

LABOR TURNOVER STATISTICS

(in establishments with 20 or more workers)
Philippines: Fourth 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 in the National Capital Region (NCR) only.

Starting the 1st quarter of 2018, the LTS covers 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 fourth issue on LTS with nationwide coverage. A total of 5,469 establishments served as respondents in the fourth quarter round of the 2018 LTS. The sample establishments were drawn from the 2017 List of Establishments.

LABOR TURNOVER RATES

Employment growth in establishments in the country posted at 0.8 percent

- The accession rate or the number of new employees hired stood at 8.0 percent out of the 4.42 million total employment for the reference quarter, surpassing the separation rate of 7.2 percent or the number of workers whose employment were terminated as percent of the total employment. Computing for the difference of the said figures yields a labor turnover rate of 0.8 percent for the period. (Table 1).
- The said labor turnover rate, which represents the employment growth or net addition (net loss) to employment, was the same as the previous quarter.
- These numbers infer that 80 persons were added to the workforce either by expansion of business activity or replacement of separated workers, while 72 workers

were either laid off/terminated or voluntarily quit their jobs resulting to a net addition of 8 workers for every 1,000 employed to the establishment workforce.

TABLE 1 - Labor Turnover Rate, Philippines: 3rd and 4th Quarters 2018 (Final)

Indicator	Rate (%)	
	3 rd Quarter	4 th Quarter
Accession Rate	9.5	8.0
Separation Rate	8.7	7.2
Labor Turnover Rate	0.8	0.8

Source: PSA, Labor Turnover Survey.

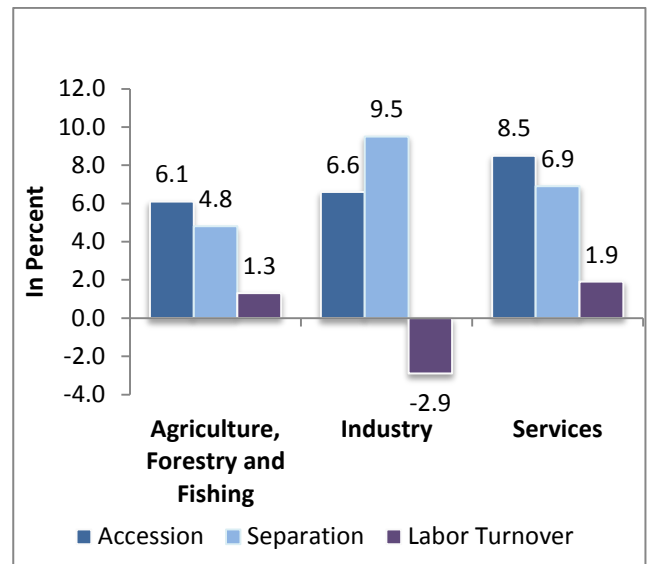
Services sector takes the lead in employment gain at 1.9%

- During this quarter the services sector registered the highest labor turnover rate at 1.9 percent. Top performers for the sector were transportation and storage (3.3%), accommodation and food service activities (3.1%), wholesale and retail trade (2.7%) and administrative and support service activities (2.5%). On the other hand, the professional, scientific and technical activities posted an employment net loss of 0.9 percent for the period while real estate activities recorded a nil labor turnover rate. (Figure 1 and Table 2)
- Employment gain was also observed in the agriculture, forestry and fishing at 1.3 percent resulting from an accession and separation rates of 6.1 percent and 4.8 percent, respectively.
- Meanwhile, a negative labor turnover rate of 2.9 percent was registered in the industry sector caused by a high separation rate of 9.5 percent and relatively low accession rate of 6.6 percent. Downturn in employment were posted in construction (-6.4%), mining and quarrying (-4.0%) and manufacturing (-2.5%).

