

WAGE DIFFERENTIALS IN MAJOR INDUSTRIES AND OCCUPATIONS IN 2020

The Occupational Wages Survey (OWS) is a nationwide survey of establishments of the Philippine Statistics Authority (PSA) which aims to generate statistics for wage and salary administration of the government and wage determination in collective bargaining negotiations. These statistics can also be used as basis for investment decisions and global competitiveness of industries and occupations.

The OWS is one of the designated statistical activities of the PSA per Executive Order 352 (s. 1996) that requires the generation of critical and essential data for decision making of the government and the private sector. Specifically, the OWS data on the Average Monthly Occupational Wage Rates of Selected Occupations is included as one of the variables listed and committed by the Philippine government to be regularly generated and disseminated under the Special Data Dissemination Standard (SDDS) of the International Monetary Fund. The SDDS serves as reference to member countries in the dissemination of economic and financial data.

The 2020 OWS covered 8,573 establishments employing at least 20 workers of which wage rates of 189 monitored occupations across industries were collected. It also covers occupational wage rates, median basic pay and median allowance of time-rated workers on full-time basis. The survey's reference period was August 31, 2020.

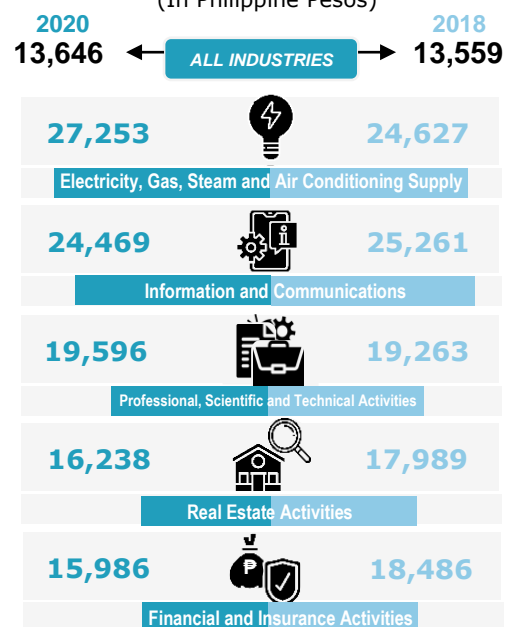
This issue of LABSTAT Updates centers on the differences between wage rates among major industries, and major occupations within its group and relative to the rates of the unskilled workers.

For reference purposes, the metadata, statistical tables, infographics, and key findings can be found in the publication on 2020 OWS Statistical Report at the PSA website (<https://psa.gov.ph/occupational-wages-survey>).

Median monthly basic pay of time-rated workers on full-time basis recorded at **Php13,646** in 2020

- Basic pay and allowance or wage rates differ across occupations and industries. Some of the factors that may influence wage distribution disparities are shifts in employment or turnover of employees in occupations and in industries; work experience/seniority or length of service of workers; bargaining agreements or negotiations; and reorganization. In addition, the effect of the COVID-19 pandemic greatly influenced the wage differential among workers.
- Median basic pay or median allowance is the value that divides the wage distribution into two equal parts. This means that half of the number of workers received monthly basic pay or allowance below the median while the other half receive above the said amount.

Figure 1 - Top 5 Industries with Highest Median Monthly Basic Pay, Philippines: August 2020
(In Philippine Pesos)

