

SPECIAL RELEASE

2018 Census of Philippine Business and Industry (CPBI) Results: Sector N (Administrative and Support Service Activities)

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Industry Section N includes a variety of activities that support general business operations. The primary purpose of this activities is not the same with Sector M: Professional, Scientific and Technical Activities because there is no transfer of specialized knowledge. This industry section also includes 19 industry groups covering a variety of activities that support general business operations.

The highlights of the 2018 CPBI for administrative and support service activities are presented in Figure 1. It covers the number of establishments and total employees engaged in administrative and support service activities, total revenue and total expenses incurred, as well as the total value added generated.

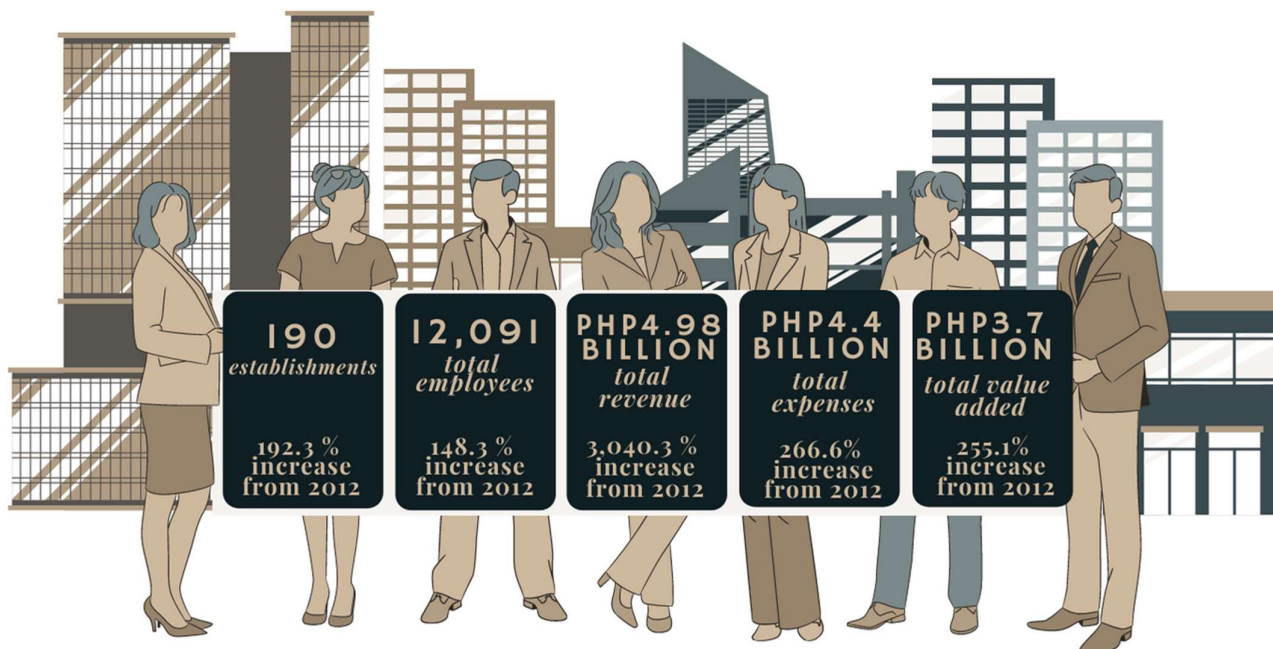


Figure 1. CPBI Results for Administrative and Support Service Activities (ASS), CAR: 2018

- ✦ The final results of the 2018 CPBI showed that a total of 190 establishments in the formal sector of the economy of the Cordillera Administrative Region (CAR) were engaged in Administrative and Support Service Activities. It increased by 192.3% compared to the 65 establishments recorded in 2012.
- ✦ In 2012, there were 4,870 employees employed in ASS, wherein 4,842 were paid employees. In 2018, it increased by 148.3% or 12,091 workers. This was composed of 47.8% or 5,782 male employees and 52.2% or 6,309 female employees. Out of the 12,091 employees, 12,009 were paid employees.
- ✦ The total revenue generated by the establishments engaged in ASS activities in the region amounted to PhP4.9 billion in 2018. The total revenue was increased by 246.6% compared to the PhP1.3 billion in 2012.
- ✦ A total of PhP4.4 billion expenses were incurred in 2018, indicating an increase of 266.6% from the PhP1.2 billion in 2012. Out of the PhP4.4 billion in 2018, 63.8% or PhP2.8 billion were spent for compensation expense while the remaining 36.2% or PhP1.6 billion were spent for other expenses.
- ✦ The industry section generated total value added of PhP555.3 billion in 2018 which increased from the 2012 value added of PhP252.7 billion. CAR recorded a total of PhP3.7 billion value added in 2012 for this industry section.
- ✦ In terms of gross additions to tangible fixed assets, a total of PhP106.7 million were also recorded in the region for this industry section. However, no subsidy from the government was recorded for this specific industry.

Top industry groups in terms of number of establishments



Figure 2. Top Industry Group in Terms of Number of Establishments, CAR: 2018

- Among the industry groups, Office Administrative and Support activities topped the list with 50 establishments. It was followed by Employment Placement Agencies with 40 establishments and Travel Agencies and Tour Operator activities with 26 establishments.