Reasons for separations of employees

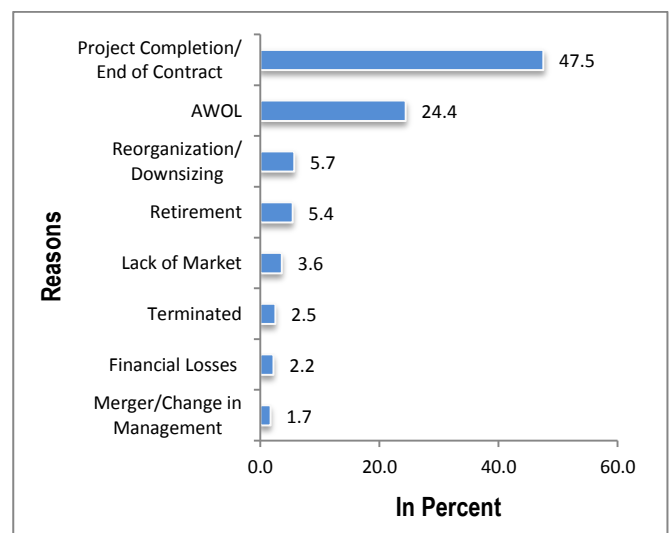
- The survey also inquired on the reasons for workers' separations during the reference period. For this quarter, the top two reasons behind the separation initiated by the employers were project completion/end of contract and absence without official leave (AWOL) with shares of 47.5 percent and 24.4 percent, respectively. More reasons given for employer-initiated separations were company reorganization/downsizing (5.7%), retirement (5.4%), lack of market (3.6%), among others. (Figure 2)

FIGURE 1 – Labor Turnover Rates by Major Sector, Philippines: 4th Quarter 2018 (Final)



Source: PSA, Labor Turnover Survey.

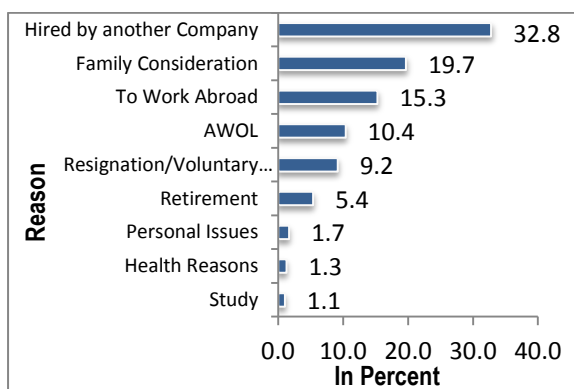
FIGURE 2 – Reasons for Employer-Initiated Separations, Philippines: 4th Quarter 2018 (Final)



Source: PSA, Labor Turnover Survey.

- On the other hand, most of the employees who voluntarily quit their jobs (employee-initiated) stated the following reasons for doing so: hired by another company (32.8%), family consideration (19.7%); plans to work abroad (15.3%); and absence without leave or AWOL (10.4%), among others. (Figure 3)

FIGURE 3 – Reasons for Employee-Initiated Separations, Philippines: 4th Quarter 2018 (Final)



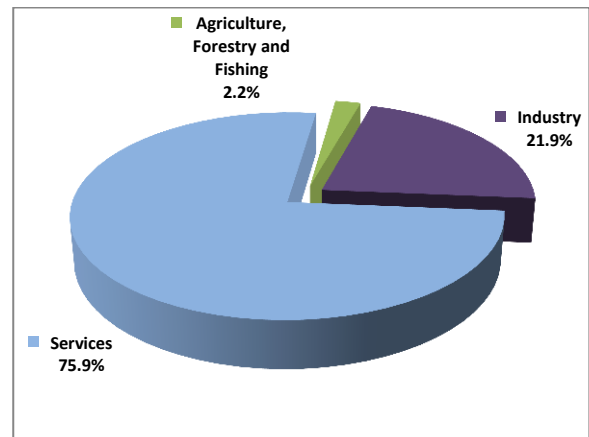
Source: PSA, Labor Turnover Survey.

