

Wage Statistics System

in the Philippines



DEPARTMENT OF LABOR AND EMPLOYMENT

Bureau of Labor and Employment Statistics

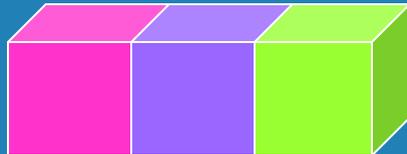
Manila, Philippines

9 / 04 / 2000

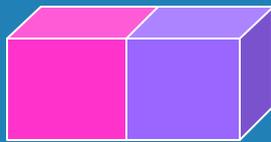
BUILDING BLOCKS OF WAGES

BASED ON THE INTEGRATED SYSTEM OF WAGES
STATISTICS - ILO

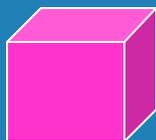
LABOR COST



COMPENSATION



EARNINGS



DATA SOURCES

WAGE RATE



Wage Orders, RTWPBs



Occupational Wages Survey (OWS),
BLES



Agricultural Labor Survey (ALS),
BAS

DATA SOURCES

EARNINGS

-  Annual Survey (Census) of Philippine Business and Industry (ASPBI/CPBI), NSO
-  Employment, Hours and Earnings Survey, (EHES), BLES
-  Labor Force Survey (LFS - 3rd qtr.), NSO

DATA SOURCES

COMPENSATION

- 📄 Annual Survey (Census) of Philippine Business and Industry (ASPBI/CPBI), NSO
- 📄 Quarterly Survey of Philippine Business and Industry (QSPBI), NSO/NSCB

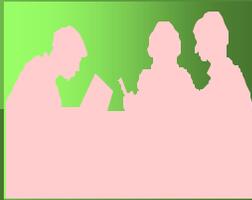
DATA SOURCES

LABOR COST

 Labor Cost Survey (LCS), BLES

USES OF WAGE STATISTICS

Collective bargaining



International comparability



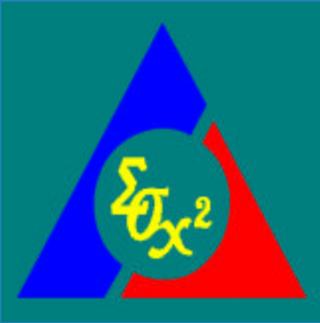
Wage fixing

**Research/
analysis**



Economic indicator





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L ABOR

C OST

S URVEY

AUTHORITY



EXECUTIVE ORDER 126

*creating the BLES and mandating it to
conduct nationwide surveys and
studies*

O B J E C T I V E

**To compile statistics to
measure the level and
composition of labor cost in
the country**

USES

✍ Input to wage negotiation and wage policy formulation

✍ Determining viability of domestic industries and their competitiveness in international trade



COVERAGE

Nationwide survey

**Non-agricultural
establishments employing 20
or more persons**

PERIODICITY AND REFERENCE PERIOD

Every four years



Calendar year

CONCEPTS



Labor Cost

Refers to the cost incurred by the employer in the employment of labor. It includes direct wages and salaries, remuneration for time not worked, bonuses and gratuities, food drink, fuel and other payments in kind, cost of worker's housing shouldered by employer, employer's social security expenditures, cost of training, cost of welfare services and other labor cost such as cost of work clothes/uniform, transport of workers, travelling expenses, recruitment cost, etc.

CONCEPTS



Employees

- ✍ salaried directors, managers and executives
- ✍ full-time, part-time, casual, contractual, seasonal piece-rate workers and project-based employees
- ✍ paid apprentices and trainees

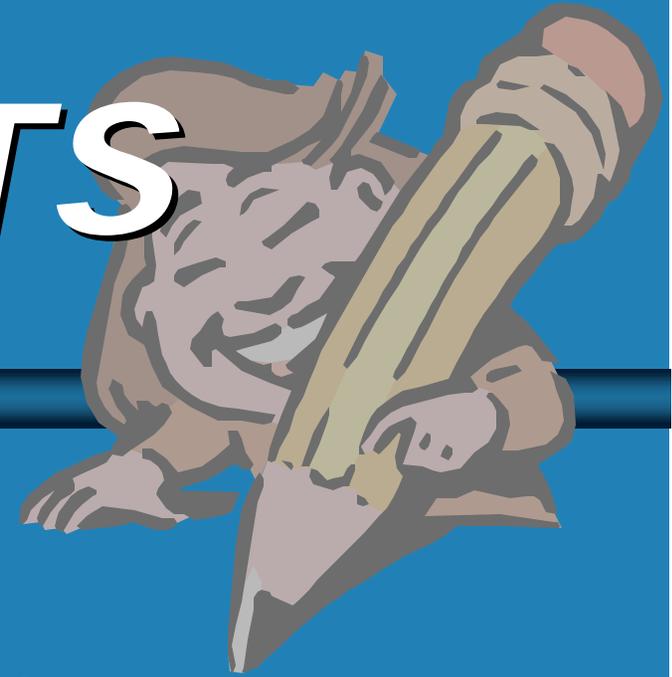
CONCEPTS



Employees

- ✍ 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
- ✍ workers on strike

CONCEPTS



Hours Actually Worked

- ✍ normal/regular hours of work
- ✍ 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

CONCEPTS



Hours Actually Worked (cont'd.)

