

## Annual Compensation per Employee in Top Five Industry Group under Food Manufacturing, Philippines: 2017 (in PhP)

1,143,930	Manufacture of dairy products
304,636	Processing & preserving of fruits and vegetables
289,582	Manufacture of vegetable & animal oils & fats
269,820	Manufacture of prepared animal feeds
246,370	Processing & preserving of meat
218,584	Manufacture of other food products

Source: ASPBI 2017

Based on the Annual Survey of Philippine Business and Industry of the PSA, among food manufacturing groups, workers in manufacturing of dairy products reported the highest average compensation amounting to P1.144 million, followed by fruits and vegetables processing and preserving at almost P305 thousand.

### Annual Total Labor Cost: P201,771

(P152,473)  
75.6%

- Pay for Regular Working Time (P139,547)
- OT, Night Shift, Premium Pay (P9,147)
- COLA & Other Allowances (P1,483)
- Bonuses & PIS (P1,669)
- Commissions (P627)

Direct Wages

0.5%	Cost of Training (P1,000)	Social Security (P14,638)	7.25%
0.05%	Payments in Kind (P97)	Housing (P119)	0.06%
0.16%	Welfare Services (P315)	Other Labor Cost (P1,469)	0.73%
1.21%	Remuneration for Time not Worked (P2,434)		

Bonuses & Gratuities

- Year-end, Seasonal, One-time Bonuses (P24,459)
- Profit-sharing Bonuses (P4,489)
- Additional Payments (vacation, supplementary to normal vacation pay) (P277)

14.5%  
(P29,225)

Source: Labor Cost Survey

Annual labor cost in food manufacturing was P201,771 per worker. Of which, 75.6% or P152,473 were direct wages and salaries; 14.5% or P29,225 were bonuses and gratuities; and 7.3% or P14,638 were social security payments.

## Workers Compensation in Food and Beverage Manufacturing by Position, Philippines: 2016

Position	Mo. Basic Salary (PhP)	Annual Salary Increase (%)	Life Insurance (PhP)	Health Insurance (PhP)	Car Plan (PhP)
Executive	141,000	5	2,550,000	165,000	975,000
Managerial	38,386	7	324,000	130,000	400,000
Supervisory	25,404	7	300,000	130,000	-
Rank and File	16,065	7	400,000	92,000	-

Source: ECOP

Results of ECOP's 2016 Corporate Compensation Survey showed that median monthly basic salary in food and beverage manufacturing ranged from P16,065 for rank-and-file workers to P141,000 for executive level positions. Annual salary increases were given at 5% (executives) to 7% (rank & file, supervisors and managers). Life insurance ranged from P300,000 to 2.55 million, and health insurance from P92,000 to P165,000.

## Workers Compensation in Food and Beverage Manufacturing by Selected Occupation, Philippines: 2016

Occupation	Mo. Basic Salary (PhP)	Annual Salary Increase (%)	Life Insurance (PhP)	Health Insurance (PhP)
Calibration technician	19,057	7	400,000	92,000
Distribution leadman	18,651	7	400,000	92,000
Engineering technician	17,097	7	400,000	92,000
Fabricator	17,000	7	400,000	92,000
Feeder crew	14,915	7	400,000	92,000
Factory general worker	17,564	7	400,000	92,000
Laboratory technician	18,461	7	400,000	92,000
Line leader	16,765	7	400,000	92,000
Maintenance assistant	16,200	7	400,000	92,000
Management engineer	15,500	7	400,000	92,000
Market researcher	17,900	7	400,000	92,000
Materials coordinator	18,460	7	400,000	92,000
Operations compliance examiner	16,500	7	400,000	92,000
Process specialist	16,065	7	400,000	92,000
Production assistant	14,000	7	400,000	92,000
Production operator	12,909	7	400,000	92,000
Quality assurance staff	14,000	7	400,000	92,000
R&D technician	13,600	7	400,000	92,000

Source: ECOP

Among selected rank & file workers, median monthly basic salary ranged from P12,909 for production operators to P19,057 for calibration technicians. Median annual salary increase was uniform at 7%, while life insurance was at P400,000, and health insurance at P92,000.

# PAY STANDARDS & PRACTICES

## Manufacture of Food Products

This industry includes the processing of the product of agriculture, forestry and fishing into human or animal food.

### For more information:

[www.nwpc.dole.gov.ph](http://www.nwpc.dole.gov.ph)

[www.facebook.com/dole.nwpc](http://www.facebook.com/dole.nwpc)

Or call:

8 527-8011

8 527-8014

(Wage Policy and Research Division)

(Planning and Information Division)



National Wages and Productivity Commission  
Department of Labor and Employment  
Philippines

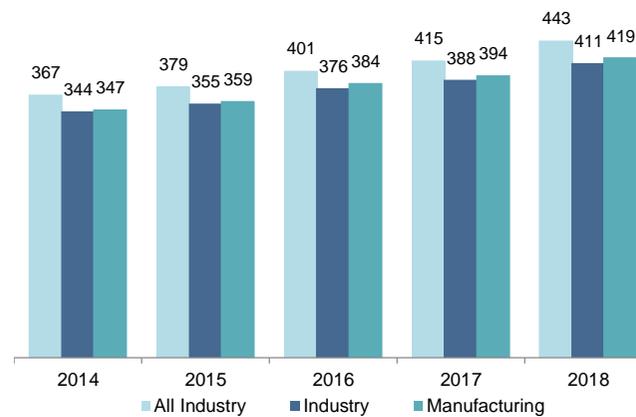
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## Wage and Wage-Related Benefits under the Labor Code of the Philippines

