



LABOR TURNOVER STATISTICS

(in establishments with 20 or more workers)
Philippines: Third 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 third issue on LTS with nationwide coverage. A total of 5,469 establishments served as respondents to the third quarter round of the 2018 LTS. The sample establishments were drawn from the 2017 List of Establishments.

LABOR TURNOVER RATES

Employment slowed down in establishments in the 3rd quarter of 2018

- Employment growth in establishments in the country stood at 0.8 percent in the 3rd quarter of 2018.
- This represents a decline of 0.9 percentage point from the 1.7 percent growth recorded in the previous quarter. (Table 1)
- The sluggish employment can be attributed to the cutbacks in labor turnover rates observed in the agriculture, forestry and fishing sector (-1.5%) and the industry sector (-0.1%).
- Despite these reductions, more employment was created for the period as the accession rate of 9.5 percent exceeded the separation rate of 8.7 percent. This suggests

an addition of 8 workers per 1,000 employed persons to the establishments' total workforce. Specifically, about 95 workers per 1,000 employed were added to the establishment workforce due to expansion/replacement while 87 workers per 1,000 employed were terminated or quit their jobs.

Indicator	Rate (%)	
	2 nd Quarter	3 rd Quarter
Accession Rate (%)	11.0	9.5
Separation Rate (%)	9.3	8.7
Labor Turnover Rate (%)	1.7	0.8

Source: PSA, Labor Turnover Survey.



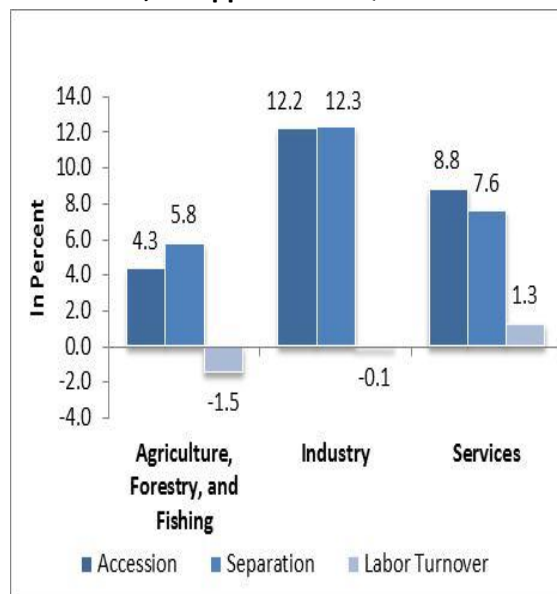
Growth led by services sector at 1.3%

- By sector, services provided the boost to employment during the quarter as almost all of the industries under this sector registered positive labor turnover rates ranging from 0.2 percent (both for transportation and storage and human health and social work activities) to 3.4 percent (education). (Figure 1 and Table 2)
- Only two industries under the sector registered job losses for the period namely professional, scientific and technical activities (-4.5%) and real estate activities (-0.1%).

Agriculture, forestry and fishing sector continued to experience a setback in employment

- Agriculture, forestry and fishing sector continued its reduction in employment at -1.5 percent as the the separation rate at 5.8 percent surpassed the accession rate of 4.3 percent. The previous quarter’s labor turnover rate of this sector was posted at -1.3 percent.
- Meanwhile, employment in the industry sector was on a downturn at -0.1 percent from a moderate 3.9 percent rate in the second quarter. This was brought about by the declines in construction (-0.4%) and manufacturing (-0.1%).
- It is worth noting that both the manufacturing and construction posted high accession rates and a much higher separation rates which contributed substantially to the negative labor turnover rate in the industry sector. (Table 2)

FIGURE 1 – Labor Turnover Rates by Major Sector, Philippines: 3rd Quarter 2018

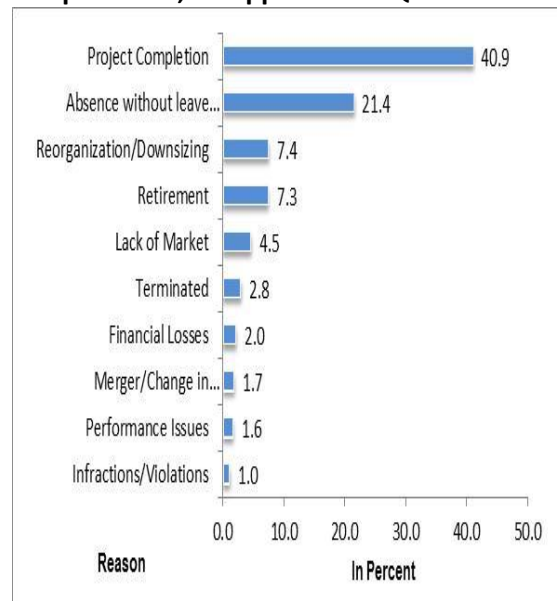


Source: PSA, Labor Turnover Survey.

