

WAGE RATES IN INDUSTRIES

... In Benchmark Occupations

(Third of a Four-Part Series)

The Occupational Wages Survey (OWS) is a nationwide establishment survey of the Bureau of Labor and Employment Statistics intended to generate statistics for wage and salary administration and minimum wage determination in collective bargaining negotiations. The OWS is conducted every two years.

The OWS is one of the designated statistical activities per E.O. 352 (s.1996) that requires the generation of critical data for decision making in the government and the private sector. The data category "average monthly occupational wage rate of selected occupations" is one of the variables listed by the Philippine government under the Special Data Dissemination Standard (SDDS) of the International Monetary Fund. The SDDS serves as reference to member countries in the dissemination of economic and financial data.

The 2012 OWS covered both agricultural and non-agricultural establishments employing 20 workers and over. A total of 188 occupations were covered in the 50 pre-determined industries. This is the first time that the survey included the agriculture, forestry and fishing sector, as well as its adoption of the 2009 Philippine Standard Industrial Classification (PSIC) – the latest "classification of industries prevailing in the country based on the productive activities undertaken by establishments" as revised by the National Statistical Coordination Board/Philippine Statistical System. Changes made from the 1994 PSIC included the transfer of minor industries to other divisions/groups/classes or elevation to a division, group or class of its own.

This third issue of LABSTAT Updates highlights the average monthly wage rates of benchmark occupations (accounting and bookkeeping clerks; and unskilled workers except janitors, messengers and freight handlers) considered as benchmark for wage setting. Wage data on these two occupations have been collected for all industries covered by the OWS since 2002. The results were not compared with those of 2010 survey round due to the adoption of the 2009 PSIC and the inclusion of the agricultural sector.

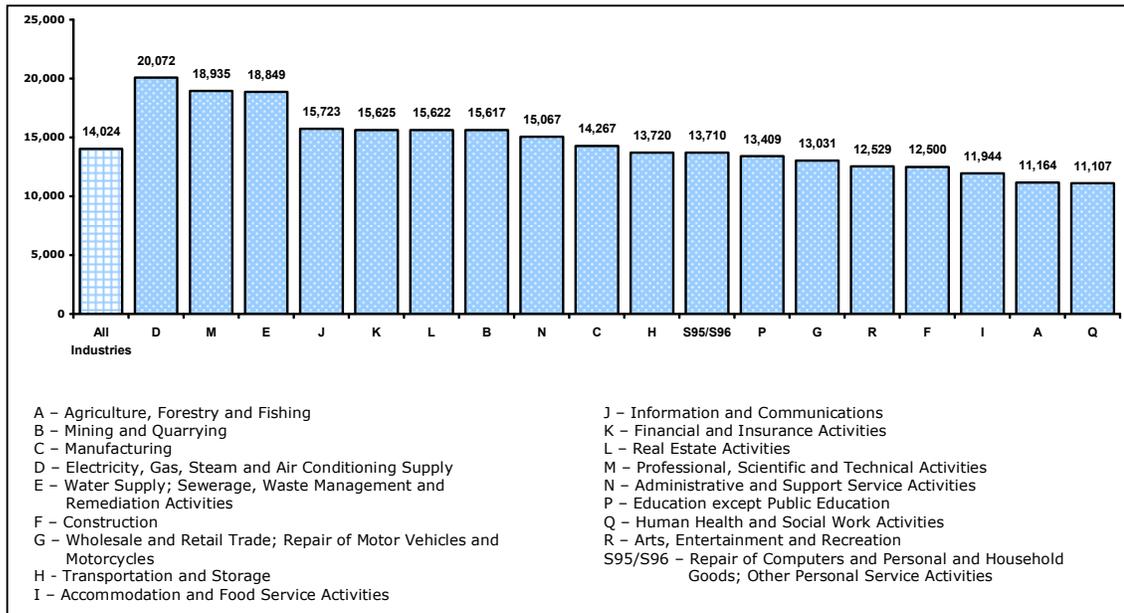
The national wage rate of accounting and bookkeeping clerks averaged at ₱14,024 while unskilled workers were reported at ₱9,783. The metadata and statistical tables of the survey are posted at the BLES website.

Average monthly wage rates of accounting and bookkeeping clerks highest in electricity, gas, steam and air conditioning supply

- One of the benchmark occupations monitored by the 2012 Occupational Wages Survey is accounting and bookkeeping clerks. Workers in this group assist in producing financial records of the establishments. They provide assistance in record keeping, computation of wages, production costs and cash payments.
- The highest average monthly wage rate for this occupation was observed in electricity, gas, steam and air conditioning supply at ₱20,072 in July 2012, higher than the national average monthly wage rate of ₱14,024. (*Figure 1*)

- Eight major industry groups also exhibited higher average wage rates than the national wage rate as follows: professional, scientific and technical activities (P18,935); water supply; sewerage, waste management and remediation activities (P18,849); information and communications (P15,723); financial and insurance activities (P15,625); real estate activities (P15,622); mining and quarrying (P15,617); administrative and support service activities (P15,067); and manufacturing (P14,267).
- Human health and social work activities recorded the lowest wage rate of P11,107.

FIGURE 1 – Average Monthly Wage Rates of Accounting and Bookkeeping Clerks by Major Industry Group, Philippines: July 2012 (In Pesos)



Source of data: Bureau of Labor and Employment Statistics, 2012 Occupational Wages Survey.