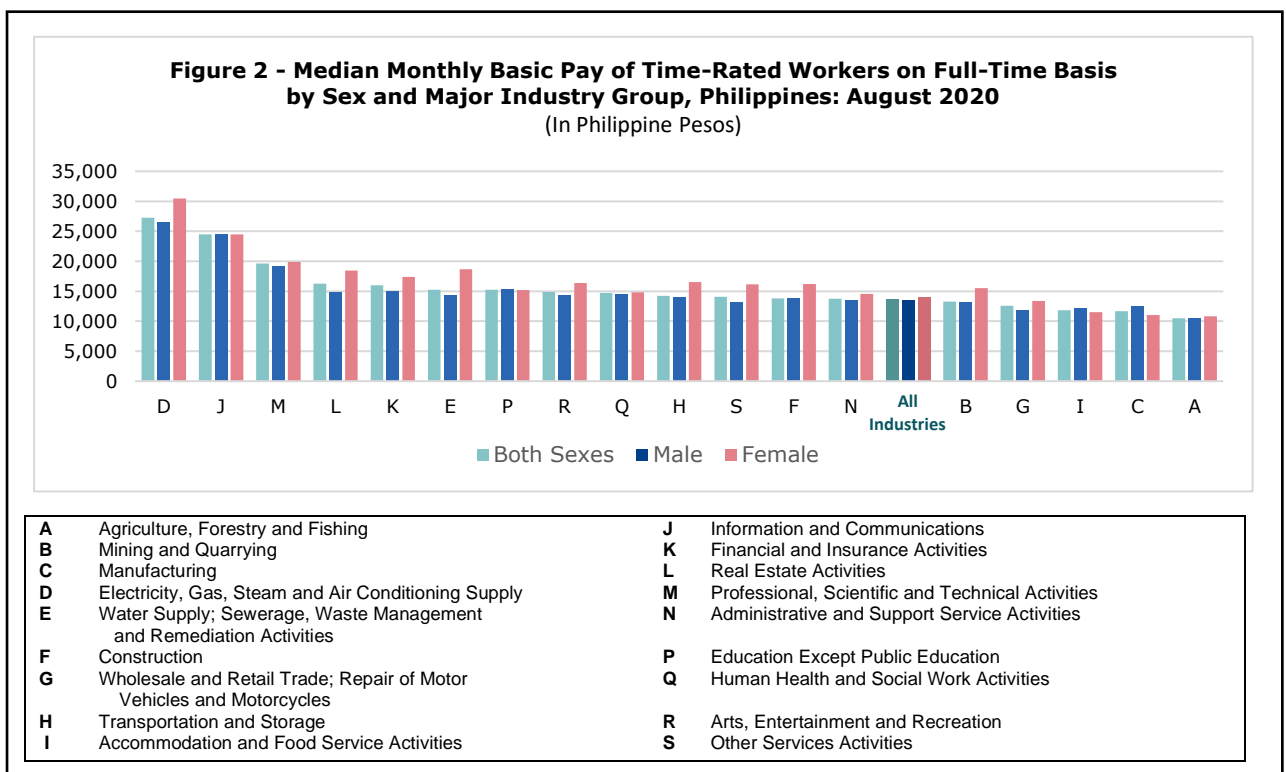


Source of data: PSA, 2020 Occupational Wages Survey.

- Survey result shows that the median basic pay per month was posted at PhP13,646 across industries in 2020, a minimal increase of 0.6 percent compared to PhP13,559 in 2018. This implies that of the total 4.00 million time-rated workers on full-time basis, 50 percent received monthly basic pay less than PhP13,646 while the other half received basic pay greater than this amount. (Figure 1 and Table 2)
- Among industries, workers employed in electricity, gas, steam and air conditioning supply recorded the highest median basic pay at PhP27,253, an increase of PhP2,626 (10.7%) from PhP24,627 in 2018. (Figure 1)
- Other high paying industries include information and communications with median pay at PhP24,469 and professional, scientific and technical activities at PhP19,596.
- Meanwhile, agriculture, forestry and fishing remained as the least paying industry for the two survey rounds with median monthly basic pay of PhP10,476 in 2020 and PhP9,861 in 2018. (Table 2)

Female workers received higher median basic pay than male workers across 14 industries

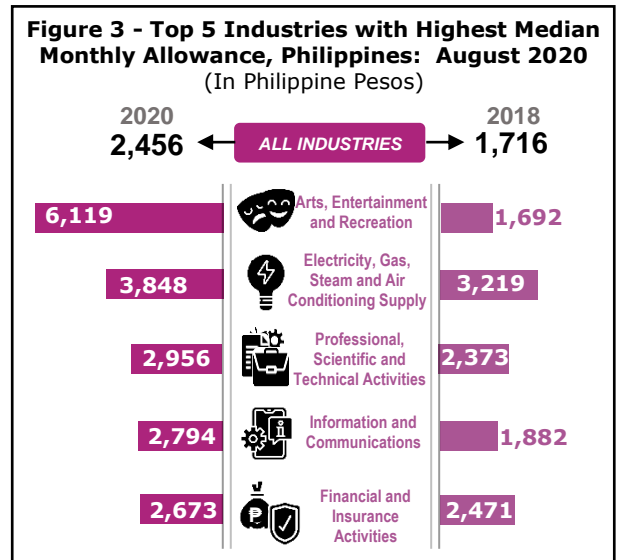
- The median monthly basic pay received by female workers in 2020 was posted at PhP14,051. This amount was PhP584 more than the basic pay received by their male counterparts at PhP13,467 per month across all industries. (Figure 2 and Table 3)
- There were only four industries where male workers were paid more than female workers. These include manufacturing (PhP12,458 vs PhP11,013); accommodation and food service activities (PhP12,079 vs PhP11,534); education except public education (PhP15,254 vs PhP15,216); and information and communications (PhP24,481 vs PhP24,456).
- Wider gender median basic pay gaps were seen on the following industries: water supply; sewerage, waste management and remediation activities (PhP4,370); electricity, gas, steam and air conditioning supply (PhP3,982); and real estate activities (PhP3,632).



