

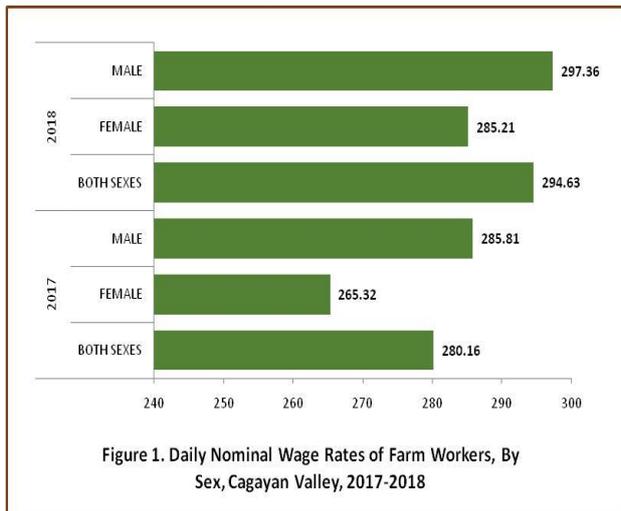


# SPECIAL RELEASE

## Increase wage rate for farm workers seen in 2018

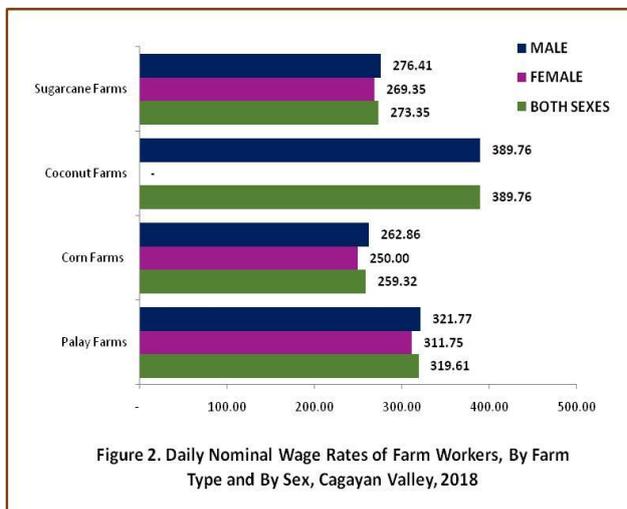
**Date of Release** : **March 31, 2020**  
**Reference No.** : **SR-2020-021**

Based from the latest Agricultural Wage Rate Survey (AWRS) conducted by the Philippine Statistics Authority (PSA), Cagayan Valley’s average daily nominal wage rate was recorded in 2018 at 294.63 pesos. This is 5.16 percent higher than the 2017 reported wage rate of 280.16 pesos per day or about fifteen pesos additional



income received by farm workers in 2018. Both male and female farm workers benefitted from the recorded increment with the latter gripping higher increment at 7.5 percent or about twenty pesos increase from the 2017 daily wage rate of 265.32 pesos while the former clinching only 4.0 percent or about 12.55 pesos increase from the 2017 wage rate of 285.81 pesos per day. Note however that in both years under review, male farm worker still received higher wages than its female counterpart.

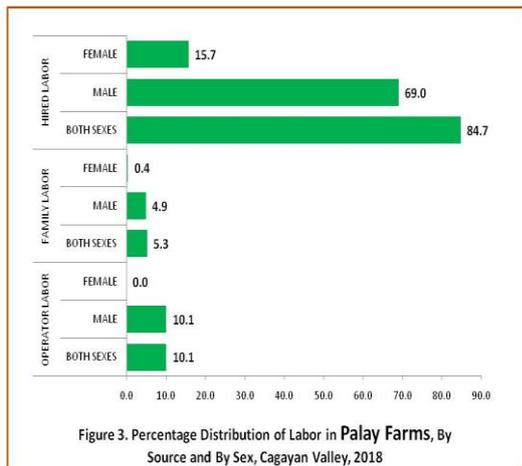
The AWRS covers four agricultural crops widely produce in the regions namely, palay, corn, coconut and sugarcane and corresponding nominal wage rates per day were captured and estimated. As



