

I. ABOUT THE DATA

A. OBJECTIVE/S OF THE STUDY

The BLES Integrated Survey (BITS) aims to generate an integrated data set on employment, industrial relations practices, occupational injuries and labor cost.

B. MAIN TOPICS COVERED BY THE SURVEY

Main topics covered by the survey are employment of specific groups of workers; industrial relations practices on recruitment and selection, wage fixing and granting of benefits, provision of training and implementation of coping mechanisms and innovations; cases of occupational injuries and structure of labor cost.

C. REFERENCE PERIOD

The reference periods for the 2002/2003 BITS are as follows:

- General Information---June 30, 2003 and CY 2002
- Employment---June 30, 2003
- Industrial Relations Practices---June 30, 2003; Calendar Year 2002 in some cases
- Occupational Injuries ---Calendar Year 2002
- Labor Cost---Calendar Year 2002

D. PERIODICITY (FREQUENCY)

Annual

E. 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 and extra territorial organizations and bodies.

Establishments: Non-agricultural establishments employing 20 persons or more.

Persons: All employed persons or employees depending on area of inquiry.

F. 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.

Employment - refers to persons who worked or received pay from the establishment. This includes:

Working Owners without Regular Pay;

Unpaid Workers - apprentices and learners without regular pay and persons without regular pay who work for at least one-third of the working time normal to the establishment; and

Employees - categorized into:

- *Managers and Executives* - workers whose main responsibilities are to determine and formulate policies and plan, direct, control and coordinate the activities of enterprises and organizations, or their internal departments or sections. Working owners receiving regular pay are included;
- *Supervisors/Foremen* - workers whose main responsibilities are to plan, direct, organize and supervise the daily activities of workers in the section or unit concerned with the production of goods or the provision of services, subject to the general directive of managers; and
- *Rank and File Workers* - those who do not fall within the managerial or supervisory classification of employees. These consist of:
 - i. *Regular Workers* - those hired to perform activities which are usually necessary or desirable in the usual business or trade of the employer and usually worked on permanent status; and
 - ii. *Non-Regular Workers* - consist of:
 - Probationary Workers - those on trial period during which the employer determines their fitness to qualify for regular employment, based on reasonable standards made known to them at the time of engagement;
 - Casual Workers - those whose employment is not expected to last for more than a short period;
 - Contractual/Project-based Workers - those whose employment has been fixed for a specific project or undertaking, the completion or termination of which has been determined at the time of engagement. Agency-hired workers are excluded.
 - Seasonal Workers - those whose employment, specifically its timing and duration, is significantly influenced by seasonal factors; and
 - Paid Apprentices/Learners - those who are covered by written apprenticeship/learnership agreements with individual employers or any of the entities with duly recognized programs. Apprentices/learners without regular pay are excluded.

Total Employment includes persons on paid vacation, sick, maternity, paternity, service incentive leave and other paid leaves, persons working away from the establishment but paid by and under its control and workers on strike. It excludes silent or inactive partners, members of the board of directors paid solely for attendance at meetings, workers on indefinite leave, laid off workers for six (6) months or more, persons receiving commissions only and without employer control, consultants, persons on retainer basis, contract out/agency hired workers and homeworkers.

Workers Paid the Minimum Wage - workers who are paid the applicable minimum wage rates fixed by the Regional Tripartite Wages and Productivity Boards.

Persons with Disabilities - workers suffering from restriction or different disabilities, as a result of mental, physical or sensory impairment, to perform an activity in the manner or within the range considered normal for a human being.

Time-rate Workers - those paid on the basis of a time unit of work such as an hour, a day or a month.

Piece-rate Workers - those who are paid on the basis of the number of units produced rather than on the time spent in production.

Production Standard (Quota) Workers - those whose performance is measured based on an imposed minimum amount or quantity of production for a given period, usually 8 hours.

Pakyao" or "Takay" Workers - those whose job or work to be performed is in bulk or volumes which are difficult to quantify (commonly practiced in the agricultural industry).

Task Workers - those who are paid for performing specific work irrespective of the time consumed.

Commission Workers - those paid on the basis of a certain percentage of money received for a transaction. These persons may be part of employment of the establishment (on regular payroll) or paid purely on commission (not part of establishment employment).

Workers who Work on Shifts - those who work on work schedules, whether successive or overlapping, within a 12-hour or 24-hour day of work.

Contracting - an arrangement whereby a principal agrees to put out or farm out with a contractor or subcontractor the performance or completion of a specific job, work or service within a definite or pre-determined period regardless of whether such job is to be performed or completed within or outside the premises of the principal.