JOB VACANCIES

Vacancies by major sector mostly found in the services sector

- There were 136,225 job vacancies recorded across various occupational groups in the fourth quarter of 2018. This was 14.8 percent lower than the 159,932 job vacancies posted in the previous quarter.
- By sector, about three out of four vacancies were in the services sector (75.9% or 103,398). This was followed by vacancies in the industry sector (21.9% or 29,833) and the agriculture, forestry and fishing sector with a share of 2.2 percent or 2,993 positions. (Figure 4 and Table 5)

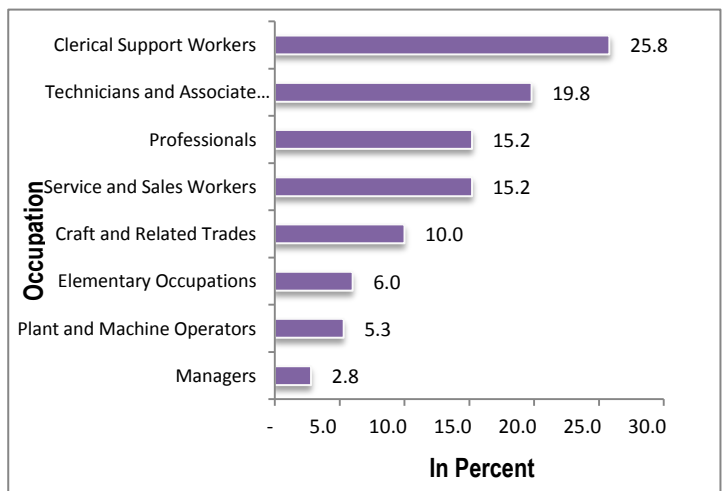
FIGURE 4 – Job Vacancies by Major Sector, Philippines: 4th Quarter 2018 (Final)



Source: PSA, Labor Turnover Survey.

- By sub-industry, bulk of the vacancies during the quarter were in administrative and support service (29.6%); manufacturing (15.6%) and wholesale and retail trade (11.5%).
- Disaggregated by occupation groups, most of the vacant positions were for clerical and support workers attaining a share of 25.8 percent (35,101). This was followed by technicians and associate professionals (19.8%), and professionals and service and sales workers, both with shares of 15.2 percent. (Figure 5 and Table 6)

FIGURE 5 – Job Vacancies by Major Occupation Group, Philippines: 4th Quarter 2018 (Final)



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 - refer to changes in the employment of an establishment during a reference period resulting from accessions and separations of workers.

Existing Job Vacancies - refer to the number of unfilled job openings at the end of the quarter which are immediately available for placement and for which active recruitment steps are being undertaken.

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

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**Table 2 - LABOR TURNOVER RATES IN AGRICULTURAL AND NON-AGRICULTURAL ESTABLISHMENTS
BY MAJOR INDUSTRY, PHILIPPINES: 4th Quarter 2018
(Final)**

Industry	Total			Accession		Separation	
	Accession	Separation	Percent Difference	Expansion	Replacement	Employee-Initiated	Employer-Initiated
Total	8.0	7.2	0.8	4.1	3.9	4.0	3.3
Agriculture, Forestry, and Fishing Industry	6.1	4.8	1.3	4.3	1.8	1.4	3.4
Mining and Quarrying	8.3	12.3	(4.0)	6.6	1.6	1.4	10.9
Manufacturing	6.4	8.9	(2.5)	3.0	3.4	3.9	5.0
Electricity, Gas, Steam and Air Conditioning Supply	2.2	1.6	0.7	1.1	1.2	0.8	0.8
Water Supply; Sewerage Waste Management and Remediation Activities	3.0	1.8	1.2	1.7	1.2	1.3	0.5
Construction	9.1	15.5	(6.4)	4.1	4.9	5.6	9.9
Services	8.5	6.6	1.9	4.5	4.1	4.1	2.5
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	9.6	6.9	2.7	2.9	6.7	4.7	2.2
Transportation and Storage	6.1	2.8	3.3	5.0	1.1	1.6	1.3
Accommodation and Food Service Activities	10.3	7.3	3.1	5.8	4.5	5.1	2.2
Information and Communication	6.5	5.7	0.8	3.7	2.8	3.7	2.0
Financial and Insurance Activities	4.3	3.4	0.8	2.1	2.2	2.4	1.0
Real Estate Activities	4.2	4.2	*	3.1	1.2	3.6	0.6
Professional, Scientific and Technical Activities	9.6	10.5	(0.9)	4.4	5.2	7.6	2.8
Administrative and Support Service Activities	11.3	8.7	2.5	6.5	4.7	4.8	3.9
Education	3.1	3.0	0.1	1.5	1.6	1.8	1.1
Human Health and Social Work Activities	5.1	4.5	0.6	2.3	2.8	4.1	0.4
Arts, Entertainment and Recreation	4.6	3.2	1.4	2.8	1.9	1.5	1.7
Other Service Activities	3.9	3.6	0.2	1.8	2.1	2.0	1.6

