

2021 LABOR TURNOVER STATISTICS (In establishments with 20 or more workers) National Capital Region: Second 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-à-vis results generated were greatly affected by the continued localized implementation of community quarantines 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 second quarter of 2021 which had a response rate of 85.0 percent.

Decline in employment of establishments in NCR slowed down in the second quarter of 2021

- As the country’s economy gradually recovers from the COVID-19 pandemic slump, the employment in establishments in the National Capital Region (NCR) declined at a slower rate of -1.2 percent in the second quarter of 2021, compared to the loss recorded at -7.6 percent in the same quarter of 2020 and -3.1 percent in the previous quarter of 2021. This rate can be translated to a reduction of 12 workers for every 1,000 persons employed in establishments during the period. (Table 1)
- The -1.2 percent labor turnover rate (LTR) for the period resulted from the 7.0 percent accession rate and 8.1 percent separation rate. This implied that for every 1,000 employed persons, about 70 workers

were hired due to either expansion of business activity (22) or replacement of separated workers (47), while around 81 workers were separated from work as they either quit their jobs (53) or were laid off or displaced/dismissed by their employers (29). (Tables 1 and 2)

**Table 1. Labor Turnover Rates, NCR:
2nd Quarter 2020,
1st and 2nd Quarters 2021,
(Final)**

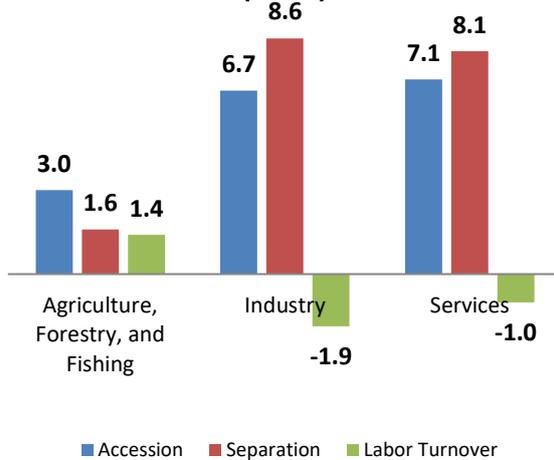
Indicators	Rates (%)		
	2020	2021	
	2nd	1st	2nd
Accession Rate	4.4	7.3	7.0
Separation Rate	12.0	10.4	8.1
Labor Turnover Rate	-7.6	-3.1	-1.2

Note: Details may not add up to totals due to rounding.
Source: Philippine Statistics Authority,
Labor Turnover Survey.

Eleven out of eighteen subsectors posted employment declines

- During the second quarter of 2021, the industry and services sectors recorded employment declines while only the agriculture, forestry, and fishing sector posted employment increment at 1.4 percent.

Figure 1. Labor Turnover Rates by Major Sector, NCR: 2nd Quarter 2021 (Final)



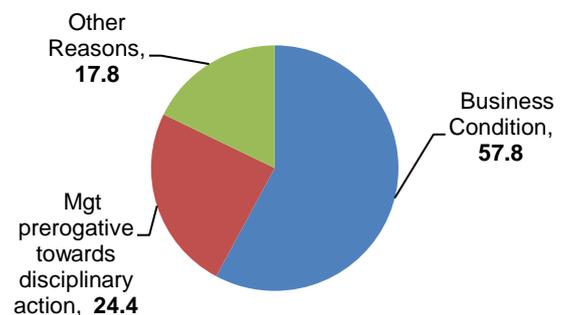
Note: Figures are in percent.
Source: Philippine Statistics Authority, Labor Turnover Survey.

- The employment reduction of -1.9 percent in the industry sector can be attributed to the negative growths in construction (-2.3%) and manufacturing (-2.2%) negating the employment gains in electricity, gas, steam, and air conditioning supply (2.2%); water supply; sewerage waste management and remediation activities (2.0%); and mining and quarrying (1.1%). (Figure 1 and Table 2)
- The services sector also experienced employment loss as 9 out of 12 subsectors contributed to the decline which was driven by the reduction of workers in private education at -6.9 percent. This was followed by accommodation and food service activities (-2.3%); other service activities (-1.6%); and arts, entertainment, and recreation (-1.5%). (Table 2)

Reasons for separation of employees

- The main reason for separations initiated by employers was due to business condition (57.8%). This is mainly comprised of layoffs due to project completion/end of contract at 36.9 percent and retrenchment and downsizing at 16.9 percent. (Figure 2 and Table 5)

Figure 2. Percent Distribution of Separated Employees by Reason for Layoff/Dismissal, NCR: 2nd Quarter 2021 (Final)



Source: Philippine Statistics Authority, Labor Turnover Survey.

- Likewise, around 24.4 percent of workers were laid-off due to management prerogative towards disciplinary action. The following were the behavior of workers that led to termination: absence without leave (AWOL) (15.2%), serious misconduct or willful disobedience (5.0%), gross and habitual neglect of duties (1.4%), fraud or willful breach of trust (0.5%), commission of crime or offense (0.3%) while the remaining 2.0 percent cited other reasons.
- Other reasons for termination included failure rating on performance (7.3%); health reasons (6.8%); and failure to meet agency /establishment's standards (3.6%). (Table 5)
- Meanwhile, about 84.7 percent of employed persons who quit their jobs voluntarily resigned due to the following reasons: a) personal issues (39.9%); b) hired by another

company (26.0%); and c) family considerations (8.9%).