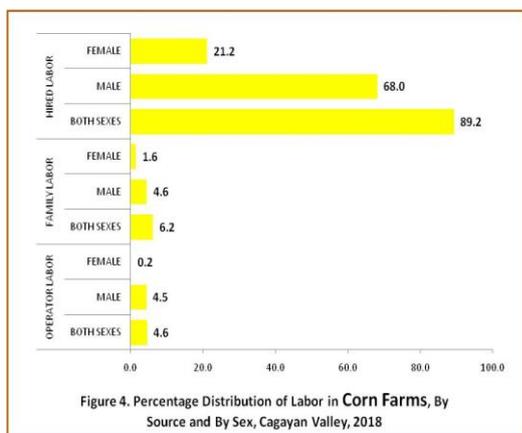
shown, farm workers in coconut farms received the highest payment in 2018 although only male workers were involved. Palay farm workers compensation comes next and was recorded at more than three hundred pesos per day. Daily wage of workers in sugarcane and corn farms, in that order, were at the bottom record with both wages at less than three hundred pesos. Specifically, male workers in palay farms received higher average daily wage rate of 321.77 pesos,

higher than its female counterpart who received only 311.75 pesos per day. Almost the same gap was noted in terms of the average daily nominal wage rate of male and female workers in corn farms, the former were paid at 262.86 pesos per day while the latter received only 250.00 pesos per day. When engage in sugarcane activities, male farm workers received 276.41 pesos per day while its female compeers were paid 269.35 pesos per day. Notably, across all farms, male farm workers displayed higher nominal wage rate per day than its female counterparts.

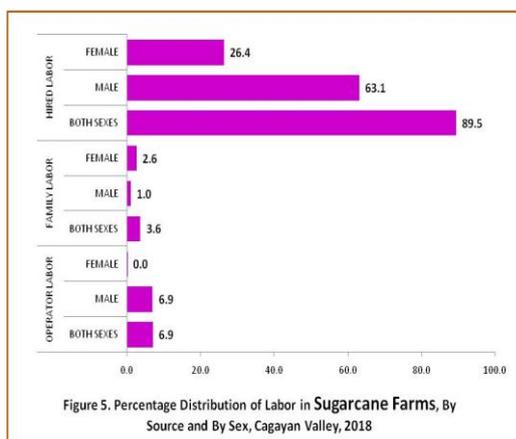
The AWRS also provides information as to source of labor across farm types and the latest data displayed higher percentage of hired labor across all farms in the region.



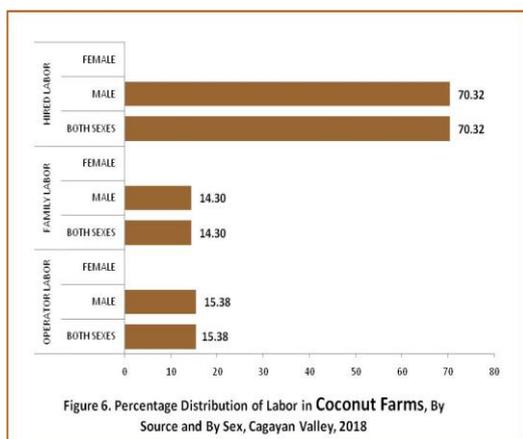
Particularly, in palay farms, about 84.7 percent of the labor inputs were performed by hired laborers with the participation of 69.0 percent male workers and 15.7 percent female workers. Operators of palay farms were also visible in farm activities performing about 10.1 percent of the total labor inputs with most of the activities done by male. Member of families engaged in palay farming had the least participation as it contributed only about 5.3 percent to the total labor inputs, majority of which were performed by male family members.



Additionally, in corn farms, about 89.2 percent of the total labor inputs were performed by hired laborers with the involvement of 68.0 percent male and 21.2 percent female workers. Family members of corn farm operators accomplished about 6.2 percent of the corn farm activities with 4.6 percent male and 1.6 percent female family member performing the task. Operator labor had the least participation in the total corn labor inputs with only 4.6 percent, majority of which was contributed by male operators at 4.5 percent.

