

## LABOR TURNOVER STATISTICS

(in establishments with 20 or more workers)

Philippines: Second Quarter 2018

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 until 2017. The survey covered enterprises located at the National Capital Region (NCR) only.

Starting the 1<sup>st</sup> quarter of 2018, the LTS covers the establishments based within and outside the National Capital Region. The survey aims to capture "job creations" and "job displacements" in business establishments in the Philippines by collecting quarterly data on accessions and separations of workers.

This report is the second issue on labor turnover statistics with nationwide coverage. A total of 5,469 establishments served as respondents to the second quarter round of the 2018 Labor Turnover Survey. The sample establishments were drawn from the 2017 List of Establishments.

### Employment in establishments goes up on the second quarter of 2018

- The overall growth of employment in all establishments was recorded at 1.7 percent during the period which was higher than the previous quarter (1.6%). This rate denoted that in every 1,000 persons employed, 17 workers were added to the estimated total employment of 4.3 million during the quarter.
- The accession rate of 11.0 percent meant that in every 1,000 employed, an additional 110 workers were hired due to either expansion of business (5.5%) or replacement of separated workers (5.5%). On the other hand, the separation rate of 9.3 percent indicated that 93 workers were either laid off (3.7%) or voluntarily left their jobs (5.6%). (Table 1)

Table 1: Labor Turnover Rate, Philippines:  
1<sup>st</sup> and 2<sup>nd</sup> Quarter 2018

Indicator	Rate <sup>F</sup> (%)	
	1 <sup>st</sup> Q	2 <sup>nd</sup> Q
Accession Rate (%)	9.3	11.0
Separation Rate (%)	7.7	9.3
Labor Turnover Rate (%)	1.6	1.7

F – Final.

Source: PSA, Labor Turnover Survey.

### Industry sector still takes the lead in employment gain

- During the period, the industry sector registered the highest employment growth at 3.9 percent as all industries under this sector posted positive turnover rates. A remarkable increase was observed in manufacturing industry at 4.9 percent followed by construction at 1.3 percent. Meanwhile, turnover rates of less than one percent were recorded in electricity, gas, steam, and air conditioning supply (0.9%);



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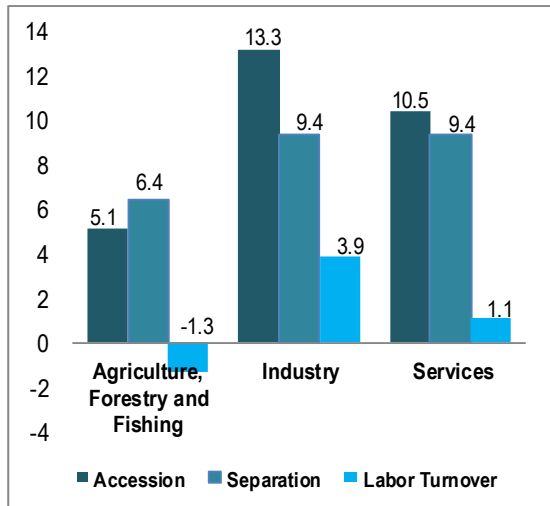
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mining and quarrying (0.7%); and water supply, sewerage waste management and remediation activities (0.1%). (Figure 1)

- Employment gain was also noted in services sector at 1.1 percent. The major contributors under this sector were wholesale and retail trade; repair of motor vehicles, motorcycles (3.7%); education (2.4%); other service activities (2.3%); information and communication (1.9%); and transportation and storage (1.8%). However, decline in employment in this sector occurred in accommodation and food services activities (2.1%); arts, entertainment and recreation (0.8%); and administrative and support service activities (0.2%).
- In agriculture, forestry and fishing sector, separation rate (6.4%) outpaced the accession rate (5.1%) which resulted to a negative labor turnover of 1.3 percent. This was a reversal from previous quarter's employment gain of 2.0 percent.

**FIGURE 1 - Labor Turnover Rates by Major Sector, Philippines: 2nd Quarter 2018**



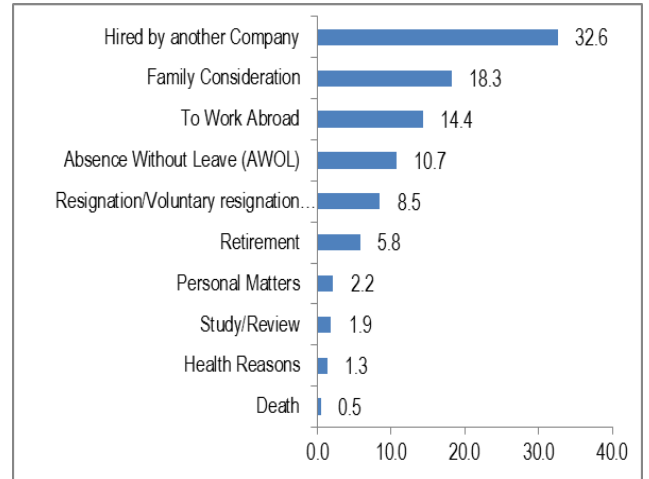
Source: PSA, Labor Turnover Survey.

