



2021 LABOR TURNOVER STATISTICS (In establishments with 20 or more workers) National Capital Region: First Quarter 2021

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 employing 20 or more workers.

In 2021, LTS was conducted semi-annually covering two-quarter information from the establishments based in the National Capital Region (NCR). A total of 2,842 establishments served as respondents in the conduct of the 2021 LTS. The field operations were conducted from August to October 2021, thus data gathering vis-a-vis results generated were greatly affected by continued localized implementation of community quarantine due to the Coronavirus disease 2019 (COVID-19) pandemic.

This issue of LABSTAT Updates presents the highlights of the Labor Turnover Survey (LTS) for the first quarter of 2021 which had a response rate of 82.2 percent.

Employment in establishments in NCR further went down in the first quarter of 2021

- With the continued impact of the pandemic, employment in the National Capital Region (NCR) once again suffered a decline in the first quarter (Q1) of 2021 at -3.1 percent from a -0.3 percent decline in the previous quarter. This decline in Q1 2021 was higher compared to the -1.4 percent reported decrease in same quarter of 2020. (Table 1)
- The negative labor turnover rate (LTR) implies a higher separation than accession rate during the period which may be attributed to the implementation of community quarantines/lockdowns due to COVID-19 pandemic.

- The accession rate in the first quarter of 2021 recorded at 7.3 percent depicts that for every 1,000 employed workers, 73 were hired, of which 23 were due to expansion and 50 were replacements for separated workers.

**Table 1. Labor Turnover Rates, NCR:
1st and 4th Quarters 2020,
1st Quarter 2021
(Final)**

Indicators	Rates (%)		
	2020		2021
	1st	4th	1st
Accession Rate	9.3	4.8	7.3
Separation Rate	10.7	5.2	10.4
Labor Turnover Rate	-1.4	-0.3	-3.1

Source: Philippine Statistics Authority,
Labor Turnover Survey.

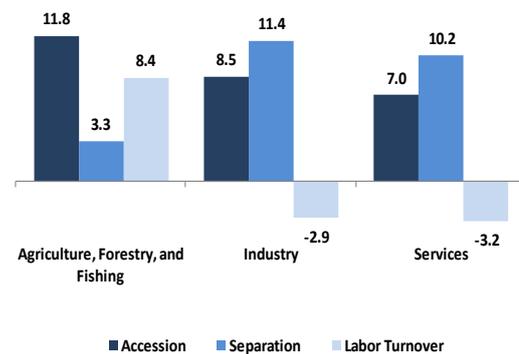


- The separation rate, on the other hand, indicates that for every 1,000 workers, 104 were separated from work, 48 of which were dismissed or terminated while 57 either resigned or quit their jobs. This resulted to a reduction of 31 workers per 1,000 employed from the total workforce of establishments. (Tables 1 and 2)

Only the agriculture, forestry and fishing sector posted employment growth at eight percent

- By major sector, only agriculture, forestry and fishing recorded gains in employment during the quarter, registering the highest accession rate among the three major sectors at 11.8 percent, and surpassed the accession rates before the pandemic happened, that is, first and fourth quarters of 2020.
- The industry sector posted a negative turnover rate of -2.9 percent mainly due to the decline in construction (-6.0%), notwithstanding the employment gain of 1.5 percent in water supply; sewerage waste management and remediation activities.
- Similarly, employment in services sector posted a negative turnover rate of -3.2 percent during the period. Except for education (3.8%), information and communication subsector (1.2%), professional, scientific, and technical activities and human health and social work activities, both at 0.7 percent, and financial and insurance activities (0.5%), all the services subsectors recorded negative LTRs ranging from -1.4 to -6.6 percent. (Figure 1 and Table 2)

Figure 1. Labor Turnover Rates by Major Sector, NCR: 1st Quarter 2021



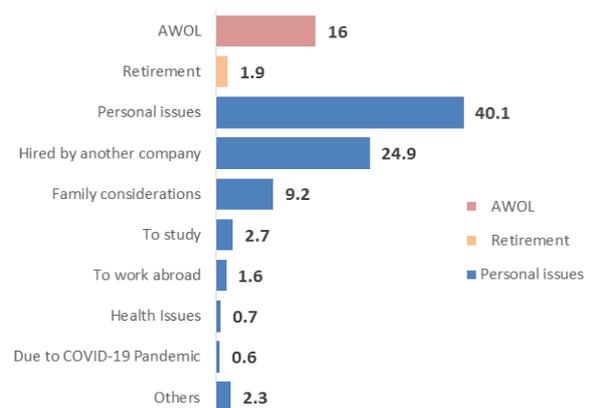
Note: Figures are in percent.
Source: Philippine Statistics Authority, Labor Turnover Survey.