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**Minimum Wage**  
 Lowest wage that an employer should pay his workers, as fixed by the RTWPBs
- 
**Holiday Pay**  
 100% of the daily rate if unworked  
 200% of the daily rate if worked
- 
**13th Month Pay**  
 Not less than one-twelfth (1/12) of the total basic pay earned in a calendar year
- 
**5-Day SIL**  
 Workers are entitled to a 5-day service incentive leave after one-year of service, and every year thereafter
- 
**Separation Pay**  
 Equivalent to ½ or 1 month pay for every year of service depending on the authorized cause of the separation
- 
**Overtime Pay**  
 25% of the effective hourly basic rate
- 
**Premium Pay**  
 30% of the daily basic rate
- 
**Night Shift Differential Pay**  
 10% of the effective hourly basic rate for work performed between 10 p.m. and 6 am.
- 
**Service Charges**  
 To be distributed completely and equally among covered workers except managerial employees
- 
**Retirement Pay**  
 Daily rate x 22.5 days x number of years of service

## Compensation and Benefits

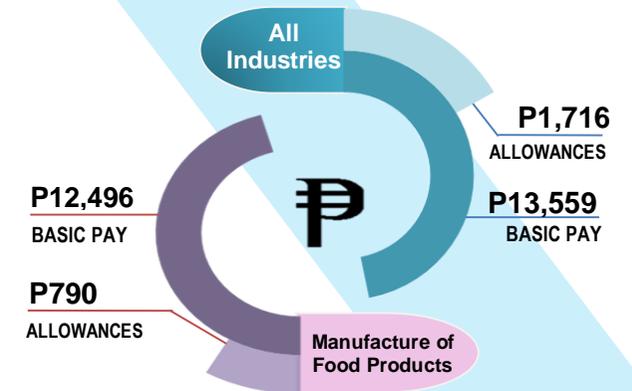
Average Daily Basic Pay of Wage and Salary Workers in Manufacturing, Philippines: 2014-2018 (in PHP)



Source: Labor Force Survey

Data from the household-based Labor Force Survey showed that average daily basic pay of workers increased from P367 in 2014 to P443 in 2018 or by 20.7%. Workers' average pay in the manufacturing industry also registered growth from P347 to P419, also by 20.7%, during the same period.

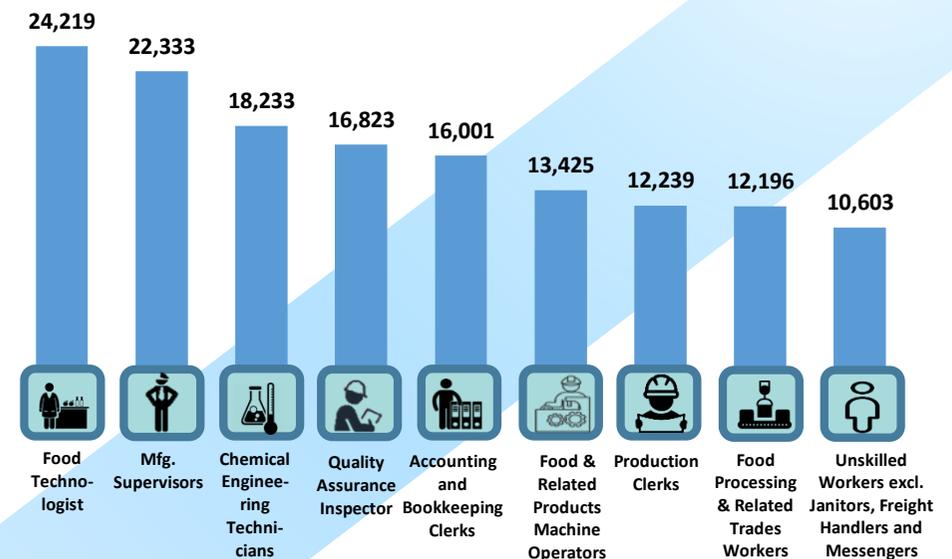
Median Monthly Basic Pay and Allowances in Manufacturing of Food Products, Philippines: August 2018



Source: Occupational Wages Survey

Average monthly basic pay as of August 2018 stood at P13,559 while monthly allowance at P1,716 based on establishment data gathered from the Occupational Wages Survey (OWS). In food manufacturing, monthly basic pay averaged at P12,496, and monthly allowance at P790.

Average Monthly Wage Rates of Full Time Workers in Food Manufacturing, Philippines: August 2018 (in PHP)



Source: Occupational Wage Survey

Among the production workers in the Food and Beverage Manufacturing covered by the OWS, food technologist had the highest pay averaging P24,219, followed by manufacturing supervisors at P22,333, and chemical engineering technicians at P18,233.

Unskilled workers received the lowest pay at P10,603, followed by food processing and trade workers at P12,196, and production clerks at P12,239.