

WAGE RATES IN INDUSTRIES ... in Construction (Seventh of an 18-Part Series)

This issue of the LABSTAT Updates on the results of the 2006 Occupational Wages Survey (OWS) highlights the wage rates of 10 selected occupations in construction. The monthly wage rates of these occupations ranged from ₱7,538 to ₱15,061. The wage rates of other occupations in specific industries covered in the OWS are posted on the BLES website.

Civil engineers paid the highest wage rate in the industry

In August 2006, the average monthly wage rate of selected occupations on full-time basis in non-agricultural industries employing at least 20 workers was ₱10,629.

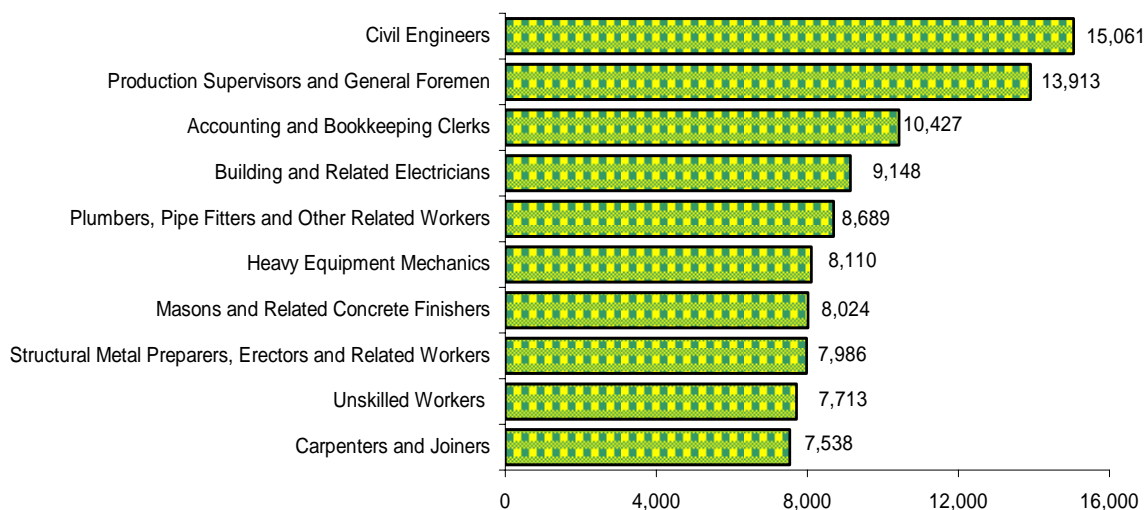


Expectedly, among the occupations selected to represent the construction industry, civil engineers were paid the highest average wage rate at ₱15,061. This was followed by production supervisors and general foremen at ₱13,913. These were the only occupations in the industry with wage rates higher than the national average. (Figure 1)

On the other hand, the average wage rate of accounting and bookkeeping clerks was estimated at ₱10,427.

Average wage rates for the rest of the selected occupations showed less variation. Building and related electricians, among the trade and related workers, had the highest wage rate at ₱9,148. Plumbers, pipe fitters and other related workers followed at ₱8,689. Heavy equipment mechanics had a wage rate of ₱8,110 while masons and related concrete finishers was paid ₱8,024. Wage rates of structural and metal preparers, erectors and related workers' wage rate was estimated at ₱7,986 and unskilled workers at ₱7,713. Carpenters and joiners had the lowest wage rate at ₱7,538.

FIGURE 1 - Average Monthly Wage Rates of Time-Rate Workers on Full-Time Basis in Construction, Philippines: August 2006
(in pesos)



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

Lower basic pay but higher monthly allowances than the national estimates

The median¹ basic pay in construction was estimated at ₱7,866 which was lower than the national or all-industry basic pay of ₱8,035.

Full-time workers in the industry who were granted allowances received an average monthly allowance of ₱1,337 which was also higher than the national rate of ₱1,278.

¹ The terms "average" and "median" are used interchangeably in the analysis of basic pay and allowances.

Definition of Terms:

- **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** 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.

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