

LABOR TURNOVER STATISTICS

Second Quarter 2011
(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 (BLES) 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.

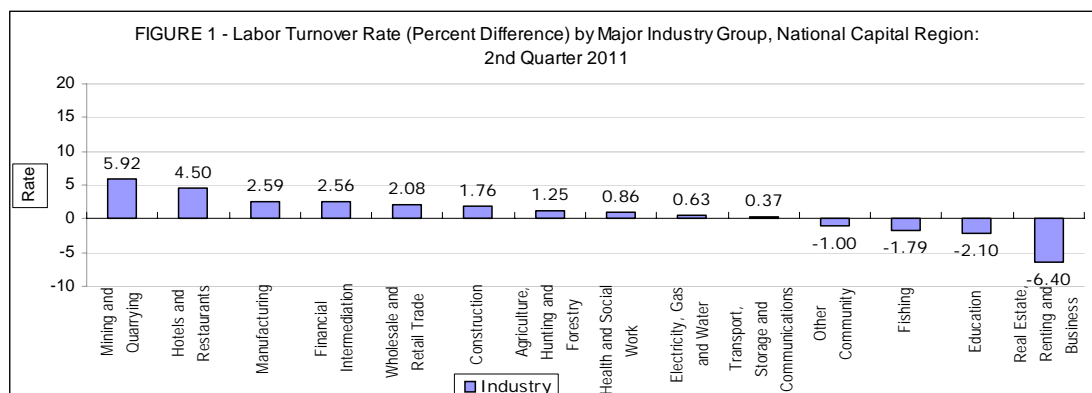
The number of respondents was composed of more than 700 large enterprises in Metro Manila which were drawn from the 2010 Edition of the Philippines Top 25,000 Corporations of the Securities and Exchange Commission. The retrieval rate for second quarter 2011 was 99.58%. Survey data from 2008 onwards are no longer sample rates but are weighted to come up with population estimates. Hence, data are not comparable with the previous data series.

Labor Turnover (Accessions vs. Separations)

- Employment in top enterprises in the National Capital Region dipped by 2.05% in second quarter of 2011 – a reversal from 2.86% expansion in the previous year.
- Measured in terms of labor turnover rate, employment growth declined as hiring or accession rate (8.60%) fell behind separation rate (10.65%) by 2.05 percentage points.

This occurred as the domestic economy - measured in terms of gross domestic product or GDP - slowed down considerably to 3.4% in the second quarter from the robust 8.9% growth in 2010.

This suggests a reduction of 21 workers per 1,000 employed persons: 86 workers per 1,000 employed were added to the enterprise workforce due to expansion or replacement while 107 workers per 1,000 employed were terminated or quit their jobs.



- Employment grew in ten (10) sub-sectors – the fastest in mining and quarrying (5.92%) followed by hotels and restaurants (4.50%).

Modest growth rates occurred in manufacturing (2.59%), financial intermediation (2.56%), and wholesale and retail trade (2.08%).

- Employment losses occurred in four (4) sub-sectors – the biggest in real estate, renting and business activities (-6.40%). The rest were in private education (-2.10%); fishing (-1.79%); and other community, social and personal service activities (-1.00%).

Reasons for accession

- Accession due to expansion (4.74%) surpassed accession due to replacement of workers (3.87%). (Table 1)
- The sub-sectors with higher accession rate due to expansion of business activities than accession due to replacement were: mining and quarrying (10.09%); construction (6.54%); private education (6.35%); real estate, renting and business activities (5.79%); financial intermediation (3.87%); electricity, gas and water supply (1.97%); and agriculture, hunting and forestry (1.94%).

Reasons for separation

- Employee-initiated separations (6.67%) exceeded employer-initiated separations (3.98%). (Table 1)
- Six (6) sub-sectors recorded higher quits (employee-initiated) than termination (employer-initiated). The top three were: real estate, renting and business activities (9.43%); manufacturing (6.04%); and hotels and restaurants (6.02%).