**Reasons behind the separation of workers**

- Most of the reasons why employees quit their jobs were: hired by

another company (32.6%); family consideration (18.3%); to work abroad (14.4%); and AWOL or absence without leave (10.7%). (Figure 2)

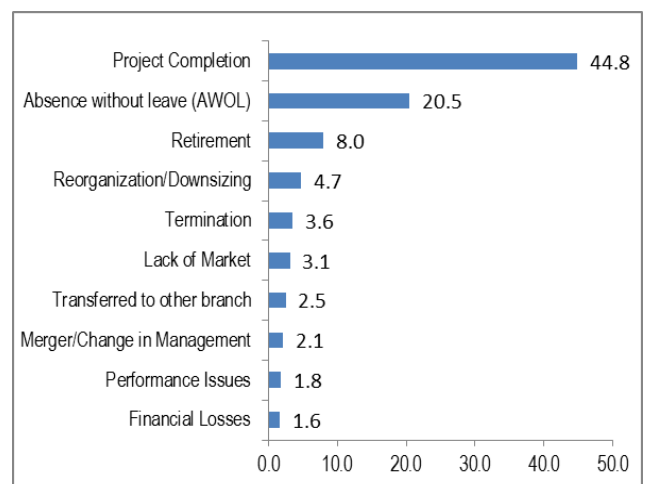
**FIGURE 2 – Reasons for Employee-Initiated Separations, Philippines: 2nd Quarter 2018**



Source: PSA, Labor Turnover Survey.

- Separations initiated by the employers or termination were mostly because of project completion at 44.8 percent; absence without leave at 20.5 percent; and retirement at 8.0 percent. (Figure 3)

**FIGURE 3 – Reasons for Employer-Initiated Separations, Philippines: 2nd Quarter 2018**

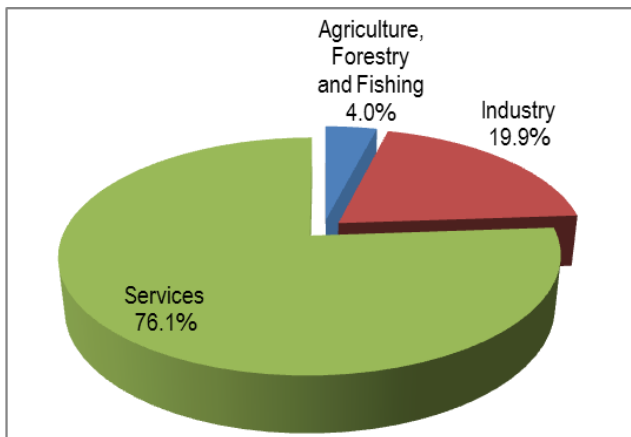


Source: PSA, Labor Turnover Survey.

**Services sector posts the highest number of job vacancies**

- The total number of job vacancies recorded for the second quarter of 2018 was 219,022, lower by 2.22 percent than the previous quarter’s record of 223,993.
- The bulk of the total job openings were offered by the services sector at 76.1 percent (166,713). Industry sector posted 19.9 percent share (43,536) while the remaining 4 percent (8,773) was in agriculture,

**FIGURE 4 – Job Vacancies by Major Sector, Philippines: 2nd Quarter 2018**

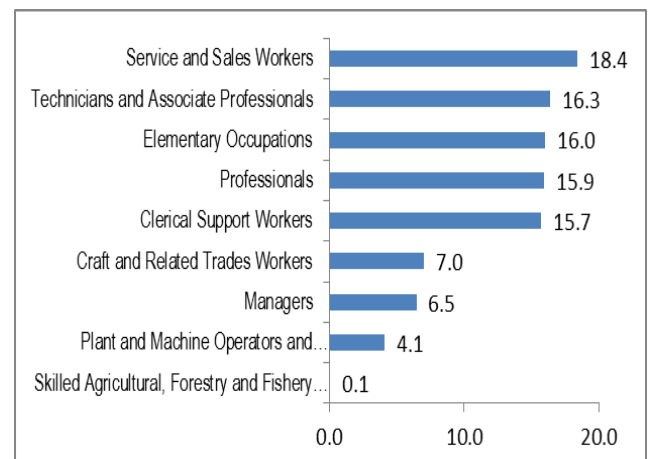


Source: PSA, Labor Turnover Survey.

fishing and forestry sector. (Figure 4 and Table 3)

- By major occupation, service and sales workers accounted for the highest share to total job vacancies at 18.4 percent (40,216). This was followed by technicians and associate professionals at 16.3 percent (35,802); elementary occupations at 16.0 percent (35,016); professionals at 15.9 percent (34,871), and clerical support workers at 15.7 percent (34,395). (Figure 5 and Table 4)

**FIGURE 5 – Job Vacancies by Major Occupation Group, Philippines: 2nd Quarter 2018**



Source: PSA, 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) 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** - Changes in the employment of an establishment during a reference period resulting from accessions and separations of worker.

