

WAGE RATES IN INDUSTRIES

... *Production Supervisors and General Foremen, Quality Inspectors and Production Clerks in Manufacturing*

(11th of a Series)

This issue of the LABSTAT Updates is the 11th 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 production supervisors and general foremen in 19 sub-industries of manufacturing. Workers in this unit group supervise the production activities of a distinct unit or sector concerned with processing; coordinate, control and organize the activities of workers; and train workers on a particular skill or task. In June 2004, wage rates of these workers ranged from ₱ 8,583 to ₱ 24,440.

This report also presents the wage rates of quality inspectors in 14 sub-industries of manufacturing. Workers in this occupational group inspect finished products or parts for conformity with manufacturer's specifications and standards. Average monthly wage rates of these workers varied from ₱ 6,944 to ₱ 13,472.

Lastly, the wage rates of production clerks in 13 sub-industries of manufacturing are shown in this issue. Workers in this group compute quantities of materials required at specified dates for the production program and prepare and check production operating schedules. Wage rates of these workers ranged from ₱ 6,409 to ₱ 13,599.

Lesser spread in wage rates among quality inspectors and production clerks than in wage rates of production supervisors and general foremen

Among production supervisors and general foremen in manufacturing covered by the 2004 OWS, those in manufacture of chemicals and chemical products and manufacture of motor vehicles, trailers and semi-trailers were paid the highest at ₱ 24,440 and ₱ 20,029, respectively. Their wage rates were at least twice the ₱ 10,161 average across all

occupations covered by the survey. (Table 1)



Least paid in similar occupations were those workers in manufacture of wood and wood products except furniture at ₱ 8,583. Except for similar workers in manufacture of plastic products whose

wage rate was reported at ₱ 9,700, the rest of the manufacturing sub-industries gave wage rates higher than the all-occupations average (₱ 10,161) ranging from ₱ 10,265 to ₱ 18,133.

Unlike production supervisors, wage rates of quality inspectors and production clerks varied relatively less. Highest wage rate at ₱ 13,472 was recorded for quality inspectors in manufacture of other non-metallic mineral products. This same sub-industry reported too the highest wage rate for production clerks at ₱ 13,599.

Wage rates of quality inspectors and production clerks were both monitored in 11 out of the 19 sub-industries of manufacturing. In

five industries, wage rates of quality inspectors were more than those of production clerks. The differentials ranged from 8.5 percent in manufacture of plastic products to 69.0 percent in building and repairing of ships and boats.

In the other six industries, wage rates of production clerks were higher than those of the quality inspectors. However, the differentials were lower, from 0.9 percent (manufacture of other non-metallic mineral products) to 27.6 percent (manufacture of radio, television and communication equipment and apparatus).

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 rates for production supervisors and general foremen ranged from ₱ 3,900 (manufacture of food products and

beverages) to ₱ 6,083 (manufacture of motor vehicles, trailers and semi-trailers.) When these minimum hiring rates are related to their corresponding maximum hiring rates, the latter were around twice as much (₱ 12,000 against ₱ 5,504 in tanning and dressing of leather; manufacture of luggage, handbags and footwear) to almost ten times (₱ 49,500 against ₱ 4,956 in manufacture of chemicals and chemical products). *Table 2*

For quality inspectors, the lowest hiring rate at ₱ 2,608 was recorded in manufacture of wearing apparel while the highest at ₱ 22,000 in manufacture of food products and beverages.

On the other hand, the maximum hiring rates for production clerks was high as ₱ 26,958 (manufacture of food products and beverages) from a low of ₱ 2,869 (manufacture of food products and beverages; manufacture of wearing

apparel; and manufacture of wood and wood products except furniture).

In the 19 manufacturing sub-industries where production supervisors and general foremen were covered, the employers prefer at least a college degree for these workers. One to two years of experience is required depending on the industry. (Table 2)

A college degree or a high school diploma is desirable for quality inspectors in eight and six manufacturing sub-industries, respectively. One year of experience is needed except in manufacture and

repair of furniture (2 years). No experience is required in manufacture of motor vehicles, trailers and semi-trailers.