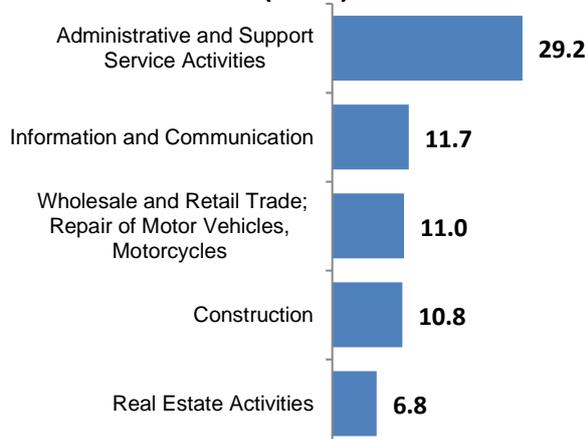
- Other reasons cited for those who quitted their jobs were due to AWOL (13.0%) and early retirement (2.3%). (Table 6)

Job Vacancies

About three of every ten vacancies are in the administrative and support service activities sub-industry

- In the second quarter of 2021, a total of 52,143 unfilled positions in various industries and occupational groups were available.
- By sector, services comprised the bulk of vacancies at 83.9 percent share followed by industry at 16.0 percent, and agriculture, forestry, and fishing at a very small 0.1 percent. (Table 3)
- Across subsectors, administrative and support service activities accounted for about 29.2 percent, followed by information and communication at 11.7 percent. Ranked next were wholesale and retail trade; repair of motor vehicles, motorcycles (11.0%); and construction (10.8%). The rest of the industries had shares of less than 10.0 percent each. (Figure 3 and Table 3)

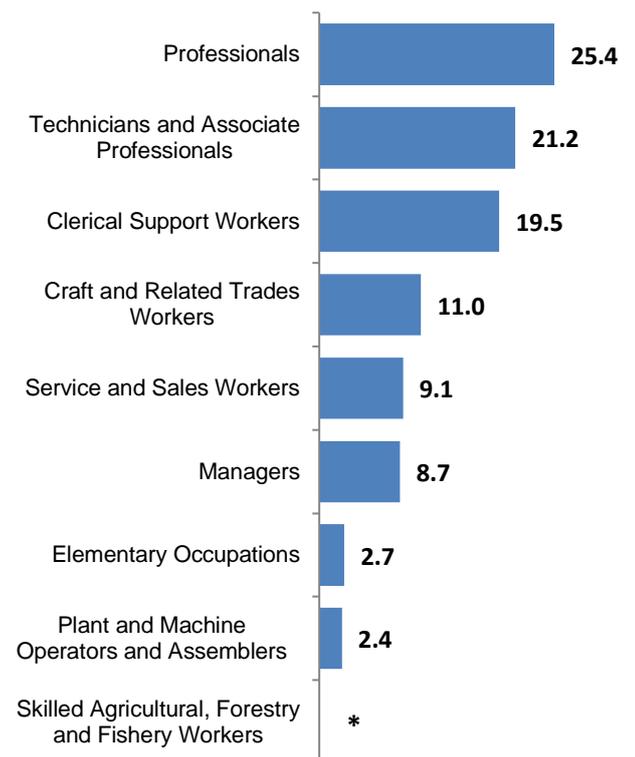
Figure 3. Top 5 Industries with Vacancies, NCR: 2nd Quarter 2021 (Final)



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

- By major occupation groups, the demand for professionals accounted for the highest share at 25.4 percent to total vacancies within the period.
- This was closely followed by technicians and associate professionals which registered 21.2 percent of the unfilled positions. Available job opportunities were those on clerical support workers (19.5%), craft and related trades workers (11.0%), service and sales workers (9.1%) and managers (8.7%). (Figure 4 and Table 4)

Figure 4. Percent Distribution of Job Vacancies by Major Occupation Group, NCR: 2nd Quarter 2021 (Final)



* Less than 0.05 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 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 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** at 462-6600 local 834
Or visit our website at <http://www.psa.gov.ph>

