

2017 LABOR TURNOVER STATISTICS

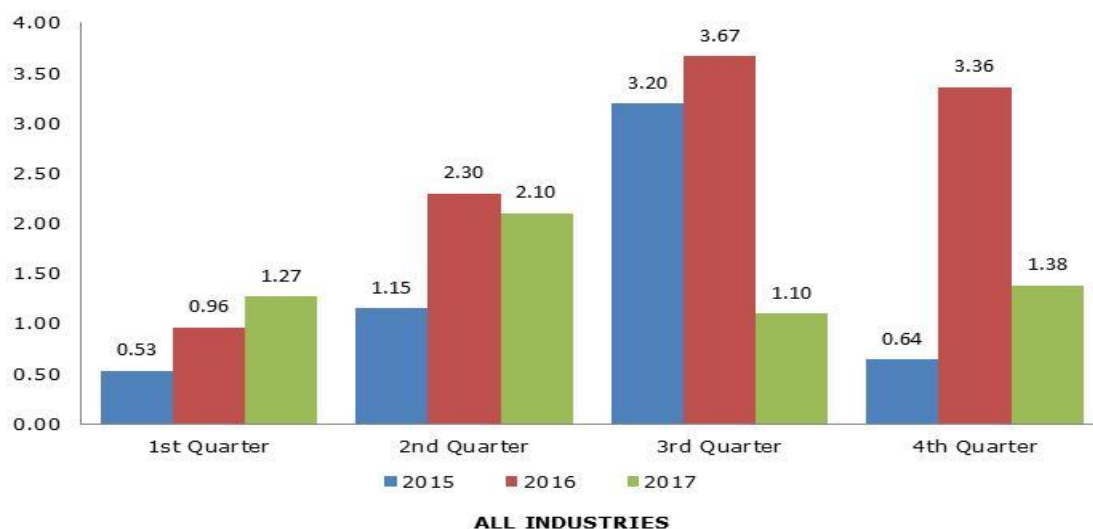
(in enterprises in Metro Manila)

This LABSTAT Updates is a special issue that presents the highlights of the quarterly Labor Turnover Survey (LTS) for 2017. 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 displacement" in business enterprises based in Metro Manila by collecting quarterly data on accessions and separations of workers. A total of 1,372 enterprises served as respondents in all quarter rounds of the 2017 Labor Turnover Survey. The sample enterprises were drawn from the 2016 NCR List of Enterprises.

Employment continues to grow positively in 2017

- The overall employment in large enterprises based in Metro Manila showed positive performances in all quarters of 2017. (Figure 1 and Table 1)
- In 2017, the turnover rate on employment for all industries was lowest in the third quarter at 1.10 percent and highest in the second quarter at 2.10 percent.
- The apparent positive performance has been subsequently observed in the past three (3) years, as accession rates consistently exceeded separation rates from 2015 to 2017.
- The labor turnover rates for services sector also sustained its positive growth for the past three years. On the contrary, the agriculture and industry sectors showed varying trends during the period.

FIGURE 1 - Quarterly Labor Turnover Rates, NCR: 2015 - 2017

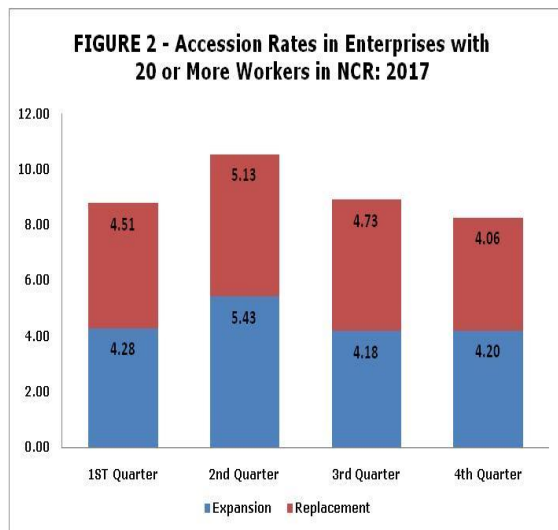


Thirteen to twenty-one persons per 1,000 employed are added to the enterprise workforce

- In 2017, the quarter-to-quarter labor turnover rates indicated that for every 1,000 employed the following numbers of persons were added in the total workforce of all industries: 13 (1st quarter); 21 (2nd quarter); 11 (3rd quarter); and 14 (4th quarter).

