

Compensation Schemes in Establishments by Employment Size: 2006

In 2006, the Bureau of Labor and Employment Statistics (BLES) in coordination with the DOLE Regional Offices conducted the third round of the BLES Integrated Survey (BITS) covering non-agricultural establishments employing 20 or more workers nationwide. The main objective of the survey is to generate an integrated data sets on occupational employment patterns and wage and compensation practices.

This LABSTAT Updates focuses on the compensation schemes in terms of social security schemes, paid leave benefits, health care benefits and other incentive schemes provided to employees in establishments by employment size.

There was a total of 25,349 establishments nationwide in 2006. Classified according to employment size, majority or 77.6% (19,660) were establishments employing 20 to 99 workers. Those establishments with 100 to 199 workers accounted for 11.7% (2,956) of the total, while establishments with 200 or more

workers shared the least at 10.8% (2,733). *Figure 1.*

Compensation Schemes

Compensation packages in establishments were more on social security and paid leave benefits and relatively less on health care and other incentive schemes.

Specifically, almost all (99.8%) of establishments with 100 or more workers provided social security and paid leave benefits. These schemes were also provided in establishments with less than 100 workers at 99.7% and 97.6%, respectively.

Provision of health care benefit was also popular among establishments with employment sizes 200 and over (90.5%) and 100-199 (86.8%). The scheme was granted only in 3 out of every 4 (75.8%) establishments with 20-99 workers.

Meanwhile, about 5 out of every 8 (63.4%) establishments with 100 or more workers gave various incentives to their workers compared to only 4 out of every 7 (56.1%) among establishments with 20-99 employment size.

Social Security Schemes

Among the social security schemes, the granting of compulsory social protection, e.g., SSS, GSIS, PhilHealth and PAG-IBIG, ranked the highest with 97.5% (for establishments with 20-99 workers) to 98.5% (for establishments with 200 or more). *Table 1*

Other schemes provided by size of establishment and their corresponding percentage shares were the following:

	20-99	100-199	200+
Separation/ Termination pay	52.3	61.3	58.3
Retirement Plan	42.5	59.3	63.8
Medical/Health Insurance	36.4	46.5	52.4
Accident Insurance	31.3	42.3	47.9

The above data indicated that more establishments with 100 or more workers provided social security protection to their workers than estab-

lishments with 20-99 employment size.

The proportion of establishments granting pension plans to workers ranged from (6.1% to 9.7%) with the highest among establishments with 200 or more workers. (*Table 1*)

Paid Leave Benefits

The top four (4) paid leave benefits provided to workers and their corresponding percentage shares by employment size were as follows:

	20-99	100-199	200+
Vacation leave	86.5	92.5	93.8
Sick Leave	85.0	89.5	91.6
Maternity Leave	76.9	84.5	87.8
Paternity Leave	66.9	83.6	88.0

The above table showed that a large proportion of establishments with 100 or more workers provided various types of paid leave than those establishments with less than 100 workers. However, results also showed that lesser number of establishments granted mandatory leave provisions such as maternity (76.9% to 87.8%) and paternity (66.9% to 88.0%) leaves.

As to other paid leave benefits mandated by law like service incentive leave and solo parent leave, Table 2 shows that only few establishments provided these types of paid leave with respective shares of 4.1% and 0.1% (establishments with 20-99 workers); 5.7% and 0.7% (establishments with 100-199 workers); and 4.8% and 4.0% (establishments with 200 or more workers).

Noticeably, other types of paid leave benefit were granted only in less than 35% of establishments with special privilege leave and rehabilitation leave having the lowest at less than 1% for all employment sizes.

Health Care Benefits

Annual physical check-up was the most popular health care benefit implemented in establishments with 100 or more workers. It is provided in about 4 out of every 5 establishments with 200 or more workers and in 7 out of every 10 establishments with 100-199 workers.

Meanwhile, the provision of medical care ranked the highest among establishments with 20-99 workers (68.0%). This benefit ranked second in establishments with 100-199 and 200 or more workers at 78.2% and 71.0%, respectively. Other health care benefits commonly granted by establishments were the following:

	20-99	100-199	200+
<i>First Aid Treatment</i>	58.8	67.9	75.6
<i>Hospitalization Assistance</i>	51.0	59.9	67.5
<i>Dental Care</i>	36.4	52.2	63.7

Vision care, optical assistance and special laboratory examination were provided in less than 40% in all sizes of establishments. (Table 3)

Incentive Schemes

Of all the incentive schemes, the individual incentive system was the most popular among establishments.

