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Department of Labor and Employment  
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# LABSTAT

## Updates

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## LABOR TURNOVER STATISTICS IN LARGE ENTERPRISES IN METRO MANILA: 2003-2007 (Last of a three-part series)

### OVERVIEW

*In 2002, the Bureau of Labor and Employment Statistics introduced the quarterly Labor Turnover Survey (LTS) that aims to capture "job creations" (new hires and unfilled job vacancies) and "job displacements" (separations) in large business enterprises. The survey is intended to complement the statistics on layoffs/retrenchments based on administrative records as compiled by DOLE Regional Offices and the results of the Labor Force Survey (LFS) - a household sample survey conducted quarterly by the National Statistics Office.*

*The number of respondents composed of 500 large enterprises in Metro Manila which were drawn from the List of Top 5,000 Enterprises in the Philippines. Considered as economic trend setters, these firms provide timely signals on labor demand in the formal sector of the economy.*

*Now on its fifth year, the LTS has compiled a total of 22 quarterly data points - from third quarter 2002 to fourth quarter 2007. This issue of LABSTAT Updates takes a closer look on the rise and fall of job openings over the 2003-2007 period as well as their distribution across sub-sectors.*

### Trend in Job Openings: 2003-2007

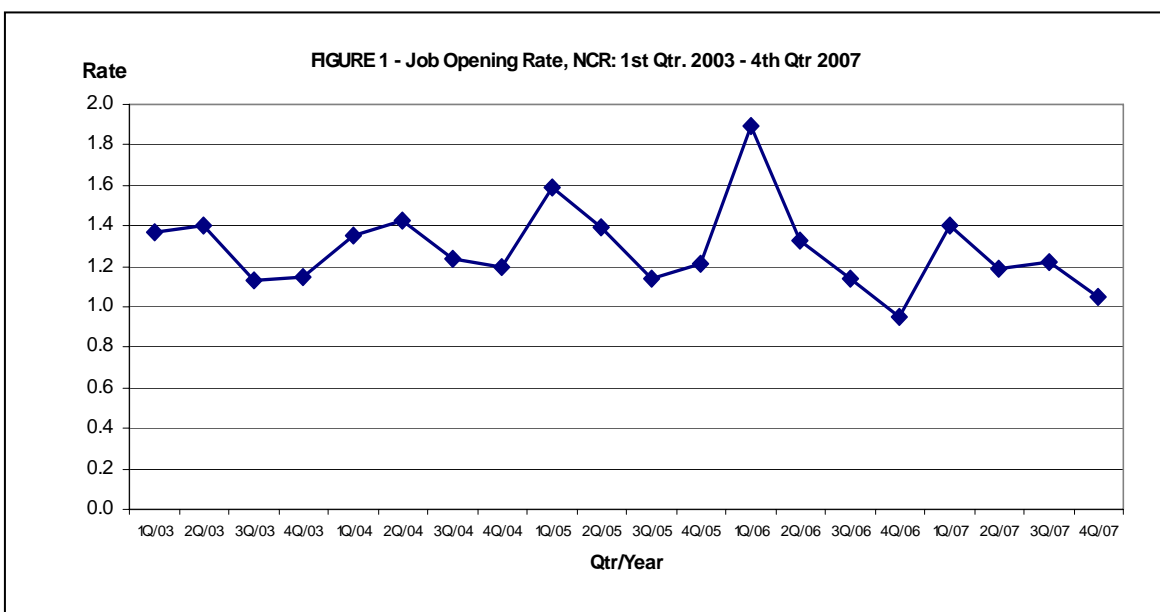
Job opening rate is one measure of the tightness of the market, i.e., the availability of unfilled jobs or unmet labor demand during a given period. Likewise, it is also an indication of job creation in the economy. Job opening rate is computed by dividing the number of job openings by the sum of employment and job openings and multiplying the quotient by 100. A higher job opening rate is an indication that more jobs are being created during the period. But this could also mean the existence of skill or labor shortage as more employers find it difficult to fill up their vacancies.

Figure 1 shows the movement of job opening rates over the five-year period 2003-2007. In general, the trend increased gradually during the first three years and dipped slightly thereafter. Specifically, the average annual job opening rates rose gradually from 1.26% in 2003 to 1.31% in 2004 and 1.33% in 2005. Thereafter, the rate fell slightly to 1.32% in 2006 and 1.21% in 2007.

