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WAGE RATES IN INDUSTRIES

...Basic Pay and Allowances in Major Economic Activities

(Second of a Series on Occupational Wages Survey)

The 2016 Occupational Wages Survey (OWS) is a nationwide establishment survey by the Philippine Statistics Authority (PSA) which aims to generate statistics for wage and salary administration and minimum wage determination in collective bargaining negotiations. The survey reference period covers the pay period that includes 31 July 2016.

The OWS which is conducted every two (2) years is one of the designated statistical activities per E.O. 352 (s.1996) that generates one of the critical data for decision making in the government and the private sector. Further, the data category on "average monthly occupational wage rate of selected occupations" is one of the variables listed by the Philippine government under the Special Data Dissemination Standard (SDDS) of the International Monetary Fund (IMF). The SDDS serves as reference to member countries in the dissemination of economic and financial data to the public.

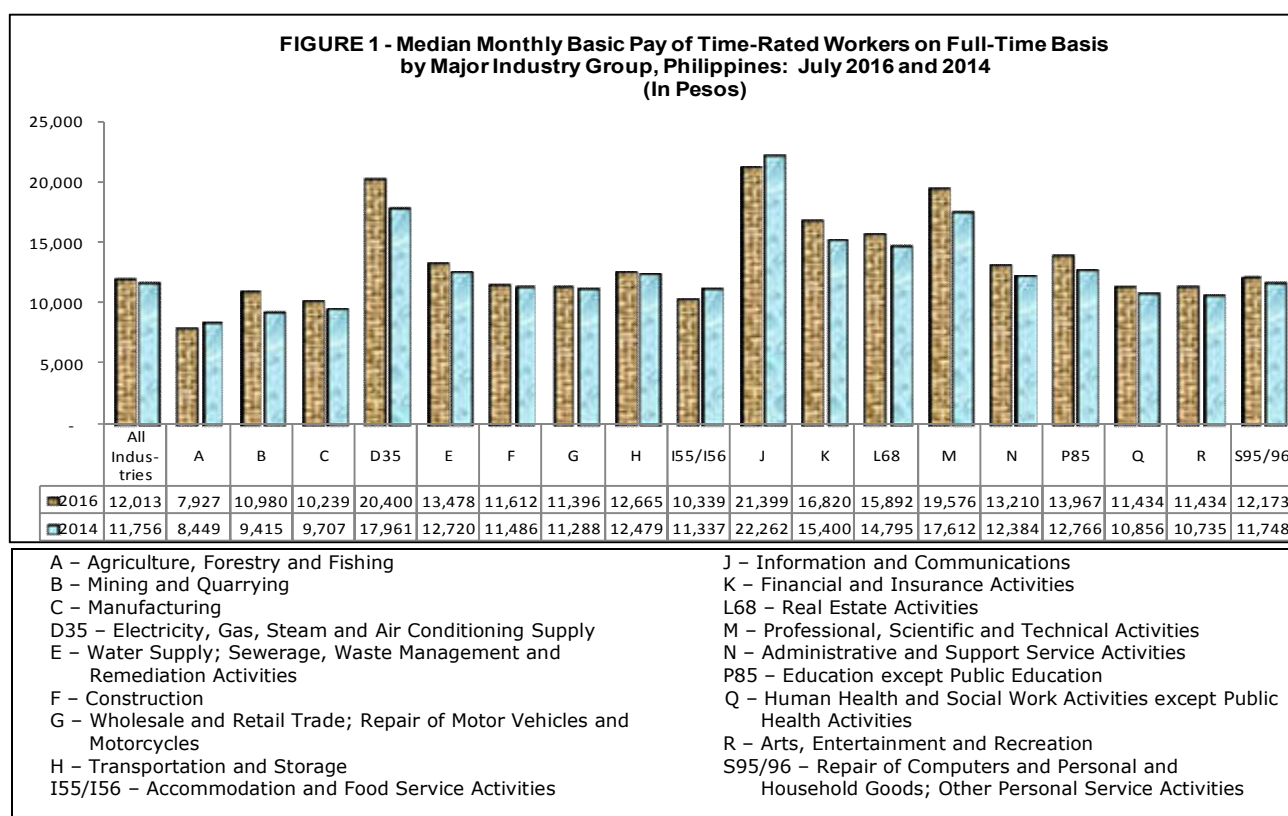
The 2016 OWS covered both agricultural and non-agricultural establishments employing at least 20 workers to monitor the wage rates of time-rated workers on full-time basis in at most 11 occupations in each of the pre-determined 51 agricultural and non-agricultural industries out of the 69 industries. The OWS likewise provides the median monthly basic pay and allowances of time-rated workers on full-time basis selected industry groups. Time-rated workers are defined as workers paid on the basis of a time unit of work such as an hour, a day or a month. Wage rate refers to the sum of basic pay and regular/guaranteed cash allowances. Basic pay includes pay for normal/regular working time before deductions for employees' social security contributions e.g., SSS/GSIS, PhilHealth, PAG-IBIG and withholding taxes, etc.

