



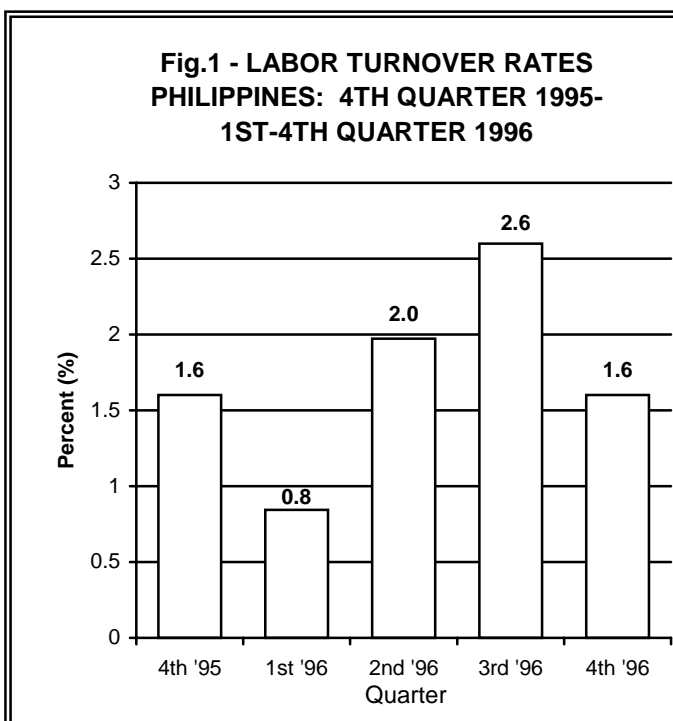
LABOR TURNOVER AND HOURS OF WORK STATISTICS Fourth Quarter 1996

This report presents the fourth quarter 1996 preliminary results on labor turnover and hours of work of the Employment, Hours and Earnings Survey (EHES) conducted jointly by the Bureau of Labor and Employment Statistics (BLES) and the National Statistics Office (NSO). The survey covered some 7,200 non-agricultural establishments employing 20 or more workers nationwide.

EMPLOYMENT GROWTH SLOWED DOWN IN 4TH QUARTER 1996

- ◆ Employment growth in non-agricultural establishments slowed down during the last quarter of 1996 after posting two quarters of consecutive uptrends. This slowdown is expected as production build-up normally occurred in the 3rd quarter of the year in anticipation of increased demand for the holiday season. Measured in terms of labor turnover rates, employment growth for the 4th quarter of 1996 was pegged at 1.6 percent, the same figure obtained last year for the same quarter (Fig. 1).

- ◆ Overall accession and separation rates during the period were posted at 5.2 percent and 3.6 percent, respectively.



- ◆ In absolute terms, this means that during the quarter, establishments workforce expanded by about 16 workers per 1,000 employed as some 52 workers per 1,000 employed were hired while 36 workers per 1,000 employed were separated or left their jobs.

Accession due mostly to replacement of workers ...

- ◆ Replacement of workers continued to constitute the bulk of hiring at 3.7 percent while accession due to expansion of business activities accounted for 1.4 percent.

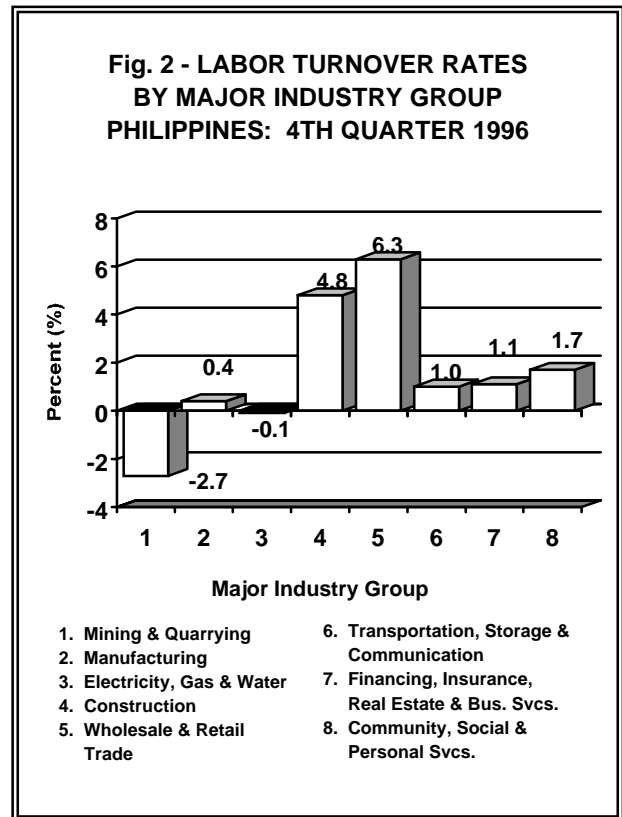
...while majority of job quits were employee-initiated rather than employer-initiated.

