

WAGE RATES IN INDUSTRIES

... in Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles and Personal and Household Goods

(Seventh of a Series)

This issue of the LABSTAT Updates is the seventh 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 selected occupations and the basic pay and allowance of time-rate workers on full-time basis in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. There are 168 occupations in 43 industries covered by the OWS. Ten occupations were selected to represent the industry across its three minor divisions of sale, maintenance and repair of motor vehicles and motorcycles; wholesale trade and commission trade, except of motor vehicles and motorcycles; and retail trade, except of motor vehicles and motorcycles.

In June 2004, the average monthly wage rates of the 10 representative occupations in the industry ranged from ₱ 6,221 to ₱ 19,405. The median monthly basic pay was ₱ 7,031 while the median monthly allowance (of those workers given allowances) was ₱ 875.

Sales supervisors in wholesale trade highest paid



The average monthly wage rate across the 168 occupations covered by the OWS was estimated at ₱ 10,161 in June 2004.

Among the selected occupations, sales supervisors in wholesale trade had the highest wage rate at ₱ 19,405. Their counterparts in the two sub-industries retail trade except of motor vehicles and motorcycles; and sale, maintenance and repair of motor vehicles and motorcycles were paid wage rates averaging at ₱ 11,406 and ₱ 10,597, respectively. (Table 1)

On the other hand, accountants and auditors had wage rates ranging from ₱ 12,770 to ₱ 17,529.

The wage rate of technical and commercial sales representatives in wholesale trade at ₱ 12,587 was higher than the all-occupations average of ₱ 10,161. However, workers in the same occupation engaged in sale, maintenance and repair of motor vehicles and motorcycles had an average wage rate of only ₱ 9,948.

Among clerical occupations (accounting and bookkeeping clerks; stock clerks; cashiers; and telemarketers), cashiers in sale, maintenance and repair of motor vehicles and motorcycles had the highest wage rate at ₱ 13,294. Stock clerks in retail trade were the least paid clerical workers at ₱ 7,325.

Wage rates of shop salespersons and demonstrators varied across the sub-industries. It ranged

from ₱ 6,351 in retail trade to ₱ 9,042 in wholesale trade.

Expectedly, unskilled workers were the least paid among the occupations in each sub-industry (₱ 6,221 to ₱ 8,600).

Except for sales supervisors, occupations in retail trade had lower wage rates relative to similar occupations in the other two minor divisions of wholesale and retail trade.

Workers in trade paid lower than the all-industry average

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 ₱ 7,542. The median¹ allowance (for those given allowances), on the other hand, was reported at ₱ 930.

In trade establishments, basic pay of these workers averaged at ₱ 7,031 while their monthly allowance was ₱ 875. (Table 2)

Across sub-industries, workers in wholesale trade received the highest

monthly basic pay of ₱ 8,733 followed by workers in sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel at ₱ 8,492. Least paid were workers in retail trade at ₱ 6,534.

Monthly allowance at ₱ 1,066 in wholesale trade was the highest among sub-industry groups. The lowest was recorded in retail trade at ₱ 821. Workers' allowance in sale and maintenance of motor vehicles and motorcycles; retail sale of automotive fuel averaged at ₱ 884.

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.

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.**

The maximum hiring rates for the selected occupations in wholesale and retail trade was as high as ₱ 50,000 (sales supervisors in wholesale trade sub-industry) from as low as ₱ 8,785 (unskilled workers in sale, maintenance and repair of motor vehicles and motorcycles). This indicates a wide variability in the maximum hiring rates. (Table 3)

On the other hand, the minimum hiring rates had lesser spread as these varied from ₱ 2,000 (cashiers in retail trade, except of motor vehicles and motorcycles) to ₱ 5,008 (technical and commercial sales representatives in sale, maintenance and repair of motor vehicles and motorcycles).

A trade school diploma is required for motor vehicle mechanics and related

trade workers while completion of high school is the minimum requirement for shop salespersons and demonstrators in retail trade and for unskilled workers. A college degree is required for all of the other occupations.

Sales supervisors and accountants and auditors in wholesale trade; and sale, maintenance and repair of motor vehicles should have at least 2 years of related experience prior to employment. Their counterparts in retail trade need only one year.

Experience requirements for clerical and sales workers and salespersons varied from none to one year. There is no experience requirement for unskilled workers.