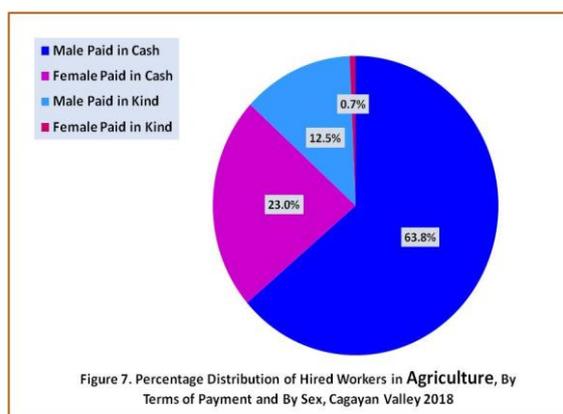


Further, in sugarcane farms, about 89.5 of the labor inputs were performed by hired workers, 63.1 percent of them were male while 26.4 percent were female. Operator labor contributed 6.9 percent with most of the operator labor performing the task.. Family labor in sugarcane activities cornered the least in the total labor contributing only 3.6 percent to the total labor inputs in the industry. Surprisingly, female family members of sugarcane operators displayed more involvement than its male counterpart.

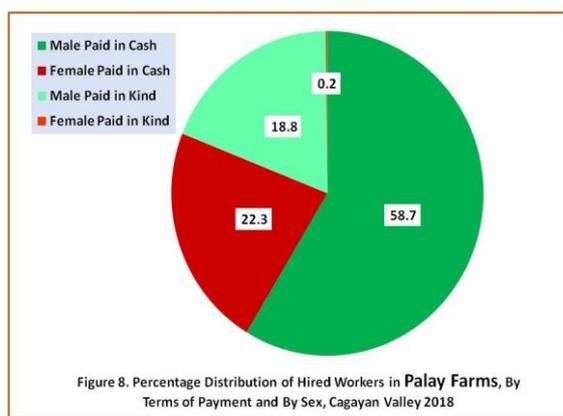


Lastly, in coconut farms, the same scenario can be deduced only that labor inputs were all performed by male farm laborers. As shown, hired farm laborers accomplished about 70.32 percent of the total labor inputs in coconut farms, the lowest percentage of hired labor involvement across all farm types under review. Moreover, operator labor and family labor contributed almost the same percentage with the former accomplishment estimated at 15.38 percent while the latter at 14.30 percent.

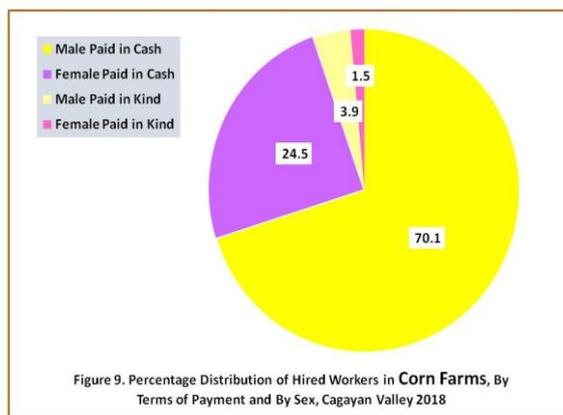
Hired workers in agricultural farms were either paid in cash or in kind as captured in the 2018 AWRS. Generally, hired farm laborers, whether male or female will most likely to received cash as payments of the services rendered. In fact in 2018, about 63.8 percent of male hired workers were paid in cash while 23.0 percent comprised their female counterpart. The remaining more than thirteen percent were paid in kind with almost all of them (12.5 percent) paid to male farm laborers.



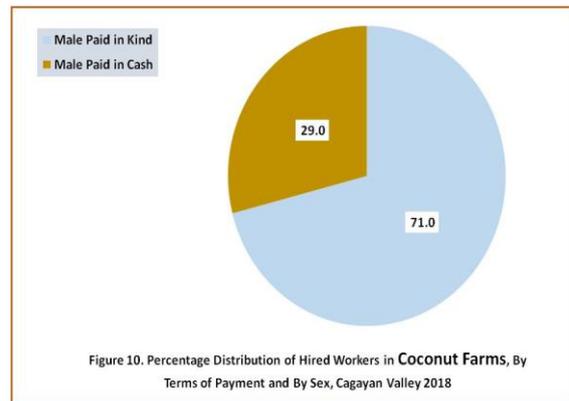
Across farm types, palay farming showed semblance of the agriculture sector situation in terms of the basis of payments. About 81.0 percent of hired workers were paid in cash where 58.7 percent of them were male while 22.3 percent were female. On the other hand, the remaining 19.0 percent received payment in kind with 18.8 percent constituted male workers while only 0.2 percent comprised their female counterpart.