This second issue of the LABSTAT Updates presents the median monthly basic pay and allowances received by time-rated workers on full-time basis as of July 2016 compared with the results of the 2014 survey round.

The metadata and statistical tables on the survey results of the 2016 OWS are posted at the PSA website at www.psa.gov.ph.

Information and communications industry posts the highest median basic pay among all industries

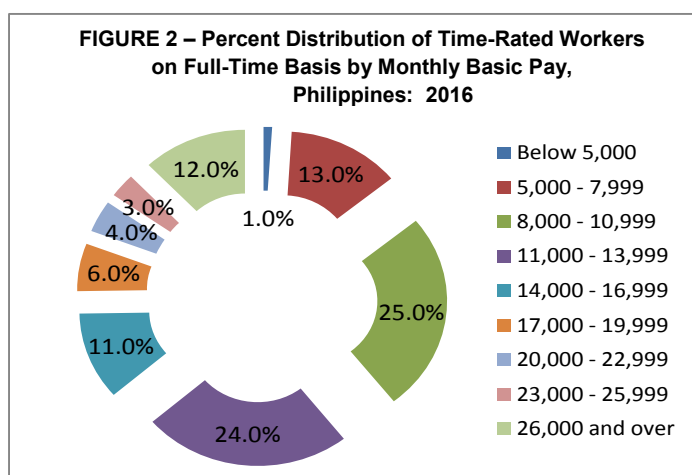
- The national median monthly basic pay for 2016 was posted at ₱12,013, an increase of ₱257 (2.2%) from ₱11,756 in 2014. (Figure 1)
- Workers on full-time basis in information and communications industry received the highest monthly median basic pay at ₱21,399 in 2016, slightly lower from ₱22,262 in 2014.
- This was followed by electricity, gas, steam and air conditioning supply at ₱20,400 and professional, scientific and technical activities at ₱19,576.
- Establishments in agriculture, forestry and fishing industry posted the lowest median basic pay for both 2014 and 2016 at ₱7,927 and ₱8,449, respectively.
- Notably, ten industry groups in both 2016 and 2014 posted higher median basic pay than the national levels of ₱12,013 in 2016 and ₱11,756 in 2014.



Source: Philippine Statistics Authority, 2014 & 2016 Occupational Wages Survey

1 out of every 2 workers receives monthly basic pay ranging from ₱8,000 to ₱13,999

- Almost 50 percent of time-rated workers on full-time basis received basic pay ranging from ₱8,000-₱13,999 in 2016. (Figure 2)
- A little over 10 percent of workers were provided with basic pay ranging from ₱5,000-₱7,999 (13.0%) and ₱14,000-₱16,999 (11.0%).
- Meanwhile, almost one-eight (12.0%) of time-rated workers on full-time basis earned the highest monthly basic pay amounting to ₱26,000 and more.