- ◆ Employee-initiated separation outnumbered employer-initiated separation at 2.0 percent and 1.6 percent, respectively.

Growth rate highest in wholesale and retail trade

- ◆ Due to increased sales activities during the holiday season, employment expansion was observed highest in the wholesale and retail trade sector at 6.3 percent (Fig. 2). This surpassed by large margin the 1.5 growth recorded in 1995 of same quarter. Increased activities in this sector can be partly

attributed to the hefty growth achieved by Region X at 16.6 percent.



Slump in employment noted in other sectors

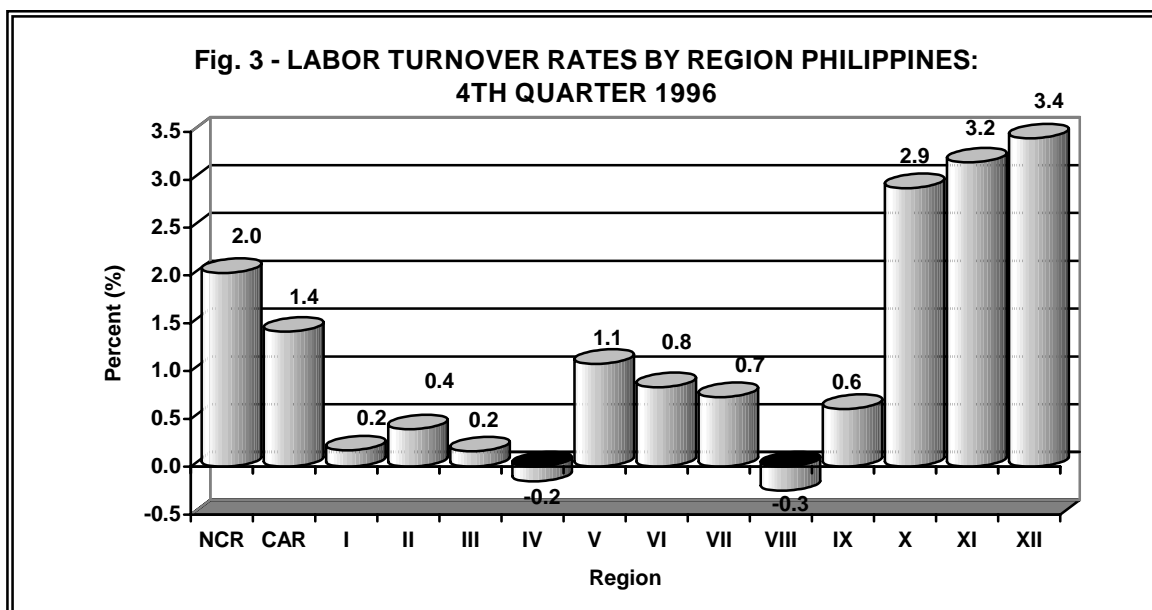
- ◆ Except for wholesale and retail trade, all other sectors suffered a slump in employment. In particular, growth in construction employment slowed down to 4.8 percent from 7.9 percent recorded last year. On the other hand, growth in manufacturing employment slightly declined by 0.2 percent (0.6% to 0.4%) while mining and quarrying continued to suffer a downward trend (- 2.7 %).

