

WAGE RATES IN INDUSTRIES

A Look at Transport, Storage and Communication (Fourth of a Series)

The LABSTAT Update is a statistical update on the results of BLES establishment surveys, among others. It provides users with summary statistics and brief explanatory notes on employment, hours of work, wages and labor relations towards a clearer understanding of current labor market conditions.

This series presents the results of the 1999 Occupational Wages Survey (OWS). This survey collects data on the basic pay and allowances of time-rate workers on full time basis in selected occupations in selected non-agricultural establishments employing at least 50 persons. It inquires on the distribution of workers across basic pay and allowance intervals in the non-agricultural sector. New items of inquiry on establishment characteristics such as type of market catered, type of ownership and whether or not the establishment is a multinational were included in the 1999 round.

This issue takes a closer look at the transport, storage and communication industry, particularly basic pay and allowances in specific industries and according to certain establishment characteristics and average wage rates for selected occupations.

The statistical series on the results of the 1997 OWS were published under the LABSTAT Digest (Vol. 1 Nos. 5 – 10 and 12 - 19).

Basic pay in transport, storage and communications improved by 30 percent



Technological improvements in transport, storage and communications have translated into innovations in work organization, relocation of production and service sites and managerial flexibility, among others. These new arrangements have heightened workplace efficiency in the new global environment.

Transport, storage and communications industries provide the requisite services to economic expansion and growth. This issue looks into the wage levels of specific

industries engaged in transport, storage and communications.

The average* monthly basic pay of time-rate workers on full-time basis in non-agricultural industries increased by 13 percent from ₱ 5,534 in October 1997 to ₱ 6,238 in October 1999.

Time-rate workers in transport, storage and communications saw a 30 percent increase in average basic pay during the period from ₱ 5,906 to ₱ 7,664. Basic pay varied across specific industries, from ₱ 5,647 in land transport, transport via pipelines to ₱ 14,447 in air transport. (Table 1)

**Average basic pay or allowance mentioned in pages 1 – 3 refers to median basic pay or allowance i.e. that amount where half of the workers receive more than this amount while the other half receive less.*

More allowances for transport, storage and communications workers in 1999

Average monthly cash allowance of time-rate workers on full-time basis in non-agricultural industries barely improved during the period. From ₱ 658 in October 1997, average monthly cash allowance slightly increased to ₱ 667 in October 1999.

Meanwhile, average monthly cash allowances in transport, storage and communications increased by 34

percent from ₱ 797 to ₱ 1,068 during the period. (Table 1)

The amount of cash allowance granted varied across specific industries. In air transport, monthly cash allowance averaged ₱ 3,124 while in supporting and auxiliary transport activities, it stood at only ₱ 465.

Higher basic pay among transport, storage and communications establishments with foreign equity, multinationals

Average basic pay differed considerably according to establishment ownership and spread of operations. Meanwhile, average basic pay remained comparable across establishments of different types of market catered.

At ₱ 10,137, average basic pay of workers in establishments with foreign equity was higher by 46.0 percent relative to the basic pay of their counterparts in wholly Filipino-owned establishments at ₱ 6,938. (Table 2)

Though less pronounced, average basic pay, likewise, varied according to an establishment's spread of operations. Time-rate workers in multinational establishments earned an average basic pay of ₱ 9,031. This was 23 percent higher than the basic pay of workers elsewhere, which averaged only ₱ 7,317.

Meanwhile, average basic pay between domestic market-oriented establishments (₱ 7,382) and export-oriented establishments (₱ 7,149) showed minimal difference.

No marked difference in cash allowance across establishments with different types of ownership; market-orientation; spread of operations

Cash allowances paid to workers in transport, storage and communications establishments did not vary much despite different types of ownership, market-orientation and spread of operations.

In terms of ownership, average monthly cash allowance was estimated at ₱ 1,007 for wholly Filipino-owned

establishments and ₱ 1,138 for those with foreign equity. (Table 2)

Domestic market-oriented establishments granted cash allowances averaging ₱ 1,077. This stood close to allowances in export-oriented establishments at ₱ 1,027.

Differences in cash allowances according to spread of operations were also negligible. These were recorded at

₱ 1,166 in multinational firms and ₱ 1,048 in non-multinational firms.