Reasons for Separations

Nine out of eleven employee-initiated separations were due to resignations

- Resignations accounted for 82.1 percent of the total number of separated employees. Major reasons cited for these, as reported by the establishments were: personal issues (40.1%), hired by another company (24.9%), and family considerations (9.2%). There were employees who also resigned due to COVID-19 pandemic (0.6%).
- Other workers left their jobs due to absence without leaves (AWOL) (16.0%) and retirement (1.9%). (Figure 2 and Table 6)

Figure 2. Percent Distribution of Employees Who Quit Their Jobs by Reasons, NCR: 1st Quarter 2021 (Final)

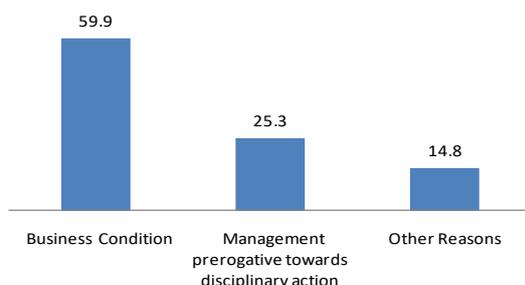


Source: Philippine Statistics Authority, Labor Turnover Survey.

Thirty eight percent of workers were laid-off due to project completion or end of contract

- The major reason why employers terminated the services of their workers was due to their current business condition (59.9%). This includes about 38.1 percent displaced due to project completion/end of contract; and 13.7 percent laid-off due to retrenchment/downsizing of the companies. The repercussions of the COVID-19 pandemic also caused the separation of 1.6 percent of the workers.
- Meanwhile, about 25.3 percent of employees were terminated by the reason of management prerogative towards disciplinary action. Foremost of this is for workers who committed AWOL (19.4%) followed by serious misconduct or willful disobedience (1.7%) and fraud or willful breach of trust (1.3%). (Figure 3 and Table 5)
- Other reasons of termination included failure rating on performance (6.4%), health reasons (4.5%), and failure to meet agency/establishment’s standards (3.3%). (Table 5)

Figure 3. Percent Distribution of Separated Employees by Reason for Layoff/Dismissal, NCR: 1st Quarter 2021 (Final)



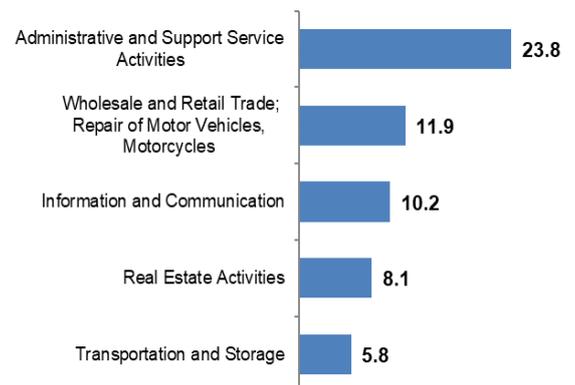
Note: Figures are in percent.
Source: Philippine Statistics Authority, Labor Turnover Survey.

Job Vacancies

About seven out of nine existing job vacancies were in the services sector

- A total of 42,975 unfilled positions in various industries and occupational groups were available for placement in the first quarter of 2021.
- By sector, services comprised the bulk of vacancies at 78.1 percent, followed by the industry sector at 21.6 percent, while agriculture, forestry, and fishing had a very small share of 0.3 percent. (Table 3)

Figure 4. Top 5 Industries with Job Vacancies, NCR: 1st Quarter 2021 (Final)