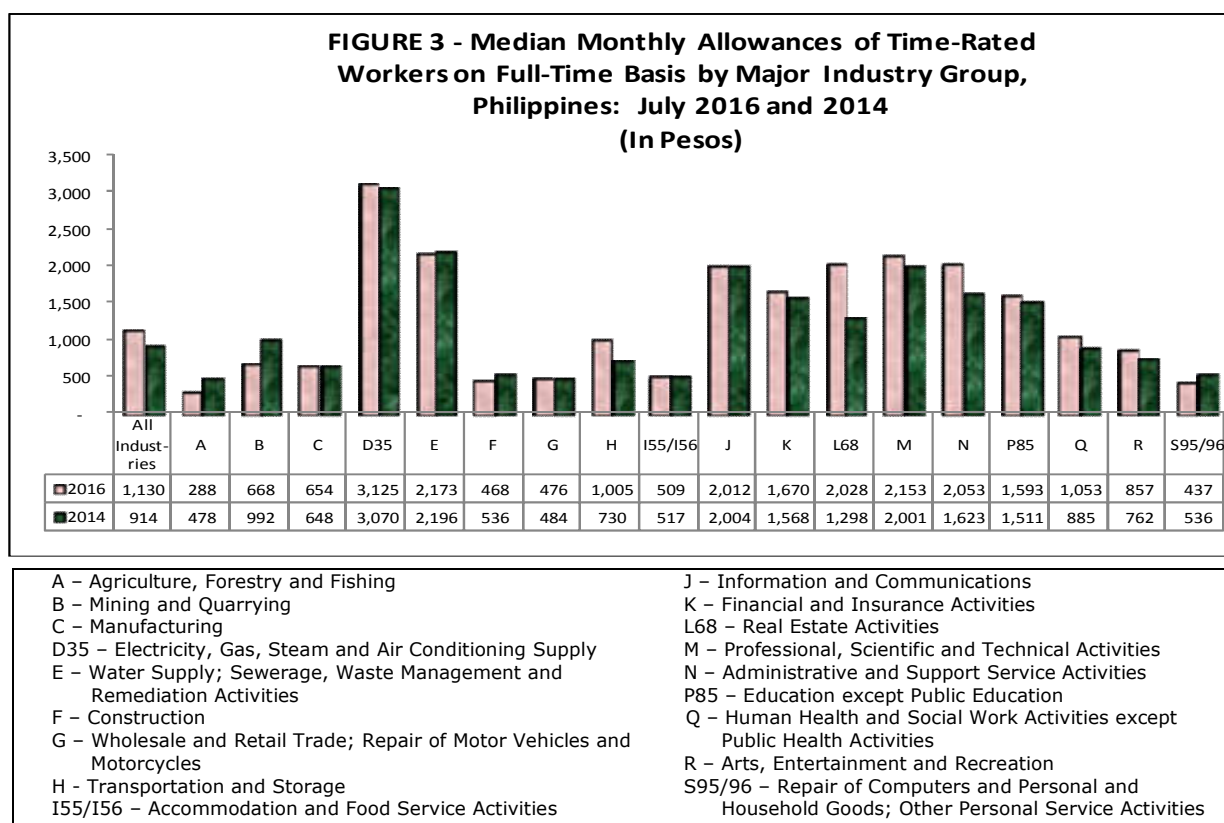


Source: Philippine Statistics Authority, 2016 Occupational Wages Survey.

- Small proportion (1.0%) of workers received basic pay of ₱5,000 and below during the year.
- By major industry group, the largest proportion (41.8%) of workers who received the highest basic pay of ₱26,000 and more in 2016 were those in information and communications industries. (Table 1)
- This was followed by professional, scientific and technical activities (35.8%) and electricity, gas, steam and air conditioning supply (30.8%).
- Among the industry groups that showed high proportion of workers in a particular monthly basic pay range include: the construction (46.1%) and repair of computers and other personal and household goods and other personal service activities (41.1%) in the ₱11,000-₱13,999 range; manufacturing (45.3%) and arts, entertainment and recreation (43.3%) in the ₱8,000-₱10,999 range; and agriculture, forestry and fishing (47.3%) in the ₱5,000-₱7,999 range.

**Median monthly allowances in three industry groups
increase by more than 25 percent**

- The national monthly median allowance received by time-rated workers on full-time basis for 2016 was recorded at ₱1,130, an increase of ₱216 (23.6%) from ₱914 in 2014. (Figure 3)
- Across industries, median allowances in 11 major industry groups increased from last two year's levels with the highest growth noted in real estate activities at 56.2 percent (₱2,028 in 2016 vs. ₱1,298 in 2014).
- This was followed by transportation and storage which grew by 37.7 percent (₱1,005 in 2016 vs. ₱730 in 2014) and administrative and support service activities with 26.5 percent drop (₱2,053 in 2016 vs. ₱1,623 in 2014).



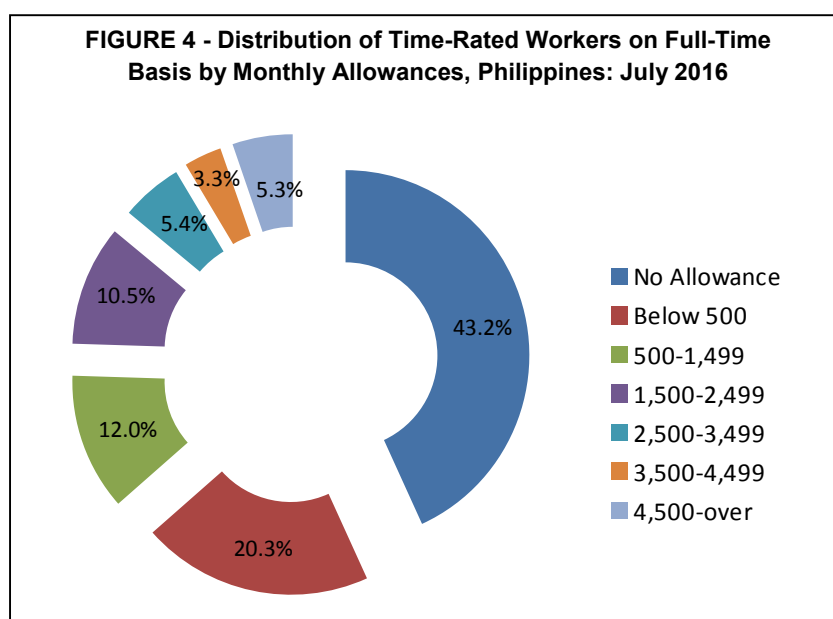
Source: Philippine Statistics Authority, 2014 & 2016 Occupational Wages Survey