Expansion and replacement of workers both create job openings

- The high accession rates during the period were attributed to business expansion during the 2nd quarter and 4th quarter registered at 5.43 percent and 4.20 percent, respectively. On the other hand, rate of accession due to replacement of separated workers were recorded during the 1st quarter at 4.51 percent and 3rd quarter at 4.73 percent. (Figure 2)



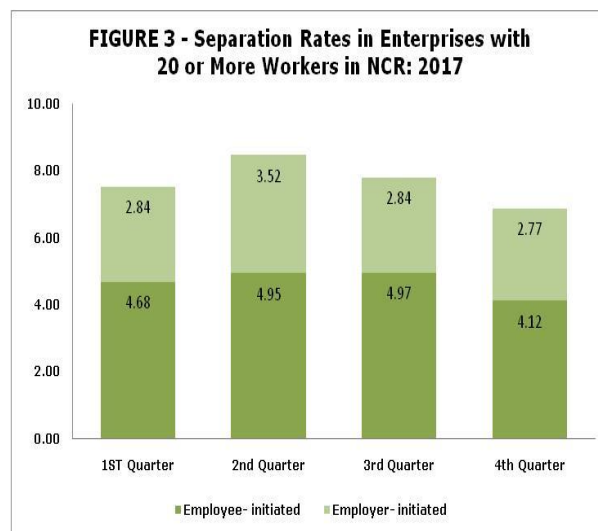
Source: PSA, Labor Turnover Survey.

- Among industries, mining and quarrying topped in terms of accession due to expansion of business activities for all the quarters in 2017. The rates ranged from 9.04 percent (3rd quarter) to 20.56 percent (4th quarter).
- On the other hand, wholesale and retail trade; repair of motor vehicles,

motorcycles posted the highest accession rate due to replacement of separated workers which were occurred in following quarters of the year: 9.43 percent (2nd quarter); 8.12 percent (3rd quarter); and 7.76 percent (4th quarter).

Separations are mainly initiated by workers

- Employment losses in 2017 were largely comprised of employee-initiated separations (job quitters) ranging from 4.12 percent (4th quarter) to 4.97 percent (3rd quarter). Meanwhile, employer-initiated (lay-offs/terminations) were accounted from 2.84 percent (1st and 3rd quarters) to 3.52 percent (2nd quarters). (Figure 3)



Source: PSA, Labor Turnover Survey.

- All of the industries under the services sector registered more quits than lay-offs in all quarters of 2017. The top three (3) industries in terms of employee-initiated separations were: administrative and support service activities (6.32% to 6.95%); wholesale and retail trade, repair of motor vehicles, motorcycles (5.63% to 6.51%); and information and communication (3.75% to 5.99%).

Industry sector leads in the overall employment growths

- Relative to other sectors, labor turnover rates in the industry sector have been consistently higher from the first to third quarters of 2017. Employment was also up during the fourth quarter registered at 0.43 percent labor turnover rate though at a slower pace than the previous three quarters.
- Particularly, the continued positive growth under the industry sector was driven largely by mining and quarrying industry recorded in all quarters of 2017.
- Employment growth was also sustained in services sector, where highest gain was observed in the second quarter at 1.86 percent. Consistent increase in the labor turnover rate was indicated in financial and insurance activities.
- Agriculture sector on the other hand, gained in employment at declining rates from first to second quarters of the reference period. However, negative labor turnover rates were recorded in the third and fourth quarters at -0.70 percent and -4.61 percent, respectively.

Definition of Terms:

Accessions (New Hires) - refer to permanent or temporary additions to employment in the enterprise 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 1) quits or terminations initiated by the employees and 2) 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 enterprise during a reference period resulting from accessions and separations of workers.

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 1 – Labor Turnover Rates by Sector, Year and Quarter, National Capital Region: 2011 - 2017

YEAR/QUARTER	All industries	Agriculture	Industry	Services
2017				
1 st Quarter	1.27	2.50	2.84	0.94
2 nd Quarter	2.10	1.92	3.10	1.86
3 rd Quarter	1.10	(0.70)	1.38	1.05
4 th Quarter	1.38	(4.61)	0.43	1.65
2016				
1 st Quarter	0.96	1.18	2.54	0.64
2 nd Quarter	2.30	4.59	(2.11)	2.88
3 rd Quarter	3.67	(0.83)	0.98	4.03
4 th Quarter	3.36	0.66	1.70	3.58
2015				
1 st Quarter	0.53	3.63	(1.11)	0.92
2 nd Quarter	1.15	1.02	(1.59)	1.52
3 rd Quarter	3.20	0.14	1.54	3.54
4 th Quarter	0.64	(6.21)	(0.92)	0.93
2014				
1 st Quarter	0.59	8.73	0.85	0.46
2 nd Quarter	0.88	1.70	(0.68)	1.38
3 rd Quarter	2.35	(0.19)	2.45	2.34
4 th Quarter	1.02	(2.65)	(0.54)	1.39
2013				
1 st Quarter	(0.02)	1.84	4.67	(1.00)
2 nd Quarter	2.49	0.01	5.52	3.34
3 rd Quarter	2.38	1.16	3.07	2.25
4 th Quarter	3.22	2.30	0.84	3.70
2012				
1 st Quarter	0.63	(1.04)	1.13	0.54
2 nd Quarter	0.85	0.86	0.24	0.99
3 rd Quarter	2.35	(0.43)	0.98	2.66
4 th Quarter	2.47	(0.86)	1.63	2.65
2011				
1 st Quarter	1.89	1.46	4.84	0.99
2 nd Quarter	(2.05)	(0.75)	2.34	(3.02)
3 rd Quarter	2.51	(0.45)	2.30	2.56
4 th Quarter	1.88	0.19	(1.17)	2.57