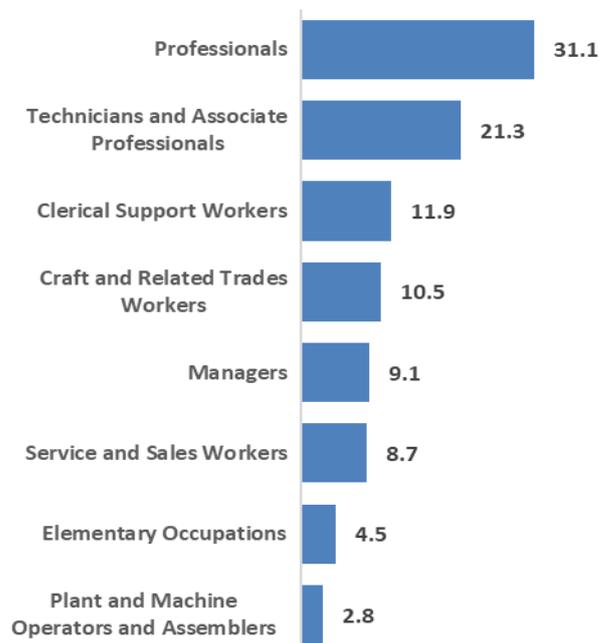
Note: Figures are in percent.
Source: Philippine Statistics Authority, Labor Turnover Survey.

- Across subsectors, the demand for administrative and support service activities had the majority share of 23.8 percent of total vacancies in the first quarter of 2021. This was followed by construction at 12.7 percent, wholesale and retail trade; repair of motor vehicles, motorcycles at 11.9 percent, information and communication at 10.2 percent while the rest of the subsectors had shares of less than

10.0 percent each. (Figure 4 and Table 3)

- Across major occupation groups, unfilled positions for professionals was notable at 31.1 percent followed by technicians and associate professionals at 21.3, clerical support workers at 11.9 percent, and craft and related trades workers at 10.5 percent. The rest of the major occupation groups posted shares of less than 10.0 percent each. (Figure 5 and Table 4)

Figure 5. Percent Distribution of Job Vacancies by Major Occupation Group, NCR: 1st Quarter 2021 (Final)



Note: Figures are in percent.
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 the following: 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 the following: a) quits or terminations initiated by the employees, and b) layoffs or terminations initiated by the employers due to economic reasons (e.g., lack of market, financial losses, redundancy, end of contract) and non-economic reasons (e.g., gross negligence, AWOL).

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

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**
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**Table 2 - Labor Turnover Rates in Agricultural and Non-Agricultural Establishments
by Major Industry, Philippines: 1st Quarter 2021**

Industry	Total			Accession		Separation	
	Accession	Separation	Labor Turnover	Expansion	Replacement	Employer-Initiated	Employee-Initiated
Total	7.3	10.4	-3.1	2.3	5.0	4.8	5.7
Agriculture, Forestry, and Fishing Industry	11.8	3.3	8.4	8.6	3.2	1.4	1.9
Mining and Quarrying	3.8	3.0	0.9	0.7	3.1	0.8	2.2
Manufacturing	6.0	6.3	-0.3	2.7	3.2	3.3	2.9
Electricity, Gas, Steam and Air Conditioning Supply	10.1	9.8	0.3	3.2	6.9	9.0	0.8
Water Supply; Sewerage Waste Management and Remediation Activities	2.8	1.4	1.5	1.7	1.2	0.1	1.3
Construction	11.0	17.0	-6.0	4.6	6.4	14.4	2.7
Services	7.0	10.2	-3.2	1.9	5.1	3.7	6.5
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	5.0	6.7	-1.8	0.9	4.1	2.8	3.9
Transportation and Storage	2.8	5.6	-2.8	1.0	1.8	2.0	3.6
Accommodation and Food Service Activities	2.8	7.1	-4.4	0.5	2.3	2.2	5.0
Information and Communication	6.6	5.4	1.2	4.5	2.1	1.7	3.8
Financial and Insurance Activities	4.0	3.5	0.5	1.3	2.7	1.1	2.4
Real Estate Activities	3.7	5.1	-1.4	1.5	2.2	0.8	4.3
Professional, Scientific and Technical Activities	5.4	4.7	0.7	2.3	3.1	0.7	4.0
Administrative and Support Service Activities	10.0	16.6	-6.6	2.5	7.5	6.1	10.5
Education	7.0	3.3	3.8	0.8	6.2	1.0	2.2
Human Health and Social Work Activities	5.8	5.1	0.7	1.4	4.4	0.7	4.4
Arts, Entertainment and Recreation	0.4	4.0	-3.6	*	0.4	2.4	1.6
Other Service Activities	1.5	3.5	-2.0	0.1	1.4	0.5	2.9

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 2nd Quarter 2021.