For production clerks, most manufacturing sub-industries prefer a college graduate except in tanning and dressing of leather; manufacture of luggage, handbags and footwear (high school graduate) and manufacture of wood and wood products except furniture (trade school graduate). One year of experience or none at all are desirable in the 13 sub-industries where production clerks were covered by the survey.

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TABLE 1 - Average Monthly Wage Rates of Production Supervisors and General Foremen, Quality Inspectors and Production Clerks 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	Industry	Average Monthly Wage Rates (P)		
		Production Supervisors and General Foremen	Quality Inspectors	Production Clerks
	1992 PSOC Code	1430	3152	4132
D15	Manufacture of Food Products and Beverages	16,797	10,619	9,664
D17	Manufacture of Textiles	11,521	7,525	a
D18	Manufacture of Wearing Apparel	12,064	6,944	7,697
D19	Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear	10,265	7,166	6,572
D201	Manufacture of Wood and Wood Products except Furniture	8,583	a	6,409
D21	Manufacture of Paper and Paper Products	14,219	a	10,126
D22 excl. D224	Publishing and Printing	14,566	a	a
D24	Manufacture of Chemicals and Chemical Products	24,440	a	a
D251	Manufacture of Rubber Products	11,445	7,375	8,322
D252	Manufacture of Plastic Products	9,700	8,493	7,825
D26	Manufacture of Other Non-Metallic Mineral Products	15,737	13,472	13,599
D27	Manufacture of Basic Metals	13,811	a	a
D28	Manufacture of Fabricated Metal Products, Except Machinery and Equipment	14,038	7,817	a
D29	Manufacture of Machinery and Equipment, n.e.c.	15,881	8,274	8,482
D31	Manufacture of Electrical Machinery and Apparatus, n.e.c.	14,562	8,550	10,249
D32	Manufacture of Radio, Television and Communication Equipment and Apparatus	18,133	8,684	11,082
D34	Manufacture of Motor Vehicles, Trailers and Semi-Trailers	20,029	13,401	a
D351	Building and Repairing of Ships and Boats	13,300	11,485	6,795
D36	Manufacture and Repair of Furniture	11,243	9,674	6,727

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 Occupation not monitored.

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
Production Supervisors and General Foremen, Quality Inspectors and Production Clerks on Full-Time Basis in Selected Manufacturing,
Philippines: June 2004**

(Non-agricultural establishments employing 50 and over.)

Industry	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
Production Supervisors and General Foremen						
Manufacture of Food Products and Beverages	3,900	35,000	College graduate	78.4	2 years	32.5
Manufacture of Textiles	4,500	17,000	College graduate	68.6	2 years	36.3
Manufacture of Wearing Apparel	4,695	15,963	College graduate	51.9	2 years	37.0
Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear	5,504	12,000	College graduate	49.2	1 year	42.8
Manufacture of Wood and Wood Products except Furniture	4,000	20,000	College graduate	54.5	2 years	30.4
Manufacture of Paper and Paper Products	3,912	16,150	College graduate	66.6	2 years	34.6
Publishing and Printing	5,217	20,000	College graduate	64.9	2 years	42.8
Manufacture of Chemicals and Chemical Products	4,956	49,500	College graduate	87.8	2 years	35.8
Manufacture of Rubber Products	3,912	14,042	College graduate	66.4	1 year	63.6
Manufacture of Plastic Products	3,912	32,087	College graduate	68.1	1 year	36.8
Manufacture of Other Non-Metallic Mineral Products	4,565	24,126	College graduate	69.2	2 years	34.4
Manufacture of Basic Metals	5,295	22,000	College graduate	79.3	2 years	37.5
Manufacture of Fabricated Metal Products, Except Machinery and Equipment	5,086	25,000	College graduate	66.8	1 year	33.7
Manufacture of Machinery and Equipment, n.e.c.	4,695	20,520	College graduate	75.2	1 year	31.1
Manufacture of Electrical Machinery and Apparatus, n.e.c.	5,000	23,200	College graduate	83.9	1 year	37.1
Manufacture of Radio, Television and Communication Equipment and Apparatus	5,217	23,868	College graduate	85.7	1 year	30.8
Manufacture of Motor Vehicles, Trailers and Semi-Trailers	6,083	31,000	College graduate	73.8	1 year	30.8
Building and Repairing of Ships and Boats	5,217	12,624	College graduate	58.3	1 year	41.7
Manufacture and Repair of Furniture	4,695	13,900	College graduate	67.6	2 years	42.9

