

## WAGE RATES IN INDUSTRIES

### *...Basic Pay and Allowances in Major Economic Activities*

(Second 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 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.

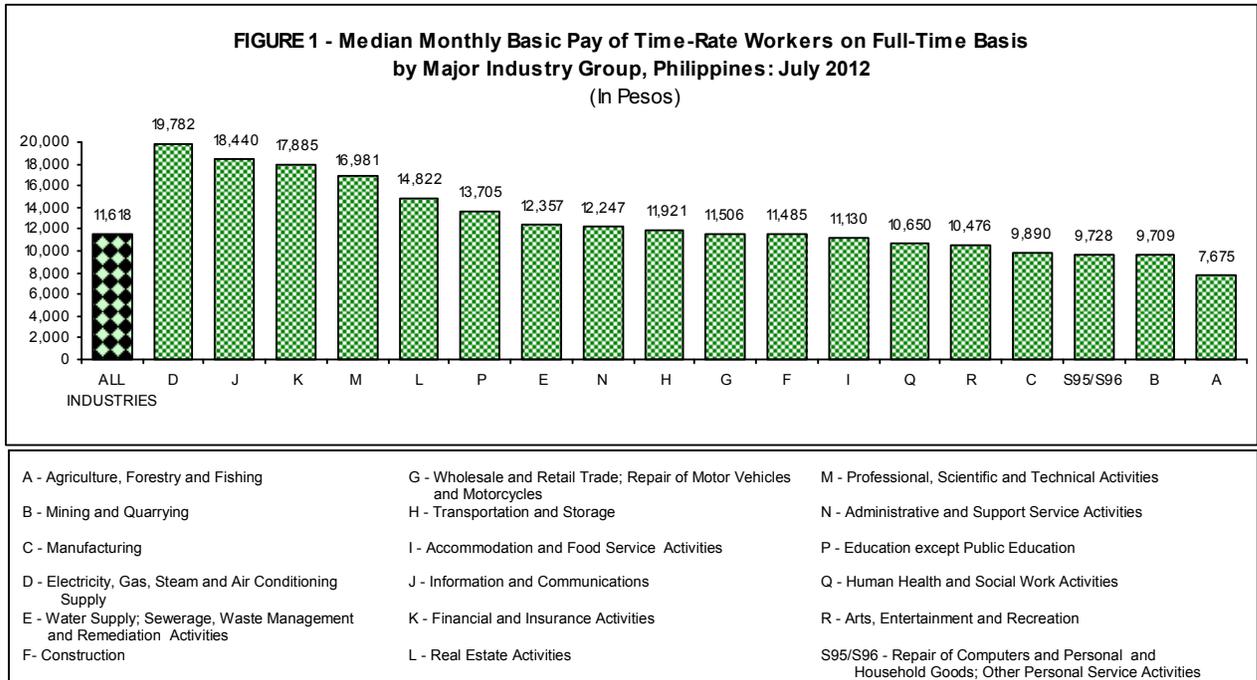
This second issue of LABSTAT Updates focuses on the monthly median basic pay and median allowances received by time-rate workers on full-time basis in July 2012. The results were not compared with those of 2010 survey round due to the adoption of the 2009 PSIC and the inclusion of the agricultural sector. The metadata and the statistical tables of the survey are posted at the BLES website.

### **Electricity, gas, steam and air conditioning supply reported the highest average basic pay among industries**

- Time-rate workers on full-time basis in the electricity, gas, steam and air conditioning supply had the highest average monthly basic pay at ₱19,782, which is more than 40% higher than the national median basic pay of ₱11,618. (Figure 1)
- Information and communications (₱18,440) and financial and insurance activities (₱17,885) ranked second and third, respectively. Meanwhile, the lowest basic pay of ₱7,675 was observed in agriculture, forestry and fishing.

Note: The terms "average" and "median" are used interchangeably in the analysis of basic pay and allowances.

