

WAGE RATES IN INDUSTRIES ... in Selected Business Activities (16th of a Series)

This issue of the LABSTAT Updates is the 16th in the series of statistical releases on the results of the 2004 Occupational Wages Survey (OWS) conducted last year in coordination with the DOLE Regional Offices. The OWS is a nationwide survey covering 6,827 non-agricultural establishments employing 50 or more workers. It aims to provide statistics for wage and salary administration and for wage determination in collective bargaining negotiations.

This issue focuses on the wage rates of 19 selected occupations across three business activities: computer and related activities; accounting, bookkeeping, auditing activities and tax consultancy; and architectural, engineering and related technical consultancy. In June 2004, the wage rates of these occupations ranged from P 4,794 to P 72,803.

The three selected business activities belong to the major industry group real estate, renting and business activities. The median monthly basic pay of time-rate workers on full time basis in this industry group was P 6,687 while the median monthly allowance (of those workers given allowances) was P 895.

Wage rates of most of selected occupations in business activities higher than all-occupations average



In June 2004, the average wage rate across all occupations covered by the OWS was estimated at P 10,161.

Computer engineers received the highest wage rate at P 25,010 among 10 selected occupations in computer and related activities. Systems analysts and designers (P 23,252), computer programmers (P 23,575) and electronics and telecommunications engineers (P 20,922) were also paid highly. (Table 1)

In accounting, bookkeeping and auditing activities; tax consultancy, accountants and auditors got the highest wage rate at P 72,803. Least paid were accounting and bookkeeping clerks at P 13,160. Data entry operators in this sub-industry received P 15,014, which is substantially higher than the wage rate of similar workers in computer and related activities at P 6,175.

In architectural, engineering and related technical consultancy, civil engineers were paid the highest at P 21,042. Wage rates of electrical engineers (P 14,275), geodetic engineers (P 15,414), architects (P 13,561) and civil engineering technicians (P 14,072) differed relatively less from each other.

Basic pay and cash allowance in real estate, renting and business activities lower than the national averages

Nationwide, the median¹ monthly basic pay of time rate workers on full-time basis in non-agricultural industries employing at least 50 workers was estimated at P 7,542. The median¹ allowance (for those given allowances), on the other hand, was reported at P 930.

In real estate, renting and business activities, median basic pay was estimated at P 6,687, lower by 11.3 percent than the all-industry average. Its median monthly allowance at P 895 was also lower by

3.8 percent than the national average. (Table 2)

Across sub-industries, time-rate workers in research and development received the highest monthly basic pay at P 13,081 followed by workers in real estate activities at P 10,542. Least paid were workers in miscellaneous business activities at P 6,592.

Monthly allowance in research and development was also the highest at P 1,605 while workers given allowance in miscellaneous business activities received the least at P 885.

Hiring rates, minimum requirements on education and experience ...

For the first time in the 2004 round of the OWS, the survey inquired into the hiring rates, minimum educational requirement and minimum years of related experience needed for the various occupations covered by the survey. Some of the findings particularly on minimum hiring rates may be contentious as some rates are below the existing minimum wage rates.

This indicates that the inquiry on these variables of interest have to be improved to better capture the realities. Nevertheless, the survey results can, to some extent, shed light on some aspects of recruitment of employees, in particular, the range or the differentials between the maximum and minimum wage rates offered for various occupations.

While the average wage rate of system analysts and designers was lower than the rate of computer engineers, their maximum hiring rate was highest in computer and related activities at P 83,467. (Table 3)

The wage rate of accountants and auditors who received the highest (P 72,803) among occupations surveyed in accounting, bookkeeping and auditing activities; tax consultancy was presently seven times more than the maximum hiring rate of the occupation at P 10,000.

In contrast, the wage rate of civil engineers who received the highest (P 21,042) among occupations surveyed in architectural, engineering and related technical consultancy was presently 61.0 percent of the maximum hiring rate of the occupation at P 34,500.

¹ Aside from occupational wage rates, the OWS inquires on the distribution of the time-rate workers on full-time basis along basic pay intervals per time unit of work (hourly, daily and monthly). The distribution of these workers who are given regular/guaranteed cash allowances are also inquired into. These wage distributions lead to the generation of the median monthly basic pay and the median monthly allowance. **Median refers to that amount where half of the workers in the distribution receive more while the other half receives less.**

In computer and related activities, there is no experience requirement for systems analysts and designers; computer programmers; computer equipment operators; and data entry operators. For electronics and telecommunications engineers, the requirement is three years; for electronics and telecommunications engineering technicians, two years; and one year for computer engineers.