Employment growth concentrated in Mindanao regions and NCR

- ◆ For this quarter, three (3) regions from Mindanao areas: Region XII (3.4%), Region XI (3.2%), Region X (2.9%); and NCR (2.0%) recorded employment growth rates which were higher than the national average. Modest growth rates were noted in CAR (1.4%) and Region V (1.1%) while other regions suffered nearly zero or negative growth rates (Fig. 3).
- ◆ Relative to last year, employment turnaround was observed in Region V (-3.2% to 1.1%), Region XII (1.8% to 3.4%) and CAR (0.9% to 1.4%).
- ◆ Establishments employing 50-99 workers performed well during the period posting an employment growth of 2.1 percent. On the other hand, large establishments with 100 workers and over and small establishments with 20 to 49 workers were at par at 1.6 percent and 1.5 percent, respectively.

HOURS OF WORK

- ◆ Average weekly hours actually worked of all employees below managers and executives in non-agricultural establishments was registered at 43.8 hours per employee during the fourth quarter of 1996 as against 44.1 hours of the same period in 1995. On the other hand, average weekly overtime hours was at par at 4.5 hours and 4.3 hours during fourth quarter 1996 and 1995, respectively.
- ◆ By major industry group, only two sectors exhibited increases in average hours actually worked, namely: construction (49.1 to 51.2 hours) and transportation, storage and communication (44.1 to 44.6 hours) while decreases were observed for the rest of the sectors.



- ◆ Shortest working hours were recorded in mining and quarrying (39.4 hours) and community, social and personal services (38.1 hours).
- ◆ By region, increased average weekly hours actually worked were posted in Region IV (45.0 to 47.7 hours) and Region V (39.3 to 40.8 hours).

Accession - permanent or temporary addition to employment in the establishment due to expansion, replacement and employment resulting from changes in methods/technology of production or services. Excluded are transfers or shifting of workers from one plant or department to another within the same establishment.

Separation - termination of employment in the establishment due to a) quits or termination initiated by the employees for any reason except retirement; and b) layoff or termination initiated by the employers due to economic/non-economic reasons and dismissal due to misconduct, incompetence of employees, etc.

Labor Turnover - changes in the employment of an establishment resulting from accessions and separations.

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TABLE 1.0 - ESTIMATED LABOR TURNOVER RATES BY YEAR AND QUARTER
PHILIPPINES: 1995-1996

Indicator	1995				1996 ^P			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
ACCESSION RATE	5.4	6.0	5.2	5.3	5.1	6.3	6.2	5.2
Expansion	1.9	2.0	1.9	2.0	1.8	1.8	2.6	1.4
Replacement	3.4	3.9	3.3	3.3	3.3	4.5	3.6	3.7
SEPARATION RATE	4.4	4.5	3.7	3.7	4.2	4.3	3.6	3.6
Employee-Initiated	2.3	2.3	2.0	2.1	2.3	2.4	1.9	2.0
Employer-Initiated	2.1	2.2	1.7	1.6	2.0	1.9	1.7	1.6
PERCENT DIFFERENCE	1.0	1.5	1.5	1.6	0.8	2.0	2.6	1.6

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

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Source of data: Bureau of Labor and Employment Statistics and National Statistics Office, Employment, Hours and Earnings Survey (EHES).

TABLE 1.1A - ESTIMATED LABOR TURNOVER RATES BY MAJOR INDUSTRY GROUP
PHILIPPINES: 1995 (4th Quarter) and 1996 (3rd and 4th Quarters)