Over the period, the quarter-to-quarter movement of the data series exhibited a highly volatile pattern which indicates the presence of seasonality. In general, job opening rates tended

to peak during the first or second quarters and then decline during

the third or fourth quarters of the year.



Source: BLES, LTS.

### Job Opening Rates by Sub-Sector

As can be observed in Table 2, most of the job openings created during the period occurred in enterprises in the service sector as it registered higher job opening rate compared to enterprises engaged in agriculture and industry.

The sub-sector that posted the highest average job opening rates over the five-year period were wholesale and retail trade (1.96%), financial intermediation (1.84%), and real estate, renting and business services (1.61%). Notable rates were also recorded in transport, storage and communications (1.42%) and other community, social and personal service activities (1.44%).

On the other hand, manufacturing which employed the largest number of workforce among industries covered in this survey recorded an average opening rate of less than one percent (0.57%). Very low opening rates were also observed in agriculture, fishery and forestry (0.13%), construction (0.45%) and private education (0.41%).

Over the years, the job opening rates increased in several sectors with the largest gains posted in wholesale and retail trade, financial intermediation, and transport, storage and communications.

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**TABLE 1 - Job Openings Rate in Top Enterprises  
in Metro Manila: 2003–2007**

Year/Quarter	Job Opening Rate (%)
<b>2003</b>	<b>1.26</b>
1 <sup>st</sup> Qtr.	1.37
2 <sup>nd</sup> Qtr.	1.40
3 <sup>rd</sup> Qtr.	1.13
4 <sup>th</sup> Qtr.	1.15
<b>2004</b>	<b>1.31</b>
1 <sup>st</sup> Qtr.	1.35
2 <sup>nd</sup> Qtr.	1.43
3 <sup>rd</sup> Qtr.	1.24
4 <sup>th</sup> Qtr.	1.20
<b>2005</b>	<b>1.33</b>
1 <sup>st</sup> Qtr.	1.59
2 <sup>nd</sup> Qtr.	1.39
3 <sup>rd</sup> Qtr.	1.14
4 <sup>th</sup> Qtr.	1.21
<b>2006</b>	<b>1.32</b>
1 <sup>st</sup> Qtr.	1.89
2 <sup>nd</sup> Qtr.	1.33
3 <sup>rd</sup> Qtr.	1.14
4 <sup>th</sup> Qtr.	0.95
<b>2007</b>	<b>1.21</b>
1 <sup>st</sup> Qtr.	1.40
2 <sup>nd</sup> Qtr.	1.19
3 <sup>rd</sup> Qtr.	1.22
4 <sup>th</sup> Qtr.	1.05

Source: BLES, LTS.

**TABLE 2 - Job Openings Rate in Top Enterprises  
in Metro-Manila by Major Industry Group: 2003–2007**

Major Industry Group	JOB OPENINGS RATE (%)					
	2003-2007 Average	2003	2004	2005	2006	2007
<b>All Industries</b>	<b>1.29</b>	<b>1.26</b>	<b>1.31</b>	<b>1.33</b>	<b>1.32</b>	<b>1.21</b>
Agriculture, Fishery and Forestry	0.09	0.03	0.00	0.00	0.38	0.03
<b>Industry</b>						
Mining and Quarrying	1.68	0.84	0.26	0.00	2.32	4.99
Manufacturing	0.61	0.57	0.46	0.46	0.76	0.81
Electricity, Gas and Water Supply	0.76	0.67	2.37	0.29	0.26	0.20
Construction	0.41	1.31	0.00	0.22	0.30	0.20
<b>Service</b>						
Wholesale and Retail Trade	1.66	1.94	1.66	2.10	1.16	1.45
Hotels and Restaurants	1.11	1.18	0.51	0.24	1.43	2.21
Transport, Storage and Communications	1.56	1.10	2.13	1.31	1.30	1.96
Financial Intermediation	1.77	1.41	1.58	2.64	2.09	1.11
Real Estate, Renting and Business Services	1.63	2.30	2.28	0.74	2.32	0.53
Private Education	0.89	0.00	0.00	1.54	0.00	7.93
Health and Social Work	0.51	0.83	1.29	0.15	0.24	0.03
Other Community, Social and Personal Service Activities	1.25	2.11	0.15	1.92	1.88	0.20

Source: BLES, LTS.