Agency-hired Workers - those hired through agencies/contractors to perform or complete a job, work or service within the premises of the establishment. They are excluded from the total employment of the establishment.

Job-related training - includes courses, workshops and training programs, where acquired knowledge is needed for the job or it helps the performance of the tasks and duties of the job. It excludes training on topics of personal interest if unrelated to the job.

Occupational Accident - refers to an unexpected and unplanned occurrence, including acts of violence arising out of or in connection with work which results in one or more workers incurring a personal injury, disease or death. It can

occur outside the usual workplace/premises of the establishment while the worker is on business on behalf of his/her employer, i.e. in another establishment or while on transport or in road traffic.

Occupational Injury - refers to any personal injury, disease or death resulting from an occupational accident. It is distinct from an occupational disease, which is a disease contracted as a result of an exposure over a period of time to risk factors such as contact with asbestos, lead, inhaling cotton dust, carrying out repetitive movement arising from work activity.

Case of Occupational Injury - the case of one worker incurring an occupational injury as a result of an occupational accident. If one person is injured in more than one occupational accident during the reference period, each case of injury to that person is counted separately. A recurrent absence due to an injury resulting from a single occupational accident is treated as the continuation of the same case of occupational injury not as a new case. Where more than one person is injured in a single accident, each case of occupational injury is counted separately.

Incapacity for Work - inability of the victim due to an occupational injury to perform the normal duties of work in the job or position occupied at the time of the occupational accident.

Case of Fatal Injury - refers to a person fatally injured as a result of occupational accident whether death occurs immediately after the accident or within the same reference year as the accident.

Case of Permanent Incapacity - refers to an injured person who was unable to work from the day after the accident and, i.) was never able to perform again the normal duties of work in the job or position occupied at the time of the occupational accident causing the injury, or ii.) will be able to perform the same job but his/her total absence from work is expected to exceed a year from the day of the accident.

Case of Temporary Incapacity - refers to an injured person who was unable to work for at least one day from the day after the accident but i.) was able to perform again the normal duties of work in the job or position occupied at the time of the occupational accident causing the injury or ii.) will be able to perform the same job but his/her total absence from work is expected not to exceed a year from the day of the accident or iii.) did not return to the same job but the reason for changing the job is not related to his/her inability to perform the job at the time of the occupational accident.

Case of Injury Without Lost Workdays - refers to an injured person who required only first aid or medical treatment on the day of the accident causing the injury and was able to perform again the day after the accident the normal duties of the work in the job or position occupied at the time of the occupational accident.

Lost Workdays - working days (consecutive or staggered) for which an injured person was not able to work starting from the day after the accident. If the

person is still absent from work by the end of the reference year, his/her days lost cover the period from the day after the accident up to the end of the reference year. Temporary absences from work of less than one day for medical treatment are not included in days lost.

Frequency Rate - cases of occupational injuries with lost workdays including fatalities per 1,000,000 employee-hours of exposure.

Incidence Rate - cases of occupational injuries with lost workdays including fatalities per 1,000 full-time workers.

Severity Rate - lost workdays of cases of occupational injuries resulting to temporary incapacity per 1,000,000 employee-hours of exposure.

Average Days Lost - lost workdays of cases of occupational injuries per case of occupational injury (for temporary cases only).

Labor Cost: defined as including:

Direct Wages and Salaries In Cash - payments for normal/regular working time, commissions of employees and their share in service charges, overtime, night shift and premium pay, payments under bonus, productivity and other incentive schemes (regular payments on the basis of work performed or current output), cost of living allowances and other guaranteed and regularly paid allowances except housing allowances; these are payments before any deductions are made in respect of taxes, contributions of employees to social security and pension schemes, life insurance premiums, union dues and other obligations of employees; these exclude payments/overhead costs which are reimbursements to employees for travel, entertainment, meals and other expenses incurred in conducting the business of the employer;

Remuneration for Time Not Worked - payments for vacation, sick, maternity, paternity, service incentive leave, union/emergency/bereavement/burial leaves and other paid leaves;

Bonuses and Gratuities - year-end, seasonal and other one-time bonuses (mid-year/Christmas bonus, 13th/14th/15th month pay and the like), profit sharing bonuses and additional payments in respect of vacation supplementary to normal vacation pay;

Payments in Kind - refer to goods and services, valued at producer's or wholesale prices given to workers as part of their remuneration; these exclude general amenities provided by the employer such as imputed rental value of free/subsidized housing, medical services, canteen and other welfare services and facilities;

Cost of Workers' Housing Shouldered by Employer - cost for establishment-owned dwellings and cost for dwellings not owned by establishment and other housing costs (housing allowances, rents, subsidies, etc.);

- *Cost for establishment-owned dwellings* - net cost, i.e. maintenance expenditures, fees, property taxes, insurance, interest, depreciation and other costs, less grants-in aid, tax rebates, subsidies, etc. received from government and other institutions in respect of establishment-owned building and equipment used for dwelling of employees; it excludes capital investment on building, equipment or land made during the year

and labor cost of personnel employed in establishment-owned dwellings for employees.