Major Industry Group	Accession Rate			Separation Rate			Labor Turnover (Percent Difference)		
	1995	1996 ^P		1995	1996 ^P		1995	1996 ^P	
	Fourth Quarter	Third Quarter	Fourth Quarter	Fourth Quarter	Third Quarter	Fourth Quarter	Fourth Quarter	Third Quarter	Fourth Quarter
TOTAL NON-AGRICULTURE	5.3	6.2	5.2	3.7	3.6	3.6	1.6	2.6	1.6
Mining and Quarrying	2.1	3.6	2.0	2.5	3.5	4.7	-0.4	0.1	-2.7
Manufacturing	5.4	6.8	5.3	4.8	4.7	4.9	0.6	2.1	0.4
Electricity, Gas and Water	1.5	1.0	0.7	0.7	0.9	0.8	0.8	0.0	-0.1
Construction	14.6	14.8	8.8	6.8	2.8	4.0	7.9	12.0	4.8
Wholesale and Retail Trade	6.4	10.7	13.1	4.9	6.9	6.8	1.5	3.9	6.3
Transportation, Storage and Communication	5.3	2.6	2.4	3.1	1.9	1.3	2.2	0.7	1.0
Financing, Insurance, Real Estate and Business Services	4.5	3.8	3.4	2.4	2.4	2.3	2.1	1.4	1.1
Community, Social and Personal Services	3.5	2.2	3.3	1.6	1.4	1.6	1.9	0.8	1.7

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

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*Source of data: Bureau of Labor and Employment Statistics and National Statistics Office,
Employment, Hours and Earnings Survey (EHES).*

TABLE 1.2 – ESTIMATED LABOR TURNOVER RATES BY REGION
PHILIPPINES: 1995 (4th Quarter) and 1996 (3^d and 4th Quarters)

Region	Accession Rate			Separation Rate			Labor Turnover (Percent Difference)		
	1995	1996 ^p		1995	1996 ^p		1995	1996 ^p	
	Fourth Quarter	Third Quarter	Fourth Quarter	Fourth Quarter	Third Quarter	Fourth Quarter	Fourth Quarter	Third Quarter	Fourth Quarter
PHILIPPINES	5.3	6.2	5.2	3.7	3.6	3.6	1.6	2.6	1.6
National Capital Region	6.1	6.6	5.7	3.8	3.7	3.6	2.3	2.8	2.0
Cordillera Administrative Region	1.8	1.4	2.5	0.9	1.6	1.0	0.9	-0.2	1.4
Region I	1.7	1.4	2.0	1.0	0.9	1.8	0.6	0.5	0.2
Region II	0.5	0.6	0.6	0.4	0.2	0.2	0.1	0.4	0.4
Region III	3.5	7.4	4.4	4.2	4.6	4.3	-0.7	2.7	0.2
Region IV	4.6	6.8	6.4	5.5	5.4	6.5	-0.8	1.3	-0.2
Region V	2.9	5.3	2.2	6.1	4.8	1.1	-3.2	0.5	1.1
Region VI	2.3	2.0	2.2	1.4	1.4	1.4	0.9	0.6	0.8
Region VII	3.4	3.2	2.6	2.5	1.9	1.8	1.0	1.3	0.7
Region VIII	2.1	2.9	1.4	1.4	1.5	1.6	0.7	1.4	-0.3
Region IX	2.4	2.5	2.4	1.7	1.2	1.8	0.6	1.3	0.6
Region X	4.9	4.3	4.8	2.1	2.2	1.9	2.8	2.1	2.9
Region XI	6.3	14.1	7.9	3.6	4.6	4.7	2.7	9.5	3.2
Region XII	4.6	2.9	6.8	2.8	3.0	3.4	1.8	-0.1	3.4

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

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Source of data: Bureau of Labor and Employment Statistics and national Statistics Office,
 Employment, Hours and Earnings Survey (EHES).

**TABLE 2.0 – AVERAGE WEEKLY HOURS ACTUALLY WORKED OF ALL EMPLOYEES
BELOW MANAGERS AND EXECUTIVES BY QUARTER
PHILIPPINES: 1995 (4th Quarter) and 1996 (3rd and 4th Quarters)**

Quarter	Average Weekly Hours Actually Worked Including Overtime	Average Weekly Overtime Hours Worked
1995	44.5	4.4
First Quarter	44.2	4.3
Second Quarter	43.9	4.5
Third Quarter	45.8	4.3
Fourth Quarter	44.1	4.3
1996	43.9	3.8
First Quarter	42.6	2.2
Second Quarter	44.2	4.5
Third Quarter p/	44.8	4.0
Fourth Quarter p/	43.8	4.5

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*Source of data: Bureau of Labor and Employment Statistics and National Statistics Office,
Employment, Hours and Earnings Surveys.*