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LABOR TURNOVER STATISTICS

(in large enterprises in Metro Manila)

Second Quarter 2015

The Labor Turnover Survey (LTS) is a quarterly sample survey of enterprises conducted by the Philippine Statistics Authority (PSA) since the third quarter of 2002. The survey aims to capture "job creations" and "job displacements" in large business enterprises based in Metro Manila by collecting quarterly data on accessions and separations of workers.

A total of 921 enterprises served as respondents to the Second Quarter 2015 Labor Turnover Survey. The sample enterprises were drawn from the 2013 NCR List of Enterprises of the PSA, which was updated by the 2013 LTS sampling frame. The retrieval rate for this quarter was placed at 99.2%.

Large enterprises in Metro Manila registered anew positive growth in employment

- Employment growth in large enterprises in Metro Manila remained positive in the second quarter of 2015.

Positive performance recorded during the period was mainly contributed by the agriculture and services sectors offsetting the employment cutbacks in the industry sector.

Twelve workers per 1,000 employed added in the enterprise workforce

- Measured in terms of labor turnover rate, employment growth for the second quarter of 2015 was posted at 1.15% - a modest increase compared with the less than one percent growth recorded a year ago at 0.88%. (Table 2)
- In particular, accession rate (10.75%) surpassed separation rate (9.59%), a labor turnover rate

or percentage point difference of 1.15%. This suggests an addition of 12 workers per 1,000 employed: 108 workers per 1,000 employed were added to the enterprise workforce due to expansion or replacement while 96 workers per 1,000 employed were laid off or quit their jobs. (Table 1)

Employment gain led by the services sector

- Among the major sectors, services posted the highest employment growth at 1.52%. This was supported by the employment increment in all the services sub-sectors during the quarter. Strong growth was noted in private education (3.65%); human health and social work activities (2.95%); financial and insurance activities (2.67%); arts, entertainment and recreation (2.19%); and accommodation and food service activities (2.03%). (Table 1)
- Modest gain was observed in wholesale and retail trade, repair of motor vehicles, motorcycles (1.72%); other service activities

(1.47%); transportation and storage (1.28%); and professional, scientific and technical activities (1.24%).

- The rest likewise posted employment growth but at less than one percent.

Employment reduction in industry sector due to sharp decline in construction

- Industry employment edged down (-1.59%) during the quarter brought about by the large job losses in construction (-4.50%) together with manufacturing (-0.77%); and electricity, gas, steam and air conditioning supply (-0.62%). (*Table 1*)
- Expansion took place in mining in quarrying (9.16%) and water supply, sewerage, waste management and remediation activities (2.66%).

Moderate growth observed in agriculture sector employment

- Employment increased slightly in agriculture, forestry and fishing (1.02%). (*Table 1*)

Replacement rate more than three times that of expansion rate

The bulk of the hiring during the quarter was primarily shared by accession due to replacement of workers (8.20%) while the rest was contributed by accession due to expansion of business activities (2.55%). (*Table 1*)

- Twelve industry groups had higher accession due to replacement than accession due to expansion. This was most apparent in

administrative and support service activities (12.87% vs. 2.55%); wholesale and retail trade, repair of motor vehicles, motorcycles (9.60% vs. 1.24%); arts, entertainment and recreation (7.03% vs. 2.36%); human health and social work activities (6.28% vs. 1.98%); and real estate activities (5.69% vs. 2.15%).

- However, six industry groups registered higher accession rates due to expansion of business activities than replacement of workers: construction (15.12% vs. 7.13%); mining and quarrying (7.88% vs. 6.67%); water supply, sewerage, waste management and remediation activities (3.63% vs. 0.73%); transportation and storage (3.46% vs. 2.12%); professional, scientific and technical activities (3.05% vs. 2.38%); and other service activities (2.58% vs. 1.92%).

Separation of workers mostly employee-initiated

Employee-initiated separations or quits (5.41%) bested employer-initiated separations (4.18%) or layoffs. (*Table 1*)

- More quits than layoffs were noted in ten sub-sectors but most evident in administrative and support service activities (9.97% vs. 4.48%); real estate activities (6.45% vs. 0.75%); human health and social work activities (4.45% vs. 0.87%); and information and communication (4.29% vs. 1.64%).
- In contrast, the remaining eight sub-sectors had more layoffs than quits. These were most noticeable in construction (22.81% vs. 3.94%); and private education (10.96% vs. 3.17%).

