

WAGE RATES IN INDUSTRIES

... Plant and Machine Operators and Assemblers in Manufacturing

(13th of a Series)

This issue of the LABSTAT Updates is the 13th 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 29 unit occupation groups in plant and machine operation and assembly in 17 sub-industries of manufacturing. Workers in this occupation group operate and monitor industrial machinery and equipment on the spot or by remote control, or assemble products from component parts according to strict specifications and procedures.

In June 2004, wage rates of these workers ranged from P 4,720 to P 14,888.

Plant operators and assemblers in wood manufacture received lowest wage rates



Wood processing plant operators who work in manufacture of wood and wood products except furniture received the lowest wage rate among plant operators¹ at P 5,593. On the other hand, chemical filtering and separating and equipment operators in manufacture of chemicals and chemical products were paid the highest wage rate at P 13,176 among all selected plant operators in the selected sub-industries of manufacturing. (Table 1)

For machine operators and assemblers¹, wood and related

products assemblers in manufacture of wood and wood products except furniture likewise registered the lowest monthly wage rate at P 4,720. On the other hand, mechanical machinery assemblers in manufacture of motor vehicles, trailers and semi-trailers received the highest rate at P 14,888. This wage rate is 46.5 percent more than the national average of all covered occupations by the OWS at P 10,161.

Only five (5) of the selected plant and machine operators and assemblers had wage rates higher than the national average. These were food and related

¹ The 1st 2 digit PSOC code of plant operators is 81 while that of machine operators and assemblers is 82.

products machine operators in manufacture of food products and beverages (P 10,695); chemical-heat treating plant operators (P 11,960) and chemical-filtering and separating equipment operators (P 13,176), both occupations are found in manufacture of chemicals and chemical products; cement

and other mineral products machine operators in manufacture of other non-metallic mineral products (P 10,420); and mechanical machinery assemblers in manufacture of motor vehicles, trailers and semi-trailers (P 14,888).

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.

For the selected plant operators, the lowest hiring rate at P 2,869 was recorded for wood processing operators in manufacture of wood and wood products except furniture. The highest entry rate at P 18,258 was registered for glass, ceramics and related plant operators. (Table 2)

Completion of high school is mostly desirable for employment as plant operators. However, trade

school graduation is preferred for metal drawers and extruders (manufacture of basic metals); and chemical heat-treating plant operators and chemical-filtering and separating equipment operators (both occupations in manufacture of chemicals and chemical products).

Experience requirement for plant operators varied from none at all to two years.

Entry wage rates for machine operators and assemblers, ranged from a minimum of P 2,608 (sewing machine operators in manufacture of wearing apparel; wood and related products assemblers in manufacture of wood and wood products except furniture) to a maximum of P 17,015 (cement and other mineral products machine operators in manufacture of other non-metallic mineral products).

The minimum educational requirement for machine operators and assemblers is graduation from high school except for preference of a trade school graduate for mechanical machinery assemblers in manufacture of machinery and equipment, n.e.c.

Similar to plant operators, the minimum experience requirement for machine operators and assemblers varied from none to two years.

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TABLE 1 - Average Monthly Wage Rates of Selected Plant and Machine Operators and Assemblers 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 and Occupation	Average Monthly Wage Rates (P)
	AVERAGE OF SELECTED OCCUPATIONS	10,161^a
D15	Manufacture of Food Products and Beverages	
826	Food and Related Products Machine Operators	10,695
D17	Manufacture of Textiles	
8251	Fiber Preparing, Spinning and Winding Machine Operators	8,083
8252	Weaving and Knitting Machine Operators	7,147
8254	Bleaching, Dyeing and Cleaning Machine Operators	7,302
8250 ^p	Multi-skilled Production Workers	6,307
D18	Manufacture of Wearing Apparel	
8253	Sewing Machine Operators	6,661
D19	Tanning and Dressing of Leather; Manufacture of Luggage, Handbags and Footwear	
8255	Leather Preparing Machine Operators	6,696
8256	Shoemaking and Related Machine Operators	6,479
D201	Manufacture of Wood and Wood Products except Furniture	
8141	Wood Processing Plant Operators	5,593
8240	Wood Products Machine Operators	5,832
8275	Wood and Related Products Assemblers	4,720
8270 ^p	Multi-skilled Production Workers	5,253
D21	Manufacture of Paper and Paper Products	
8142	Paper Pulp Plant Operators	8,885
8143	Papermaking Plant Operators	8,958
8140 ^p	Multi-skilled Production Workers	5,796
8276	Paperboard and Related Products Assemblers	8,478
D24	Manufacture of Chemicals and Chemical Products	
8151	Crushing, Grinding and Chemical-Mixing Machinery Operators	8,656
8152	Chemical Heat-Treating Plant Operators	11,960
8153	Chemical-Filtering and Separating Equipment Operators	13,176
8150 ^p	Multi-skilled Production Workers	7,463
8221	Pharmaceutical and Toiletry Products Machine Operators	8,420
D251	Manufacture of Rubber Products	
8231	Rubber Products Machine Operators	8,332