Source of data: PSA, 2020 Occupational Wages Survey.

Arts, entertainment and recreation recorded the highest median monthly allowance for both sexes in 2020

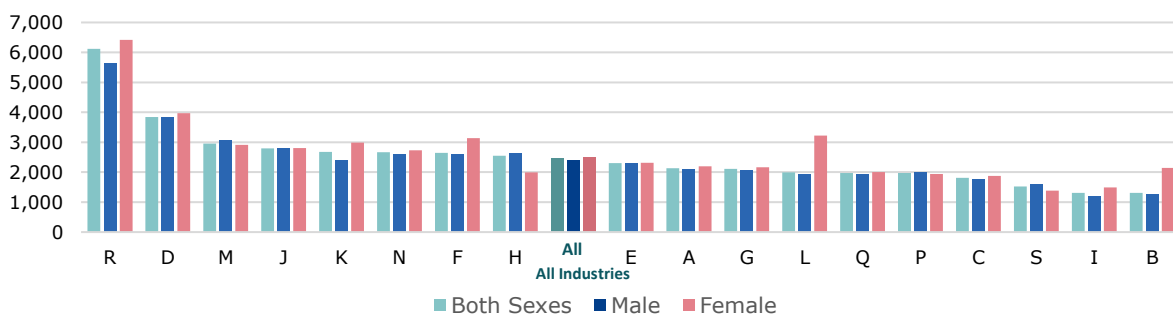
- The median monthly allowance for both sexes was posted at PhP2,456 in 2020. This was 43.1 percent higher than PhP1,716 in 2018. Median monthly allowance revealed that half of the total time-rated workers on full-time basis had less than or equal to PhP2,456 and the other half had greater median basic allowance. (Figure 3 and Table 2)
- Across industries, workers engaged in arts, entertainment and recreation had the highest median monthly allowance at PhP6,119 in 2020.
- In terms of the percentage increase, arts, entertainment and recreation (261.6%); construction (216.2%); and other services activities (145.0%) were among industries which median allowance per month substantially increased in 2020.
- Mining and quarrying registered the lowest median allowance at PhP1,310 per month.



Source of data: PSA, 2020 Occupational Wages Survey.

- Disaggregated by sex, female and male workers recorded a median monthly allowance of PhP2,507 and PhP2,410, respectively. (Figure 4 and Table 4)
- Fourteen out of 18 covered industries showed that female workers had higher median monthly allowance than male workers.

Figure 4 - Median Monthly Allowance of Time-Rated Workers on Full-Time Basis by Sex and Major Industry Group, Philippines: August 2020
(In Philippine Pesos)



