.3	0.9	9.2

* Less than 0.05 percent.

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2019, 1st Quarter 2020.

Table 3. Number and Percent Distribution of Job Vacancies in Establishments with 20 or More Workers by Major Industry Group, National Capital Region: 1st Quarter 2020 (Final)

Industry	Number	Percent Share
ALL INDUSTRIES	85,426	100.0
Agriculture, Forestry, and Fishing	147	0.2
Industry	4,584	5.4
Mining and Quarrying	41	0.0
Manufacturing	3,079	3.6
Electricity, Gas, Steam and Air Conditioning Supply	72	0.1
Water Supply; Sewerage Waste Management and Remediation Activities	21	*
Construction	1,371	1.6
Services	80,695	94.5
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	8,283	9.7
Transportation and Storage	2,525	3.0
Accommodation and Food Service Activities	174	0.2
Information and Communication	20,723	24.3
Financial and Insurance Activities	20,820	24.4
Real Estate Activities	3,153	3.7
Professional, Scientific and Technical Activities	2,476	2.9
Administrative and Support Service Activities	17,163	20.1
Education	791	0.9
Human Health and Social Work Activities	3,995	4.7
Arts, Entertainment and Recreation	366	0.4
Other Service Activities	226	0.3

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

** - less than 0.05 percent but not zero.*

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2020

**Table 4. Number and Percent Distribution of Job Vacancies in Establishments
with 20 or More Workers by Major Occupation Group,
National Capital Region: 1st Quarter 2020
(Final)**

Major Occupation Group	Number	Percent Share
ALL OCCUPATIONS	85,426	100.0
Managers	11,729	13.7
Professionals	20,209	23.7
Technicians and Associate Professionals	21,175	24.8
Clerical Support Workers	16,234	19.0
Service and Sales Workers	7,996	9.4
Skilled Agricultural, Forestry and Fishery Workers	1,560	1.8
Craft and Related Trades Workers	2,054	2.4
Plant and Machine Operators and Assemblers	1,521	1.8
Elementary Occupations	2,948	3.5

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2020.

Table 5. Number and Percent Distribution of Employees Separated from Work by Reasons for Layoff and Displacement/Dismissal (Employer-Initiated) in Establishments with 20 or More Workers, NCR: 1st Quarter 2020

Reasons for Layoff and Displacement/Dismissal (Employer-Initiated Separations)	Number of Employees	Percent Share
TOTAL	187,642	100.0
Business Condition	130,048	69.3
Project Completion/End of Contract	69,337	37.0
Floating/Due to COVID-19 Pandemic	33,256	17.7
Retrenchment/Downsizing	11,269	6.0
Closing or Cessation of Operations	6,140	3.3
Lack of Market	1,472	0.8
Reorganization	549	0.3
Mergers/Change in Management	300	0.2
Automation/Modernization/installation of labor-saving devices	175	0.1
Financial Loss	17	*
Others 1/	7,533	4.0
Management prerogative towards disciplinary action	39,136	20.9
Absence Without Leave (AWOL)	25,100	13.4
Serious misconduct or Willful disobedience	8,169	4.4
Gross and habitual neglect of duties	982	0.5
Fraud or willful breach of trust	297	0.2
Commission of crime or offense	338	0.2
Others 2/	4,251	2.3
Other Reasons	18,458	9.8
Failure rating on performance	7,699	4.1
Failure to meet agency/establishment's standards	6,043	3.2
Health reasons	3,760	2.0
Others 3/	956	0.5

* Less than 0.05 percent but not zero.

1/ Includes transfers in other branch, alternative work arrangements, no specific reason, etc.

2/ Includes negative background checks, theft, drug abuse, etc.

3/ Includes death, personal reasons, etc.

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2020.

Table 6. Number and Percent Distribution of Employees Separated from Work by Reasons for Quits (Employee-Initiated) in Establishments with 20 or More Workers, NCR: 1st Quarter 2020

Reasons for Quits (Employee-Initiated Separation)	Number of Employees	Percent Share
TOTAL	219,878	100.0
AWOL	37,686	17.1
Retirement	4,734	2.2
Resignation	177,458	80.7
Personal issues	81,781	37.2
Hired by another company	50,822	23.1
Family considerations	14,498	6.6
To study	5,016	2.3
To work abroad	4,624	2.1
Health Issues	2,430	1.1
Due to COVID-19 Pandemic	1,740	0.8
Others*	16,547	7.5

* Includes relocation, putting up own business, death, resignation without specified reason, etc.

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2020.