

WAGE RATES IN INDUSTRIES

A Look at Mining and Quarrying

(8th 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 mining and quarrying, 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 OF WORKERS IN MINING AND QUARRYING UP BY 23 PERCENT

Changes in average wage levels are brought about by adjustments in the prescribed daily minimum wage rates. In highly organized industries, wage levels are influenced by collective bargaining negotiations.

There was a 13 percent improvement in the average basic pay of time-rate workers on full-time basis in non-agricultural

industries. From ₱ 5,534 in October 1997, average basic pay increased to ₱ 6,238 in October 1999. (Table 1)

In mining and quarrying, average basic pay grew by 23 percent from ₱ 5,448 in 1997 to ₱ 6,688 in 1999, exceeding the 13 percent posted by all non-agricultural industries. Across specific industries, basic pay was higher in metallic ore mining at ₱ 6,709 than in non-metallic mining and quarrying at ₱ 5,369.

**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.*

CASH ALLOWANCE IN 1999: TWICE AS MUCH AS 1997 LEVEL

Cash allowance of time-rate workers in non-agricultural establishments remained almost the same from ₱ 658 in October 1997 to ₱ 667 in 1999.

In contrast, cash allowances in mining and quarrying establishments more than doubled in 1999. From ₱ 183 in 1997, their

allowances went up to ₱ 431 in 1999. (*Table 1*)

Despite lower basic pay, workers in non-metallic mining and quarrying had higher allowances than counterparts elsewhere (₱ 629 vs. ₱ 429).

WORKERS WITH HIGHER BASIC PAY ARE IN ESTABLISHMENTS WITH FOREIGN EQUITY

Wage practices appear to vary according to ownership of mining and quarrying establishments.

Establishments with foreign equity paid basic pay averaging ₱ 6,729. This was 24 percent higher than the pay level in wholly Filipino owned establishments estimated at ₱ 5,407.

In contrast, pay differentials were not as wide across types of markets catered. Among export oriented establishments, basic pay averaged ₱ 6,681. Elsewhere, it stood at ₱ 7,110. (*Table 2*)

HIGHER ALLOWANCES IN DOMESTIC MARKET-ORIENTED ESTABLISHMENTS

Workers in domestic market oriented establishments enjoyed higher allowances relative to their counterparts elsewhere.

At ₱ 469, workers in domestic market-oriented establishments enjoyed higher allowances than those in export-

oriented establishments given at ₱ 421.

Meanwhile, there was only a slight difference in cash allowances according to ownership at ₱ 444 for wholly Filipino-owned establishments and ₱ 426 for those with foreign equity. (*Table 2*)

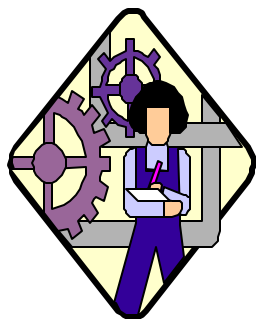
ON NON-WAGE PAYMENTS

Average basic pay and allowance 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.

MINING ENGINEERS WERE AMONG THE HIGHEST PAID OCCUPATIONS IN THE INDUSTRY

Across selected non-agricultural industries, average (mean) wage rate of selected occupations was estimated at ₱ 7,972.



Wage differentials were noted across similar occupations. Production supervisors and general foreman in metallic ore

mining received higher wage rates at ₱ 13,079 relative to their counterparts in non-metallic mining and quarrying at ₱ 8,897. (Table 3)

Among professionals, mining engineers in metallic mining and quarrying were the highest paid workers at ₱ 15,857. They were followed by mining engineers and metallurgists at ₱ 14,921.

Among technicians and associate professionals in non-metallic mining and quarrying, mining engineering technicians had average wage rates as much as ₱ 11,291. Meanwhile, their counterpart mining and metallurgical engineering technicians in metallic ore mining received average wage rates of only ₱ 6,034.

The highest paid trades and related workers were shotfirers and blasters in metallic ore mining with ₱ 8,887 in average monthly wage rates. Miners in the industry also had higher wage rates estimated at ₱ 6,446 against miners and quarry workers in non-metallic mining with average wage rates of ₱ 6,106.

At ₱ 9,202, average wage rates of well drillers and borers and related workers in non-metallic mining were the highest among selected plant and machine operators and assemblers. This

was followed by average wage rates of mining plant operators at ₱ 8,855. Least paid were mineral ore processing plant operators in metallic ore mining at ₱ 5,307.

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TABLE 1 - MEDIAN MONTHLY BASIC PAY AND MONTHLY ALLOWANCES OF TIME-RATE WORKERS ON FULL-TIME BASIS IN MINING AND QUARRYING, 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 (₱)	Median Monthly Allowances ¹ (₱)
ALL NON-AGRICULTURAL INDUSTRIES	6,238	667
MINING AND QUARRYING	6,688	431
Metallic Ore Mining	6,709	429
Non-Metallic Mining and Quarrying	5,369	629

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 MINING AND QUARRYING BY UNIONISM, TYPE OF OWNERSHIP AND TYPE OF MARKET, 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 (₱)	Median Monthly Allowances ¹ (₱)
MINING AND QUARRYING	6,688	431
UNIONISM		
Without Union	7,250	453
With Union	6,679	426
Without CBA	13,416	473
With CBA	6,666	423
TYPE OF OWNERSHIP		
Wholly Filipino	5,407	444
With Foreign Equity	6,729	426
TYPE OF MARKET		
Domestic Market Only	7,110	469
Engaged in Export	6,681	421

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 MINING AND QUARRYING AND BY SELECTED 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
AVERAGE OF SELECTED OCCUPATIONS (Non-Agricultural)	7,972 ^a
METALLIC ORE MINING	
Production Supervisors and General Foremen	13,079
Mining Engineers and Metallurgists	14,921
Mining and Metallurgical Engineering Technicians	6,034
Miners	6,446
Shotfirers and Blasters	8,887
Mining Plant Operators	7,579
Mineral Ore Processing Plant Operators	5,307
NON-METALLIC MINING AND QUARRYING	
Production Supervisors and General Foremen	8,897
Mining Engineers	15,857
Mining Engineering Technicians	11,291
Miners and Quarry Workers	6,106
Mining Plant Operators	8,855
Stone Processing Plant Operators	5,701
Well Drillers and Borers and Related Workers	9,202

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.