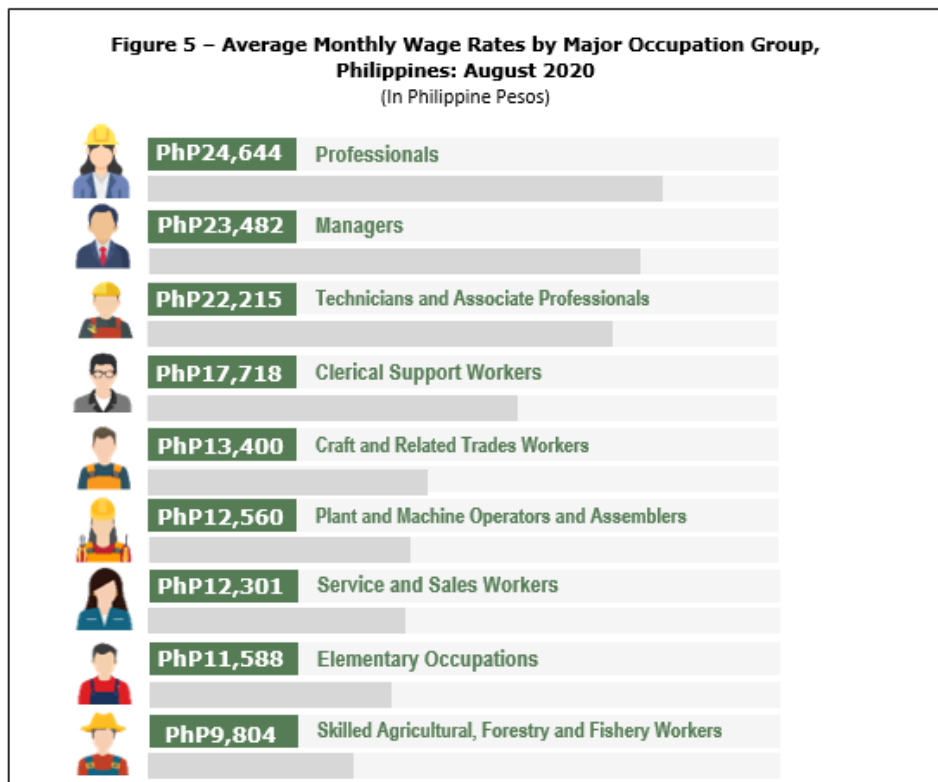
A Agriculture, Forestry and Fishing	J Information and Communication
B Mining and Quarrying	K Financial and Insurance Activities
C Manufacturing	L Real Estate Activities
D Electricity, Gas, Steam and Air Conditioning Supply	M Professional, Scientific and Technical Activities
E Water Supply; Sewerage, Waste Management and Remediation Activities	N Administrative and Support Service Activities
F Construction	P Education
G Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Q Human Health and Social Work Activities
H Transportation and Storage	R Arts, Entertainment and Recreation
I Accommodation and Food Service Activities	S Other Services Activities

Source of data: PSA, 2020 Occupational Wages Survey.

- Notably, difference in median monthly allowance by sex is insignificant in information and communications (PhP2,786 vs PhP2,802).
- However, gender disparity on allowances were evidently observed on

the following industries: real estate activities (PhP1,300); mining and quarrying (PhP866); and arts, entertainment and recreation (PhP786).

Average monthly wage rate across monitored occupations and industries estimated at PhP16,486



Source of data: PSA, 2020 Occupational Wages Survey.

- Wage rate refers to the sum of basic pay and regular or guaranteed allowances. The 2020 OWS covered 189 monitored occupations across 18 industries.
- Average monthly wage rate differs among major occupation groups. Data showed that across selected occupations, average wage rate of full-time workers was estimated at PhP16,486 in 2020. This was lower by -9.0 percent or a decrease of PhP1,622 from PhP18,108 recorded in 2018. (Table 1)
- Categorized by major occupation group, the professionals received the highest average monthly wage rate at PhP24,644. This was followed by managers (PhP23,482); and technicians and associate professionals (PhP22,215). (Figure 5 and Table 5)
- On the average, skilled agricultural, forestry and fishery workers earned about PhP9,804 per month. This was also the lowest average wage rate across occupations in 2020.
- Data on two (2) benchmark occupations across all industries were also collected for minimum wage setting. Average monthly wage rate of accounting and bookkeeping clerks was approximately at PhP18,008. Likewise, unskilled workers receive an average monthly wage rate of PhP11,587. Both occupations increased by 9.3 percent and 3.6 percent, respectively from the 2018 results. (Table 1)

Table 1. Average Monthly Wage Rate of Benchmark Occupations, Philippines: 2020 and 2018

(In Philippine Pesos except Rates)

Benchmark Occupations	2020	2018	Growth Rate (%)
ALL INDUSTRIES	16,486	18,108	(9.0)
Accounting and Bookkeeping Clerks	18,008	16,482	9.3
Unskilled Workers	11,587	11,189	3.6

Source of data: PSA, 2020 Occupational Wages Survey.

