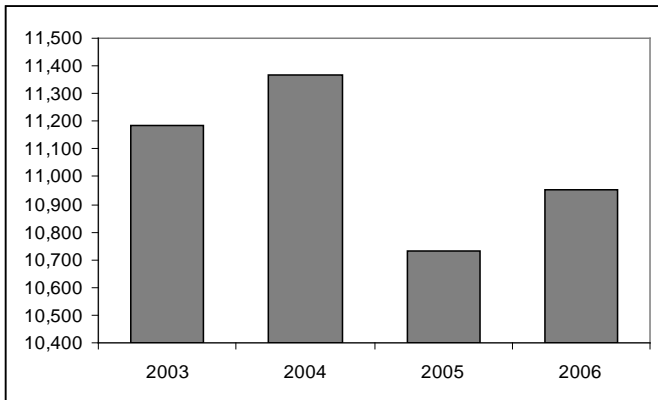


PROFILE OF SALARY AND WAGE EARNERS

Wage and Salary Workers. There were 33.2 million persons employed as of October 2006, of which an estimated 10.95 million or 33% were salary and wage earners in private establishments and family operated activities. The number of salary and wage earners decreased by an average of 0.64% over the last four years.

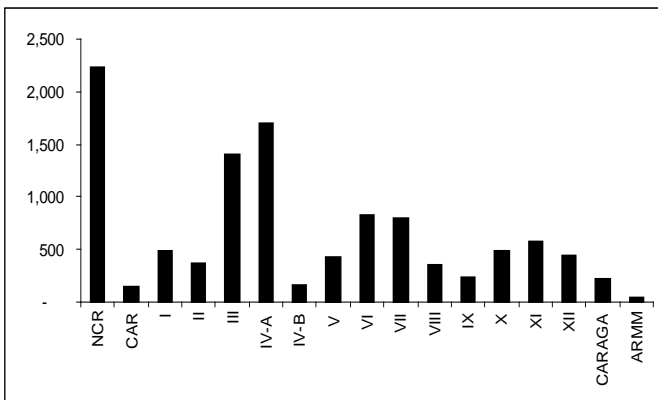
Figure 1. Salary and Wage Earners*, 2003-2006 (in thousands)



*in Private Establishments/Family Operated Activities
 Source: National Statistics Office, 2003-2006 Labor Force Survey (LFS)
 National Wages and Productivity Commission

Regional Distribution. The highest percentages of wage and salary workers were in growth areas such as NCR (20%), Region IV-A (16%) and Region III (13%) accounting for a total of 49% of total wage earners. In contrast, ARMM and CAR have the lowest number of wage earners with only 0.4% and 1.3%, respectively.

Figure 2. Salary and Wage Earners*, by Region, 2006 (in thousands)



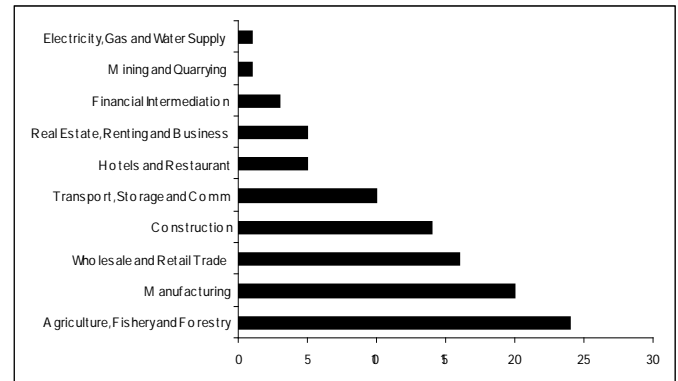
*in Private Establishments/Family Operated Activities
 Source: LFS

Sectoral Distribution. About 24% of wage earners belonged to the agriculture, fishery and forestry sector. Some 20% of the total were in manufacturing while 16% were in the wholesale and retail trade. Taken together these three sectors already accounted for 60% of all salary and wage earners in 2004-2006.



Only 2% of all salary and wage earners were in the mining and electricity, gas and water supply sectors.

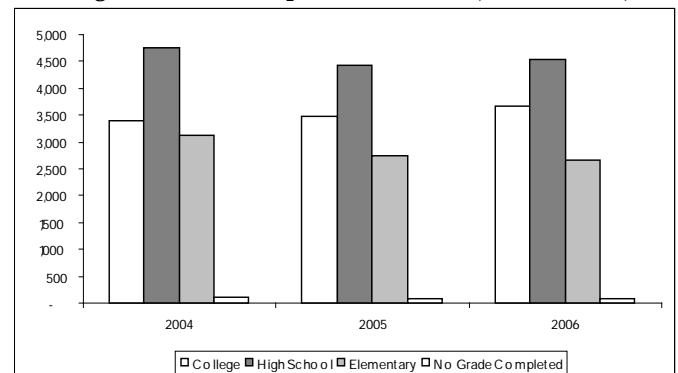
Figure 3. Average Share of Salary and Wage Earners by Major Industry Group, 2004-2006 (in percent)



*in Private Establishments/Family Operated Activities
 Source: LFS

Educational Attainment. For the period 2004 to 2006, about 41% of salary and wage earners reached high school as their highest educational attainment, while 32% were able to enter college. Almost one percent of the total number did not go to school at all.

