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STATISTICS ON COMMISSION WORKERS IN NON-AGRICULTURAL ESTABLISHMENTS WITH 20 OR MORE WORKERS: 2003

(Seventh of a series on employment)



This LABSTAT is the seventh issue on a series of reports that focus on employment by type of workers based on the results of 2002/2003 Integrated survey (BITS) conducted in 2003 in coordination with DOLE Regional Offices. The BITS is a nationwide survey covering 6,818 sample non-agricultural establishments employing 20 or more workers. It aims to provide integrated data sets on employment, labor relations, labor cost and occupational safety at the workplace as basis for policy planning and program formulation.

OVERVIEW

Most workers are employees of organizations for which they carry out their assignments and have an established schedule for reporting for work and payment of wages. There always have been exceptions, as there are workers in alternative arrangements whose employment deviates from the standard full-time protected regular wage and salary employment.

The Philippine Labor Code provides for specific provisions for the employment of workers in alternative working arrangements. One such group is **commission workers** whose payments are based on business transactions that they have accomplished for the firms.

Under Chapter II Article 101, the Secretary of Labor shall regulate the payment of wages by results, including pakyao, piecework and other non-time work, in order to ensure the payment of fair reasonable wage rates, preferably through time and motion studies or in consultation with representatives of workers and employers organizations.

One of the information which can be obtained from the 2002/2003 BITS is on workers under different types of working arrangements. This report discusses the survey findings on commission workers. It presents statistics on their employment by industry groups and the various types of commission workers employed by the establishments.

The 2002/2003 BITS defined **commission workers** to include the following:

Workers with Basic Pay and Commission – persons working for the establishment who received a basic pay plus a certain percentage of money received for a transaction. They are on the regular payroll.

Purely on Commission with Employer Control and Supervision – persons working for the establishment who are paid purely on the basis of a certain percentage of money received for a transaction. They are under employer control and supervision and are on the regular payroll of the establishment.

Purely on Commission without Employer Control – persons working for the establishment who are paid purely on the basis of a certain percentage of money received for a transaction. They are outside employer control and are not on the regular payroll of the establishment.

SURVEY RESULTS

Commission workers covered only a small share of the total persons engaged by non-agricultural establishments with at least 20 workers. Specifically, they accounted for a mere 4.5 percent (131,700) of the estimated 2.919 million persons engaged by establishments as of the payroll period June 30, 2003. Furthermore, their employment were confined mainly in few sub-industries i.e. transport, storage and communications, financial intermediation and wholesale and retail trade.

Type of Commission Workers

While there are three (3) categories of commission workers, their number were almost equally

divided between those with **basic pay and commission** (46.9% or 61,800) and those **paid purely on commission without employer control** (44.3% or 58,400). The former category was more disperse across industry group - notably in wholesale and retail trade (43.5%), transport, storage and communications (22.2%) and manufacturing (20%). On the other hand, the latter category was largely concentrated in financial intermediation (50.5%) and transport, storage and communications (42.3%).

Type of Worker	Employment	
	Number	%
Total Persons Engaged	2,919,100	100.0
<i>Commission Workers</i>	131,700	4.5
- <i>With basic pay</i>	61,800	2.1
- <i>Purely on commission with employer control</i>	11,500	0.4
- <i>Purely on commission without employer control</i>	58,400	2.0

Source of data: Bureau of Labor and Employment Statistics, 2002/2003 BLES Integrated Survey.

Workers paid purely on commission with employer control and supervision constituted the smallest group (8.7% or 11,500) among commission workers. They were mostly employed by establishments engaged in transport, storage and communications (97.6% or 11,200).

**TABLE 2 - EMPLOYMENT OF COMMISSION WORKERS IN NON-AGRICULTURAL ESTABLISHMENTS
WITH 20 OR MORE WORKERS BY TYPE OF WORKER AND MAJOR INDUSTRY GROUP,
PHILIPPINES: JUNE 2003**

Major Industry	Number of Commission Workers	Type of Commission Workers					
		With Basic Pay and Commission		Purely on Commission Without Employer Control		Purely on Commission With Employer Control	
		Number	Percent	Number	Percent	Number	Percent
ALL INDUSTRIES	131,700	61,800	100.0	58,400	100.0	11,500	100.0
Mining and Quarrying	*	0	0.0	*	*	0	0.0
Manufacturing	14,100	12,400	20.0	1,600	2.8	*	*
Electricity, Gas and Water Supply	1,000	800	1.3	*	*	0	0.0
Construction	*	*	*	*	*	0	0.0
Wholesale and Retail Trade	28,700	27,000	43.5	1,600	2.7	*	*
Hotel and Restaurant	*	*	*	*	*	0	0.0
Transport, Storage & Communications	49,600	13,700	22.2	24,700	42.3	11,200	97.6
Financial Intermediation	30,700	1,200	2.0	29,500	50.5	0	0.0
Real Estate, Renting & Bus. Activities	2,700	2,100	3.4	600	1.1	0	0.0
Private Education	1,100	1,000	1.7	*	*	0	0.0
Private Health and Social Work	*	*	*	*	*	0	0.0
Other Community, Social and Personal Services	3,000	2,900	*	*	*	0	0.0

* Less than 500 workers.

Source of data: Bureau of Labor and Employment Statistics, 2002/2003 BLES Integrated Survey.

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