- ✎ 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 break/meriendas

CONCEPTS



Hours Paid For But Not Worked

- ✍ vacation and sick leaves
- ✍ regular holidays and paid rest days/special days
- ✍ Maternity and paternity leaves
- ✍ service incentive leave and other paid leaves
- ✍ travel time in connection with employer's business

STATISTICS

Percent distribution of labor cost by industry group and major cost component

Percent distribution of labor cost by industry group and sub-component

STATISTICS

**Annual labor cost per employee
by industry group and major
cost and sub-component**

**Labor Cost per hour by industry
group**



1998 SURVEY HIGHLIGHTS

Table 1. - Percent Distribution of Labor Cost by Industry Group and Major Cost Component

1994 PSIC	Industry Group	Total Labor Cost		Direct Wages and Salaries	Bonuses and Gratuities	Employer's Social Security Expenditures	Others
		Amount (P M)	Percent				
	Total	314,844	100.00	76.63	8.68	9.10	5.59
C	Mining and Quarrying	2,227	100.00	61.59	5.87	19.55	12.99
D	Manufacturing	104,994	100.00	76.68	7.60	9.69	6.03
E	Electricity, Gas & Water Supply	22,994	100.00	66.71	13.14	9.74	10.41
F	Construction	11,357	100.00	83.65	6.61	5.88	3.86
G	Trade	35,978	100.00	78.79	7.19	8.78	5.24
H	Hotels and Restaurants	12,022	100.00	81.17	6.32	6.65	5.86
I	Transport, Storage and Communications	32,495	100.00	78.12	6.65	10.90	4.33
J	Financial Intermediation	32,263	100.00	69.86	15.23	10.09	4.82
K	Real Estate, Renting and Business Activities	24,879	100.00	82.73	7.79	6.22	3.26
M	Private Education Services	23,728	100.00	77.97	9.07	7.68	5.28
N	Private Health and and Social Work Services	5,501	100.00	79.23	6.45	9.74	4.58
O	Other Community, Social and Personal Service Activities	6,406	100.00	79.27	9.07	7.25	4.41

Table 2. - Annual Labor Cost Per Employee by Industry Group and Major Cost Component (In Pesos.)

1994 PSIC	Industry Group	Total	Direct Wages and Salaries	Bonuses and Gratuities	Employer's Social Security Expenditures	Others
	TOTAL	139,934	107,233	12,147	12,731	7,823
C	Mining and Quarrying	195,880	120,647	11,489	38,295	25,449
D	Manufacturing	121,950	93,508	9,271	11,823	7,348
E	Electricity, Gas and Water Supply	301,464	201,113	39,600	29,362	31,389
F	Construction	108,664	90,901	7,180	6,386	4,197
G	Trade	122,371	96,411	8,794	10,744	6,422
H	Hotels and Restaurants	91,614	74,360	5,787	6,094	5,373
I	Transport, Storage and Communications	198,038	154,716	13,169	21,580	8,573
J	Financial Intermediation	300,985	210,278	45,836	30,364	14,507
K	Real Estate, Renting and Business Activities	111,310	92,088	8,672	6,923	3,627
M	Private Education Services	132,358	103,195	12,004	10,161	6,998
N	Private Health and Social Work Services	103,831	82,266	6,697	10,115	4,753
O	Other Community, Social & Personal Service Activities	143,782	113,973	13,040	10,423	6,346

Table 3. - Labor Cost Per Hour by Industry Group (In Pesos.)

1994 PSIC	Industry Group	Labor Cost per Hour
	TOTAL	59
C	Mining and Quarrying	80
D	Manufacturing	48
E	Electricity, Gas and Water Supply	137
F	Construction	43
G	Trade	52
H	Hotels and Restaurants	41
I	Transport, Storage and Communications	85
J	Financial Intermediation	136
K	Real Estate, Renting and Business Activities	44
M	Private Education Services	65
N	Private Health and Social Work Services	47
O	Other Community, Social and Personal Service Activities	62

Table 4. - Industry Ranking of Labor Cost

1994 PSIC	Industry Group	Annual Labor Cost per Employee	Labor Cost per Hour
C	Mining and Quarrying	4	4
D	Manufacturing	8	8
E	Electricity, Gas and Water Supply	1	1
F	Construction	10	11
G	Trade	7	7
H	Hotels and Restaurants	12	12
I	Transport, Storage and Communications	3	3
J	Financial Intermediation	2	2
K	Real Estate, Renting and Business Activities	9	10
M	Private Education Services	6	5
N	Private Health and Social Work Services	11	9
O	Other Community, Social and Personal Service Activities	5	6

ISSUES AND CONCERNS

Minimum wage fixing

Need to set minimum wage on an industry basis due to differences in labor cost structures

Need to look at wage setting based on hour as time unit of payment to capture differences in labor input

Inspection program

Need to scope target population as some industries e.g., electricity, gas and water supply, financial intermediation have high wages and salaries

THANK YOU AND
GOOD DAY.