Causes of separations of employees

- The survey also inquired on the reasons for separations initiated by both the employees and employers. Reasons cited by employers for terminating the services of their workers were mostly due to project completion (40.9%) and absence without leave or AWOL (21.4%).

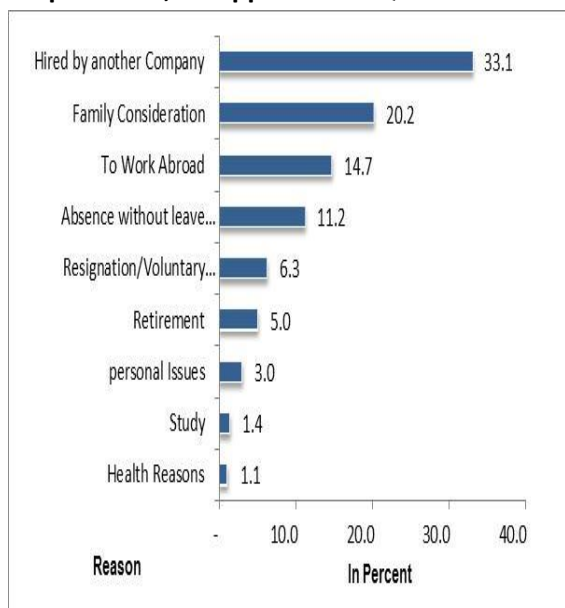
FIGURE 2 – Reasons for Employer-Initiated Separations, Philippines: 3rd Quarter 2018



Source: PSA, Labor Turnover Survey.

Meanwhile, most of the employees who quit their jobs were hired by another company (33.1%). Other main reasons cited were: family consideration (20.2%); plans to work abroad (14.7%); and absence without leave or AWOL (11.2%). (Figure 3)

FIGURE 3 – Reasons for Employee-Initiated Separations, Philippines: 3rd Quarter 2018



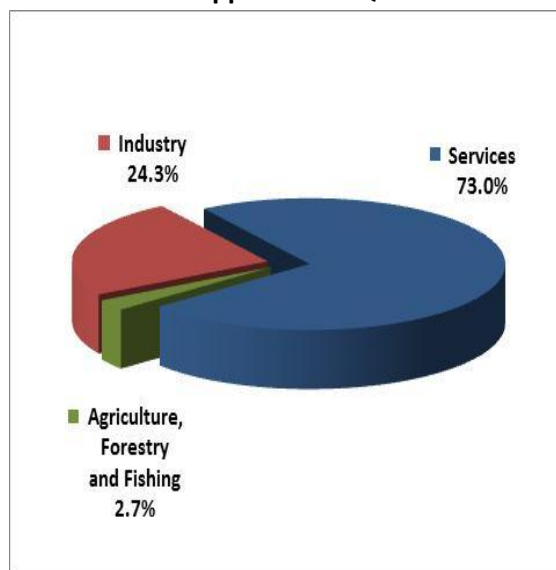
Source: PSA, Labor Turnover Survey.

JOB VACANCIES

Majority of the job vacancies were registered in the services sector

- A total of 159,932 positions in various occupational groups across industries were offered for placement during the period. Vacancies went down by 27 percent from 219,022 unfilled positions during the second quarter of 2018. (Table 3)
- The services sector dominated the vacancy roll with 116,762 openings (73.0%). This was followed far behind by industry sector at 24.3 percent while the least number of job vacancies was posted in agriculture, forestry and fishing at 2.7 percent. (Figure 4)

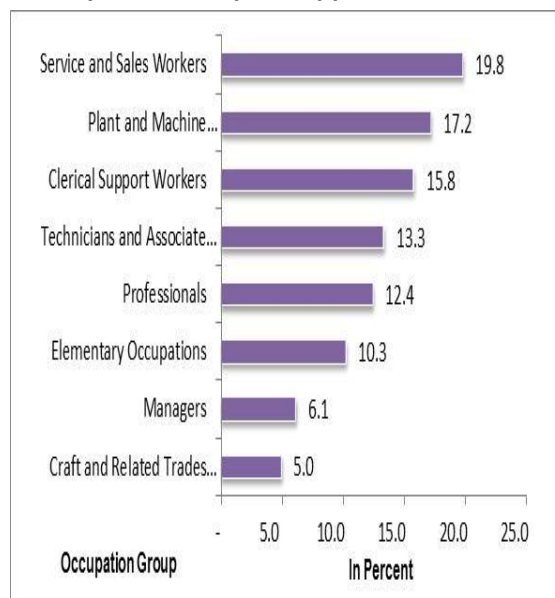
FIGURE 4 – Job Vacancies by Major Sector, Philippines: 3rd Quarter



Source: PSA, Labor Turnover Survey.