This was implemented in 61.1% of the establishments employing 20-99; 58.0% in establishments with 100-199 workers; and 55.3% in those with more than 200 workers.

Incentive Schemes	Employment Size		
	20-99	100-199	200+
<i>Individual Incentive System</i>	61.1	58.0	55.3
<i>Group Incentive System</i>	31.4	35.9	42.3
<i>Profit-sharing Plan</i>	15.3	14.6	13.0
<i>Merit Pay or Skill-based Pay</i>	31.4	38.6	43.5
<i>Employee Stock Plan</i>	2.0	4.1	6.0
<i>Others</i>	6.1	7.8	7.5

About 2 out of every 5 establishments with 100 or more workers have group incentive system and merit or skill-based pay. These schemes were also adopted but to a lesser extent (1 out of every 3) in establishments employing 20-99 workers.

Employee stock plan was also one of the incentive scheme granted in establishments with 200 or more workers (1 out of every 17) and in those with 100-199 workers (1 out of every 25).

FOR INQUIRIES:

Regarding this report contact **LABOR RELATIONS STATISTICS DIVISION at 527-30-00 local 319**
 Regarding other statistics and technical services contact **BLES DATABANK at 527-30-00 local 317**
 Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**
 FAX **527-55-06** E mail: bles_lrsd@yahoo.com or visit our website at <http://www.bles.dole.gov.ph>

TABLE 1 - Number and Percent Share of Establishments Employing 20 or More Workers With Social Security Schemes by Type of Scheme and Employment Size, Philippines: June 2006

Type of Social Security Scheme	20-99	100-199	200 & Over
Total	19,591	2,955	2,730
Compulsory Social Security Scheme	97.9	98.4	98.5
Pension Plan	6.1	9.0	9.7
Life Insurance	17.8	27.2	36.1
Accident Insurance	31.3	42.3	47.9
Medical and Health Insurance	36.4	46.5	52.4
Hospitalization Plan	17.8	30.3	37.3
Retirement Plan	42.5	59.3	63.8
Separation/Termination Pay	52.3	61.3	58.3
Others	1.1	2.1	1.5

Note: Details may not add up to totals due to multiple responses.

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.

TABLE 2 - Number and Percent Share of Establishments Employing 20 or More Workers With Paid Leave Benefits by Type of Benefit and Employment Size, Philippines: June 2006

Type of Paid Leave Benefit	20-99	100-199	200 & Over
Total	19,197	2,917	2,725
Vacation Leave	86.5	92.5	93.8
Sick Leave	85.0	89.5	91.6
Maternity Leave	76.9	84.5	87.8
Paternity Leave	66.9	83.6	88.0
Emergency Leave	19.8	28.7	30.8
Bereavement Leave	17.2	30.2	32.7
Birthday Leave	12.7	19.7	22.5
Marriage Leave	6.1	9.5	8.3
Union Leave	3.7	12.3	16.7
Service Incentive Leave	4.1	5.7	4.8
Calamity Leave	3.3	5.9	6.5
Study Leave	2.7	4.4	5.2
Solo Parent Leave	0.4	0.7	4.0
Special Privilege Leave	0.6	0.7	0.7
Rehabilitation Leave	0.1	0.2	0.8
Others	1.7	3.6	4.3

Note: Details may not add up to totals due to multiple responses.

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.

TABLE 3 - Number and Percent Share of Establishments Employing 20 or More Workers With Health Care Benefits by Type of Scheme and Employment Size, Philippines: June 2006

Type of Health Care Benefit	20-99	100-199	200 & Over
Total	14,906	2,566	2,472
Medical Care	68.0	71.0	78.2
Vision Care	21.4	32.0	37.2
Dental Care	36.4	52.2	63.7
Annual Physical Check-up	55.4	71.9	78.7
Optical Assistance	15.6	25.1	34.6
Hospitalization Assistance	51.0	59.9	67.5
Medicine Allowance	28.6	35.0	38.7
First Aid Treatment	58.8	67.9	75.6
Special Laboratory Examination	22.8	34.7	39.4
Others	1.4	3.5	3.5

Note: Details may not add up to totals due multiple responses

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.