

WAGE RATES IN INDUSTRIES

... Trades and Related Workers in Manufacturing

(12th of a Series)

This issue of the LABSTAT Updates is the 12th 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.

There are 168 occupations in 43 industries covered by the OWS on wage rates. Of these, 78 occupations are found in 20 selected sub-industries of manufacturing.

This issue focuses on the wage rates of 32 selected trades and related unit occupation groups in 15 sub-industries of manufacturing. Workers in this unit group apply their specific knowledge and skills to form metal; erect metal structures; set machine tools; or make, fit, maintain and repair machinery, equipment or tools; carry out printing work; as well as produce or process foodstuffs, textile or wooden, metal and other articles.

In June 2004, wage rates of these workers ranged from P 5,647 to P 12,167.

Most trades and related occupations had lower wage rates than all-occupation average



Only four of the 32 trades and related occupations in manufacturing reported monthly wage rates greater than the national average at P 10,161 in June 2004.

These were metal molders and core makers in manufacture of basic metals (P 10,171); printing engravers and etchers (P 10,819), compositors, typesetters and related workers (P 11,486) and stereotypers and electrotypers (P 12,167), all from the

publishing and printing sub-industry. (Table 1)

Least paid were cabinet makers and related workers in manufacture and repair of furniture at P 5,647.

While the wage rates of the trade occupations exhibited less differentials against each other in their respective sub-industries, their wage rates were around 46 to 94 percent of the wage rate of stereotypers and electrotypers, the highest paid of the selected trades and related occupations.

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.

The minimum hiring rate at P 1,370 for food processing and related trades workers in manufacture of food products and beverages is very low relative to its maximum hiring rate at P 10,433. Tanners (tanning and dressing of leather; manufacture of luggage, handbags and footwear) and multi-skilled production workers¹ (manufacture of fabricated metal

products, except machinery and equipment) reported the highest minimum entry rate at P 6,182 which is also their maximum hiring rate. Potters, glass-makers and related trades in manufacture of other non-metallic mineral product reported the highest maximum entry rate at P 20,000. (Table 2)

There were only four of the trades occupations that require a college diploma: compositors, typesetters and related workers (publishing and printing), multi-skilled production workers (manufacture of fabricated metal products, except machinery and equipment), electrical mechanics and fitters (manufacture of electrical machinery and apparatus, n.e.c.) and electronics fitters (manufacture of radio, television and communication equipment and apparatus). Most of the occupations prefer completion of high school or trade school education for employment.

Most of the occupations require at least a year of experience.

1 This is not an occupation in the 1992 Philippine Standard Occupational Classification (PSOC) and therefore not monitored by the OWS. However, in the June 2004 round, some establishments reported it to refer to workers who perform various work as blacksmiths, tool-makers and related trades workers (minor group or 3-digit PSOC level).

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TABLE 1 - Average Monthly Wage Rates of Selected Trades and Related Workers on Full-Time Basis in Selected Manufacturing, 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/Occupation	Average Monthly Wage Rates (P)
	AVERAGE OF SELECTED OCCUPATIONS	10,161^a
D15	Manufacture of Food Products and Beverages	
741	Food Processing and Related Trades Workers	7,006
D17	Manufacture of Textiles	
7431	Fiber Preparers	7,915
7432	Weavers, Knitters & Related Workers	6,849
D18	Manufacture of Wearing Apparel	
7433	Tailors, Dressmakers and Hatters	6,068
7434	Textile, Leather and Related Pattern Makers and Cutters	6,352
7435	Sewers, Embroiderers and Related Workers	6,649
D19	Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear	
7441	Tanners	6,468
7442	Shoemakers and Related Workers	6,972
D201	Manufacture of Wood and Wood Products except Furniture	
7421	Wood Treaters	6,247
7423	Woodworking-Machine Setters and Setter Operators	6,088
D22 excl. D224	Publishing and Printing	
7341	Compositors, Typesetters and Related Workers	11,486
7342	Stereotypers and Electrotypers	12,167
7343	Printing Engravers and Etchers	10,819
7345	Bookbinders and Related Workers	7,834
7347	Pressman Letterpress and Related Workers	9,622
D26	Manufacture of Other Non-Metallic Mineral Products	
732	Potters, Glass-Makers and Related Trades	7,956
D27	Manufacture of Basic Metals	
7211	Metal Molders and Core Makers	10,171
7213	Sheet-Metal Workers	7,871

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

TABLE 1 - Average Monthly Wage Rates of Selected Trades and Related Workers on Full-Time Basis in Selected Manufacturing, Philippines: June 2004 (Cont'd.)

(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)
D28	Manufacture of Fabricated Metal Products, Except Machinery and Equipment	
7212	Welder and Flamecutters	7,628
7214	Structural Metal Preparers	6,947
7221	Blacksmiths, Hammersmiths and Forging Press Operators	7,224
7223	Machine-Tool Setters and Setter-Operators	7,417
7220 ^b	Multi-skilled Production Workers	6,687
D29	Manufacture of Machinery and Equipment, n.e.c.	
7212	Welder and Flamecutters	8,178
7222	Tool Makers and Related Workers	9,684
7234	Agricultural or Industrial Machinery Mechanics and Fitters	9,258
D31	Manufacture of Electrical Machinery and Apparatus, n.e.c.	
7242	Electrical Mechanics and Fitters	7,425
D32	Manufacture of Radio, Television and Communication Equipment and Apparatus	
7243	Electronics Fitters	6,447
D34	Manufacture of Motor Vehicles, Trailers and Semi-Trailers	
7213	Sheet-Metal Workers	9,764
7231	Motor Vehicle Mechanics and Related Trades Workers	9,944
D351	Building and Repairing of Ships and Boats	
7214	Structural Metal Preparers, Erectors and Related Workers	9,435
7215	Riggers and Cable Splicers	6,835
7233	Marine Crafts Mechanics	9,492
D36	Manufacture and Repair of Furniture	
7422	Cabinet Makers and Related Workers	5,647
7424	Rattan, Bamboo and Other Wicker Furniture Workers	6,396
7436	Upholsterers and Related Workers	6,113

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 payments 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.

b BLES code (no 1992 PSOC code).