FOR INQUIRIES

Regarding this report, contact **EMPLOYMENT DEMAND STATISTICS DIVISION** at telefax no. 376-1952

Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 462-6600 local 834

Or visit our website at <http://www.labstat.psa.gov.ph>

**TABLE 1 - Labor Turnover Rates in Agricultural and Non-Agricultural Enterprises
by Major Industry Group, National Capital Region: 2nd Quarter 2015**

MAJOR INDUSTRY GROUP	Total			Accession		Separation	
	Accession	Separation	Percent Difference	Expansion	Replacement	Employee-Initiated	Employer-Initiated
ALL INDUSTRIES	10.75	9.59	1.15	2.55	8.20	5.41	4.18
Agriculture	4.90	3.88	1.02	1.24	3.66	1.41	2.47
Agriculture, forestry and fishing	4.90	3.88	1.02	1.24	3.66	1.41	2.47
Industry	9.94	11.52	(1.59)	5.30	4.64	3.13	8.39
Mining and quarrying	14.55	5.39	9.16	7.88	6.67	1.74	3.65
Manufacturing	4.98	5.76	(0.77)	1.26	3.73	2.95	2.80
Electricity, gas, steam and air conditioning supply	1.43	2.05	(0.62)	0.25	1.19	1.09	0.96
Water supply; sewerage, waste management and remediation activities	4.36	1.70	2.66	3.63	0.73	1.07	0.63
Construction	22.24	26.74	(4.50)	15.12	7.13	3.94	22.81
Services	10.88	9.35	1.52	2.18	8.69	5.73	3.62
Wholesale and retail trade; repair of motor vehicles and motorcycles	10.84	9.11	1.72	1.24	9.60	3.94	5.17
Transportation and storage	5.57	4.30	1.28	3.46	2.12	1.01	3.29
Accommodation and food service activities	6.25	4.22	2.03	1.23	5.02	3.22	1.01
Information and communication	6.06	5.94	0.12	2.51	3.55	4.29	1.64
Financial and insurance activities	5.37	2.71	2.67	1.09	4.28	1.21	1.49
Real estate activities	7.84	7.20	0.64	2.15	5.69	6.45	0.75
Professional, scientific and technical activities	5.44	4.20	1.24	3.05	2.38	3.73	0.46
Administrative and support service activities	15.42	14.45	0.97	2.55	12.87	9.97	4.48
Education	17.78	14.13	3.65	8.76	9.02	3.17	10.96
Human health and social work activities	8.27	5.32	2.95	1.98	6.28	4.45	0.87
Arts, entertainment and recreation	9.39	7.20	2.19	2.36	7.03	2.57	4.62
Other service activities	4.49	3.02	1.47	2.58	1.92	2.37	0.65

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

Source of data: Philippine Statistics Authority, Labor Turnover Survey.

**TABLE 2 – Labor Turnover Rates by Year and Quarter,
National Capital Region: 2008–2nd Quarter 2015**

YEAR/QUARTER	Accession Rate	Separation Rate	Labor Turnover Rate (Percent Difference)
<u>2015</u>			
1 st Quarter	10.70	10.17	0.53
2 nd Quarter	10.75	9.59	1.15
<u>2014</u>			
1 st Quarter	10.06	9.47	0.59
2 nd Quarter	11.47	10.59	0.88
3 rd Quarter	13.11	10.76	2.35
4 th Quarter	9.31	8.29	1.02
<u>2013</u>			
1 st Quarter	7.49	7.51	(0.02)
2 nd Quarter	8.77	6.28	2.49
3 rd Quarter	8.37	5.99	2.38
4 th Quarter	8.86	5.64	3.22
<u>2012</u>			
1 st Quarter	8.10	7.47	0.63
2 nd Quarter	8.93	8.08	0.85
3 rd Quarter	8.43	6.08	2.35
4 th Quarter	8.14	5.67	2.47
<u>2011</u>			
1 st Quarter	11.36	9.47	1.89
2 nd Quarter	8.60	10.65	(2.05)
3 rd Quarter	11.05	8.55	2.51
4 th Quarter	10.38	8.50	1.88
<u>2010</u>			
1 st Quarter	10.23	11.11	(0.88)
2 nd Quarter	13.52	10.66	2.86
3 rd Quarter	12.11	7.88	4.22
4 th Quarter	12.56	8.51	4.05
<u>2009</u>			
1 st Quarter	9.29	9.02	0.27
2 nd Quarter	9.74	7.53	2.21
3 rd Quarter	9.99	9.62	0.37
4 th Quarter	8.48	7.43	1.05
<u>2008</u>			
1 st Quarter	12.23	7.46	4.76
2 nd Quarter	10.56	8.57	1.99
3 rd Quarter	11.05	9.00	2.05
4 th Quarter	9.14	8.45	0.69

*Note: Labor turnover rate may not equal to the difference of accession rate and separation rate due to rounding.
Source of data: Philippine Statistics Authority, Labor Turnover Survey.*