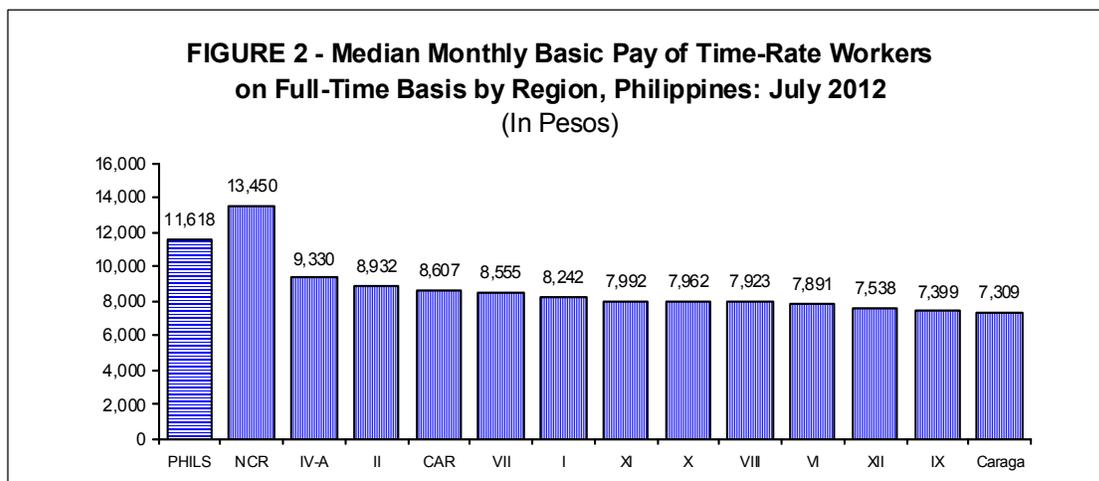
**Disclaimer:** The Bureau of Labor and Employment Statistics (BLES) bears no responsibility for the use of the data or for interpretation or inferences made by data users outside BLES.



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

**Basic pay in NCR higher than the national average**

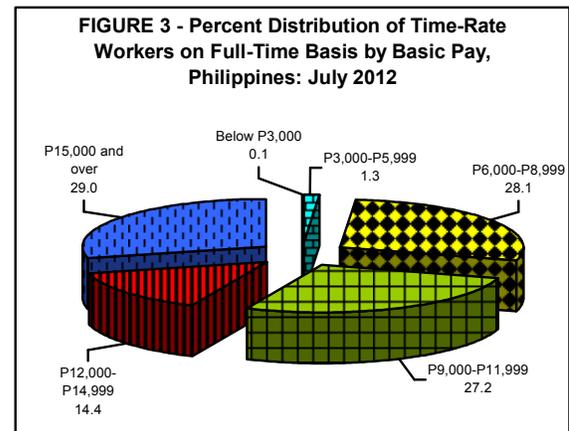
- Across regions, workers in the National Capital Region (NCR) received the highest basic pay at ₱13,450, the only region wherein workers received higher basic pay than the national average of ₱11,618. (Figure 2)
- This was followed by Region IV-A with basic pay of ₱9,330. Workers from the rest of the regions had average basic pay ranging from ₱7,309 to ₱8,932.



Note: Data for Regions III, IV-B, V and ARMM were suppressed due to low response rates.  
Source of data: Bureau of Labor and Employment Statistics, 2012 Occupational Wages Survey.

### **Very small proportion of workers received basic pay below ₱3,000**

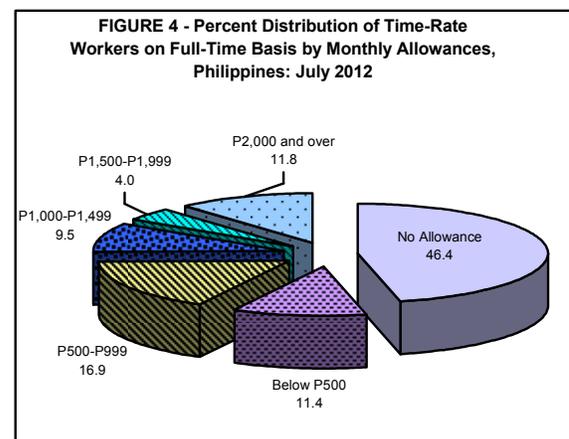
- Almost three out of ten time-rate workers on full-time basis received basic pay ranging from ₱6,000 to ₱8,999 (28.1%). (Figure 3)
- Almost the same proportion received ₱9,000 to ₱11,999 (27.2%) and ₱15,000 and over (29.0%).
- A very small proportion of workers received basic pay of below ₱3,000 (0.1%) and ₱3,000 to ₱5,999 (1.3%).



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

### **Nearly half (46.4%) of the workers did not receive regular allowances**

- About 17% of workers received monthly allowances of ₱500 to ₱999. (Figure 4)
- Around 1 out of 10 workers brought home monthly allowances of less than ₱500 (11.4%).
- Almost the same proportion of workers were granted allowances of ₱1,000 to ₱1,499 (9.5%) and ₱2,000 and over (11.8%).
- Meanwhile, nearly half (46.4%) of workers did not receive regular allowances.