**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.psa.gov.ph>

**Table 2 - Labor Turnover Rates in Agricultural and Non-Agricultural Establishments  
by Major Industry, Philippines: 2nd Quarter 2018  
(Final Results)**

Industry	Total			Accession		Separation	
	Accession	Separation	Percent Difference	Expansion	Replacement	Employee-Initiated	Employer-Initiated
<b>Total</b>	<b>11.0</b>	<b>9.3</b>	<b>1.7</b>	<b>5.5</b>	<b>5.5</b>	<b>5.6</b>	<b>3.7</b>
<b>Agriculture, Forestry, and Fishing Industry</b>	<b>5.1</b>	<b>6.4</b>	<b>(1.3)</b>	<b>2.3</b>	<b>2.8</b>	<b>2.7</b>	<b>3.8</b>
Mining and Quarrying	8.0	7.2	0.7	5.2	2.8	2.4	4.9
Manufacturing	14.8	9.9	4.9	7.9	6.9	6.7	3.5
Electricity, Gas, Steam and Air Conditioning Supply	2.8	1.9	0.9	1.8	1.0	1.1	0.8
Water Supply; Sewerage Waste Management and Remediation Activities	4.5	4.5	0.1	3.0	1.5	1.8	2.8
Construction	11.6	10.3	1.3	5.2	6.4	4.2	6.1
<b>Services</b>	<b>10.5</b>	<b>9.4</b>	<b>1.1</b>	<b>5.2</b>	<b>5.3</b>	<b>5.7</b>	<b>3.7</b>
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	12.0	8.4	3.7	4.4	7.7	6.0	2.4
Transportation and Storage	5.3	3.4	1.8	3.3	2.0	2.4	1.1
Accommodation and Food Service Activities	8.8	10.9	(2.1)	3.7	5.1	6.0	4.9
Information and Communication	7.9	6.1	1.9	4.2	3.7	4.9	1.2
Financial and Insurance Activities	7.4	6.9	0.5	1.8	5.6	3.6	3.3
Real Estate Activities	5.6	4.1	1.5	2.6	3.0	3.0	1.2
Professional, Scientific and Technical Activities	8.3	7.2	1.1	1.3	7.0	4.2	3.0
Administrative and Support Service Activities	11.8	12.0	(0.2)	7.9	3.9	6.9	5.1
Education	14.5	12.1	2.4	6.1	8.5	7.2	4.9
Human Health and Social Work Activities	7.6	6.5	1.1	3.0	4.5	5.2	1.3
Arts, Entertainment and Recreation	5.3	6.1	(0.8)	3.4	2.0	2.7	3.4
Other Service Activities	5.2	2.9	2.3	2.5	2.6	2.2	0.8

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 2nd Quarter 2018.

**Table 3 – Number of Job Vacancies in Establishments with 20 or More Workers by Major Industry Group, Philippines: 2nd Quarter 2018**

Industry	Number
<b>ALL INDUSTRIES</b>	<b>219,022</b>
<b>Agriculture, Forestry, and Fishing Industry</b>	<b>8,773</b>
Mining and Quarrying	553
Manufacturing	33,886
Electricity, Gas, Steam, Air Conditioning Supply	982
Water Supply; Sewerage Waste Management and Remediation Services	2,202
Construction	5,913
<b>Services</b>	<b>166,713</b>
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	38,594
Transportation and Storage	5,033
Accommodation and Food Service Activities	11,473
Information and Communication	4,167
Financial and Insurance Activities	25,173
Real Estate Activities	1,446
Professional, Scientific and Technical Activities	8,132
Administrative and Support Service Activities	47,540
Education	13,315
Human Health and Social Work Activities	10,798
Arts, Entertainment and Recreation	543
Other Service Activities	497

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

*Source: Philippine Statistics Authority, Labor Turnover Survey, 2nd Quarter 2018.*

**Table 4 – Number of Job Vacancies in Establishments with 20 or More Workers by Major Occupation Group, Philippines: 2nd Quarter 2018**

Major Occupation Group	Number
<b>ALL OCCUPATION</b>	219,022
Managers	14,142
Professionals	34,871
Technicians and Associate Professionals	35,802
Clerical Support Workers	34,395
Service and Sales Workers	40,216
Skilled Agricultural, Forestry and Fishery Workers	186
Craft and Related Trade Workers	15,428
Plant and Machine Operators and Assemblers	8,967
Elementary Occupations	35,016

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

*Source: Philippine Statistics Authority, Labor Turnover Survey, 2nd Quarter 2018.*