Employer's Social Security Expenditures - compulsory social security expenditures (GSIS, SSS, PhilHealth, Pag-IBIG); collectively agreed and non-obligatory contributions to private social security schemes and insurance (pension, life, accident, medical and health, hospitalization); direct payments by employer to employees regarded as social security benefits (in respect of absence from work due to sickness, maternity or occupational injury); cost of medical care and health services; retirement and separation/termination pay;

- *Cost of medical care and health services* - medical care and health expenses (except insurance), e.g. medicines, incurred by the employer on behalf of the employees; it includes net cost, i.e. maintenance expenditures, fees, property taxes, insurance, interest, depreciation and other costs, less grants-in aid, tax rebates, subsidies, etc. received from government and other institutions in respect of establishment-owned building and equipment used for medical care and health services of employees; it excludes capital investment on building, equipment or land made during the year and labor cost of personnel employed in establishment-owned medical care and health facilities for employees;

Cost of Training - net cost of fees, salaries and other payments for services of outside instructors, payments made to outside training institutions on behalf of the workers of the establishment and the reimbursement of school fees to workers, it includes net cost, i.e. maintenance expenditures, fees, property taxes, insurance, interest, depreciation and other costs, less grants-in aid, tax rebates, subsidies, etc. received from government and other institutions in respect of establishment-owned building and equipment used for training of employees; it excludes capital investment on building, equipment or land made during the year and labor cost of personnel employed in establishment-owned training facilities;

Cost of Welfare Services - grants to credit unions and related services for employees, cost of services such as canteens and other food services, educational, cultural, recreational and related facilities and services; it includes net cost, i.e. maintenance expenditures, fees, property taxes, insurance, interest, depreciation and other costs, less grants-in aid, tax rebates, subsidies, etc. received from government and other institutions in respect of establishment-owned building and equipment used for welfare of employees; it excludes capital investment on building, equipment or land made during the year and labor cost of personnel employed in establishment-owned welfare facilities; and

Other Labor Costs - cost of work clothes/protective gear, transport of workers to and from work undertaken by employers and recruitment cost.

Total Costs - all expenses incurred by the establishment whether paid or payable, valued at market price. Aside from labor cost, these are costs of purchased materials, supplies, fuel and electricity, industrial and non-industrial services done by others, costs of good for resale, interest expenses and indirect taxes; it exclude donations and contributions, bad debts, income taxes, losses and depreciation.

Hours Actually Worked - include normal/regular hours of work; overtime; time spent at the place of work such as the preparation of workplace, repairs, maintenance, preparation and cleaning of tools, preparation of receipts, time sheets and reports; time spent at the place of work waiting or standing by for reasons such as lack of supply of work, breakdown of machinery or accident, or time during which no work is done but for which payment is made; time corresponding to lunch/meal breaks of less than one hour and to short rest periods at the workplace including tea and coffee breaks/meriendas; it exclude hours paid for but not worked due to vacation, sick, maternity, paternity, service incentive leave and other paid leaves, rest days, special days and regular holidays, lunch/meal breaks of one hour or more and time spent on travel from home to workplace and vice versa.

G. UNIT OF MEASUREMENT

- Numbers and percentages for employment and industrial relations practices.
- Numbers and rates for occupational injuries.
- Pesos for labor costs and percentages for cost structure

H. CLASSIFICATIONS

Geographic: The geographic classification is based on the 2002 Philippine Standard Geographic Classification (PSGC).

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.

Employment Size: The classification of establishments according to employment size is based on the average total employment e.g. 20-99, 100-199 and 200 and over.