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TABLE 1 - Average Monthly Wage Rates of Time-Rate Workers on Full-Time Basis in Selected Occupations in Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles, 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 OCCUPATIONS		10,161^a
G50 excl. G505 Sale, Maintenance and Repair of Motor Vehicles and Motorcycles		
144	Sales Supervisors	10,597
2411	Accountants and Auditors	17,529
3415	Technical and Commercial Sales Representatives	9,948
4121	Accounting and Bookkeeping Clerks	9,412
4131	Stock Clerks	8,640
4211	Cashiers	13,294
5220	Shop Salespersons and Demonstrators	8,447
7231	Motor Vehicle Mechanics and Related Trade Workers	8,711
9400 ^b	Unskilled Workers except Janitors, Messenger and Freight Handlers	7,464
G51 Wholesale Trade and Commission Trade except of Motor Vehicles and Motorcycles		
144	Sales Supervisors	19,405
2411	Accountants and Auditors	15,562
3415	Technical and Commercial Sales Representatives	12,587
4121	Accounting and Bookkeeping Clerks	10,269
4131	Stock Clerks	9,530
4211	Cashiers	10,888
4224 ^b	Telemarketers	11,226
5220	Shop Salespersons and Demonstrators	9,042
9400 ^b	Unskilled Workers except Janitors, Messenger and Freight Handlers	8,600
G52 excl. G526 Retail Trade, except of Motor Vehicles and Motorcycles		
144	Sales Supervisors	11,406
2411	Accountants and Auditors	12,770
4121	Accounting and Bookkeeping Clerks	7,922
4131	Stock Clerks	7,325
4211	Cashiers	7,888
4224 ^b	Telemarketers	7,824
5220	Shop Salespersons and Demonstrators	6,351
9400 ^b	Unskilled Workers except Janitors, Messenger and Freight Handlers	6,221

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 Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods, 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
G	Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	7,031	875
G50	Sale, Maintenance and Repair of Motor Vehicles and Motorcycles; Retail Sale of Automotive Fuel	8,492	884
G51	Wholesale Trade and Commission Trade, Except of Motor Vehicles and Motorcycles	8,733	1,066
G52	Retail Trade, Except of Motor Vehicles and Motorcycles; Repair of Personal and Household Goods	6,534	821

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 Wholesale and Retail Trade;
Repair of Motor Vehicles and Motorcycles, 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
Sale, Maintenance & Repair of Motor Vehicles and Motorcycles						
Sales Supervisors	4,840	41,956	College graduate	93.4	2 years	38.2
Accountants and Auditors	4,840	30,000	College graduate	93.5	2 years	28.0
Technical and Commercial Sales Representatives	5,008	25,000	College graduate	77.5	1 year	37.9
Accounting and Bookkeeping Clerks	4,000	12,500	College graduate	100.0	1 year	48.3
Stock Clerks	4,643	10,000	College graduate	73.7	1 year	51.3
Cashiers	4,643	18,057	College graduate	92.7	1 year	41.6
Shop Salespersons and Demonstrators	4,643	10,500	College graduate	81.7	1 year	44.2
Motor Vehicle Mechanics and Related Trades Workers	4,512	12,000	Trade school graduate	75.9	1 year	52.4
Unskilled Workers except Janitors, Messengers and Freight Handlers	4,695	8,785	High school graduate	59.4	None	55.0
Wholesale Trade and Commission Trade, Except of Motor Vehicles and Motorcycles						
Sales Supervisors	4,695	50,000	College graduate	94.7	2 years	38.1
Accountants and Auditors	4,695	44,000	College graduate	96.8	2 years	37.1
Technical and Commercial Sales Representatives	4,617	20,000	College graduate	95.7	None	36.9
Accounting and Bookkeeping Clerks	4,695	20,000	College graduate	94.4	1 year	38.4
Stock Clerks	3,912	18,000	College graduate	67.0	None	53.0
Cashiers	4,695	21,180	College graduate	92.8	1 year	36.9
Telemarketers	4,695	17,224	College graduate	95.4	None	38.7
Shop Salespersons and Demonstrators	4,695	19,634	College graduate	75.3	1 year	41.9
Unskilled Workers except Janitors, Messengers and Freight Handlers	2,156	10,000	High school graduate	63.7	None	77.9

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 Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles, 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
Retail Trade, Except of Motor Vehicles & Motorcycles						
Sales Supervisors	3,521	35,000	College graduate	92.1	1 year	38.9
Accountants and Auditors	2,713	36,000	College graduate	97.3	1 year	35.7
Accounting and Bookkeeping Clerks	3,130	21,000	College graduate	96.3	1 year	45.0
Stock Clerks	2,087	11,780	College graduate	45.3	None	51.7
Cashiers	2,000	15,000	College graduate	60.6	None	48.5
Telemarketers	3,521	12,000	College graduate	68.7	1 year	46.5
Shop Salespersons and Demonstrators	2,080	15,000	High school graduate	39.5	None	64.0
Unskilled Workers except Janitors, Messengers and Freight Handlers	2,080	9,500	High school graduate	64.6	None	72.2

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.