



PRESS RELEASE

Labor Turnover Statistics: third and fourth quarters of 2019

Date of Release: 07 August 2020

Reference No. 2020-193

Employment in NCR across establishments registered a positive growth in the second half of 2019

Employment in establishments located in NCR continued to expand in the second semester of 2019. Measured in terms of the percent difference between accession rate and separation rate, employment growth or labor turnover rate was placed at 2.8 percent in the third quarter, and continued to improve at 1.9 percent in the fourth quarter.

TABLE 1. Labor Turnover Rate, Philippines: 3rd and 4th Quarters, 2019

Indicator	2019	
	Q3	Q4
Accession Rate	8.6	6.6
Separation Rate	5.9	4.7
Labor Turnover Rate	2.8	1.9

Source: Philippine Statistics Authority.

More specifically, accession rates for these periods were posted at 8.6 percent and 6.6 percent, respectively. This implied that 86 workers in the third quarter, while 66 workers in the fourth quarter were hired for business expansion or replacement of separated workers per 1,000 employed. On the other hand, separation rate indicated that 59 and 47 workers per 1000 employed were either laid-off or quit their jobs in the third and fourth quarters, respectively.

Services sector sustained employment creation over the period

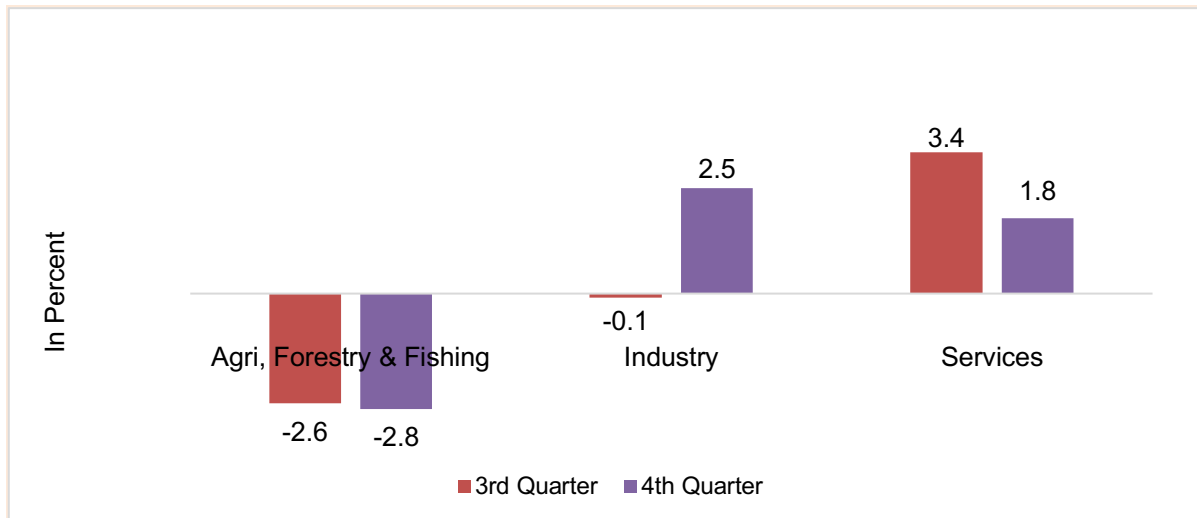
By sector, agriculture, forestry and fishing registered a negative labor turnover rate in both quarters: -2.6 percent in the third quarter, and -2.8 percent in the fourth quarter.

Employment losses were also observed in the industry sector at -0.1 percent in the third quarter but it accelerated to 2.5 percent positive growth in the last quarter. The decline in labor turnover rate in the third quarter



was mainly due to the reduction of workers in electricity, gas, steam and air conditioning supply (-13.4%) followed by manufacturing (-1.8%).

FIGURE 1. Labor Turnover Rates by Sector, National Capital Region: 3rd and 4th Quarter 2019



Source: Philippine Statistics Authority.

Meanwhile, only the services sector exhibited a consistently increasing employment growth in both quarters (3.4% and 1.8%, respectively). Substantial increase in employment in the last quarter of 2019 was noted in other service activities at 4.8 percent. This was followed by accommodation and food service activities (2.9%); administrative and support service activities (2.6%); arts, entertainment and recreation (2.5%); professional, scientific and technical activities (2.1%) and information and communication (2.0%). In contrast, decline in employment were noted in financial and insurance activities at -1.3 percent and education at -0.1 percent. (Table 2)

DENNIS S. MAPA, Ph.D.