**3 out of every 7 time-rate workers
on full-time basis have no monthly allowance**

- In general for 2016, the percent distribution of time-rated workers who received monthly allowances is getting smaller as the amount of allowances increases. (*Figure 4*)
- The bulk (43.2%) of time-rated workers on full-time basis received no monthly allowance in 2016.
- About 1 out of every 5 workers (20.3%) received monthly allowances of less than ₱500 while 12.0 percent and 10.5 percent received allowances ranging from ₱500-₱1,499 and ₱1,500-₱2,499, respectively.
- Moreover, time-rated workers who earned the largest monthly allowances ranging from ₱4,500 and over accounted for 5.3 percent of the total.

Three-fifths of workers in mining and quarrying and financial and insurance activities receives no allowances

- Industry-wise, more than 60 percent of workers in mining and quarrying (62.7%) and financial and insurance activities (61.7%) had no allowance in 2016. (*Table 2*)
- About 42 percent of the workers in the water supply; sewerage, waste management and remediation activities received monthly allowances between ₱2,000-₱2,499.
- Meanwhile, close to one-fifth of full-time workers in electricity, gas, steam and air conditioning supply (17.1%) and professional, scientific and technical activities (16.6%) were provided with the highest monthly allowance ranging from ₱5,000 and above.



Source: Philippine Statistics Authority, 2016 Occupational Wages Survey.

Definition of Terms:

Time-rated workers refer to workers paid on the basis of a time unit of work such as an hour, a day or a month.

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

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

FOR INQUIRIES

Regarding this report, contact **Labor Standards and Relations Statistics Division** at (632) 376-1921

Regarding other statistics, contact **Knowledge Management and Communications Division** at (632) 462-6600 local 834

Or visit our website at <http://www.psa.gov.ph>

**TABLE 1 - Percent Distribution of Time-Rated Workers on Full-Time Basis by Industry and Monthly Basic Pay,
Philippines: July 2016**

MAJOR INDUSTRY GROUP	TOTAL	Below ₱5,000	₱5,000 - ₱7,999	₱8,000 - ₱10,999	₱11,000 - ₱13,999	₱14,000 - ₱16,999	₱17,000 - ₱19,999	₱20,000 - ₱22,999	₱23,000 - ₱25,999	₱26,000 and Above
ALL INDUSTRIES	100.0	1.0	13.0	25.0	24.0	11.0	6.0	4.0	3.0	12.0
Agriculture, Forestry and Fishing	100.0	4.7	47.3	25.0	12.9	4.2	1.7	0.9	0.8	2.5
Mining and Quarrying	100.0	0.3	24.2	25.6	14.6	11.8	3.8	3.5	2.0	14.2
Manufacturing	100.0	0.4	8.5	45.3	20.4	7.8	4.0	3.1	2.3	8.2
Electricity, Gas, Steam and Air Conditioning Supply	100.0	a	5.7	5.1	7.4	13.3	16.9	11.8	9.2	30.8
Water Supply; Sewerage, Waste Management and Remediation Activities	100.0	1.4	12.6	19.5	20.3	12.9	7.3	6.9	3.3	15.8
Construction	100.0	0.5	10.8	22.5	46.1	7.9	3.4	2.5	1.5	4.9
Wholesale And Retail Trade; Repair of Motor Vehicles and Motorcycles	100.0	0.9	23.3	21.1	26.8	9.9	4.9	3.6	2.0	7.4
Transportation and Storage	100.0	0.1	12.7	16.9	29.8	15.2	6.9	4.6	3.0	10.8
Accommodation and Food Service Activities	100.0	1.0	23.5	27.5	31.1	7.3	2.9	2.0	1.3	3.5
Information and Communications	100.0	0.1	5.9	7.5	13.4	11.8	7.3	7.3	4.9	41.8
Financial and Insurance Activities	100.0	0.1	4.5	15.8	19.1	11.0	9.9	5.9	4.8	28.9
Professional, Scientific and Technical Activities	100.0	a	2.0	8.7	20.3	11.7	8.0	5.5	7.9	35.8
Administrative and Support Service Activities	100.0	0.1	10.7	15.9	26.7	16.7	8.5	5.5	4.4	11.5
Education Except Public Education	100.0	1.1	10.3	21.2	17.6	13.2	9.2	6.8	4.8	15.9
Human Health and Social Work Activities	100.0	0.8	13.7	31.4	24.5	15.0	4.6	2.9	1.9	5.3
Arts, Entertainment and Recreation	100.0	1.8	11.8	43.3	12.6	12.2	5.8	2.4	3.3	6.9
Repair of Computers and Personal and Household Goods; Other Personal Service Activities	100.0	1.1	6.2	28.2	41.1	7.1	7.0	2.2	0.5	6.5