Figure 4. Salary and Wage Earners*, by Highest Grade Completed 2004-2006 (in thousands)

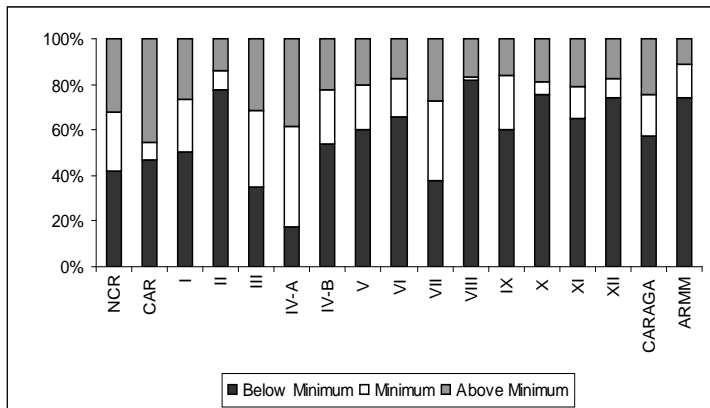


*in Private Establishments/Family Operated Activities
 Source: LFS

Regional Distribution of Minimum Wage Earners. Region VIII (1.4%), Region X (5.8%), and CAR (7.3%) have the least number of salary and wage earners receiving minimum wage. Regions with the most number of salary and wage earners receiving minimum wage are Region IV-A (44%), Region VII (35.1%), and Region III (33.6%).

Almost 80% of wage earners in Regions II, VIII, X, XII and ARMM received wages below the minimum. On the other hand, 46% of salaried employees in CAR and 38% in Region IV-A received wages above the minimum.

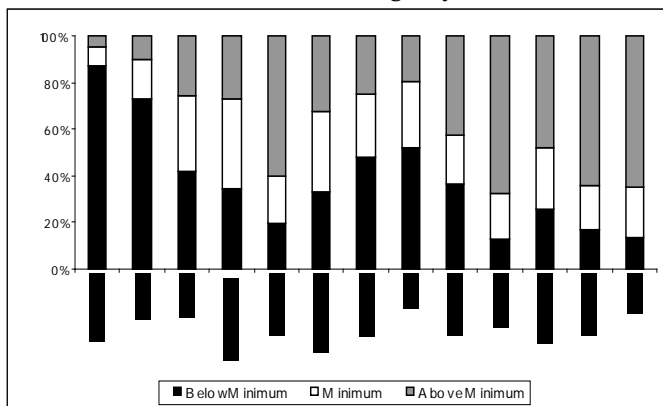
Figure 5. Salary and Wage Earners* Receiving Below/Exactly or Above the Minimum Wage, by Region, 2006



*in Private Establishments/Family Operated Activities
Source: LFS

Sectoral Distribution of Below Minimum Wage Earners. The agriculture and forestry sector had the most number of salary and wage earners who received wages below minimum in 2006. Some 87% of workers in the sector received below the minimum and only 4% received above it. The fishing sector had the second highest number of workers with wages lower than the minimum at 73%. In contrast, majority of salary and wage earners in the financial intermediation (68%) and health (65%) sectors received salaries above the minimum. Some 13% of the wage earners in each sector were paid below the minimum wage. The remaining 20% in the financial sector and 22% in the health sector received the minimum wage.

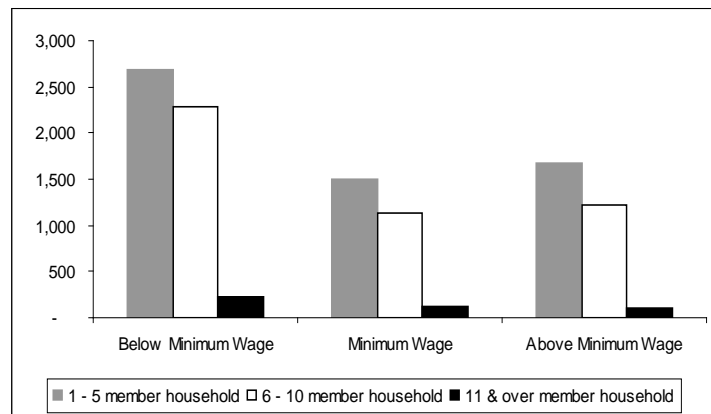
Figure 6. Salary and Wage Earners* Receiving Below/Exactly or Above the Minimum Wage, by Sector, 2006



*in Private Establishments/Family Operated Activities
Source: National Statistics Office, 2006 Labor Force Survey, NWPC

Basic Pay and Household Size. In terms of household size, some 46% of families with one to five household members in 2006 received wages below the minimum and only 29% received above minimum. Almost half or 49% of families with 6 to 10 members earned below the minimum wage and 26% earned above minimum wage in the same period. For families with 11 and more household members, some 50% received wages below the minimum while only 23% received wages above it.

Figure 7. Salary and Wage Earners* Receiving Below/Exactly or Above the Minimum Wage, by Basic Pay and Household Size, 2006 (in thousands)



*in Private Establishments/Family Operated Activities
Source: LFS

Minimum Wage and Poverty Threshold. In 2006, minimum wages in Regions I, II, III, V, VI, XIII, CAR and ARMM were below the regional poverty threshold, or the amount needed to satisfy the nutritional requirements and other basic needs of a family of six. ARMM had the largest deficit at P64, while Region II had the least with P4.

On other hand, the living wage is the amount needed by a family of six to provide for their food and non-food expenditures with sufficient allowance for savings and investment for social security. Based on one minimum wage earner per family of six, ARMM had the highest deficit between living wage and minimum wage at P808. Region VIII had the least deficit valued at P258.

Figure 8. Comparison of Minimum Wage and Poverty Threshold*, by Region 2006 (in peso)



*Based on one minimum wage earner per family of 6
Source: LFS