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

Table 2 - Accession and Separation Rates in Enterprises with 20 or More Workers in the National Capital Region: 2017

MAJOR INDUSTRY GROUP	1ST Quarter				2nd Quarter				3rd Quarter				4th Quarter			
	Accession		Separation		Accession		Separation		Accession		Separation		Accession		Separation	
	Expansion	Replacement	Employee-initiated	Employer-initiated	Expansion	Replacement	Employee-initiated	Employer-initiated	Expansion	Replacement	Employee-initiated	Employer-initiated	Expansion	Replacement	Employee-initiated	Employer-initiated
ALL INDUSTRIES	4.28	4.51	4.68	2.84	5.43	5.13	4.95	3.52	4.18	4.73	4.97	2.84	4.20	4.06	4.12	2.77
Agriculture	4.27	1.74	1.05	2.45	3.97	1.78	1.13	2.70	2.21	1.20	0.95	3.17	1.19	0.68	1.09	5.39
Agriculture, forestry and fishing	4.27	1.74	1.05	2.45	3.97	1.78	1.13	2.70	2.21	1.20	0.95	3.17	1.19	0.68	1.09	5.39
Industry	5.57	2.96	2.56	3.13	6.80	3.72	3.53	3.89	5.20	3.15	3.46	3.51	4.55	2.14	3.03	3.23
Mining and quarrying	11.59	9.27	2.55	3.43	12.27	5.34	1.84	5.87	9.04	3.84	7.35	3.18	20.56	2.46	2.01	10.85
Manufacturing	4.48	3.53	2.69	1.44	4.77	4.50	2.56	2.82	3.56	3.62	3.31	1.65	3.03	1.80	3.78	1.52
Electricity, gas, steam and air conditioning supply	0.87	0.82	1.26	0.40	0.72	1.08	1.17	0.43	0.92	1.43	0.99	0.70	0.81	0.76	0.85	1.07
Water supply; sewerage, waste management and remediation activities	4.30	1.57	2.06	1.66	4.47	1.44	5.69	1.23	4.06	0.36	2.10	0.33	1.27	1.68	1.34	0.15
Construction	7.17	2.06	2.50	5.73	9.72	2.88	5.02	5.55	7.68	2.69	3.68	6.51	6.24	2.74	2.21	5.56
Services	4.01	4.85	5.14	2.78	5.11	5.49	5.31	3.43	3.97	5.10	5.33	2.69	4.14	4.54	4.39	2.64
Wholesale and retail trade; repair of motor vehicles and motorcycles	3.66	8.23	6.51	4.26	4.47	9.47	6.19	3.80	2.87	8.12	5.72	4.81	2.69	7.76	5.63	3.07
Transportation and storage	3.06	1.31	1.90	1.39	2.06	4.08	2.21	2.00	3.67	2.53	2.34	1.33	2.84	1.61	1.86	1.39
Accommodation and food service activities	1.73	5.01	4.96	0.93	7.76	4.73	3.62	3.56	2.63	2.63	4.83	0.74	3.82	2.98	2.92	0.41
Information and communication	4.56	2.79	4.08	0.49	4.80	3.27	5.99	5.33	4.07	3.90	4.96	0.28	2.83	3.30	3.75	0.99
Financial and insurance activities	2.55	3.84	3.55	0.41	3.15	3.10	3.38	0.14	3.66	2.95	3.16	0.37	3.93	2.39	2.30	0.30
Real estate activities	1.53	3.33	3.93	0.42	3.87	4.55	4.32	0.85	3.14	3.87	4.54	0.22	1.93	2.46	2.77	2.22
Professional, scientific and technical activities	2.55	2.60	3.66	0.68	2.54	3.79	4.95	0.85	3.12	2.66	4.68	0.27	2.79	1.56	2.44	0.73
Administrative and support service activities	6.98	4.80	6.90	4.98	8.30	4.04	6.95	5.95	6.26	5.94	7.67	4.22	7.63	5.20	6.32	5.24
Education	0.99	1.43	1.30	0.42	5.00	8.22	6.24	4.56	2.46	1.76	1.88	0.73	1.27	1.23	1.33	1.05
Human health and social work activities	1.88	4.32	4.38	0.35	2.35	3.73	4.33	0.75	2.45	4.72	4.69	0.75	1.45	3.66	3.78	0.92
Arts, entertainment and recreation	1.34	1.17	1.55	0.50	0.75	2.01	1.60	0.39	1.08	1.20	1.12	0.45	1.13	1.26	0.94	0.84
Other service activities	1.83	3.03	3.40	2.34	4.51	6.70	5.57	0.97	1.69	3.77	4.96	0.94	1.48	3.41	3.27	1.56