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

**TABLE 2 - Hiring/Entry Wage Rates, Minimum Educational Requirement and Minimum Years of Related Experience
of Selected Trades and Related Workers on Full-Time Basis in Selected Manufacturing, 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
Manufacture of Food Products and Beverages						
Food Processing and Related Trades Workers	1,370	10,433	High school graduate	61.7	None	50.5
Manufacture of Textiles						
Fiber Preparers	4,186	8,086	High school graduate	93.3	None	48.6
Weavers, Knitters & Related Workers	4,186	8,190	High school graduate	82.3	1 year	52.2
Manufacture of Wearing Apparel						
Tailors, Dressmakers and Hatters	3,652	8,607	High school graduate	65.7	1 year	50.8
Textile, Leather and Related Pattern Makers and Cutters	3,391	12,000	High school graduate	64.2	1 year	48.4
Sewers, Embroiderers and Related Workers	2,869	12,000	High school graduate	74.2	1 year	56.5
Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear						
Tanners	6,182	6,182	High school graduate	100.0	1 year	100.0
Shoemakers and Related Workers	5,373	7,825	High school graduate	80.8	1 year	65.9
Manufacture of Wood and Wood Products except Furniture						
Wood Treaters	4,669	7,303	High school graduate	67.6	1 year	75.7
Woodworking-Machine Setters and Setter Operators	4,669	7,825	Trade school graduate	48.4	1 year	59.5
Publishing and Printing						
Compositors, Typesetters and Related Workers	4,956	11,000	College graduate	57.1	1 year	40.3
Stereotypers and Electrotypers	5,086	10,120	High school graduate	60.1	None	41.2
Printing Engravers and Etchers	3,521	10,939	High school graduate	39.6	None	26.6
Bookbinders and Related Workers	4,434	10,955	High school graduate	75.7	1 year	45.2
Pressman Letterpress and Related Workers	4,434	13,213	High school graduate	51.4	1 year	37.9

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 2 - Hiring/Entry Wage Rates, Minimum Educational Requirement and Minimum Years of Related Experience
of Selected Trades and Related Workers on Full-Time Basis in Selected Manufacturing, 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
Manufacture of Other Non-Metallic Mineral Products						
Potters, Glass-Makers and Related Trades	3,130	20,000	High school graduate	75.8	1 year	44.3
Manufacture of Basic Metals						
Metal Molders and Core Makers	5,008	10,625	High school graduate	63.2	1 year	59.8
Sheet-Metal Workers	5,086	8,825	High school graduate	58.0	1 year	64.7
Manufacture of Fabricated Metal Products, Except Machinery and Equipment						
Welder and Flamecutters	3,130	9,390	High school graduate	50.3	1 year	52.7
Structural Metal Preparers	3,130	7,825	High school graduate	46.4	1 year	48.1
Blacksmiths, Hammersmiths and Forging Press Operators	5,217	8,607	High school graduate	34.2	1 year	45.8
Machine-Tool Setters and Setter-Operators	5,086	9,807	High school graduate	48.3	2 years	42.8
Multi-skilled Production Workers	6,182	6,182	College graduate	100.0	None	100.0
Manufacture of Machinery and Equipment, n.e.c.						
Welder and Flamecutters	4,695	13,500	Trade school graduate	45.5	1 year	49.0
Tool Makers and Related Workers	4,695	9,129	Trade school graduate	46.2	None	30.0
Agricultural or Industrial Machinery Mechanics and Fitters	4,825	9,129	Trade school graduate	75.2	1 year	49.7
Manufacture of Electrical Machinery and Apparatus, n.e.c.						
Electrical Mechanics and Fitters	5,217	13,042	College graduate	43.7	1 year	56.4
Manufacture of Radio, Television and Communication Equipment and Apparatus						
Electronics Fitters	5,856	8,362	College graduate	56.4	1 year	36.2

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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 2 - Hiring/Entry Wage Rates, Minimum Educational Requirement and Minimum Years of Related Experience of Selected Trades and Related Workers on Full-Time Basis in Selected Manufacturing, 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
Manufacture of Motor Vehicles, Trailers and Semi-Trailers						
Sheet-Metal Workers	5,250	8,000	Trade school graduate	55.9	None	42.9
Motor Vehicle Mechanics and Related Trades Workers	4,956	8,504	Trade school graduate	78.3	1 year	46.1
Building and Repairing of Ships and Boats						
Structural Metal Preparers, Erectors and Related Workers	3,391	8,347	Trade school graduate	58.3	1 year	58.3
Riggers and Cable Splicers	4,956	8,347	High school graduate	50.0	1 year	50.0
Marine Crafts Mechanics	4,878	7,303	Trade school graduate	70.0	1 year	50.0
Manufacture and Repair of Furniture						
Cabinet Makers and Related Workers	3,652	7,877	High school graduate	65.1	1 year	46.3
Rattan, Bamboo and Other Wicker Furniture Workers	2,022	7,303	High school graduate	61.6	1 year	56.0
Upholsterers and Related Workers	3,912	7,888	High school graduate	81.7	1 year	65.6

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

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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.