

# Wage Statistics System

## in the Philippines



DEPARTMENT OF LABOR AND EMPLOYMENT

*Bureau of Labor and Employment Statistics*

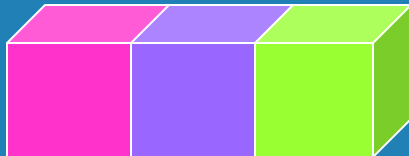
*Manila, Philippines*

*9 / 04 / 2000*

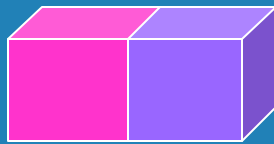
# BUILDING BLOCKS OF WAGES

BASED ON THE INTEGRATED SYSTEM OF WAGES  
STATISTICS - ILO

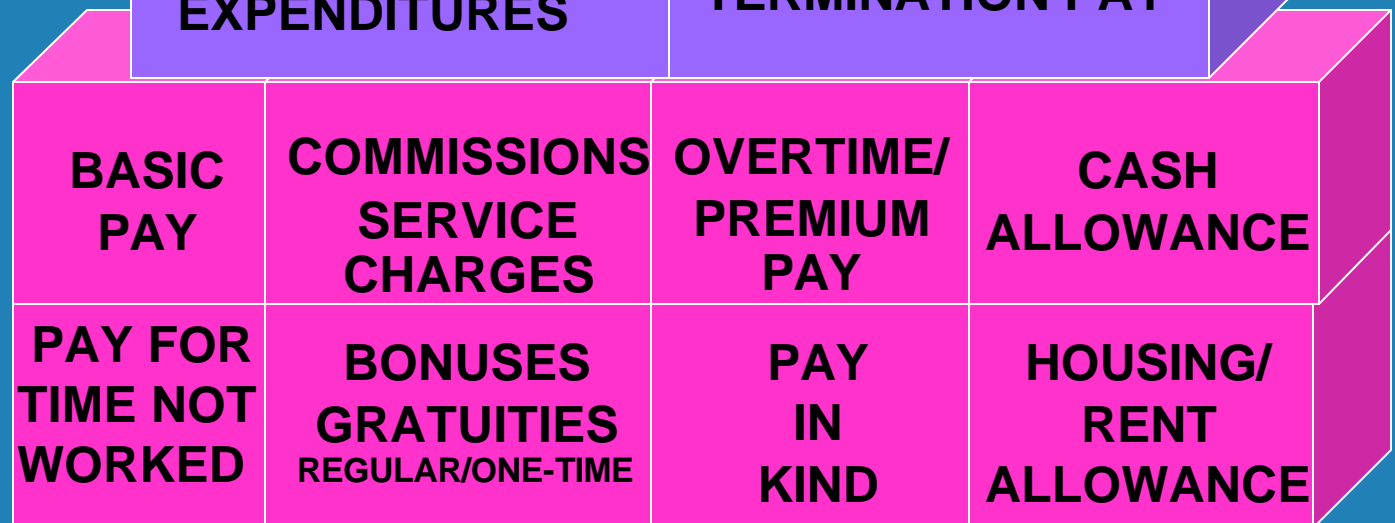
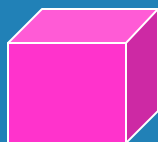
## LABOR COST



## 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

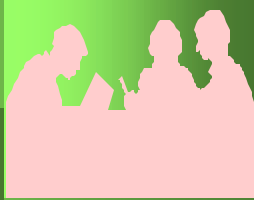
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## LABOR COST

 Labor Cost Survey (LCS), BLES

# USES OF WAGE STATISTICS

**Collective bargaining**



**International comparability**

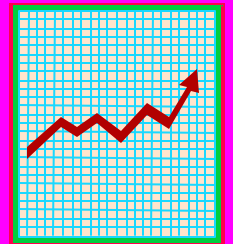


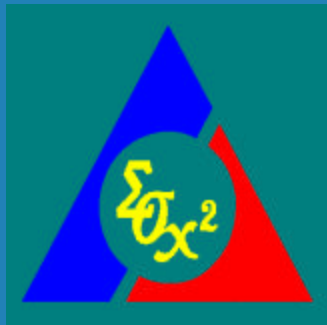
**Wage fixing**

**Research/  
analysis**



**Economic indicator**





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*Bureau of Labor and Employment Statistics*

*Manila, Philippines*

*9 / 04 / 2000*

# LABOR COST SURVEY



# AUTHORITY

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## EXECUTIVE ORDER 126

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

# ***OBJECTIVE***

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**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***

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**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



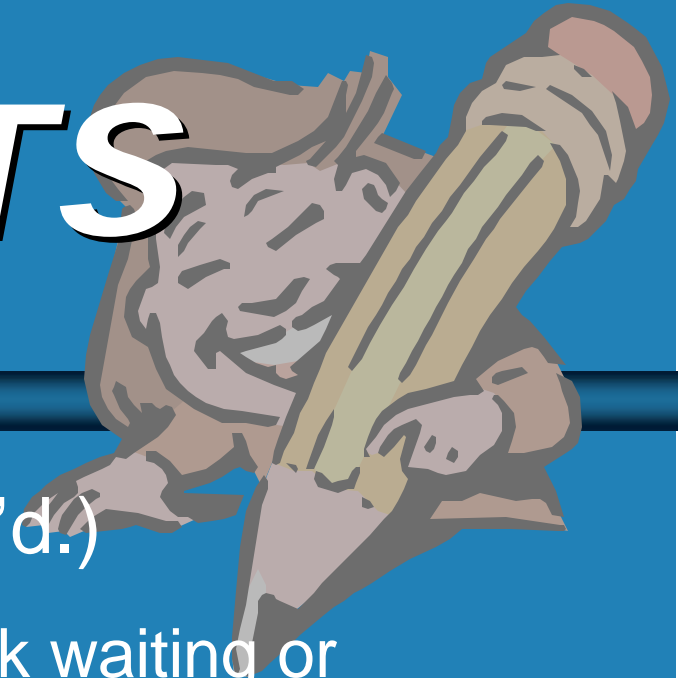
# CONCEPTS



## 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***

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

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



# ***STATISTICS***

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**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				
	<b>Total</b>	<b>314,844</b>	<b>100.00</b>	<b>76.63</b>	<b>8.68</b>	<b>9.10</b>	<b>5.59</b>
C	Mining and Quarrying	2,227	100.00	61.59	5.87	19.55	12.99
D	Mannufacturing	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
	<b>TOTAL</b>	<b>139,934</b>	<b>107,233</b>	<b>12,147</b>	<b>12,731</b>	<b>7,823</b>
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
	<b>TOTAL</b>	<b>59</b>
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.

