

PHILIPPINES

Title of the survey

Occupational Wages Survey (OWS)

Organization responsible

Bureau of Labor and Employment Statistics

Periodicity of the survey

Every 2 years

Objective of the survey

To generate statistics for wage and salary administration and for wage determination in collective bargaining negotiations

Main topics covered by the survey

Occupational wage rates, median basic pay and median allowance of time-rate workers on full-time basis

Reference period

October 31 of every odd year starting with 1997

Coverage of the survey

Geographical: The whole country.

Industrial: Non-agricultural industries except national postal activities, central banking, public administration and defense and compulsory social security, public education services, public medical, dental and other health services, activities of membership organizations, extra territorial organizations and bodies; From the covered industries, 41 non-agricultural industries were selected for purposes of monitoring occupational wage rates.

Establishments: Non-agricultural establishments employing 50 persons or more.

Persons: Time-rate workers on full-time basis.

Occupations: At most 7 occupations are covered in each of the selected industries to represent the major occupational groups in the 1992 Philippine Standard Occupational Classification. The occupations were classified as supervisory, professional, technical, clerical, service, trade skills and machine operation, and laborers/unskilled workers. In some instances, however, more occupations were drawn for a particular major group depending on the relative importance of the occupations in a given industry. For instance, in mining and quarrying; selected manufacturing industries; and construction, more occupations were taken from trade skills and machine operation. In trade, post,

telecommunications, and most business services, more clerical occupations were selected. In hotels and restaurants, more service occupations were chosen. These result to monitoring of 159 occupations.

Concepts and Definitions

Establishment: an economic unit engaged in one or predominantly one kind of economic activity under a single ownership or control at a single fixed location, e.g. mine, factory, store, bank, restaurant. For multi-unit enterprises with different outlets and subsidiaries or whose activities are located at different locations, each branch, outlet or subsidiary is considered an establishment. For firms engaged in activities which may be physically dispersed such as mining, construction, real estate development, transportation, communication, insurance, etc., the establishment is the base from which personnel operate to carry out their activities or from which they are paid.

Time-rate workers on full-time basis: refer to those paid on the basis of an hour, day or month and who work at jobs with hours of work equal to or more than those considered normal or regular to the establishment.

Wage rates: defined as including basic pay and regular/guaranteed cash allowances. **Basic pay** refers to pay for normal/regular working time before deductions for employees' social security contributions and withholding taxes. It excludes overtime, night shift differential and other premium pay; commissions, tips and share of employees in service charges; and payments in kind. **Allowances** include cost of living allowance but exclude reimbursements for travel, entertainment, meals and other expenses, etc. incurred in conducting the business of the employer; cost of uniform/working clothes; bonuses and gratuities; and family allowances.

Classifications

Industrial: The industry classification is based on the 1994 Philippine Standard Industrial Classification (PSIC). It was patterned after the International Standard Industrial Classification (ISIC), Rev. 3 of the United Nations, up to the 4-digit level, but with modifications to suit national situations and circumstances.

Occupational: The occupational classification is based on the 1992 Philippine Standard Occupational Classification (PSOC). It was patterned after the 1988 International Standard Classification of Occupations (ISCO) of the International Labour Organization with modifications to suit the national context.

Others: Data are classified by:

- selected industries for occupational wage rates
- industry group or region for median basic pay and median allowance and distribution of time-rate workers on full-time basis

Sample size and design

Statistical unit: The statistical unit is the establishment. Each unit is classified to an industry that reflects its main economic activity---the activity that contributes the biggest or major portion of the gross income or revenues of the establishment.

Survey universe/sample frame: The sampling frame used for the survey was taken from the List of Establishments of the National Statistics Office. On a partial basis, this is regularly updated based on the responses to other surveys of the BLES and establishment reports on retrenchments and closures submitted to the Regional Offices of the Department of Labor and Employment.

Sample design: The OWS is a complete enumeration survey of more than 8,000 non-agricultural establishments employing 50 persons or more.

Field work

Data collection: The survey is conducted in coordination with the National Statistics Office (NSO). NSO data collectors/enumerators personally deliver and retrieve the questionnaires from the establishments. In some instances, questionnaires are mailed to establishments in less accessible or conflict prone areas, in which case a self-addressed envelope is provided. The establishments may also submit the accomplished questionnaires through fax. Delivery of questionnaires starts in May of the year after the October reference and retrieval will commence after all questionnaires have been delivered to an establishment or on a date agreed upon by the contact person and the enumerator. The basic data originate from the payroll records of establishments.

To assist the respondents in classifying their job titles that may have different nomenclatures than the 1992 PSOC, an occupational sheet is inserted in the questionnaire of an establishment whose industry belongs to the 41 pre-determined industries that will be monitored on occupational wage rates. This sheet contains a list of the occupations being monitored in each of the industry and their corresponding job descriptions in accordance with the 1992 PSOC. The occupations may vary across establishments depending on their industry classification. Establishments that fall outside the 41 industries are not given occupational sheets. However, in the event that the industry of such establishment has been misclassified in the sampling frame and it should have been provided an occupational sheet, the field staff is instructed to give the respondent the relevant occupational sheet.

Survey questionnaire: The questionnaire is made up of several parts, i.e.