Unionized workers had higher basic pay

Workers form unions primarily for the purpose of collective bargaining. Through this mechanism, bipartite agreements are reached towards better working conditions and more harmonious labor-management relationships.

Unionized transport, storage and communications establishments had slightly higher average monthly basic pay, at ₱ 8,534 relative to non-unionized establishments, at ₱ 6,822. (Table 2)

Within unionized establishments, average basic pay differed between those with collective bargaining agreement (CBA) and those without.

Interestingly, workers without CBA enjoyed higher average basic pay at ₱ 10,181 relative to their counterparts with CBA at ₱ 8,146.

Meanwhile, there was no considerable difference in the average monthly cash allowance as a result of unionism. It stood at ₱ 1,081 for unionized establishments and ₱ 1,054 for those without.

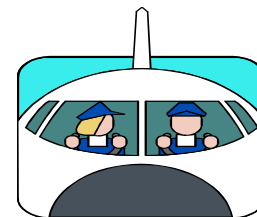
Average cash allowance did not also vary considerably according to CBA coverage. Monthly cash allowances in unionized establishments with CBA averaged ₱ 1,047. Those without CBA coverage had allowances averaging ₱ 1,165.

On non-wage payments

Average basic pay appeared to vary across certain establishment characteristics under study, such as ownership and whether multinational or not. Further worth looking into, however, are differences in the granting of welfare benefits such as 13th month pay, transport allowance, Christmas bonus, representation allowance,

incentive pay, mid-year bonus, productivity bonus, performance bonus, profit sharing bonus and 14th, 15th month pay. These are among the findings of the 1999 Industrial Relations at the Workplace Survey and details of which are discussed in the LABSTAT Update (Vol. 5 No. 6), May 2001.

Aircraft pilots, navigators and flight engineers were highest paid workers; bus conductors were least paid



The average** wage rate of selected occupations in non-agricultural industries stood at ₱ 7,972. Wage

disparities were noted across industries and occupations in the transport, storage and communications industry.

**Average wage rate refers to the mean monthly wage rate (basic pay and allowances).

Communications service supervisors with an average wage rate of ₱ 19,732, in postal and telecommunications services except national postal activities were the highest paid supervisors. Least paid were road transport service supervisors with wage rate averaging ₱ 6,559. (Table 3)

The lowest paid associate professional workers in the study were clearing and forwarding agents in supporting and auxiliary transport activities; activities of travel agencies estimated at ₱ 7,083. Aircraft pilots, navigators and flight engineers in air transport enjoyed the highest wage rate at ₱ 65,034.

Among transport clerks, those in air transport were paid the highest at ₱ 12,216. Their counterparts in water transport were paid the least at ₱ 7,110.

Of the selected service workers, travel attendants and travel stewards in air transport received the highest wage

rate at ₱ 17,684. Bus conductors in bus line operation were paid wage rates averaging only ₱ 5,107.

Aircraft engine mechanics and fitters in air transport had the highest wage rate among the covered trade occupations at ₱ 15,828. In contrast, motor vehicle mechanics and related trades workers in bus line operation were paid the least at ₱ 5,699.

Average wage rates of selected plant and machine operators and assemblers varied from ₱ 5,714 for bus drivers in bus line operation to ₱ 7,177 for ship's deck crew and related workers in water transport.

Least paid laborers were freight handlers in supporting and auxiliary transport activities; activities of travel agencies at ₱ 5,941. Messengers and deliverers in postal and telecommunications services except national postal activities had higher wage rates at ₱ 6,277.

FOR INQUIRIES:

Regarding this report contact **LABOR STANDARDS STATISTICS DIVISION at 527-34-89/527-93-25**

Regarding other statistics and technical services contact **BLES DATABANK at 527-35-77**

Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**

FAX **527-34-89** E mail: lssd@manila-online.net or Visit our website at <http://www.manila-online.net/bles>

Table 1 - Median Monthly Basic Pay and Monthly Allowances of Time-Rate Workers on Full-time Basis by Specific Transport, Storage and Communications Industry, Philippines: October 1999

(Non-agricultural establishments employing 50 and over. **Median** refers to the amount where half of the workers receive more while the other half receive less.)

