

## LABOR TURNOVER STATISTICS

(in Metro Manila enterprises)  
Fourth Quarter 2015

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 displacements" in business enterprises based in Metro Manila by collecting quarterly data on accessions and separations of workers.

A total of 921 enterprises served as respondents to the fourth quarter round of the 2015 Labor Turnover Survey. The sample enterprises were drawn from the 2013 NCR List of Enterprises. The retrieval rate for this quarter was placed at 99.0%.

### **Employment accelerated anew in Metro Manila-based enterprises**

- Measured in terms of labor turnover rate or percent difference between accession rate and separation rate, employment growth in Metro Manila-based enterprises remained positive at 0.62% during the fourth quarter of 2015 - lower than the 1.02% employment growth rate posted in the same quarter of the previous year. (Table 1)
- Sluggish employment was due mainly to employment reduction in the agriculture sector and industry sector particularly in mining and quarrying. (Table 2)
- Thirteen (13) industries posted positive labor turnover rates while only five (5) industries recorded negative labor turnover rates.

### **Six workers per 1,000 employed are added in the enterprise workforce**

- During this quarter, turnover rate on employment (0.62%) indicated an increase of six workers per 1,000

employed persons in all industries. (Table 2)

- The accession rate of 8.5% exceeded separation rate of 7.88%. This means that 85 workers per 1,000 employed were added to the enterprise workforce due to either expansion or replacement while 79 workers per 1,000 employed were laid off or quit their jobs.

### **Employment increased in industries under the services sector**

- The average employment growth of all industries under the services sector was posted at 0.93%. Remarkable increase in labor turnover rates occurred in professional, scientific and technical activities (5.42%); transportation and storage (2.81%); administrative and support service activities (2.10%); and real estate activities (1.88%).
- Downturn in employment was posted in the industry sector by 0.92% which can be attributed to the significant decrease in mining and quarrying (-14.10%) and construction (-3.89%).

- The employment in the agriculture sector also went down by 6.21%.

### **Enterprises hired new ones greatly to replace separated employees**

- The accession rate of 8.5% during the quarter was primarily contributed by replacement of workers at 4.8%. Moreover, accession due to expansion of business activities recorded a lower rate of 3.7%.
- Eight (8) industry groups recorded higher accession rates due to replacement than expansion. This was most apparent in education (6.34% vs. 1.33%); wholesale and retail trade, repair of motor vehicles and motorcycles (8.93% vs. 4.37%); and accommodation and food service activities (3.58% vs. 0.38%).
- On the other hand, ten (10) industry groups registered higher accession rates due to expansion of business activities than replacement of workers with absolute differences ranging from 0.41% to 4.69%.

### **Separation of workers was dominant in mining and quarrying industry**

- Mining and quarrying industry posted the highest separation rate at 17.90%. This was comprised mostly of employer-initiated separations or layoffs at 16.51% due to end of contracts.
- Similarly, more workers in the construction industry were laid-off (12.30%) than those who gave up their jobs (2.59%) during the period under review. This industry posted the second highest separation rate at 14.89%.
- Wholesale and retail trade, repair of motor vehicles and motorcycles posted the third highest separation rate of 12.72%, of which 8.63% was employer-initiated.
- On the other hand, more quitters than laid-off workers were reported in some industries. On top of the list were other service activities (3.93% vs. 0.37%); human health and social work activities (3.31% vs. 1.25%); and real estate activities (1.74% vs. 0.82%).

### **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 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 enterprise during a reference period resulting from accessions and separations of worker.

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#### **FOR INQUIRIES**

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Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 462-6600 local 834  
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**TABLE 1 – Labor Turnover Rates by Year and quarter,  
National Capital Region: 2008–Fourth Quarter 2015**