Others:

- Establishment characteristics such as ownership (Filipino or with foreign equity), spread of operations (multinational or not), market orientation (domestic or export), unionism and membership, existence and coverage of collective bargaining agreement/s, normal/regular working hours per day, days actually worked/days not worked but considered paid during the year, with shift work, with contracting arrangements
- Employment according to types of workers and employees according to specific groups
- Establishments according to industrial relations practices on recruitment and selection, fixing/revising wages, granting of benefits, provision of job-related training, coping mechanisms to financial/economic difficulties and implementation of innovations
- Cases of occupational injuries according to incapacity for work
- Labor costs according to major and specific cost component

I. SAMPLING DESIGN

Statistical unit: The establishment is the statistical or enumeration unit. Each unit is classified in 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 2003 BLES Survey Sampling Frame is a list frame of establishments that is a partial update of the 2002 BLES Sampling Frame based on the status of establishments reported in BLES conducted surveys in the National Capital Region in 2002. Reports on closures and retrenchments of establishments submitted to the Regional Offices of the Department of Labor and Employment in 2002 up to February 2003 were also considered in updating the 2002 frame.

The 2002 BLES sampling frame was largely culled from the 2000 List of Establishments of the National Statistics Office that was also partially updated based on the establishment status in BLES conducted surveys in 2001. Similarly, previous sampling frames were partial updates of the 1996 List of Establishments of the NSO based on responses to the BLES surveys conducted since 1997.

Sample design: Establishments in the sampling frame were stratified by 3-digit industry (domain) and by employment size (stratum), i.e. 20-99, 100-199 and 200 and over. However, industries observed to be heterogeneous within their 3-digit classification were further broken down at the 4-digit level. Geographical location was not considered in the stratification to allow for detailed industry groupings.

Based on past experiences and accounting for resource availability, total sample sizes of BLES surveys have been estimated at around 7,000. For the 2002/2003 BITS, establishments employing at least 100 workers were covered with certainty as their employment represents about 67 per cent of total employment in non-agricultural establishments employing at least 20 workers. These establishments, however, comprise only 16 percent of the reference establishment population.

The sample sizes for the industry groups in the non-certainty stratum (20 - 99) were derived as follows:

$$\text{Step 1: } n_{20-99} = 6,500 - (n_{100-199} + n_{\geq 200})$$

where n_{20-99} is the residual sample size after excluding the sample sizes of the certainty strata from 6,500 (*Note: that the desired sample of around 7,000 includes the built-in replacement samples.*)

$$\text{Step 2: } n_{20-99,k} = (n_{20-99} \times N_{20-99,k} / N_{20-99})$$

The sample sizes of the industry groups (k) falling in the stratum were determined proportional to the establishment population (N) of the stratum.

$$\text{Step 3: } \text{adjusted } n_{20-99,k} = n_{20-99,k} / 0.8$$

The sample size for each cell (industry group and employment size) was adjusted to build-in replacement, e.g. sample size divided by 0.8 as expected retrieval rate is 80 percent. A minimum of 5 samples per cell is maintained. If the establishment population of the cell is less than 5, all the establishments were taken as sample respondents.

Sample Size: For 2002/2003 BITS, the sample size was 6,818, of which 5,358 were found to be eligible sampling units.

J. FIELD WORK

Data collection: The survey is conducted in coordination with the Regional Offices of the Department of Labor and Employment. On a project basis, employees are hired to 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 July of each year and retrieval will commence after all questionnaires have been delivered or within 10 working days from delivery to an establishment or on a date agreed upon by the contact person and the enumerator. The basic data originate from the payroll, accident and other related records of establishments.

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

Part I General Information - This portion inquires on main economic activity and major products/goods or services of the establishment, average employment and number of employees, normal/regular working hours per day, days actually worked during the year and days not worked but considered paid during the year for majority of employees, establishment characteristics such as ownership (Filipino or with foreign equity), spread of operations (multinational or not), market orientation (domestic or export), unionism and membership, and existence and coverage of collective bargaining agreement/s.

Part II Employment - This section requires data on total employment and its breakdown into working owners, unpaid workers and employees (managers/executives, supervisors/foremen and rank and file: regular and non-regular workers). It also looks into employment of specific groups of employees, types of jobs contracted out and the number of agency-hired workers.

Part III Industrial Relations Practices - This part inquires on establishment practices in filling up vacancies; fixing or revising wages and salaries of employees, those given wage and non-wage benefits and those provided training, purpose of training and sources of training funds. It also inquires on coping measures to economic and financial difficulties, and innovation/s introduced and impediment/s encountered in the adoption or implementation of any innovation.

Part IV Occupational Injuries - This inquires on the incidence of occupational accidents, cases of occupational injuries and lost workdays and hours actually worked by all employed persons.

Part V Labor Costs - This section requires data on the reference period if other than the calendar year, labor cost by cost component and sub-components, hours actually worked by all employees and the percent share of labor cost to total cost.