Professional workers earned more than twice that of unskilled workers

- Wage differentials were computed between unskilled workers except janitors, messengers and freight handlers, against the major occupation groups. These comparisons were made to ascertain the disparities in wages knowing that unskilled workers are typically at the bottom of the pay structure.
- Survey results showed that professionals had the highest wage ratio relative to unskilled workers of 2.1. This implies that professionals received monthly wage rate of more than twice as the average wage rates of unskilled workers. (Table 5)
- Meanwhile, skilled agricultural, forestry and fishery workers got the lowest among the occupation groups with wage ratio of 0.8.

Definition of Terms:

Time-rated workers on full-time basis – workers paid on the basis of a time unit of work and who work at jobs with hours of work equal to or more than those considered as normal or regular to the establishment.

Wage rate – refers to the sum of basic pay and regular/guaranteed cash allowances.

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.

Allowances – refers 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 and payments in kind.

Median – divides the wage distribution into two equal parts. It is the value where half of the distribution receive more while the other half receive less.

Benchmark occupations – refers to the occupation that is widespread or common to all establishments and is usually at or near the bottom of the wage scale i.e., accounting, bookkeeping clerks, and unskilled workers (except janitors, messengers and freight handlers).

FOR INQUIRIES

Regarding this report, contact **LABOR STANDARDS AND RELATIONS STATISTICS DIVISION** at telephone no. (02) 8376-1921
 Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at (02) 8462-6600 local 834
 or visit our website at <http://www.labstat.psa.gov.ph>

TABLE 2 – Median Monthly Basic Pay and Allowance of Time-Rated Workers on Full-Time Basis by Major Industry Group, Philippines: 2020 and 2018

Major/Selected Industry Group	Time-Rated Workers ('000)	Median Monthly Basic Pay (PhP)			Median Monthly Allowance (PhP)		
		2020	2018	% Change	2020	2018	% Change
ALL INDUSTRIES	4,001	13,646	13,559	0.6	2,456	1,716	43.1
Agriculture, Forestry and Fishing	121	10,476	9,861	6.2	2,137	1,099	94.4
Mining and Quarrying	24	13,272	11,590	14.5	1,310	904	44.9
Manufacturing	747	11,651	10,965	6.3	1,817	1,075	69.0
Electricity, Gas, Steam and Air Conditioning Supply	34	27,253	24,627	10.7	3,848	3,219	19.5
Water Supply; Sewerage, Waste Management and Remediation Activities	21	15,242	15,356	(0.7)	2,299	2,198	4.6
Construction	257	13,800	13,611	1.4	2,650	838	216.2
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	546	12,592	13,299	(5.3)	2,106	939	124.3
Transportation and Storage	118	14,252	13,623	4.6	2,548	1,309	94.7
Accommodation and Food Service Activities	136	11,806	12,216	(3.4)	1,311	1,023	28.2
Information and Communications	124	24,469	25,261	(3.1)	2,794	1,882	48.5
Financial and Insurance Activities	282	15,986	18,486	(13.5)	2,673	2,471	8.2
Real Estate Activities	43	16,238	17,989	(9.7)	1,993	2,140	(6.9)
Professional, Scientific and Technical Activities	75	19,596	19,263	1.7	2,956	2,373	24.6
Administrative and Support Service Activities	1,037	13,750	13,916	(1.2)	2,668	2,130	25.3
Education Except Public Education	231	15,228	14,506	5.0	1,955	1,728	13.1
Human Health and Social Work Activities	155	14,721	13,411	9.8	1,973	1,547	27.5
Arts, Entertainment and Recreation	40	14,846	14,653	1.3	6,119	1,692	261.6
Repair of Computers and Personal and Household Goods; Other Personal Service Activities	9	14,045	13,548	3.7	1,524	622	145.0

Note: Details do not add up to total due to rounding.

Source of data: PSA, 2020 Occupational Wages Survey.