<b>YEAR/QUARTER</b>	<b>Accession Rate</b>	<b>Separation Rate</b>	<b>Labor Turnover Rate (Percent Difference)</b>
<b><u>2015</u></b>			
1 <sup>st</sup> Quarter	10.70	10.17	0.53
2 <sup>nd</sup> Quarter	10.75	9.59	1.15
3 <sup>rd</sup> Quarter	11.07	7.87	3.20
4 <sup>th</sup> Quarter	8.50	7.88	0.62
<b><u>2014</u></b>			
1 <sup>st</sup> Quarter	10.06	9.47	0.59
2 <sup>nd</sup> Quarter	11.47	10.59	0.88
3 <sup>rd</sup> Quarter	13.11	10.76	2.35
4 <sup>th</sup> Quarter	9.31	8.29	1.02
<b><u>2013</u></b>			
1 <sup>st</sup> Quarter	7.49	7.51	(0.02)
2 <sup>nd</sup> Quarter	8.77	6.28	2.49
3 <sup>rd</sup> Quarter	8.37	5.99	2.38
4 <sup>th</sup> Quarter	8.86	5.64	3.22
<b><u>2012</u></b>			
1 <sup>st</sup> Quarter	8.10	7.47	0.63
2 <sup>nd</sup> Quarter	8.93	8.08	0.85
3 <sup>rd</sup> Quarter	8.43	6.08	2.35
4 <sup>th</sup> Quarter	8.14	5.67	2.47
<b><u>2011</u></b>			
1 <sup>st</sup> Quarter	11.36	9.47	1.89
2 <sup>nd</sup> Quarter	8.60	10.65	(2.05)
3 <sup>rd</sup> Quarter	11.05	8.55	2.51
4 <sup>th</sup> Quarter	10.38	8.50	1.88
<b><u>2010</u></b>			
1 <sup>st</sup> Quarter	10.23	11.11	(0.88)
2 <sup>nd</sup> Quarter	13.52	10.66	2.86
3 <sup>rd</sup> Quarter	12.11	7.88	4.22
4 <sup>th</sup> Quarter	12.56	8.51	4.05
<b><u>2009</u></b>			
1 <sup>st</sup> Quarter	9.29	9.02	0.27
2 <sup>nd</sup> Quarter	9.74	7.53	2.21
3 <sup>rd</sup> Quarter	9.99	9.62	0.37
4 <sup>th</sup> Quarter	8.48	7.43	1.05
<b><u>2008</u></b>			
1 <sup>st</sup> Quarter	12.23	7.46	4.76
2 <sup>nd</sup> Quarter	10.56	8.57	1.99
3 <sup>rd</sup> Quarter	11.05	9.00	2.05
4 <sup>th</sup> Quarter	9.14	8.45	0.69

**Note:** Labor turnover rate may not equal to the difference of accession rate and separation rate due to rounding.  
**Source of data:** Philippine Statistics Authority, Labor Turnover Survey.

**TABLE 2 - Labor Turnover Rates in Agricultural and Non-Agricultural Enterprises  
by Major Industry Group, National Capital Region: 4th Quarter 2015**

MAJOR INDUSTRY GROUP	Total			Accession		Separation	
	Accession	Separation	Percent Difference	Expansion	Replacement	Employee-Initiated	Employer-Initiated
<b>ALL INDUSTRIES</b>	<b>8.50</b>	<b>7.88</b>	<b>0.62</b>	<b>3.70</b>	<b>4.80</b>	<b>3.10</b>	<b>4.78</b>
<b>Agriculture</b>	<b>3.50</b>	<b>9.71</b>	<b>(6.21)</b>	<b>2.14</b>	<b>1.36</b>	<b>2.51</b>	<b>7.20</b>
Agriculture, forestry and fishing	3.50	9.71	(6.21)	2.14	1.36	2.51	7.20
<b>Industry</b>	<b>6.75</b>	<b>7.67</b>	<b>(0.92)</b>	<b>3.82</b>	<b>2.93</b>	<b>2.39</b>	<b>5.28</b>
Mining and quarrying	3.80	17.90	(14.10)	2.31	1.49	1.38	16.51
Manufacturing	5.38	4.83	0.55	2.41	2.97	2.41	2.42
Electricity, gas, steam and air conditioning supply	1.54	1.46	0.08	0.41	1.13	1.03	1.60
Water supply; sewerage, waste management and remediation activities	3.70	2.64	1.06	2.65	1.05	1.03	1.60
Construction	11.00	14.89	(3.89)	7.85	3.16	2.59	12.30
<b>Services</b>	<b>8.84</b>	<b>7.91</b>	<b>0.93</b>	<b>3.68</b>	<b>5.16</b>	<b>3.24</b>	<b>4.68</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	13.30	12.72	0.58	4.37	8.93	4.09	8.63
Transportation and storage	6.53	3.72	2.81	3.47	3.06	1.35	2.37
Accommodation and food service activities	3.96	4.18	(0.22)	0.38	3.58	2.12	2.06
Information and communication	3.56	8.08	(4.53)	2.05	1.51	2.89	5.19
Financial and insurance activities	3.65	2.65	1.00	1.21	2.44	1.57	1.08
Real estate activities	4.45	2.56	1.88	3.15	1.29	1.74	0.82
Professional, scientific and technical activities	8.67	3.25	5.42	5.55	3.12	1.88	1.38
Administrative and support service activities	11.79	9.69	2.10	6.33	5.46	4.57	5.11
Education	7.67	6.87	0.80	1.33	6.34	1.63	5.24
Human health and social work activities	5.23	4.55	0.68	1.54	3.68	3.31	1.25
Arts, entertainment and recreation	4.18	3.06	1.12	0.76	3.42	1.08	1.98
Other service activities	5.52	4.31	1.21	4.15	1.37	3.93	0.37

**Note: Details may not add up to totals or equal to differences due to rounding.  
Source of data: Philippine Statistics Authority, Labor Turnover Survey.**