a Less than 0.05 percent.

Source: Philippine Statistics Authority, 2016 Occupational Wages Survey

**TABLE 2 - Percent Distribution of Time-Rated Workers on Full-Time Basis by Industry and Monthly Allowance,
Philippines: July 2016**

MAJOR INDUSTRY GROUP	TOTAL	No Allowance	Below P500	P500- P999	P1,000- P1,499	P1,500- P1,999	P2,000- P2,499	P2,500- P2,999	P3,000- P3,499	P3,500- P3,999	P4,000- P4,499	P4,500- P4,999	P5,000 and Above
ALL INDUSTRIES	100.0	43.2	20.3	6.2	5.8	4.3	6.2	3.2	2.2	1.8	1.5	0.6	4.7
Agriculture, Forestry and Fishing	100.0	51.4	35.9	2.6	2.4	2.1	3.0	0.4	0.7	0.4	0.5	a	0.6
Mining and Quarrying	100.0	62.7	14.0	7.0	1.4	0.7	2.8	1.1	0.4	0.9	2.5	0.1	6.4
Manufacturing	100.0	44.0	24.9	9.6	5.8	3.7	4.2	1.5	1.4	0.5	0.6	0.5	3.3
Electricity, Gas, Steam and Air Conditioning Supply	100.0	26.5	3.8	1.8	1.3	7.5	3.5	16.2	8.1	7.0	3.9	3.2	17.1
Water Supply; Sewerage, Waste Management and Remediation Activities	100.0	34.9	0.4	1.0	0.8	2.5	41.5	1.3	1.1	2.8	3.3	1.7	8.8
Construction	100.0	50.6	27.8	5.5	4.2	2.2	1.7	1.3	1.3	0.9	0.4	0.4	3.8
Wholesale And Retail Trade; Repair of Motor Vehicles and Motorcycles	100.0	54.6	24.3	5.1	4.2	2.5	1.6	1.5	1.1	0.5	0.7	0.3	3.5
Transportation and Storage	100.0	51.9	23.9	5.7	4.0	3.4	2.2	2.4	1.6	0.8	0.6	0.3	3.1
Accommodation and Food Service Activities	100.0	35.7	11.7	7.5	4.7	8.0	5.5	6.6	5.0	1.2	3.4	1.9	8.7
Information and Communications	100.0	36.2	6.4	5.3	14.8	12.4	4.2	7.5	2.4	1.8	1.0	0.6	7.4
Financial and Insurance Activities	100.0	61.7	8.4	3.6	3.5	3.1	6.0	2.3	2.6	0.3	0.7	0.2	7.5
Professional, Scientific and Technical Activities	100.0	34.8	12.0	3.5	9.8	5.7	4.1	6.7	3.1	1.6	1.8	0.5	16.6
Administrative and Support Service Activities	100.0	29.5	20.0	3.3	5.7	4.0	14.2	5.1	3.9	4.9	3.5	1.0	5.1
Education Except Public Education	100.0	57.6	6.0	7.6	6.6	4.6	4.4	3.0	2.3	1.1	1.2	0.6	5.0
Human Health and Social Work Activities	100.0	48.5	15.5	9.1	7.8	6.8	3.2	1.6	1.2	1.1	0.9	1.1	3.2
Arts, Entertainment and Recreation	100.0	28.8	24.5	16.2	4.9	8.0	8.9	2.4	1.5	1.4	2.0	0.2	1.2
Repair of Computers and Personal and Household Goods; Other Personal Service Activities	100.0	38.4	38.5	12.5	5.6	1.5	0.5	0.7	0.2	0.7	0.1	0.1	1.2

a Less than 0.05 percent.

Source: Philippine Statistics Authority, 2016 Occupational Wages Survey.