

## **MEMORANDUM**

**FOR: Secretary PATRICIA A. STO. TOMAS**

**THRU: Asst. Secretary MA. ANTHONETTE V. ALLONES**

**FROM: Director CRISELDA R. SY**

**Re: Highlights of the Results of the June 2002 Occupational Wages Survey (OWS) in the National Capital Region**

**Date: June 25, 2003**

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## **BACKGROUND**

1. The OWS is one of the regular surveys of the Bureau since 1989. By virtue of Executive Order 352 in 1996, it was designated as one of the statistical activities that will generate critical data for decision-making of the government and the private sector. Also, the Philippine government has subscribed occupational wage rates as one of the economic variables for monitoring the financial stability of the country under the Special Data Dissemination Standards of the International Monetary Fund. The SDDS was established to guide members of the Fund in the provision of their economic and financial data to the public particularly to the international capital markets.
2. The nationwide OWS is a complete enumeration of non-agricultural establishments employing 50 or more persons. Its objective is to generate statistics for wage and salary administration and for wage determination in collective bargaining negotiations. Currently, it monitors wage rates of time-rate workers on full-time basis in 168 occupations in 61 non-agricultural industries. Starting with the 2002 survey round, two (2) have been considered as benchmark occupations and were covered in the 61 industries. In addition, the survey covers at most eight (8) others in each of the 43 selected industries, likely to be affected by the changing global and economic structure. The survey also inquires on the distribution of time-rate workers on full-time basis in all the industries covered across predetermined basic pay and allowance intervals.

3. The reference period of the survey is June 30, 2002. **It is conducted every two (2) years since wage rates do not change significantly on a yearly basis and much less on a quarterly basis.**
4. For purposes of this survey, wage rate is defined as including basic pay and regular/guaranteed cash allowances. *Basic pay* refers to pay for normal/regular working time before deductions for employees' social security contributions and withholding taxes. It excludes overtime, night shift differential and other premium pay, commissions, tips and share of employees in service charges and payments in kind. *Allowances* include cost of living allowance but exclude reimbursements for travel, entertainment, meals and other expenses, etc. incurred in conducting the business of the employer, cost of uniform/working clothes; bonuses and gratuities and family allowances.

## LIMITATIONS

5. Unlike in previous rounds, the 2002 OWS was limited to NCR due to budget constraints. As such, only 155 occupations were monitored in 59 industries.
6. Due to the limited geographic coverage, the 2002 OWS is unable to collect data for industries heavily concentrated in areas outside NCR such as mining and quarrying, manufacturing and construction. A nationwide coverage would have provided better representation of the occupations being monitored and thus more comprehensive data estimates.
7. Similarly, the results cannot provide a distribution of time-rate workers on full time basis in areas outside NCR, which offer useful inputs to regional minimum wage setting.

## HIGHLIGHTS

8. In June 2002, there were 833,000 workers in non-agricultural establishments employing 50 or more persons in NCR. Of this total, 96.7 percent or 805,000 were time-rate workers with 95.4 percent of these workers (768,000) on full-time basis.
9. Workers engaged in the occupations covered by the NCR survey totaled 285,000. This accounts for almost 37.1 percent of total time-rate workers on full-time basis. **The average monthly wage rate of the selected occupations was estimated at ₱ 10,911 in June 2002. This is 49.4 percent higher than ₱ 7,303, the monthly equivalent of ₱ 280.00, the daily minimum wage rate in NCR.** (Note: The monthly equivalent is derived by multiplying the daily minimum wage rate by 313 days/12 months.)

## Benchmark Occupations

10. The average monthly wage rate of accounting and bookkeeping clerks stood at ₱ 10,955. This ranged from a low ₱ 8,290 in bus line operations to a high of ₱ 19,318 in electricity, gas, steam and hot water supply.
11. Unskilled workers (except janitors, messengers and freight handlers) received an average monthly wage rate of ₱ 7,751. Its highest was estimated at ₱ 11,500 in collection, purification and distribution of water while its lowest stood at ₱ 6,500 in non-metallic mining and quarrying.

## Selected Industry Specific Occupations

12. In the 43 selected industries, at most 10 occupations were covered, including the two (2) benchmark occupations. These represent occupations in supervisory, professional, technical, clerical, service, trade skills and machine operation and laborers/unskilled workers.
13. Some of the professional occupations covered by the survey were accountants and auditors, engineers, teachers and nurses. The survey, likewise, covered emerging occupations such as telemarketers and customer service representatives/associates. Given the thrust towards ICT, data for computer programmers and electronics and telecommunications engineers were also gathered. Wage rates for production supervisors and foremen in mining and quarrying; manufacturing; electricity, gas, steam and hot water supply; and in construction were also monitored.
14. The monthly wage rates of accountants and auditors in the selected industries averaged ₱ 17,113 during the period. It reached its highest at ₱ 19,130 in insurance and pension funding and its lowest at ₱ 13,571 in retail trade.
15. Civil, electrical, mechanical and electronics and telecommunications engineers were some of the engineers covered by the survey. Monthly wage rates for these professionals averaged ₱ 19,595. It ranged across industries from a minimum of ₱ 9,400 for mechanical engineers in the manufacture of other non-metallic mineral products to a maximum of ₱ 30,589 for electrical engineers in electricity, gas, steam and hot water supply.
16. Among the teaching professionals, college, university and higher education teaching professionals received the highest average monthly wage rate of ₱ 24,921. This was followed by general elementary education teaching professionals at ₱ 14,897 and general secondary education teaching professionals at ₱ 14,286. The average wage rate for this group stood at ₱ 19,003.

17. The average monthly wage rate of professional nurses in private health and social work was estimated at ₱ 9,869.
18. Telemarketers in trade establishments received an average monthly wage rate of ₱ 10,764. In wholesale trade and commission trade (except of motor vehicles and motorcycles) wage rate averaged ₱ 11,747 while in retail trade (except of motor vehicles and motorcycles) it averaged ₱ 9,557.
19. Customer service representatives/associates had an average monthly wage rate of ₱ 12,841. Across industries, its highest was recorded at ₱ 18,875 in insurance and pension funding while its lowest was seen in non-bank financial intermediation at ₱ 10,185.
20. Wage rates of computer programmers averaged ₱ 23,146 during the period in the two industries selected for the survey. Relatively higher average wage rate was noted in computer and related activities at ₱ 23,783 than in insurance and pension funding which stood at ₱ 19,783.
21. The monthly wage rate of production supervisors and foremen averaged ₱ 13,242 during the period. It ranged from a low of ₱ 7,335 in building and repairing of ships and boats to a high of ₱ 36,130 in electricity, gas, steam and hot water supply.

#### Distribution of Time-Rate Workers on Full Time Basis

22. For purposes of this section of the survey highlights, the term “*average*” is used instead of *median*, which is that, computed from the survey data. The median is that amount where half of the workers receive more than this amount and the other half receive less.
23. **The average monthly basic pay of the 768,000 time rate workers on full-time basis is ₱ 8,178 in June 2002. About 30.3 percent of these workers were found receiving basic pay less than ₱ 6,520.83 which is the monthly equivalent of ₱ 250.00, the daily minimum basic pay prescribed in NCR.**  
*(Note: The monthly equivalent is derived by multiplying the daily minimum basic pay by 313 days/12 months.)*
24. About 355,000 workers were found not receiving monthly cash allowances. This represents 46.2 percent of the 768,000 time-rate workers on full-time basis during the reference period.
25. Meanwhile, of those receiving allowances, their monthly average stood at ₱ 906.

For your information.

cc. Undersecretaries, Asst. Secretaries  
June 24, 2003

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