**TABLE 1 - Labor Turnover Rates in Agriculture and Non-Agricultural Enterprises
by Major Industry Group, National Capital Region: 2nd Quarter 2011**

Industry	Total			Accession		Separation	
	Accession	Separation	Percent Difference	Expansion	Replacement	Employee-Initiated	Employer-Initiated
Total	8.60	10.65	(2.05)	4.74	3.87	6.67	3.98
Agriculture, Fishery and Forestry	4.01	4.76	(0.75)	1.01	2.99	1.26	3.50
Agriculture, Hunting and Forestry	3.71	2.46	1.25	1.94	1.77	1.38	1.08
Fishing	4.16	5.95	(1.79)	0.54	3.63	1.20	4.75
Industry	9.46	7.12	2.34	4.89	4.57	4.73	2.39
Mining and Quarrying	15.21	9.29	5.92	10.09	5.12	1.57	7.72
Manufacturing	10.18	7.59	2.59	4.00	6.18	6.04	1.55
Electricity, Gas and Water	2.62	2.00	0.63	1.97	0.66	0.86	1.13
Construction	8.28	6.53	1.76	6.54	1.74	2.72	3.80
Services	8.43	11.45	(3.02)	4.72	3.71	7.12	4.33
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	9.14	7.05	2.08	2.76	6.38	4.45	2.60
Hotels and Restaurants	15.71	11.21	4.50	6.61	9.10	6.02	5.19
Transport, Storage and Communications	4.53	4.16	0.37	2.14	2.39	1.99	2.17
Financial Intermediation	6.36	3.79	2.56	3.87	2.48	2.78	1.01
Real Estate, Renting and Business Activities	8.58	14.98	(6.40)	5.79	2.78	9.43	5.54
Education (Private Education Services)	11.33	13.42	(2.10)	6.35	4.97	5.52	7.90
Health and Social Work	4.52	3.66	0.86	1.00	3.52	3.17	0.48
Other Community, Social and Personal Service Activities	3.41	4.40	(1.00)	1.47	1.94	1.83	2.57

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

TABLE 2 – Labor Turnover Rates by Year and Quarter, National Capital Region: 3rd Qtr. 2002 – 2nd Qtr. 2011

YEAR/QUARTER	Accession Rate	Separation Rate	Labor Turnover Rate (Percent Difference)
<u>2011</u>			
1 st Quarter	11.36	9.47	1.89
2 nd Quarter	8.60	10.65	(2.05)
<u>2010</u>			
1 st Quarter	10.23	11.11	(0.88)
2 nd Quarter	13.52	10.66	2.86
3 rd Quarter	12.11	7.88	4.22
4 th Quarter	12.56	8.51	4.05
<u>2009</u>			
1 st Quarter	9.29	9.02	0.27
2 nd Quarter	9.74	7.53	2.21
3 rd Quarter	9.99	9.62	0.37
4 th Quarter	8.48	7.43	1.05
<u>2008</u>			
1 st Quarter	12.23	7.46	4.76
2 nd Quarter	10.56	8.57	1.99
3 rd Quarter	11.05	9.00	2.05
4 th Quarter	9.14	8.45	0.69
<u>2007</u>			
1 st Quarter	9.21	7.65	1.56
2 nd Quarter	11.31	7.75	3.57
3 rd Quarter	11.16	7.84	3.31
4 th Quarter	10.20	7.33	2.87
<u>2006</u>			
1 st Quarter	9.20	8.43	0.77
2 nd Quarter	8.94	7.21	1.72
3 rd Quarter	9.84	7.87	1.97
4 th Quarter	8.91	7.27	1.64
<u>2005</u>			
1 st Quarter	7.91	7.70	0.21
2 nd Quarter	9.95	7.34	2.61
3 rd Quarter	8.47	8.55	(0.08)
4 th Quarter	8.30	7.10	1.20
<u>2004</u>			
1 st Quarter	5.88	6.11	(0.24)
2 nd Quarter	7.34	5.47	1.87
3 rd Quarter	8.16	6.53	1.63
4 th Quarter	7.12	6.23	0.89
<u>2003</u>			
1 st Quarter	6.12	6.06	0.06
2 nd Quarter	6.85	6.70	0.15
3 rd Quarter	6.52	7.92	(1.40)
4 th Quarter	7.79	6.38	1.42
<u>2002</u>			
3 rd Quarter	5.96	6.19	(0.22)
4 th Quarter	5.98	5.07	0.91

Notes: 1. 2008 data onwards are not comparable with the previous year data series due to change in sampling design and sample size.

2. Details may not add up to total or equal to difference due to rounding.

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