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 Plant and Machine Operators and Assemblers 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/Occupation	Average Monthly Wage Rates (P)
D252	Manufacture of Plastic Products	
8232	Plastic Products Machine Operators	7,490
D26	Manufacture of Other Non-Metallic Mineral Products	
813	Glass, Ceramics and Related Plant Operators	7,134
8212	Cement and Other Mineral Products Machine Operators	10,420
D27	Manufacture of Basic Metals	
8121	Ore and Metal Furnace Operators	10,034
8122	Metal Melters, Casters and Rolling-Mill Operators	9,502
8123	Metal Heat Treating Plant Operators	9,743
8124	Metal Drawers and Extruders	8,585
8120 ^b	Multi-skilled Production Workers	5,982
D28	Manufacture of Fabricated Metal Products, Except Machinery and Equipment	
8211	Machine Tool Operators	7,563
D29	Manufacture of Machinery and Equipment, n.e.c.	
8271	Mechanical Machinery Assemblers	8,718
D31	Manufacture of Electrical Machinery and Apparatus, n.e.c.	
8272	Electrical Equipment Assemblers	6,861
D32	Manufacture of Radio, Television and Communication Equipment and Apparatus	
8273	Electronic Equipment Assemblers	7,627
D34	Manufacture of Motor Vehicles, Trailers and Semi-Trailers	
8271	Mechanical Machinery Assemblers	14,888
D36	Manufacture and Repair of Furniture	
8240	Wood Products Machine Operators	6,228

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 Plant and Machine Operators and Assemblers 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 and Related Products Machine Operators	3,130	13,694	High school graduate	39.7	1 year	48.1
Manufacture of Textiles						
Fiber Preparing, Spinning and Winding Machine Operators	4,434	9,426	High school graduate	78.9	1 year	55.0
Weaving and Knitting Machine Operators	4,186	9,129	High school graduate	74.4	1 year	44.1
Bleaching, Dyeing and Cleaning Machine Operators	4,392	11,590	High school graduate	81.1	None	41.2
Multi-skilled Production Workers	5,856	6,521	High school graduate	100.0	None	69.6
Manufacture of Wearing Apparel						
Sewing Machine Operators	2,608	12,000	High school graduate	71.2	1 year	54.1
Tanning and Dressing of Leather; Manufacture of Handbags and Footwear						
Leather Preparing Machine Operators	5,477	7,825	High school graduate	100.0	None	46.6
Shoemaking and Related Machine Operators	2,869	7,825	High school graduate	94.1	1 year	67.8
Manufacture of Wood and Wood Products except Furniture						
Wood Processing Plant Operators	2,869	7,303	High school graduate	63.3	2 years	41.0
Wood Products Machine Operators	4,669	8,607	High school graduate	60.5	1 year	46.0
Wood and Related Products Assemblers	2,608	7,303	High school graduate	72.8	None	58.0
Multi-skilled Production Workers	5,217	5,217	High school graduate	100.0	None	100.0
Manufacture of Paper and Paper Products						
Paper Pulp Plant Operators	4,434	10,000	High school graduate	45.3	1 year	38.9
Papermaking Plant Operators	3,130	12,500	High school graduate	53.4	None	33.8
Multi-skilled Production Workers	4,695	7,825	High school graduate	52.2	1 year	47.8
Paperboard and Related Products Assemblers	5,738	10,303	High school graduate	68.1	1 year	40.7

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
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(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 Chemicals and Chemical Products						
Crushing, Grinding and Chemical-Mixing Machinery Operato	4,669	10,000	High school graduate	58.9	1 year	39.0
Chemical Heat-Treating Plant Operators	5,000	18,000	Trade school graduate	35.6	None	39.8
Multi-skilled Production Workers	6,182	8,500	High school graduate	33.2	None	35.8
Chemical-Filtering and Separating Equipment Operators	5,000	11,640	Trade school graduate	48.6	1 year	45.2
Pharmaceutical and Toiletry Products Machine Operators	5,217	10,000	High school graduate	51.1	None	52.7
Manufacture of Rubber Products						
Rubber Products Machine Operators	3,508	7,825	High school graduate	79.4	None	57.7
Manufacture of Plastic Products						
Plastic Products Machine Operators	3,391	11,737	High school graduate	69.8	None	43.0
Manufacture of Other Non-Metallic Mineral Products						
Glass, Ceramics and Related Plant Operators	4,695	18,258	High school graduate	69.2	None	40.6
Cement and Other Mineral Products Machine Operators	4,695	17,015	High school graduate	47.5	2 years	32.1
Manufacture of Basic Metals						
Ore and Metal Furnace Operators	5,217	8,738	High school graduate	90.6	2 years	42.1
Metal Melters, Casters and Rolling-Mill Operators	5,008	12,300	High school graduate	62.1	None	48.6
Metal Heat Treating Plant Operators	5,217	10,000	High school graduate	36.4	1 year	32.8
Metal Drawers and Extruders	6,182	8,825	Trade school graduate	47.4	None	45.2
Multi-skilled Production Workers	5,086	5,999	High school graduate	68.8	1 year	62.5
Manufacture of Fabricated Metal Products, Except Machinery and Equipment						
Machine Tool Operators	4,636	11,500	High school graduate	46.5	1 year	46.1

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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 Machinery and Equipment, n.e.c.						
Mechanical Machinery Assemblers	4,695	9,129	Trade school graduate	43.4	None	47.2
Manufacture of Electrical Machinery and Apparatus, n.e.c.						
Electrical Equipment Assemblers	4,636	8,500	High school graduate	62.8	None	62.9
Manufacture of Radio, Television and Communication Equipment and Apparatus						
Electronic Equipment Assemblers	3,912	8,170	High school graduate	65.4	None	83.4
Manufacture of Motor Vehicles, Trailers and Semi-Trailers						
Mechanical Machinery Assemblers	4,956	13,450	High school graduate	51.0	None	57.5
Manufacture and Repair of Furniture						
Wood Products Machine Operators	3,391	10,000	High school graduate	68.2	1 year	49.6

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