

Accession Rate

- For the first quarter of 2008, **accession rate was placed at 12.23%**. Accessions are additions to employment during the quarter. *Accession rate is derived by dividing total accession by total employment.*
- **The highest accession rate at 23.69% was recorded in real estate, renting and business activities with the** booming business process outsourcing (BPO) sector accounting for most of the hiring. Construction, likewise, yielded a high accession rate at 20.08% followed by mining and quarrying (14.98%), hotels and restaurants (14.24%) and wholesale and retail trade (10.82%). On the other hand, the lowest accession rates were observed in agriculture, hunting and forestry (3.39%); electricity, gas and water supply (1.87%); and private education services (1.66%).
- **Accession rate was primarily attributed to replacement of separated workers and job quitters at 7.88%** while 4.35% was due to expansion of business activities.

Separation Rate

- For the same quarter, **separation rate was recorded at 7.46%**. Separations are terminations of employment or quits that occurred during the period. *Separation rate is derived by dividing total separations by total employment.*
- **Construction posted the highest separation rate across sub-sectors at 19.24%**. Hotels and restaurants ranked far second (11.86%) and followed closely by real estate, renting and business activities (11.02%). The lowest separation rates were noted in manufacturing (2.46%); agriculture, hunting and forestry (2.37%); and mining and quarrying (1.92%)
- Separation rate was caused almost evenly by employer-initiated reasons (3.86%) and employee-initiated separations (3.61%).

Labor Turnover (Accessions vs. Separations)

- **Overall, labor turnover in large enterprises in Metro-Manila continued to be on the uptrend** in the first quarter of 2008 amid the economic slowdown brought about by the unabated increase in food and fuel prices and US-led global recession. As noted earlier, accession rate (12.23%) outpaced separation rate (7.46%) which indicates a net turnover rate or **employment growth rate of 4.76%**.
- Translated in nominal terms, results of the survey suggest **a net addition to the enterprises workforce of about 48 workers per 1,000 employed** during the quarter. This occurred as 122 workers were hired per 1,000 employed as against 75 workers separated per 1,000 employed.
- Nine (9) sub-sectors managed to post employment gains vis-à-vis five (5) sub-sectors which suffered employment cutbacks. **The main growth drivers were mining and quarrying (13.06%) and real estate, renting and business activities (12.67%)**. Meanwhile, the five sub-sectors which suffered employment losses were: electricity, gas and water (-7.05%); private education services

(-1.08%); other community, social and personal service activities (-0.77%); fishing (-0.45%); and private health and social work (-0.06%).

Note: Starting the first quarter of 2008, the sample size of the LTS has been expanded from 500 to 737 large enterprises to better reflect industry representation. Moreover, survey data from hereon are no longer sample rates but are weighted to come up with population estimates. Hence, the first quarter 2008 data represent a break in the data series and are no longer comparable with the previous years.

**Table 1 - LABOR TURNOVER RATE BY SECTOR,
NATIONAL CAPITAL REGION: 1st QUARTER 2008**

SECTOR	Number of Samples	Labor Turnover Rate (%)		
		Accession Rate	Separation Rate	Percent Difference
<u>All Sectoral Groups</u>	<u>2,883</u>	<u>12.23</u>	<u>7.46</u>	<u>4.76</u>
Agriculture, Fishery and Forestry	22	4.23	4.12	0.10
Agriculture, Hunting and Forestry	12	3.39	2.37	1.01
Fishing	10	4.74	5.20	(0.45)
Industry	850	9.67	6.70	2.97
Mining and Quarrying	23	14.98	1.92	13.06
Manufacturing	658	6.32	2.46	3.86
Electricity, Gas and Water Supply	28	1.87	8.92	(7.05)
Construction	141	20.08	19.24	0.84
Services	2,011	13.46	7.85	5.61
Wholesale and Retail Trade and Related Services	1,056	10.82	9.10	1.72
Hotels and Restaurants	102	14.24	11.86	2.38
Transport, Storage and Communications	159	5.59	3.34	2.25
Financial Intermediation	194	4.96	3.27	1.69
Real Estate, Renting and Business Activities	394	23.69	11.02	12.67
Private Education Services	21	1.66	2.74	(1.08)
Health and Social Work (Private)	22	4.86	4.92	(0.06)
Other Community, Social and Personal Service Activities	63	9.38	10.15	(0.77)

**Table 2 - ACCESSION AND SEPARATION RATES BY REASON
NATIONAL CAPITAL REGION: 1st QUARTER 2008**

INDICATOR	Rate (%)
Accession Rate	12.23
Due to Expansion	4.35
Due to Replacement	7.88
Separation Rate	7.46
Employee-Initiated	3.61
Employer-Initiated	3.86

**Table 3 - LABOR TURNOVER RATE BY YEAR AND QUARTER,
NATIONAL CAPITAL REGION: 3rd QTR. 2002 – 1st QTR. 2008**

YEAR/QUARTER	Labor Turnover Rate (%)		
	Accession Rate	Separation Rate	Percent Difference
OLD SERIES (Based on sample data)			
<u>2002</u>			
3 rd Quarter	5.96	6.19	(0.22)
4 th Quarter	5.98	5.07	0.91
<u>2003</u>			
1 st Quarter	6.12	6.06	0.06
2 nd Quarter	6.85	6.70	0.15
3 rd Quarter	6.52	7.92	(1.40)
4 th Quarter	7.79	6.38	1.42
<u>2004</u>			
1 st Quarter	5.88	6.11	(0.24)
2 nd Quarter	7.34	5.47	1.87
3 rd Quarter	8.16	6.53	1.63
4 th Quarter	7.12	6.23	0.89
<u>2005</u>			
1 st Quarter	7.91	7.70	0.21
2 nd Quarter	9.95	7.34	2.61
3 rd Quarter	8.47	8.55	(0.08)
4 th Quarter	8.30	7.10	1.20
<u>2006</u>			
1 st Quarter	9.20	8.43	0.77
2 nd Quarter	8.94	7.21	1.72
3 rd Quarter	9.84	7.87	1.97
4 th Quarter	8.91	7.27	1.64
<u>2007</u>			
1 st Quarter	9.21	7.65	1.56
2 nd Quarter	11.31	7.75	3.57
3 rd Quarter	11.16	7.84	3.31
4 th Quarter	10.20	7.33	2.87
<u>2008</u>			
1 st Quarter	11.05	7.60	3.45
REVISED SERIES (Based on population estimates)			
<u>2008</u>			
1 st Quarter	12.23	7.46	4.76

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Source of data: Bureau of Labor and Employment Statistics, Labor Turnover Survey.