INDUSTRY	Median Monthly Basic Pay (P)	Median Monthly Allowances ¹ (P)
ALL NON-AGRICULTURAL INDUSTRIES	6,238	667
TRANSPORT, STORAGE AND COMMUNICATIONS	7,664	1,068
Land transport, Transport Via Pipelines	5,647	761
Water Transport	7,528	946
Air Transport	14,447	3,124
Supporting & Auxiliary Transport Activities	7,207	465
Post Telecommunications except National Postal Activities	10,373	1,122

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, 1999 Occupational Wages Survey.

Table 2 - Median Monthly Basic Pay and Monthly Allowances of Time-Rate Workers on Full Time Basis in Transport, Storage and Communications Industry by Unionism, Type of Ownership, Type of Market and Spread of Operations, Philippines: October 1999

(Non-agricultural establishments employing 50 and over. **Median** refers to the amount where half of the workers receive more while the other half receive less.)

Establishment Characteristics	Median Monthly Basic Pay (P)	Median Monthly Allowances ¹ (P)
TRANSPORT, STORAGE AND COMMUNICATIONS	7,664	1,068
UNIONISM		
Without Union	6,822	1,054
With Union	8,534	1,081
Without CBA	10,181	1,165
With CBA	8,146	1,047
TYPE OF OWNERSHIP		
Wholly Filipino	6,938	1,007
With Foreign Equity	10,137	1,138
TYPE OF MARKET		
Domestic Market Only	7,382	1,077
Engaged in Export	7,149	1,027
SPREAD OF OPERATIONS		
Multinational	9,031	1,166
Not Multinational	7,317	1,048

1 Refer only to those workers given regular/guaranteed cash allowances.

Source of data: Bureau of Labor and Employment Statistics, 1999 Occupational Wages Survey.

Table 3 - Average Monthly Wage Rates of Time-Rate Workers on Full-Time Basis in Selected Transport, Storage and Communications Industries and Occupations, Philippines: October 1999

(Non-agricultural establishments employing 50 and over. **Wage rates** are defined as including basic pay and regular/guaranteed cash allowances.)

Industry and Occupations	Average Monthly Wage Rates (P)
SELECTED OCCUPATIONS (Non-Agricultural)	7,972^a
BUS LINE OPERATION	
Road Transport Service Supervisors	6,559
Transport Clerks	5,591
Bus Conductors	5,107
Motor Vehicle Mechanics and Related Trades Workers	5,699
Bus Drivers	5,714
WATER TRANSPORT	
Maritime Transport Service Supervisors	13,818
Ship's Engineers	13,705
Ship's Deck Officers and Pilots	14,368
Transport Clerks	7,110
Travel Attendants and Travel Stewards	6,940
Marine Craft Mechanics	10,862
Ship's Deck Crews and Related Workers	7,177
AIR TRANSPORT	
Air Transport Service Supervisors	11,165
Aircraft Pilots, Navigators and Flight Engineers	65,034
Transport Clerks	12,216
Travel Attendants and Travel Stewards	17,684
Aircraft Engine Mechanics and Fitters	15,828
SUPPORTING AND AUXILIARY TRANSPORT ACTIVITIES; ACTIVITIES OF TRAVEL AGENCIES	
Travel Consultants and Organizers	11,583
Clearing and Forwarding Agents	7,083
Travel Agency Clerks and Related Workers	8,503
Travel Guides	5,683
Heavy Truck and Lorry Drivers	6,767
Freight Handlers	5,941
POSTAL AND TELECOMMUNICATIONS SERVICES EXCEPT NATIONAL POSTAL ACTIVITIES	
Communications Service Supervisors	19,732
Electronics and Telecommunications Engineers	14,327
Electronics and Telecommunications Engineering Technicians	9,610
Telefax/Teleprinters/Telex Clerks	7,582
Telephone Switchboard Operators	8,871
Telecommunication Equipment Installers and Repairers	8,105
Messengers and Deliverers	6,277

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 the selected occupations in selected non-agricultural industries and not to the average monthly wage rate across all occupations in all non-agricultural industries.

Source of data: Bureau of Labor and Employment Statistics, 1999 Occupational Wages Survey.