In accounting, bookkeeping and auditing activities; tax consultancy, there is a one year experience requirement for bookkeepers, data entry operators and accounting and

bookkeeping clerks but none for accountants and auditors.

In architectural, engineering and related technical consultancy, the experience requirement for civil engineers, geodetic engineers and civil engineering technicians is four years. Architects should have two years of related experience.

A college degree is required for all the covered occupations in the three business activities except for unskilled workers which require a high school completion.

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TABLE 1 - Average Monthly Wage Rates of Time-Rate Workers on Full-Time Basis in Selected Occupations in Selected Business Activities, Philippines: June 2004

(Non-agricultural establishments employing 50 and over. Wage rates are defined as including basic pay and regular/guaranteed cash allowances.)

1994 PSIC/ 1992 PSOC	Industry and Occupation	Average Monthly Wage Rates (P)
AVERAGE OF SELECTED OCUPATIONS		10,161^a
K72	Computer and Related Activities	
2131	Systems Analysts and Designers	23,252
2132	Computer Programmers	23,575
2139	Computer Engineers	25,010
2153	Electronics and Telecommunications Engineers	20,922
3114	Electronics and Telecommunications Engineering Technicians	13,074
3121	Computer Assistants	7,517
3122	Computer Equipment Operators	8,442
4113	Data Entry Operators	6,175
4121	Accounting and Bookkeeping Clerks	15,073
9400 ^b	Unskilled Workers except Janitors, Messengers and Freight Handlers	7,858
K7412	Accounting, Bookkeeping and Auditing Activities; Tax Consultancy	
2411	Accountants and Auditors	72,803
3433	Bookkeepers	17,590
4113	Data Entry Operators	15,014
4121	Accounting and Bookkeeping Clerks	13,160
K7421	Architectural, Engineering and Related Technical Consultancy	
2141	Architects	13,561
2151	Civil Engineers	21,042
2152	Electrical Engineers	14,275
2157	Geodetic Engineers	15,414
3112	Civil Engineering Technicians	14,072
3113	Electrical Engineering Technicians	9,698
3118	Draftsmen	12,912
4121	Accounting and Bookkeeping Clerks	11,769
9400 ^b	Unskilled Workers except Janitors, Messengers and Freight Handlers	4,794

Notes: 1. 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 charge; and payment in kind.

2. Allowances refer to regular/guaranteed cash payments. These include 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; family allowances.

a The data refers to the average monthly wage rate across 168 occupations in 43 non-agricultural industries covered by the survey.

b BLES Code (no 1992 PSOC).

Source of data: Bureau of Labor and Employment Statistics, Occupational Wages Survey.

TABLE 2 - Median Monthly Basic Pay and Monthly Allowances of Time-Rate Workers on Full-Time Basis in Real Estate, Renting and Business Activities, Philippines: June 2004
(Non-agricultural establishments employing 50 and over. Median refers to that amount where half of the workers in the distribution receive more while the other half receives less.)

1994 PSIC	Industry	Median Monthly Basic Pay (P)	Median Monthly Allowances ¹ (P)
	All Non-Agricultural Industries	7,542	930
K	Real Estate, Renting and Business Activities	6,687	895
K70	Real Estate Activities	10,542	951
K71	Renting of Machinery and Equipment, Without Operator, Personal and Household Goods Operator	6,669	908
K72	Computer and Related Activities	8,134	1,284
K73	Research and Development	13,081	1,605
K74	Miscellaneous Business Activities	6,592	885

Notes: 1. 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 charge; and payment in kind.

2. Allowances refer to regular/guaranteed cash payments. These include 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; family allowances.

1 Refer only to those workers given regular/guaranteed cash allowances.

Source of data: Bureau of Labor and Employment Statistics, Occupational Wages Survey.

TABLE 3 - Hiring/Entry Wage Rates, Minimum Educational Requirement and Minimum Years of Related Experience of Time-Rate Workers on Full-Time Basis in Selected Occupations in Selected Business Activities, Philippines: June 2004

(Non-agricultural establishments employing 50 and over.)