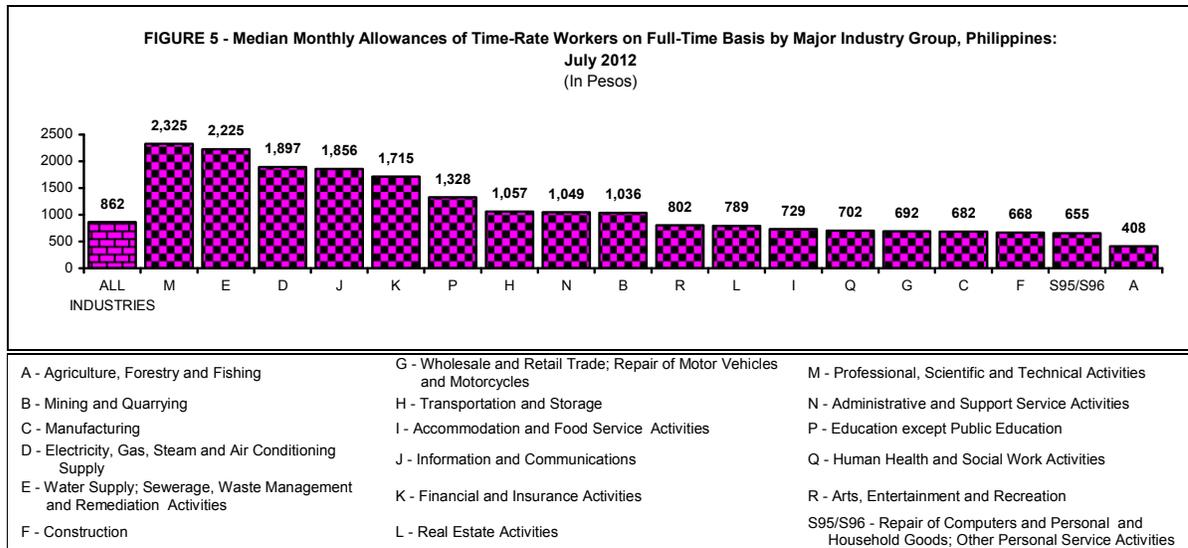


Source of data: Bureau of Labor and Employment Statistics, 2012 Occupational Wages Survey.

### **Workers in professional, scientific and technical activities received the highest median monthly allowances**

- Regular cash allowances amounting to ₱862 were provided to those time-rate workers on full-time basis granted allowances in July 2012. (Figure 5)
- Among industry groups, workers in professional, scientific and technical

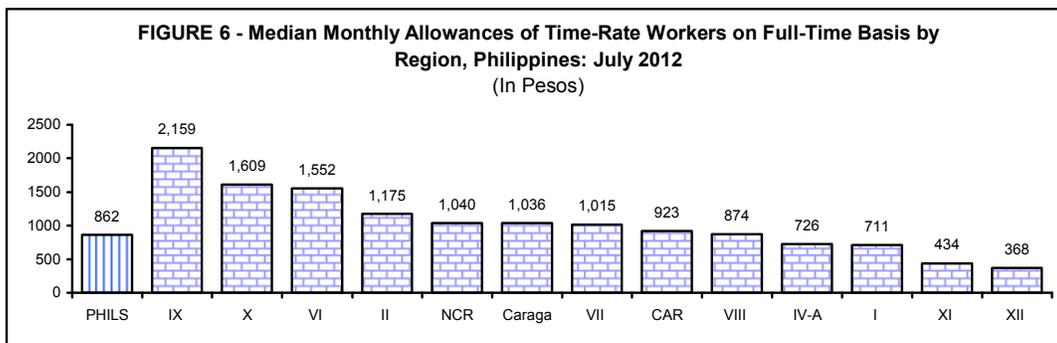
activities received the highest monthly allowances of ₱2,325, while workers in the agriculture, forestry and fishing received the lowest monthly allowances of ₱408.



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

**Workers in most of the regions received higher allowances than the national average**

- Time-rate workers on full-time basis (those granted allowances) in nine (9) regions received higher monthly allowances than the national average of ₱862. (Figure 6)
- Regions IV-A, I, XI, and XII were the only regions that have monthly allowances lower than the national monthly allowances.



Note: Data for Regions III, IV-B, V and ARMM were suppressed due to low response rates.  
 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.
- **Median** divides the wage distribution into two equal parts. It is the value where half of the workers in the distribution receive more while the other half receive less.

**FOR INQUIRIES**

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