Note: Labor turnover rate may not equal to the differences of accession rate and separation rate due to rounding.

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

Table 3 - Labor Turnover Rates in Enterprises with 20 or more Workers in the National Capital Region: 2017

MAJOR INDUSTRY GROUP	1ST Quarter			2nd Quarter			3rd Quarter			4th Quarter		
	Accession	Separation	Difference*	Accession	Separation	Difference*	Accession	Separation	Difference*	Accession	Separation	Difference*
ALL INDUSTRIES	8.79	7.52	1.27	10.56	8.46	2.10	8.91	7.81	1.10	8.27	6.88	1.38
Agriculture	6.01	3.50	2.50	5.75	3.83	1.92	3.42	4.12	(0.70)	1.87	6.48	(4.61)
Agriculture, forestry and fishing	6.01	3.50	2.50	5.75	3.83	1.92	3.42	4.12	(0.70)	1.87	6.48	(4.61)
Industry	8.53	5.69	2.84	10.52	7.41	3.10	8.35	6.97	1.38	6.69	6.26	0.43
Mining and quarrying	20.86	5.98	14.88	17.60	7.71	9.89	12.88	10.53	2.34	23.02	12.86	10.16
Manufacturing	8.02	4.13	3.89	9.28	5.38	3.90	7.18	4.96	2.22	4.83	5.30	(0.47)
Electricity, gas, steam and air conditioning supply	1.69	1.66	0.03	1.81	1.60	0.21	2.35	1.69	0.66	1.57	1.92	(0.35)
Water supply; sewerage, waste management and remediation activities	5.87	3.72	2.15	5.92	6.92	(1.00)	4.42	2.42	1.99	2.95	1.49	1.46
Construction	9.23	8.23	1.00	12.60	10.56	2.04	10.36	10.19	0.17	8.98	7.77	1.21
Services	8.86	7.92	0.94	10.60	8.75	1.86	9.07	8.02	1.05	8.68	7.04	1.65
Wholesales and retail trade; repair of motor vehicles and motorcycles	11.90	10.77	1.13	13.94	9.99	3.95	10.98	10.53	0.46	10.45	8.69	1.76
Transportation and storage	4.37	3.29	1.08	6.14	4.21	1.93	6.20	3.67	2.53	4.44	3.24	1.20
Accommodation and food service activities	6.74	5.90	0.84	12.49	7.18	5.32	5.26	5.57	(0.31)	6.80	3.34	3.47
Information and communication	7.34	4.57	2.78	8.07	11.32	(3.26)	7.98	5.25	2.73	6.13	4.73	1.39
Financial and insurance activities	6.40	3.96	2.43	6.25	3.52	2.73	6.61	3.53	3.08	6.32	2.60	3.72
Real estate activities	4.86	4.35	0.51	8.42	5.17	3.25	7.00	4.75	2.25	4.39	4.99	(0.59)
Professional, scientific and technical activities	5.15	4.34	0.81	6.33	5.80	0.53	5.78	4.95	0.83	4.35	3.17	1.18
Administrative and support service activities	11.78	11.89	(0.11)	12.34	12.91	(0.57)	12.20	11.88	0.32	12.82	11.56	1.26
Education	2.42	1.72	0.70	13.22	10.79	2.43	4.18	2.61	1.57	2.50	2.38	0.12
Human health and social work activities	6.20	4.73	1.47	6.08	5.08	1.01	7.17	5.44	1.73	5.11	4.69	0.41
Arts, entertainment and recreation	2.51	2.05	0.46	2.76	1.99	0.77	2.29	1.57	0.72	2.39	1.79	0.60
Other service activities	4.86	5.75	(0.89)	11.21	6.54	4.67	5.46	5.90	(0.44)	4.89	4.83	0.06

Note: Labor turnover rate may not equal to the differences of accession rate and separation rate due to rounding.

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