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
Production Supervisors and General Foremen, Quality Inspectors and Production Clerks on Full-Time Basis in Selected Manufacturing,
Philippines: June 2004 (Cont'd.)**

(Non-agricultural establishments employing 50 and over.)

Industry	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
Quality Inspectors						
Manufacture of Food Products and Beverages	3,500	22,000	College graduate	74.1	1 year	43.7
Manufacture of Textiles	4,392	10,780	High school grad	45.5	1 year	35.4
Manufacture of Wearing Apparel	2,608	15,000	High school grad	55.7	1 year	53.3
Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear	4,500	8,900	High school grad	52.3	1 year	52.7
Manufacture of Rubber Products	3,912	9,800	High school grad	50.3	1 year	47.5
Manufacture of Plastic Products	3,652	17,000	College graduate	46.4	1 year	37.7
Manufacture of Other Non-Metallic Mineral Products	3,500	19,775	College graduate	54.6	1 year	36.1
Manufacture of Fabricated Metal Products, Except Machinery and Equipment	4,825	10,500	College graduate	59.1	1 year	39.6
Manufacture of Machinery and Equipment, n.e.c.	4,695	15,000	College graduate	60.5	1 year	39.3
Manufacture of Electrical Machinery and Apparatus, n.e.c.	4,511	10,043	High school grad	42.1	1 year	38.1
Manufacture of Radio, Television and Communication Equipment and Apparatus	4,617	11,000	College graduate	44.6	1 year	44.0
Manufacture of Motor Vehicles, Trailers and Semi-Trailers	5,250	21,000	College graduate	35.4	None	38.6
Building and Repairing of Ships and Boats	4,878	15,000	College graduate	44.4	1 year	33.3
Manufacture and Repair of Furniture	4,565	11,000	High school grad	36.8	2 years	41.4

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Philippines: June 2004 (Cont'd.)**

(Non-agricultural establishments employing 50 and over.)

Industry	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
Production Clerks						
Manufacture of Food Products and Beverages	2,869	26,958	College graduate	71.1	None	41.4
Manufacture of Wearing Apparel	2,869	9,000	College graduate	61.6	1 year	47.4
Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear	3,000	8,400	High school graduate	57.1	1 year	42.1
Manufacture of Wood and Wood Products except Furniture	2,869	7,303	Trade school graduate	40.7	1 year	43.2
Manufacture of Paper and Paper Products	4,710	9,129	College graduate	61.7	1 year	41.6
Manufacture of Rubber Products	4,000	13,845	College graduate	62.9	1 year	47.0
Manufacture of Plastic Products	3,652	15,381	College graduate	60.7	None	43.0
Manufacture of Other Non-Metallic Mineral Products Except Machinery and Equipment	4,695	20,000	College graduate	67.6	1 year	39.5
Manufacture of Machinery and Equipment, n.e.c.	3,500	11,248	College graduate	83.1	1 year	47.4
Manufacture of Electrical Machinery and Apparatus, n.e.c.	5,217	9,608	College graduate	66.6	None	40.2
Manufacture of Radio, Television and Communication Equipment and Apparatus	5,200	11,000	College graduate	52.6	None	55.4
Building and Repairing of Ships and Boats	3,912	6,000	College graduate	75.0	1 year	75.0
Manufacture and Repair of Furniture	4,173	8,500	College graduate	64.7	1 year	45.3

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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.