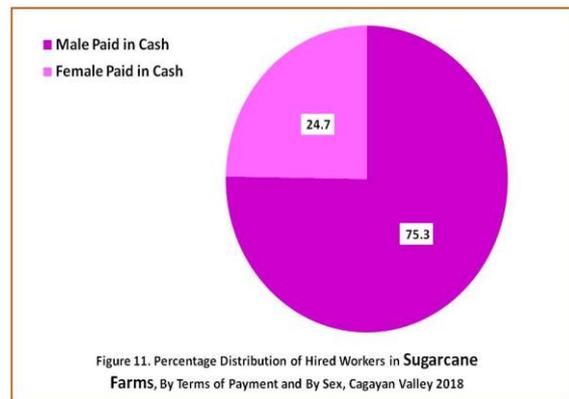
In corn farms, hired laborers were mostly paid in cash while a little percentage received payments in kind. Notably, about 94.6 percent of corn farm workers received payments in cash which comprised 70.1 percent male and 24.5 percent female. The remaining 5.4 percent of corn farm workers received payments in kind with 3.9 percent male workers and 1.5 percent female farm workers.



In coconut farms, payment in kind dominated the terms of payment for hired workers. In fact, almost one fourth of the coconut hired laborers received payments in kind while the remaining more than one fourth received payments in cash. It must be noted further that only male workers were involved in corn farm activities in the region as per result of the 2018 AWRS conducted in the region.



In sugarcane farms, almost one fourth of the farm laborers were female paid in cash while a little over three fourths were males also paid in cash. In the region, the sugarcane industry does not practice hiring of farm laborers only to be paid in kind since the commodity can only be sold in bulk to milling companies either for sugar or for ethanol.



  
**MARILYN T. ESTRADA**  
Regional Director

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## TECHNICAL NOTES

This Special Release is one of the various contributions of the Statistical Operation and Coordination Division (SOCD) of PSA RSSO 2 in the Gender and Development Program of the office in relation to the celebration of the Women Months this 2020. The information provided in this release was captured from the Agricultural Wage Rate Survey (AWRS) conducted by this office.

The AWRS for palay and corn are conducted semi-annually in the months of January and July with reference periods- July to December of the previous year and January to June of the current year, respectively. The results are consolidated on an annual basis. The surveys for coconut and sugarcane are done annually in the month of January, with the reference period of January to December of the previous year.

AWRS employs quota sampling design. The statistical unit is the household that hired farm workers during the reference period. For palay and corn, sample sizes are set at 20 for major producing provinces and 15 for minor producing provinces. For coconut and sugarcane, sample sizes are set at 15.

Various types of arrangements are being practiced in the payment of wages in agriculture. These are referred to as "basis of payment" in this report. Wages by "basis of payment" may take the following forms: prevailing daily wage rate, wage per hectare or wage per sack. Wages can also be paid according to the stipulation in a contract or verbal agreement. Depending on the contract or agreement between the operator and the farm laborer, the latter may perform one or more farming activities for an agreed amount.

Farm operators may pay its laborers based on either number of rows covered or number of bundles or pieces of input/output handled.

Sharing arrangements between the operator and the laborer are likewise observed. An example of this would be a 70:30 percent sharing in the production. The quantity involved in the arrangement is converted to cash equivalent by multiplying the quantity shared by the prevailing farm gate price of the produce.

Whatever mode of payment is employed, this is translated into average wage rate per day to allow wage rates comparisons.

Wages paid in cash or in kind are converted into daily wage rate equivalents using the reported man-days and total wages paid to farm workers.

**Cash payment** - refers to the actual amount of cash paid according to the agreed basis of payment.

**Payment in kind** - refers to the peso equivalent