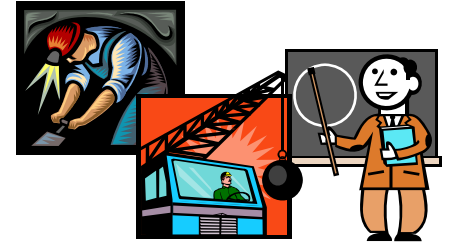


## LABOR TURNOVER STATISTICS: Second Quarter 2009 (IN LARGE ENTERPRISES IN METRO MANILA)



The Labor Turnover Survey (LTS) is a quarterly sample survey of enterprises conducted by the Bureau of Labor and Employment Statistics since the third quarter of 2002. The survey aims to capture "job creations" and "job displacements" in large business enterprises based in Metro Manila by collecting quarterly data on accessions and separations of workers.

The number of respondents was composed of about 700 large enterprises in Metro Manila which were drawn from the 2007 List of the Philippines Top 8,000 Corporations of the Securities and Exchange Commission. (Retrieval rate for the second quarter of 2009 was 95.25% or 682 sample enterprises). Survey data from 2008 onwards are no longer sample rates but are weighted to come up with population estimates. Hence, data are not comparable with the previous data series.

### Accession Rate

- **Accession rate was posted at 9.74%** in the second quarter of 2009. Accessions are additions to employment during the quarter. *Accession rate is derived by dividing total accession by total employment.*
- By sub-sector, **the highest accession rate was recorded in construction at 21.88%** followed by mining and quarrying at 19.31%. Other community, social and personal service activities came in third at 15.23%. On the other hand, agriculture, fishery and forestry had the lowest accession rate at 2.76%. Low accession rates were also observed in fishing (3.57%); financial intermediation (3.62%); transport, storage and

communications (3.63%); and electricity, gas and water (3.70%).

- By reason, **accession due to replacement of separated workers and job quitters (6.07%) continued to exceed** accession due to expansion of business activities (3.67%).

### Separation Rate

- **For the same period, separation rate was registered at 7.53%.** Separations are terminations of employment or quits that occurred during the period. *Separation rate is derived by dividing total separations by total employment.*

- By sub-sector, **construction and mining and quarrying also recorded the highest separation rates at 13.55% and 12.23%, respectively.** Manufacturing followed at 10.49%. Meanwhile, the lowest separation rates were recorded in electricity, gas and water (2.05%); financial intermediation (2.85%); and agriculture, hunting and forestry (3.13%).
- Separation rate was almost equally divided between employee-initiated separation (3.89%) and employer-initiated separation (3.64%).

#### **Labor Turnover (Accessions vs. Separations)**

- **Overall, employment growth - measured in terms of labor turnover rates - improved considerably to 2.21% in the second quarter of 2009** after posting a near zero growth rate (0.27%) in the first quarter of the year. This indicates sign of recovery from the global recession as demand for labor among large Metro Manila-based enterprises started picking up again.
- More specifically, accession rate (9.74%) surpassed separation rate (7.53%). The 2.21% growth means that employment of these enterprises increased by about 22 workers per 1,000 employed, as 97 workers per 1,000 employed were hired while 75 workers per 1,000 employed were terminated or quit their jobs.
- All but three (3) sub-sectors reported gains in employment during the period with construction posting the highest at 8.33% followed closely by other community, social and personal service activities at 8.28% and mining and quarrying at 7.08%. Considerable growth rates were also observed in private education services (4.42%); real estate, renting and business activities (2.84%); and manufacturing (2.24%).
- Employment was almost unchanged in financial intermediation (0.78%); wholesale and retail trade and related services (0.61%); and transport, storage and communications (0.21%). Meanwhile, losses occurred in three (3) sub-sectors, namely: fishing (-2.07%); health and social work (-0.72%); and agriculture, hunting and forestry (-0.37%).

