

LABOR TURNOVER STATISTICS: Second Quarter 2008 (In large enterprises in Metro Manila)

The Labor Turnover Survey (LTS) is a quarterly sample survey of enterprises conducted by the Bureau of Labor and Employment Statistics 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. The number of respondents was composed of 500 large enterprises in Metro Manila which were drawn from the List of Top 5,000 Enterprises in the Philippines.

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. For the second quarter, it was narrowed down to 709 due to ineligible samples with no replacements (retrieval rate was 98.17% or 696 sample enterprises). Moreover, survey data are no longer sample rates but are weighted to come up with population estimates. Hence, the first quarter 2008 data onwards represent a break in the data series and are no longer comparable with the previous years.

Accession Rate

- **Accession rate was posted at 10.56%** in the second quarter of 2008. Accessions are additions to employment during the quarter. *Accession rate is derived by dividing total accession by total employment.*

- By sub-sector, **construction registered the highest accession rate at 18.93%**. It was followed by hotels and restaurants (15.83%) and real estate, renting and business activities (14.62%) ranking second and third, respectively.



High accession rates were also recorded in wholesale and retail trade and related services (13.51%); and other community, social and personal service activities (10.74%). Meanwhile, fishery (2.54%) and electricity, gas and water supply (2.13%) had the lowest accession rates.

- By reason, **accession due to replacement of separated workers and job quitters (6.68%) continued to edge out** accession due to expansion of business activities (3.88%).

Separation Rate

- **Separation rate was reported at 8.57% during the same period.** Separations are terminations of employment or quits that occurred during the period. *Separation rate is derived by dividing total separations by total employment.*

- By sub-sector, **the highest separation rate likewise occurred in construction at 22.05%**. Mining and quarrying came in second (16.81%) closely followed by private education services (16.09%). On the other hand, fishery (3.03%) and



electricity, gas and water supply (1.26%) also obtained the lowest separation rates including agriculture, hunting and forestry at 1.88%.

- Separation was still attributed to reasons initiated by employees (4.56%) though nearly the same proportion was employer-initiated (4.01%).

Labor Turnover (Accessions vs. Separations)



- Overall, large enterprises covered in this survey managed to experience positive employment growth at 1.99% during the second quarter of 2008 as accession rate

(10.56%) surpassed separation rate (8.57%). This means that about 20 workers per 1,000 employed were added to the workforce of these enterprises.

- However, the growth in employment is much slower compared with 4.76% registered in the first quarter.
- Employment continued to grow in all but four (4) sub-sectors. The highest growth rate was noted in real estate, renting and business services (4.65%) and hotels and restaurants (4.39%). Meanwhile, the four sub-sectors which suffered slump in employment were: private education services (-8.76%); mining and quarrying (-6.84%); construction (-3.11%); and fishing (-0.49%). Employment level remained unchanged in manufacturing.

FOR INQUIRIES:

Regarding this report contact **EMPLOYMENT AND MANPOWER STATISTICS DIVISION** at 527-3000 loc. 312/313
 Regarding other statistics and technical services contact **BLES DATABANK** at 527-3000 loc. 317
 Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**
 FAX **527-93-24** E mail: bles_dole@yahoo.com or blesemsd@yahoo.com
 Or visit our website at <http://www.bles.dole.gov.ph>

**Table 1 - LABOR TURNOVER RATE BY SECTOR,
NATIONAL CAPITAL REGION: 2nd QUARTER 2008**

SECTOR	Number of Samples	Labor Turnover Rate (%)		
		Accession Rate	Separation Rate	Percent Difference
ALL SECTORS	2,745^a	10.56	8.57	1.99
Agriculture, Fishery and Forestry	21	4.47	2.34	2.13
Agriculture, Hunting and Forestry	16	5.78	1.88	3.90
Fishing	5	2.54	3.03	(0.49)
Industry	839	7.54	8.49	(0.95)
Mining and Quarrying	23	9.97	16.81	(6.84)
Manufacturing	663	3.87	3.87	0.00
Electricity, Gas and Water Supply	25	2.13	1.26	0.87
Construction	129	18.93	22.05	(3.11)
Services	1,885	11.64	8.66	2.97
Wholesale and Retail Trade and Related Services	903	13.51	11.90	1.62
Hotels and Restaurants	94	15.83	11.44	4.39
Transport, Storage and Communications	181	5.31	4.23	1.09
Financial Intermediation	211	6.02	4.15	1.86
Real Estate, Renting and Business Activities	390	14.62	9.96	4.65
Private Education Services	21	7.34	16.09	(8.76)
Health and Social Work (Private)	22	6.68	5.28	1.40
Other Community, Social and Personal Service Activities	63	10.74	9.95	0.79

^a Details may not add up to total due to rounding of figures.

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

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

INDICATOR	Rate (%)
Accession Rate	10.56
Due to Expansion	3.88
Due to Replacement	6.68
Separation Rate	8.57
Employee-Initiated	4.56
Employer-Initiated	4.01

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

**Table 3 - LABOR TURNOVER RATE BY YEAR AND QUARTER,
NATIONAL CAPITAL REGION: 3rd QTR. 2002 – 2nd QTR. 2008**

YEAR/QUARTER	Labor Turnover Rate (%)		
	Accession Rate	Separation Rate	Percent Difference
REVISED SERIES (Based on population estimates)			
<u>2008</u>			
1 st Quarter	12.23	7.46	4.76
2 nd Quarter	10.56	8.57	1.99
OLD SERIES (Based on sample data)			
<u>2008</u>			
1 st Quarter	11.05	7.60	3.45
<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>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>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>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>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>2002</u>			
3 rd Quarter	5.96	6.19	(0.22)
4 th Quarter	5.98	5.07	0.91

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. For the second quarter, it was narrowed down to 709 due to ineligible samples with no replacements. Moreover, survey data are no longer sample rates but are weighted to come up with population estimates. Hence, the first quarter 2008 data onwards represent a break in the data series and are no longer comparable with the previous years.

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