- By occupation groups, unfilled positions were recorded mostly for the service and sales workers as it accounted for the highest share to total job vacancies at 19.8 percent (31,736). This was followed by the plant and machine operators and assemblers at 17.2 percent (27,520); clerical support workers at 15.8 percent (25,256); technicians and associate professionals at 13.3 percent (21,330); professionals at 12.4 percent (19,911) and elementary occupations at 10.3 percent (16,400). (Figure 5 and Table 4)

FIGURE 5 – Job Vacancies by Major Occupation Group, Philippines: 3rd Quarter



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

Or visit our website at <http://www.psa.gov.ph>

**Table 2 - LABOR TURNOVER RATES IN AGRICULTURAL AND NON-AGRICULTURAL ESTABLISHMENTS
BY MAJOR INDUSTRY, PHILIPPINES: 3rd Quarter 2018
(Final)**

Industry	Total			Accession		Separation	
	Accession	Separation	Percent Difference	Expansion	Replacement	Employee-Initiated	Employer-Initiated
Total	9.5	8.7	0.8	5.0	4.5	5.9	2.8
Agriculture, Forestry, and Fishing	4.3	5.8	(1.5)	3.0	1.3	3.2	2.6
Industry	12.2	12.3	(0.1)	7.7	4.5	8.0	4.3
Mining and Quarrying	6.8	6.1	0.7	5.5	1.3	3.0	3.2
Manufacturing	13.3	13.4	(0.1)	8.2	5.1	9.8	3.6
Electricity, Gas, Steam and Air Conditioning Supply	3.0	1.9	1.1	1.8	1.3	1.0	0.9
Water Supply; Sewerage Waste Management and Remediation Activities	4.6	4.5	0.1	2.4	2.1	2.0	2.5
Construction	11.8	12.2	(0.4)	8.2	3.7	3.3	8.9
Services	8.8	7.6	1.3	4.1	4.7	5.3	2.3
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	10.9	8.6	2.3	3.8	7.1	6.5	2.1
Transportation and Storage	3.2	3.0	0.2	1.4	1.8	2.0	1.0
Accommodation and Food Service Activities	9.4	8.2	1.3	4.2	5.2	4.8	3.4
Information and Communication	7.0	5.8	1.1	3.8	3.1	4.3	1.6
Financial and Insurance Activities	5.8	4.1	1.7	2.5	3.4	3.4	0.7
Real Estate Activities	4.2	4.3	(0.1)	1.5	2.7	3.6	0.6
Professional, Scientific and Technical Activities	9.1	13.6	(4.5)	2.5	6.6	11.7	1.8
Administrative and Support Service Activities	10.8	9.8	1.0	5.8	5.0	6.2	3.6
Education	6.5	3.2	3.4	3.8	2.7	2.1	1.0
Human Health and Social Work Activities	5.8	5.6	0.2	1.9	4.0	5.2	0.5
Arts, Entertainment and Recreation	4.9	3.4	1.4	2.3	2.5	1.9	1.5
Other Service Activities	4.5	3.8	0.7	1.9	2.6	2.8	1.0

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 3rd Quarter 2018.

Table 3 - Number of Job Vacancies in Establishments with 20 or More Workers by Major Industry Group, Philippines: 3rd Quarter 2018
(Final)

Industry	Number	Percent Share (%)
ALL INDUSTRIES	159,932	100.0
Agriculture, Forestry, and Fishing	4,334	2.7
Industry	38,836	24.3
Mining and Quarrying	118	0.1
Manufacturing	33,062	20.7
Electricity, Gas, Steam and Air Conditioning Supply	806	0.5
Water Supply; Sewerage Waste Management and Remediation Activities	1,831	1.1
Construction	3,020	1.9
Services	116,762	73.0
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles	17,474	10.9
Transportation and Storage	3,332	2.1
Accommodation and Food Service Activities	8,076	5.0
Information and Communication	4,034	2.5
Financial and Insurance Activities	13,822	8.6
Real Estate Activities	604	0.4
Professional, Scientific and Technical Activities	10,163	6.4
Administrative and Support Service Activities	48,061	30.1
Education	3,330	2.1
Human Health and Social Work Activities	6,656	4.2
Arts, Entertainment and Recreation	710	0.4
Other Service Activities	499	0.3

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 3rd Quarter 2018.

**Table 4 - Number of Job Vacancies in Establishments with 20 or More Workers
by Major Occupation Group, Philippines: 3rd Quarter 2018
(Final)**

Major Occupation Group	Number	Percent Share (%)
ALL OCCUPATION	159,932	100.0
Managers	9,822	6.1
Professionals	19,911	12.4
Technicians and Associate Professionals	21,330	13.3
Clerical Support Workers	25,256	15.8
Service and Sales Workers	31,736	19.8
Skilled Agricultural, Forestry and Fishery Workers	28	*
Craft and Related Trades Workers	7,929	5.0
Plant and Machine Operators and Assemblers	27,520	17.2
Elementary Occupations	16,400	10.3

* Less than 0.05

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

Source: Philippine Statistics Authority, Labor Turnover Survey, 3rd Quarter 2018.