- 1) Cover page - contains information on the purpose of the survey, coverage, reference period, collection authority, authorized field personnel, confidentiality clause, due date, availability of results and assistance available;
- 2) Part A: General Information - inquires on the main economic activity, major product/s, goods or services, total employment, ownership (with foreign equity or

wholly Filipino), market orientation (engaged in export or domestic market only), whether establishment is a multinational, presence of a union and existence of a collective bargaining agreement in the establishment;

- 3) Part B: Employment and Wage Rates of Time-Rate Workers on Full Time Basis - requires data on the distribution of time-rate workers on full-time basis by time unit (hourly, daily, monthly) and basic pay and allowance;
- 4) Part C: Employment and Wage Rates of Full-Time Workers in Selected Occupations - requires data on the number of time-rate workers on full-time basis by time unit and their corresponding basic pay and allowance in at most 7 occupations that have been pre-determined in each of the 41 industries;
- 5) Part D Certification - this space is provided for the respondent's comments or suggestions on the survey and for the name and signature, position, date accomplished and telephone/fax numbers and e-mail address of the person responsible for filling out the form;
- 6) Survey Personnel - this portion is allocated for the names of personnel involved in collection, editing and review of each questionnaire and dates when the activities were completed; and
- 7) Survey Results - selected statistical tables from the preceding survey round are provided for information of the respondents.

Substitution of sampling units: There is no substitution of sampling units as the survey covers all units in the frame.

Data processing and editing: Upon collection of accomplished questionnaires, enumerators perform field editing before leaving the establishments to ensure completeness, consistency and reasonableness of entries in accordance with the field operations manual. The forms are again checked for data consistency and completeness by their field supervisors. The BLES personnel undertake the final review, coding of information on geography, industry and occupation, data entry and validation and scrutiny of aggregated results. Questionnaires with incomplete or inconsistent entries are returned to the establishments for verification personally or through mail.

Types of estimates

- average wage rates
- median basic pay and median allowance
- totals and distribution of time-rate workers on full-time basis by basic pay and allowance

Construction of indices

None.

Weighing of sample results

Estimates are obtained by simple expansion, i.e. by multiplying the sample values at the cell level (region, industry and employment size) by the corresponding blowing-up factor which is the ratio of the eligible population of establishments to the number of responding establishments.

While the OWS is a complete enumeration survey, not all of the fielded questionnaires are accomplished. Due to the inadequacy of the frame used, there are reports of permanent closures, non-location, duplicate listing and shifts in industry and employment outside the survey coverage after the reference date. Establishments that fall in these categories are not eligible elements of the population and their count is not considered in the estimation. In addition to non-response of establishments because of refusals, strikes or temporary closures, there are establishments whose questionnaires contain inconsistent item responses that are not included in the processing as these have not replied to the verification queries by the time output table generation commences. Such establishments are also considered as non-respondents.

Adjustments

Non-response: Non-response is taken into account in the weighing procedure.

Other bias: No adjustments are made.

Use of benchmark data: No benchmark data is used.

Use of other surveys: No other survey data are used.

Seasonal variations: Not applicable.

Indicators of the reliability of the estimates

Coverage of the sampling frame: Partially updated.

Sampling error/sampling variance: At the time of this report, these have not been computed. Nevertheless, standard errors and relative standard errors will be computed for occupational wage rates.

Non-response rate: For the 1997 OWS, the non-response rate in terms of sampling units was 21 percent.

Non-sampling errors: These may occur due to inaccuracies in reporting by establishments and enumerators, mistakes in coding, editing and data entry. However, efforts are made to reduce non-sampling errors by careful design of the questionnaire, intensive training of survey personnel, linkages with key informants (employers' groups) and through adoption and documentation of efficient operating procedures.

Conformity with other sources: The survey results, at the industry level, are checked against the results of another BLES survey, Employment, Hours and Earnings Survey.

Estimates for non-survey years: Not relevant.

Available series

Data series start with October 1997 reference period.

History of the survey

From 1989 to 1995, the OWS was conducted every semester by the BLES to monitor the quarterly wage rates of 22 low-paying/prevalent occupations in 21 non-agricultural industries (establishments employing at least 5 workers in 1989-1993 and establishments employing at least 10 workers in 1994-1995). Its purpose was to generate statistics in aid to minimum wage determination. In 1996, the OWS was re-designed to focus on the wage rates of relatively skilled occupations in industries likely to be affected by the changing global and economic structure. This resulted to the revision in the coverage, periodicity and timeliness of the survey.

Documentation

The complete survey results are available in hard copy and diskette. Brief statistical analyses of summary results are published in the LABSTAT Digest, dissemination format of all BLES surveys, under the series A Statistical Digest on Wage Rates.

Selected statistical tables are found in the BLES Homepage (<http://www.manila-online.net/bles>), Current Labor Statistics, Yearbook of Labor Statistics and Philippine Industry Yearbook of Labor Statistics.

Confidentiality/reliability criteria: The compilation and dissemination of the data are governed by the terms and conditions of Executive Order No. 126 (January 30, 1987) creating the Bureau of Labor and Employment Statistics; Executive Order 352 (July 1, 1996) designating the OWS as one of the statistical activities critical for decision making of the government and the private sector; and NSCB Resolution No. 1 (April 17, 1998) approving the modification of the sampling design, coverage, periodicity and timeliness of the survey.

While E.O. 126 is silent on the confidentiality of individual responses from surveys conducted by the BLES, it collects data under the pledge of confidentiality. A statement to this effect is printed in all the questionnaires of BLES surveys.

Other information

Data supplied to the ILO for publication: Statistics on occupational wage rates are supplied to the ILO through the ILO October Inquiry on Occupational Wages and Hours of Work.