Industry/Occupation	Hiring/Entry Wage Rate ¹ (P)		Minimum Educational Requirement		Minimum Years of Related Experience	
	Minimum	Maximum	Level	Percent of Establishments ²	Years	Percent of Establishments ³
Computer and Related Activities						
Systems Analysts and Designers	8,000	83,467	College graduate	100.0	None	42.8
Computer Programmers	7,000	22,000	College graduate	96.6	None	30.3
Computer Engineers	6,000	29,000	College graduate	100.0	1 year	34.2
Electronics and Telecommunications Engineers	9,750	16,000	College graduate	100.0	3 years	42.2
Electronics and Telecommunications Engineering Technicians	8,000	10,438	College graduate	100.0	2 years	63.9
Computer Assistants	5,738	16,500	College graduate	70.3	1 year	44.5
Computer Equipment Operators	6,000	10,790	College graduate	89.7	None	51.4
Data Entry Operators	5,425	11,000	College graduate	77.4	None	59.3
Accounting and Bookkeeping Clerks	6,000	19,000	College graduate	100.0	1 year	40.5
Unskilled Workers except Janitors, Messengers and Freight Handlers	6,000	7,280	High school graduate	100.0	1 year	66.7
Accounting, Bookkeeping and Auditing Activities; Tax Consultancy						
Accountants and Auditors	7,650	10,000	College graduate	100.0	None	84.2
Bookkeepers	8,550	10,000	College graduate	100.0	1 year	66.7
Data Entry Operators	8,000	8,000	College graduate	100.0	1 year	100.0
Accounting and Bookkeeping Clerks	6,500	12,220	College graduate	100.0	1 year	33.9

1 Defined as including basic pay and regular/guaranteed cash allowances.

2 Refers to educational level which has the highest proportion or share of estimated number of establishments reporting the requirement relative to the estimated number of establishments reporting the occupation. The choices for the minimum educational requirement are "elementary graduate, high school graduate, trade school graduate, college graduate, others".

3 Refers to years of related experience which has the highest proportion or share of estimated number of establishments reporting the requirement relative to the estimated number of establishments reporting the occupation. The choices for the minimum years of related experience are "none, 1 year, 2 years, 3 years, 4 or more".

TABLE 3 - Hiring/Entry Wage Rates, Minimum Educational Requirement and Minimum Years of Related Experience of Time-Rate Workers on Full-Time Basis in Selected Occupations in Selected Business Activities, Philippines: June 2004 (Cont'd.)

(Non-agricultural establishments employing 50 and over.)

Industry/Occupation	Hiring/Entry Wage Rate ¹ (P)		Minimum Educational Requirement		Minimum Years of Related Experience	
	Minimum	Maximum	Level	Percent of Establishments ²	Years	Percent of Establishments ³
Architectural, Engineering and Related Technical Consultancy						
Architects	7,000	20,000	College graduate	100.0	2 years	26.9
Civil Engineers	6,050	34,500	College graduate	92.2	4 years	34.9
Electrical Engineers	5,738	20,000	College graduate	100.0	1 year	31.6
Geodetic Engineers	7,250	20,000	College graduate	100.0	4 years	29.4
Civil Engineering Technicians	7,303	13,500	College graduate	100.0	4 years	50.9
Electrical Engineering Technicians	6,521	8,505	College graduate	47.4	None	50.0
Draftsmen	4,695	12,000	College graduate	84.4	1 year	38.3
Accounting and Bookkeeping Clerks	4,320	16,000	College graduate	94.4	2 years	37.5
Unskilled Workers except Janitors, Messengers and Freight Handlers	4,000	8,500	High school graduate	54.3	None	62.9

1 Defined as including basic pay and regular/guaranteed cash allowances.

2 Refers to educational level which has the highest proportion or share of estimated number of establishments reporting the requirement relative to the estimated number of establishments reporting the occupation. The choices for the minimum educational requirement are "elementary graduate, high school graduate, trade school graduate, college graduate, others".

3 Refers to years of related experience which has the highest proportion or share of estimated number of establishments reporting the requirement relative to the estimated number of establishments reporting the occupation. The choices for the minimum years of related experience are "none, 1 year, 2 years, 3 years, 4 or more".

Source of data: Bureau of Labor and Employment Statistics, Occupational Wages Survey.