* Less than 0.05.

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 4th Quarter 2018.

Table 3 - Reasons for Separations Initiated by the Employers in Establishments with 20 or More Workers, Philippines: 4th Quarter 2018 (Final)

REASON	Percent Share (%)
TOTAL	100.0
Project Completion/End of Contract	47.5
Absence without Official Leave (AWOL)	24.4
Reorganization/Downsizing	5.7
Retirement	5.4
Lack of Market	3.6
Terminated	2.5
Financial Losses	2.2
Merger/Change in Management	1.7
Performance Issues	1.4
Others	5.6

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 4th Quarter 2018.

Table 4 - Reasons for Separations Initiated by the Employees in Establishments with 20 or More Workers, Philippines: 4th Quarter 2018 (Final)

REASON	Percent Share (%)
TOTAL	100.0
Hired by another Company	32.8
Family Consideration	19.7
To Work Abroad	15.3
Absence without leave (AWOL)	10.4
Resignation/Voluntary Resignation	9.2
Retirement	5.4
Personal Issues	1.7
Health Reasons	1.3
Study	1.1
Others	3.1

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 4th Quarter 2018.

**Table 5 - Number of Job Vacancies in Establishments with 20 or More Workers by Major Industry Group, Philippines: 4th Quarter 2018
(Final)**

Industry	Number	Percent Share (%)
ALL INDUSTRIES	136,225	100.0
Agriculture, Forestry, and Fishing	2,993	2.2
Industry	29,833	21.9
Mining and Quarrying	453	0.3
Manufacturing	21,266	15.6
Electricity, Gas, Steam and Air Conditioning Supply	1,471	1.1
Water Supply; Sewerage Waste Management and Remediation Activities	3,035	2.2
Construction	3,607	2.6
Services	103,398	75.9
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	15,649	11.5
Transportation and Storage	3,876	2.8
Accommodation and Food Service Activities	6,838	5.0
Information and Communication	2,876	2.1
Financial and Insurance Activities	13,251	9.7
Real Estate Activities	933	0.7
Professional, Scientific and Technical Activities	6,413	4.7
Administrative and Support Service Activities	40,351	29.6
Education	4,269	3.1
Human Health and Social Work Activities	8,125	6.0
Arts, Entertainment and Recreation	456	0.3
Other Service Activities	360	0.3

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 4th Quarter 2018.

Table 6 - Number of Job Vacancies in Establishments with 20 or More Workers by Major Occupation Group, Philippines: 4th Quarter 2018 (Final)

Major Occupation Group	Number	Percent Share (%)
ALL OCCUPATIONS	136,225	100.0
Managers	3,855	2.8
Professionals	20,684	15.2
Technicians and Associate Professionals	26,905	19.8
Clerical Support Workers	35,101	25.8
Service and Sales Workers	20,690	15.2
Skilled Agricultural, Forestry and Fishery Workers	28	*
Craft and Related Trades Workers	13,557	10.0
Plant and Machine Operators and Assemblers	7,284	5.3
Elementary Occupations	8,120	6.0

*Less than 0.05.

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 4th Quarter 2018.