**Table 1 - LABOR TURNOVER RATE BY SECTOR,  
NATIONAL CAPITAL REGION: 2<sup>nd</sup> QUARTER 2009**

SECTOR	Number of Enterprises	Labor Turnover Rate (%)		
		Accession Rate	Separation Rate	Percent Difference
<b>All Sectoral Groups</b>	<b>3,015</b>	<b>9.74</b>	<b>7.53</b>	<b>2.21</b>
<b>Agriculture, Fishery and Forestry</b>	<b>22</b>	<b>3.21</b>	<b>4.53</b>	<b>(1.32)</b>
Agriculture, Hunting and Forestry	12	2.76	3.13	(0.37)
Fishing	10	3.57	5.64	(2.07)
<b>Industry</b>	<b>851</b>	<b>14.67</b>	<b>10.80</b>	<b>3.87</b>
Mining and Quarrying	25	19.31	12.23	7.08
Manufacturing	643	12.73	10.49	2.24
Electricity, Gas and Water Supply	30	3.70	2.05	1.65
Construction	154	21.88	13.55	8.33
<b>Services</b>	<b>2,143</b>	<b>8.33</b>	<b>6.58</b>	<b>1.75</b>
Wholesale and Retail Trade and Related Services	1,109	10.26	9.65	0.61
Hotels and Restaurants	88	10.66	8.68	1.98
Transport, Storage and Communications	176	3.63	3.42	0.21
Financial Intermediation	219	3.62	2.85	0.78
Real Estate, Renting and Business Activities	467	10.76	7.92	2.84
Private Education Services	8	10.40	5.97	4.42
Health and Social Work (Private)	20	4.45	5.17	(0.72)
Other Community, Social and Personal Service Activities	56	15.23	6.96	8.28

Source of data: Bureau of Labor and Employment Statistics, Labor Turnover Survey.

**Table 2 - ACCESSION AND SEPARATION RATES BY REASON,  
NATIONAL CAPITAL REGION: 2<sup>nd</sup> QUARTER 2009**

INDICATOR	Rate (%)
<b>Accession Rate</b>	<b>9.74</b>
Due to Expansion	3.67
Due to Replacement	6.07
<b>Separation Rate</b>	<b>7.53</b>
Employee-Initiated	3.89
Employer-Initiated	3.64

Source of data: Bureau of Labor and Employment Statistics, Labor Turnover Survey.

**Table 3 - LABOR TURNOVER RATE BY YEAR AND QUARTER,  
NATIONAL CAPITAL REGION: 3<sup>rd</sup> QTR. 2002 - 2<sup>nd</sup> QTR. 2009**

YEAR/QUARTER	Labor Turnover Rate (%)		
	Accession Rate	Separation Rate	Percent Difference
<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
<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
<b><u>2007</u></b>			
1 <sup>st</sup> Quarter	9.21	7.65	1.56
2 <sup>nd</sup> Quarter	11.31	7.75	3.57
3 <sup>rd</sup> Quarter	11.16	7.84	3.31
4 <sup>th</sup> Quarter	10.20	7.33	2.87
<b><u>2006</u></b>			
1 <sup>st</sup> Quarter	9.20	8.43	0.77
2 <sup>nd</sup> Quarter	8.94	7.21	1.72
3 <sup>rd</sup> Quarter	9.84	7.87	1.97
4 <sup>th</sup> Quarter	8.91	7.27	1.64
<b><u>2005</u></b>			
1 <sup>st</sup> Quarter	7.91	7.70	0.21
2 <sup>nd</sup> Quarter	9.95	7.34	2.61
3 <sup>rd</sup> Quarter	8.47	8.55	(0.08)
4 <sup>th</sup> Quarter	8.30	7.10	1.20
<b><u>2004</u></b>			
1 <sup>st</sup> Quarter	5.88	6.11	(0.24)
2 <sup>nd</sup> Quarter	7.34	5.47	1.87
3 <sup>rd</sup> Quarter	8.16	6.53	1.63
4 <sup>th</sup> Quarter	7.12	6.23	0.89
<b><u>2003</u></b>			
1 <sup>st</sup> Quarter	6.12	6.06	0.06
2 <sup>nd</sup> Quarter	6.85	6.70	0.15
3 <sup>rd</sup> Quarter	6.52	7.92	(1.40)
4 <sup>th</sup> Quarter	7.79	6.38	1.42
<b><u>2002</u></b>			
3 <sup>rd</sup> Quarter	5.96	6.19	(0.22)
4 <sup>th</sup> Quarter	5.98	5.07	0.91

*Note: 2008 data onwards not comparable with the previous year data series due to change in sampling design and sample size.*

*Source of data: Bureau of Labor and Employment Statistics, Labor Turnover Survey.*