Part VI Certification - this space is provided for the respondent's name and signature, position, date accomplished and telephone/fax numbers and e-mail address of the person responsible for filling out the form and the time spent in answering the questionnaire. It also solicits comments on the BITS data provided and on the results of previous BLES surveys, and suggestions for improvement on the presentation/packaging of the questionnaire.

Part VII Survey Personnel - This portion is for the particulars of the enumerators and area supervisors at the BLES and DOLE Regional Offices involved in the data collection and review of questionnaire entries.

Results of Recently Conducted BLES Surveys - These are for information of the respondent.

Substitution of sampling units: There is no substitution of sampling units as replacement is built-in.

K. DATA PROCESSING AND EDITING

Data would be manually and electronically processed. 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 based on classifications used, data entry and validation and scrutiny of aggregated results for coherence. Questionnaires with incomplete or inconsistent entries are returned to the establishments for verification personally or through mail.

L. TYPES OF ESTIMATES

- Establishment profile
- Categories of employment and employees
- Industrial relations practices on recruitment, fixing and revision of wages and salaries, statistics on training, coping mechanisms on economic and financial difficulties, innovations introduced and impediments encountered
- Cases of occupational injuries, frequency and incidence rates of cases of occupational injuries with lost workdays, severity rates and average days lost of cases of occupational injuries resulting to temporary incapacity
- Labor cost structure, annual labor cost per employee, labor cost per hour

The above data would be available by industry.

M. ESTIMATION/COMPILATION METHODOLOGY

Due to the inadequacy of the frame used, reports of permanent closures, duplicate listing and shifts in industry and employment outside the survey coverage are expected during field operations. 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.

Respondents are post-stratified as to geographic, industry and employment size classifications. Non-respondents are retained in their classifications.

Estimates are obtained by simple expansion, i.e. by multiplying the sample values at the cell level (industry and employment size) by the corresponding blowing-up factor which is the ratio of the eligible population of establishments (retrieved, refused, for verification, temporarily closed, on strike, unaccounted/no response) to the corresponding number of responding establishments. This weighing procedure takes non-response into account.

The estimates are aggregated to the desired levels to arrive at total estimates of the population, e.g. number of minimum wage earners or number of establishments with unions. A population ratio is obtained by dividing total estimate of a variable with the total estimate of another variable, e.g. total labor cost by the number of employees to arrive at average labor cost per employee or total lost workdays of cases resulting to temporary incapacity by corresponding number of cases to derive average days lost.

N. 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.

O. INDICATORS OF THE RELIABILITY OF THE ESTIMATES

Coverage of the sampling frame: Partially updated.

Sampling error/sampling variance: Still to be determined.

Non-response rate: For 2002/2003 BITS, the non-response rate in terms of eligible sampling units is 19 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: Data estimates would be checked with those from other related surveys or administrative data.

Estimates for non-survey years: Not relevant.

P. HISTORY OF THE SURVEY

The 2002/2003 BLES Integrated Survey is an attempt to integrate the data requirements of four of the Bureau's surveys, i.e. *Employment, Hours and Earnings Survey (EHES)*, *Industrial Relations at the Workplace Survey (IRWS)*, *Occupational Injuries Survey (OIS)* and *Labor Cost Survey (LCS)*.

With the concern on measuring the progress or deficits of decent work in the country, the BITS aims to capture some of the data requirements on this area.

On the operational level, the survey hopes to reduce respondent burden from filling out BLES survey questionnaires, to optimize the use of resources and to improve the timeliness of information. This is in keeping with the continual process improvement of the Bureau's Quality Management System.

Q. AVAILABLE SERIES:

The statistics from the 2002/2003 BITS would be the first in the series. Nevertheless, prior data are available from EHES, IRWS, OIS and LCS conducted previously by the Bureau.

II. DOCUMENTATION

A. PERIODICITY OF DISSEMINATION

The results of the BITS would be available not later than August starting in 2004.

B. ADVANCE RELEASE CALENDAR

An advance release calendar that gives one-quarter-ahead notice of the approximate release date would be posted in the BLES Homepage.

C. DISSEMINATION FORMATS

Hard Copy

- LABSTAT Updates
- Philippine Industry Yearbook of Labor Statistics
- Yearbook of Labor Statistics

Electronic

- BLES Homepage: <http://www.bles.dole.gov.ph>; <http://www.manila-online.net/bles>
- Diskette: statistical tables of the BITS
- CD ROM: Philippine Industry Yearbook of Labor Statistics; Yearbook of Labor Statistics

III. CONFIDENTIALITY

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.

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.