TABLE 3 - Median Monthly Basic Pay of Time-Rate Workers on Full-Time Basis by Major Industry Group and Sex, Philippines: August 2020

INDUSTRY (2009 PSIC)	Time-Rate Workers on Full-Time Basis (‘000)		Median Monthly Basic Pay (PhP)		Median Monthly Basic Pay Gender Gap (PhP)
	Male	Female	Male	Female	
ALL INDUSTRIES	2,328	1,673	13,467	14,051	(584)
Agriculture, Forestry and Fishing	99	23	10,411	10,801	(390)
Mining and Quarrying	22	3	13,122	15,538	(2,416)
Manufacturing	400	347	12,458	11,013	1,445
Electricity, Gas, Steam and Air Conditioning Supply	28	7	26,474	30,456	(3,982)
Water Supply; Sewerage, Waste Management and Remediation Activities	16	5	14,296	18,666	(4,370)
Construction	238	20	13,740	16,185	(2,445)
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	312	234	11,883	13,366	(1,483)
Transportation and Storage	95	23	13,908	16,518	(2,610)
Accommodation and Food Service Activities	80	56	12,079	11,534	545
Information and Communications	71	53	24,481	24,456	25
Financial and Insurance Activities	133	149	14,917	17,398	(2,481)
Real Estate Activities	24	19	14,820	18,452	(3,632)
Professional, Scientific and Technical Activities	39	36	19,212	19,898	(686)
Administrative and Support Service Activities	610	427	13,473	14,548	(1,075)
Education Except Public Education	82	148	15,254	15,216	38
Human Health and Social Work Activities	52	103	14,451	14,825	(374)
Arts, Entertainment and Recreation	23	17	14,381	16,350	(1,969)
Other Services Activities	4	5	13,182	16,129	(2,947)

Note: Details do not add up to total due to rounding.

Source of data: PSA, 2020 Occupational Wages Survey.

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INDUSTRY (2009 PSIC)	Time-Rate Workers on Full-Time Basis (‘000)		Median Monthly Allowance (PhP)		Median Monthly Allowance Gender Gap (PhP)
	Male	Female	Male	Female	
ALL INDUSTRIES	2,328	1,673	2,410	2,507	(97)
Agriculture, Forestry and Fishing	99	23	2,110	2,194	(84)
Mining and Quarrying	22	3	1,275	2,141	(866)
Manufacturing	400	347	1,775	1,877	(102)
Electricity, Gas, Steam and Air Conditioning Supply	28	7	3,818	3,969	(151)
Water Supply; Sewerage, Waste Management and Remediation Activities	16	5	2,294	2,312	(18)
Construction	238	20	2,605	3,134	(529)
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	312	234	2,053	2,166	(113)
Transportation and Storage	95	23	2,631	1,994	637
Accommodation and Food Service Activities	80	56	1,196	1,495	(299)
Information and Communications	71	53	2,786	2,802	(16)
Financial and Insurance Activities	133	149	2,409	2,988	(579)
Real Estate Activities	24	19	1,922	3,222	(1,300)
Professional, Scientific and Technical Activities	39	36	3,052	2,912	140
Administrative and Support Service Activities	610	427	2,602	2,727	(125)
Education Except Public Education	82	148	1,991	1,940	51
Human Health and Social Work Activities	52	103	1,923	2,000	(77)
Arts, Entertainment and Recreation	23	17	5,632	6,418	(786)
Other Services Activities	4	5	1,605	1,386	219

Note: Details do not add up to total due to rounding.

Source of data: PSA, 2020 Occupational Wages Survey.

TABLE 5–Average Monthly Wage Rate and Wage Differentials/Ratio by Benchmark Occupations and Major Occupation Group, Philippines: August 2020

INDUSTRY (2009 PSIC)	Average Monthly Wage Rate (PhP)	Wage Differentials/Ratio Relative to Unskilled Workers¹
All Industries	16,486	1.4
Benchmark Occupations		
Accounting and Bookkeeping Clerks	18,008	1.6
Unskilled Workers Except Janitors, Messengers and Freight Handlers	11,587	1.0
Major Occupation Group of Selected Occupations		
Managers	23,482	2.0
Professionals	24,644	2.1
Technicians and Associate Professionals	22,215	1.9
Clerical Support Workers	17,718	1.5
Service and Sales Workers	12,301	1.1
Skilled Agricultural, Forestry and Fishery Workers	9,804	0.8
Craft and Related Trades Workers	13,400	1.2
Plant and Machine Operators and Assemblers	12,560	1.1
Elementary Occupations (except Unskilled Workers)	11,588	1.0

1 Average wage rate in the occupational group divided by average wage rate of unskilled workers.

Source of data: PSA, 2020 Occupational Wages Survey.