Highest average monthly wage rates of accounting and bookkeeping clerks noted in National Capital Region

- Across regions, the highest average monthly wage rate of accounting and bookkeeping clerks in July 2012 was noted in National Capital Region at P15,754, the only region with average wage rate higher than the national average of P14,024. (Table 1)
- Region VIII posted the lowest average wage rate of P8,450 for accounting and bookkeeping clerks.

Average monthly wage rates of unskilled workers also highest in electricity, gas, steam and air conditioning supply

- Unskilled workers (except janitors, messengers and freight handlers) refer to a segment of the workforce that perform a variety of low-skilled and routine manual tasks, requiring a minimum of training, little or no previous experience and mainly physical effort.
- Based on the 2012 OWS, unskilled workers in electricity, gas, steam and air conditioning supply were paid the

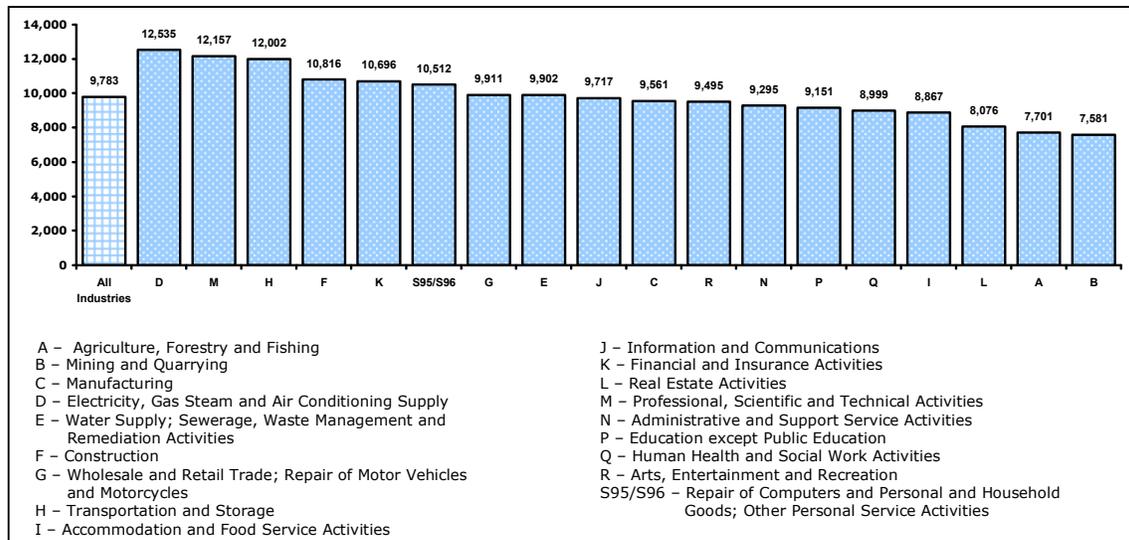
highest average wage rate at ₱12,535, higher than the ₱9,783 national average wage rate. (Figure 2)

- Unskilled workers in other seven major industry groups likewise received higher wage rates than the national rate. These include the following: professional, scientific, and technical activities (₱12,157); transportation and storage (₱12,002); construction (₱10,816); financial and insurance activities (₱10,696); repair

of computers, and personal and household goods; other personal service activities (₱10,512); wholesale and retail trade; repair of motor vehicles and motorcycles (₱9,911); and water supply; sewerage, waste management; and remediation activities (₱9,902).

- Unskilled workers in mining and quarrying industry received the least wage rate at ₱7,581.

FIGURE 2 - Average Monthly Wage Rates of Unskilled Workers by Major Industry Group, Philippines: July 2012 (In Pesos)



Source of data: Bureau of Labor and Employment Statistics, 2012 Occupational Wages Survey.

Average monthly wage rates of unskilled workers in two regions higher than the national average

- Two regions demonstrated higher monthly wage rates of unskilled workers than the national average wage rate of ₱9,783 in July 2012, namely: Cordillera Administrative Region (₱12,037) and National Capital Region (₱11,527). (Table 1)
- The rest of the regions showed lower wage rates ranging from ₱6,842 to ₱8,664 with the least noted in Region II.

TABLE 1 - Average Monthly Wage Rates of Benchmark Occupations in Industries by Region, Philippines: July 2012 (In Pesos)

Region	Average Monthly Wage Rates (₱)	
	Accounting and Bookkeeping Clerks	Unskilled Workers except Janitors, Messengers and Freight Handlers
PHILIPPINES	14,024	9,783
National Capital Region	15,754	11,527
Cordillera Administrative Region	13,602	12,037
Region I - Ilocos Region	12,844	7,022
Region II - Cagayan Valley	11,210	6,842
Region III - Central Luzon	a	a
Region IV-A - CALABARZON	13,340	8,664
Region IV-B - MIMAROPA	a	a
Region V - Bicol Region	a	a
Region VI - Western Visayas	10,972	7,611
Region VII - Central Visayas	12,171	7,874
Region VIII - Eastern Visayas	8,450	7,025
Region IX - Zamboanga Peninsula	10,933	7,975
Region X - Northern Mindanao	10,493	7,641
Region XI - Davao Region	10,708	8,152
Region XII - SOCCSKSARGEN	12,706	7,308
Caraga	10,964	7,028
Autonomous Region in Muslim Mindanao	a	a

a Suppressed data due to low response rate.

Source of data: Bureau of Labor and Employment Statistics, 2012 Occupational Wages Survey.

Definition of Terms:

- **Wage rate** refers to the sum of basic pay and regular/guaranteed 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 charge; and payment in kind.
- **Allowances** refer to regular/guaranteed cash payments. These include 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; family allowances.

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