Table 3 - Number and Percent Distribution of Job Vacancies in Establishments with 20 or More Workers by Major Industry Group, Philippines: 1st Quarter 2021
(Final)

Industry	Number	Percent Share (%)
ALL INDUSTRIES	42,975	100.0
Agriculture, Forestry, and Fishing	135	0.3
Industry	9,269	21.6
Mining and Quarrying	47	0.1
Manufacturing	3,534	8.2
Electricity, Gas, Steam and Air Conditioning Supply	90	0.2
Water Supply; Sewerage Waste Management and Remediation Activities	159	0.4
Construction	5,440	12.7
Services	33,571	78.1
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	5,133	11.9
Transportation and Storage	2,502	5.8
Accommodation and Food Service Activities	923	2.1
Information and Communication	4,398	10.2
Financial and Insurance Activities	1,269	3.0
Real Estate Activities	3,489	8.1
Professional, Scientific and Technical Activities	2,289	5.3
Administrative and Support Service Activities	10,237	23.8
Education	847	2.0
Human Health and Social Work Activities	2,324	5.4
Arts, Entertainment and Recreation	37	0.1
Other Service Activities	123	0.3

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2021.

Table 4 - Number and Percent Distribution of Job Vacancies in Establishments with 20 or More Workers by Major Occupation Group, Philippines: 1st Quarter 2021

(Final)

Major Occupation Group	Number	Percent Share (%)
ALL OCCUPATION	42,975	100.0
Managers	3,897	9.1
Professionals	13,363	31.1
Technicians and Associate Professionals	9,153	21.3
Clerical Support Workers	5,127	11.9
Service and Sales Workers	3,736	8.7
Skilled Agricultural, Forestry and Fishery Workers	16	*
Craft and Related Trades Workers	4,534	10.5
Plant and Machine Operators and Assemblers	1,198	2.8
Elementary Occupations	1,951	4.5

* 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 2021.

Table 5 - Number and Percent Distribution of Employees Separated from Work by Reason for Layoff and Displacement/Dismissal (Employer-Initiated) in Establishments with 20 or More Workers, NCR: 1st Quarter 2021
(Final)

Reasons for Layoff and Displacement/Dismissal (Employer-Initiated Separations)	Number of Employees	Percent Share (%)
TOTAL	98,375	100.0
Business Condition	58,895	59.9
Project Completion/End of Contract	37,456	38.1
Retrenchment/Downsizing	13,521	13.7
Closing or Cessation of Operations	1,622	1.6
Due to COVID-19 Pandemic	1,609	1.6
Lack of Market	1,600	1.6
Automation/Modernization/installation of labor-saving devices	1,303	1.3
Mergers/Change in Management	712	0.7
Reorganization	434	0.4
Financial Loss	199	0.2
Others 1/	440	0.4
Management prerogative towards disciplinary action	24,880	25.3
Absence Without Leave (AWOL)	19,068	19.4
Serious misconduct or Willful disobedience	1,721	1.7
Fraud or willful breach of trust	1,253	1.3
Gross and habitual neglect of duties	762	0.8
Commission of crime or offense	331	0.3
Others 2/	1,745	1.8
Other Reasons	14,601	14.8
Failure rating on performance	6,264	6.4
Health reasons	4,388	4.5
Failure to meet agency/establishment's standards	3,208	3.3
Others 3/	740	0.8

1/ Includes transfer to other unit/company, temporary lay-off, etc.

2/ Includes attendance/tardiness, ethics violation, etc.

3/ Includes internet issues, no specified reasons

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2021.

Table 6 - Number and Percent Distribution of Employees Separated from Work by Reason for Quits (Employee-Initiated) in Establishments with 20 or More Workers, NCR: 1st Quarter 2021
(Final)

Reasons for Quits (Employee-Initiated Separation)	Number of Employees	Percent Share (%)
TOTAL	116,703	100.0
AWOL	18,670	16.0
Retirement	2,217	1.9
Resignation	95,817	82.1
Hired by another company	29,050	24.9
To work abroad	1,878	1.6
Family considerations	10,718	9.2
Personal issues	46,793	40.1
To study	3,193	2.7
Health Issues	822	0.7
Due to COVID-19 Pandemic	646	0.6
Career growth/put up own business	426	0.4
Death	607	0.5
Others*	1,684	1.4

* Includes other reasons not specified.

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 1st Quarter 2021.