Undersecretary

National Statistician and Civil Registrar General

TABLE 2. Labor Turnover Rates in Agricultural and Non-Agricultural Establishments
By Major Industry, Philippines: 3rd and 4th Quarter 2019

Industry	3rd Quarter			4th Quarter		
	Accession	Separation	Percent Difference	Accession	Separation	Percent Difference
Total	8.6	5.9	2.8	6.6	4.7	1.9
Agriculture, Forestry, and Fishing	2.3	4.9	-2.6	2.3	5.1	-2.8
Industry	5.7	5.8	-0.1	5.7	3.2	2.5
Mining and Quarrying	2.1	2.4	-0.3	5.1	4.3	0.8
Manufacturing	4.5	6.3	-1.8	5.4	3.4	2.1
Electricity, Gas, Steam and Air Conditioning Supply	0.9	14.3	-13.4	1.3	1.5	-0.1
Water Supply; Sewerage Waste Management and Remediation Activities	6.1	3.7	2.4	3.1	2.0	1.1
Construction	9.5	3.8	5.7	7.1	3.1	4.0
Services	9.3	5.9	3.4	6.8	5.0	1.8
Accommodation and Food Service Activities	10.3	6.6	3.7	8.7	5.8	2.9
Administrative and Support Service Activities	12.8	6.6	6.2	9.6	7.0	2.6
Arts, Entertainment and Recreation	5.7	3.6	2.0	6.1	3.6	2.5
Professional, Scientific and Technical Activities	6.1	5.5	0.6	5.7	3.5	2.1
Information and Communication	6.0	7.8	-1.8	5.1	3.1	2.0
Transportation and Storage	5.7	5.1	0.7	4.4	2.6	1.9
Human Health and Social Work Activities	7.3	6.3	1.0	5.8	4.3	1.5
Real Estate Activities	10.9	5.5	5.5	5.5	4.1	1.4
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	7.0	5.1	1.9	4.8	4.0	0.8
Education	6.1	2.8	3.3	2.4	2.5	-0.1
Financial and Insurance Activities	5.7	4.3	1.4	3.2	4.5	-1.3
Other Service Activities	7.3	11.7	-4.4	9.0	4.2	4.8

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 3rd and 4th Quarter 2019.

TECHNICAL NOTES

The Labor Turnover Survey (LTS) is being conducted by PSA to come up with timely information on labor market trends in the formal sector of the economy in which the items of inquiry have been limited to employment, labor turnover and existing job vacancies. Labor turnover statistics, as a measure of labor demand, provides policy and decision makers complementary data on labor supply which helps them in examining and analyzing the labor market situation of the nation's economy.

Starting 2019, the LTS was conducted in a semi-annual frequency covering only establishments with 20 or more workers located in the National Capital Region (NCR). Using the establishment as the unit of enumeration, the survey sampling frame was extracted from the preliminary 2018 List of Establishments (LE) as of 08 January 2019. The survey covers 18 to 21 major industries classified according to the amended 2009 Philippine Standard Industrial Classification (PSIC). A total of 1,209 sub-samples from the original 2,469 establishments in the first semester of 2019 survey round were selected as samples for the third and fourth quarter round of 2019 LTS. Re-computation of samples for the second half of the survey year was done due to budgetary constraint.

This Press Release features the final results of the survey based on the 65.5 percent and 61.2 percent response rates for all industries covered during the third and fourth quarter of 2019, respectively. A more detailed analysis on the survey results will be posted thru the LABSTAT Updates one month after.

DEFINITION OF TERMS AND CONCEPTS

1. **Labor Turnover** – refers to the changes in the employment of an establishment resulting from accessions, and separations.
2. **Accessions (New Hires)** - refer to permanent or temporary additions to employment in the establishment due to (a) expansion of business activity and, (b) replacement of separated workers and employment resulting from changes in methods/technology of production or service.
3. **Separations** - refer to terminations of employment due to the following:
 - a) Quits or terminations initiated by employees; and
 - b) Layoffs or terminations initiated by 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).