



The BLES

LABSTAT DIGEST

(A Statistical Digest on Labor Cost)

Vol. 2 No. 18

October 2000

Labor Cost in the Philippines (Twelfth of a fourteen-part series)

*Last year, the Bureau of Labor and Employment Statistics undertook a nationwide Labor Cost Survey (LCS) that covered **non-agricultural establishments employing at least 20 persons**. The inquiry fills one of the important gaps in the statistical measurement of wages in the country. Thus, it supplements the other statistical undertakings that collect data on wage rates, earnings and compensation of employees.*

The LCS aims to measure the level and composition of labor cost in the Philippines and the evolution of the cost components over time. The reference period of the first LCS is calendar year 1998 and the periodicity of the survey is every four (4) years. The second LCS will be conducted in 2003 with 2002 as reference year.

*This part of the series focuses on the main labor cost components in **private education services**. Statistics on the sub-components are available at the Bureau upon request.*

Major Labor Cost Components

- In private education service establishments, monetary payments to their employees totaled to ₱23,728 million in 1998. Majority of these payments were direct wages and salaries (78.0%). Other labor charges paid recorded lower percent shares ---bonuses and gratuities, 9.1 percent; employer's social security expenditures, 7.7 percent; and other labor cost, 5.3 percent.

Annual Labor Cost Per Employee

- In 1998, each employee of private educational establishments received ₱103,195 as direct wages and salaries. Bonuses and gratuities to each employee amounted to ₱12,004. Also, employer's social security payments totaled to ₱10,161 per employee while other labor costs amounted to ₱6,998. As such, annual labor cost in this industry aggregated to ₱132,358 per employee.

For Inquiries:

Regarding this report, contact Labor Standards Statistics Division at 527-3489 / 527-9325 / 527-9331

Regarding other statistics and technical services, contact BLES Databank or write to BLES

c/o Databank, 3/F DOLE Bldg. Gen. Luna St. Intramuros, 1002 Manila

FAX 527-3489 / 527-3579 E-mail: lssd@manila-online.net or visit our website at <http://www.manila-online.net/bles>

TABLE 1. - Percent Distribution of Labor Cost in Private Education Services by Major Cost Component, Philippines: 1998

(In non-agricultural establishments employing 20 and over)

Major Cost Component	Amount (P M)	Percent
Total	23,728	100.00
Direct Wages and Salaries	18,500	77.97
Bonuses and Gratuities	2,152	9.07
Employer's Social Security Expenditures	1,822	7.68
Others ¹	1,255	5.29

¹ Include Remuneration for time not worked; Food, drink, fuel and other payments in kind; Cost of workers' housing shouldered by employer; Cost of training; Cost of welfare services; Other costs (cost of work clothes/uniform, transport of workers, travelling expenses, recruitment cost, etc.)

Source of data: Bureau of Labor and Employment Statistics, 1998 Labor Cost Survey.

TABLE 2. - Annual Labor Cost Per Employee in Private Education Services by Major Cost Component, Philippines: 1998

(In pesos. In non-agricultural establishments employing 20 and over)

Major Cost Component	Annual Labor Cost Per Employee
Total	132,358
Direct Wages and Salaries	103,195
Bonuses and Gratuities	12,004
Employer's Social Security Expenditures	10,161
Others ¹	6,998

¹ Include Remuneration for time not worked; Food, drink, fuel and other payments in kind; Cost of workers' housing shouldered by employer; Cost of training; Cost of welfare services; Other costs (cost of work clothes/uniform, transport of workers, travelling expenses, recruitment cost, etc.)

Source of data: Bureau of Labor and Employment Statistics, 1998 Labor Cost Survey.