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

Industry	Total			Accession		Separation	
	Accession	Separation	Labor Turnover	Expansion	Replacement	Employer-Initiated	Employee-Initiated
Total	7.0	8.1	-1.2	2.2	4.7	2.9	5.3
Agriculture, Forestry, and Fishing	3.0	1.6	1.4	1.6	1.4	0.7	0.9
Industry	6.7	8.6	-1.9	2.3	4.4	5.8	2.8
Mining and Quarrying	2.8	1.6	1.1	1.3	1.5	0.4	1.3
Manufacturing	3.6	5.8	-2.2	1.0	2.6	2.7	3.1
Electricity, Gas, Steam and Air Conditioning Supply	10.3	8.1	2.2	3.6	6.7	7.4	0.7
Water Supply; Sewerage Waste Management and Remediation Activities	4.1	2.2	2.0	0.6	3.5	0.2	1.9
Construction	9.1	11.4	-2.3	3.4	5.7	8.7	2.8
Services	7.1	8.1	-1.0	2.2	4.9	2.1	6.0
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	4.5	5.2	-0.6	1.2	3.3	1.5	3.7
Transportation and Storage	3.8	5.0	-1.2	1.4	2.5	2.0	3.0
Accommodation and Food Service Activities	3.4	5.7	-2.3	0.7	2.7	2.0	3.7
Information and Communication	7.5	6.4	1.1	3.8	3.7	1.4	5.0
Financial and Insurance Activities	3.6	3.0	0.6	1.2	2.4	0.5	2.5
Real Estate Activities	3.7	4.7	-1.0	0.9	2.8	0.5	4.2
Professional, Scientific and Technical Activities	5.9	4.7	1.2	2.7	3.2	0.5	4.2
Administrative and Support Service Activities	10.6	12.0	-1.3	3.1	7.5	2.9	9.1
Education	2.2	9.1	-6.9	0.6	1.7	5.6	3.5
Human Health and Social Work Activities	4.5	5.2	-0.7	0.8	3.7	0.9	4.3
Arts, Entertainment and Recreation	0.3	1.8	-1.5	0.2	0.2	0.4	1.4
Other Service Activities	1.4	3.0	-1.6	0.1	1.2	0.2	2.7

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: 2nd Quarter 2021

Industry	Number	Percent Share (%)
ALL INDUSTRIES	52,143	100.0
Agriculture, Forestry, and Fishing	72	0.1
Industry	8,321	16.0
Mining and Quarrying	29	0.1
Manufacturing	2,348	4.5
Electricity, Gas, Steam and Air Conditioning Supply	30	0.1
Water Supply; Sewerage Waste Management and Remediation Activities	298	0.6
Construction	5,615	10.8
Services	43,750	83.9
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	5,748	11.0
Transportation and Storage	2,899	5.6
Accommodation and Food Service Activities	1,096	2.1
Information and Communication	6,124	11.7
Financial and Insurance Activities	1,820	3.5
Real Estate Activities	3,569	6.8
Professional, Scientific and Technical Activities	2,707	5.2
Administrative and Support Service Activities	15,249	29.2
Education	1,589	3.0
Human Health and Social Work Activities	2,799	5.4
Arts, Entertainment and Recreation	27	0.1
Other Service Activities	123	0.2

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

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

Table 4 - Number and Percent Distribution of Job Vacancies in Establishments with 20 or More Workers by Major Occupation Group, Philippines: 2nd Quarter 2021

Major Occupation Group	Number	Percent Share (%)
ALL OCCUPATION	52,143	100.0
Managers	4,550	8.7
Professionals	13,260	25.4
Technicians and Associate Professionals	11,047	21.2
Clerical Support Workers	10,143	19.5
Service and Sales Workers	4,722	9.1
Skilled Agricultural, Forestry and Fishery Workers	2	*
Craft and Related Trades Workers	5,720	11.0
Plant and Machine Operators and Assemblers	1,272	2.4
Elementary Occupations	1,416	2.7

* Less than 0.05 percent.

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

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

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: 2nd Quarter 2021

Reasons for Layoff and Displacement/Dismissal (Employer-Initiated Separations)	Number of Employees	Percent Share (%)
TOTAL	63,433	100.0
Business Condition	36,695	57.8
Lack of Market	400	0.6
Financial Loss	501	0.8
Reorganization	366	0.6
Mergers/Change in Management	77	0.1
Project Completion/End of Contract	23,382	36.9
Automation/Modernization/installation of labor-saving devices	125	0.2
Retrenchment/Downsizing	10,704	16.9
Closing or Cessation of Operations	270	0.4
Due to COVID-19 Pandemic	371	0.6
Others	499	0.8
Management prerogative towards disciplinary action	15,453	24.4
Absence Without Leave (AWOL)	9,653	15.2
Serious misconduct or Willful disobedience	3,174	5.0
Gross and habitual neglect of duties	875	1.4
Fraud or willful breach of trust	304	0.5
Commission of crime or offense	170	0.3
Other	1,278	2.0
Other Reasons	11,285	17.8
Failure rating on performance	4,653	7.3
Failure to meet agency/establishment's standards	2,287	3.6
Health reasons	4,292	6.8
Others	53	0.1

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

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

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: 2nd Quarter 2021

Reasons for Quits (Employee-Initiated Separations)	Number of Employees	Percent Share (%)
TOTAL	117,322	100.0
AWOL	15,303	13.0
Retirement	2,662	2.3
Resignation	99,357	84.7
Personal issues	46,857	39.9
Hired by another company	30,507	26.0
Family considerations	10,416	8.9
To study	3,417	2.9
To work abroad	1,845	1.6
Career growth/put up own business	1,486	1.3
Health Issues	1,329	1.1
Due to Covid-19 Pandemic	689	0.6
Death	361	0.3
Others	2,450	2.1

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

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