Call centers and other related activities are the biggest employer

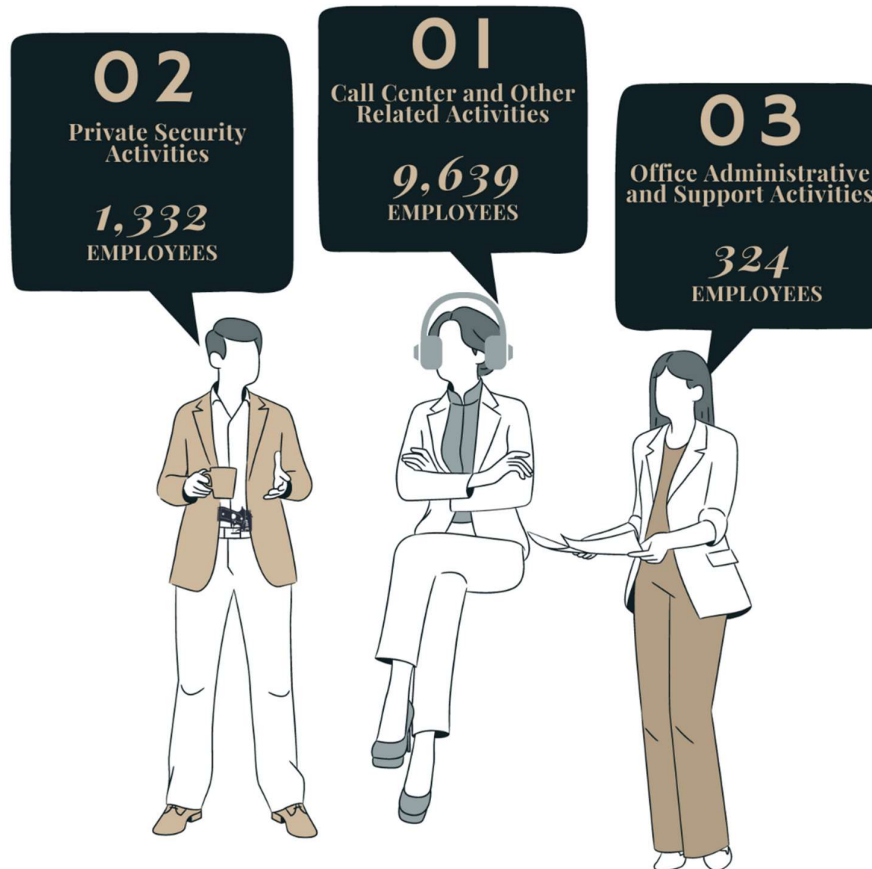


Figure 3. Top Industry Group in Terms of Number of Employment, CAR: 2018

- In terms of total employment, Call Centers and Other Related Activities employed the highest number of employees with 9,639. It was followed by Private Security Activities, and Office Administrative and Support Activities with 1,332 employees and 324 employees respectively.
- As the top employer in terms of employees, Call Centers and Other Related Activities also spent the highest compensation expenses with Php2.6 billion.

Call centers and other related activities incurred the highest total revenue and expenses



Figure 4. Top Industry Group in Terms of Total Revenue, CAR: 2018

Across industry group, call centers and other related activities had the largest share in revenue with PhP4.6 billion. Cleaning Activities followed next with a total revenue of PhP115.7 million and Office Administrative and Support Activities with PhP68.3 million.

The top two industry groups that contributed the highest revenue were also the top 2 industries in the total expenses incurred in 2018. Call center and other related activities topped at PhP4.03 billion, cleaning activities came second at PhP98.4 million. The third was private security that incurred PhP61.8 million.



Figure 5. Top Industry Group in Terms of Total Expenses, CAR: 2018

Highest value added was recorded at PhP3.4 billion

Call Centers and Other Related Activities posted the highest value added with PhP3.4 billion. This was followed by Private Security Activities that generated PhP57.7 million value added. Private Security Activities was closely followed by Business Support Service Activities that generated PhP56.01 million value added.

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Technical Notes

Establishment is an economic unit under a single ownership and control, i.e. under a single entity, engaged in one or predominantly one kind of economic activity at a single fixed location.

Economic activity is the establishment's source of income. If the establishment is engaged in several activities, its main economic activity is that which earns the biggest income or revenue.

Total Employment is the number of persons who worked for the establishment as of November 15, 2016.

Paid employees are all persons working in the establishment and receiving pay, as well as those working away from the establishment paid by and under the control of the establishment. Included are all employees on sick leave, paid vacation or holiday. Excluded are consultants, home workers, receiving pure commissions only, and workers on indefinite leave.

Compensation is the sum of salaries and wages, separation/retirement/terminal pay, gratuities and payments made by the employer in behalf of the employees such as contribution to SSS/GSIS, ECC, PhilHealth, Pag-ibig, etc.

Salaries and wages are payments in cash or in kind to all employees, prior to deductions for employee's contributions to SSS/GSIS, withholding tax, etc. Included are total basic pay, overtime pay and other benefits.

Income or Revenue refers to cash received and receivables for goods/products and by-products sold and services rendered. Valuation is at producer prices (ex-establishment) net of discounts and allowances, including duties and taxes but excluding subsidies.

E-commerce refers to the selling of products or services over electronic systems such as Internet Protocol-based networks and other computer networks. Electronic data Interchange (EDI) network or other online system. Excluded are orders received from telephone, facsimile and e-mails.

Expense refers to cost incurred by the establishment during the year whether paid or payable. This is treated on a consumed basis. Valuation is a purchaser price including taxes and other charges, net of rebates, returns and allowances. Goods and services received by the establishment from other establishments of the same enterprise are valued as though purchased.

Value added is gross output less intermediate input. Computation of gross output for financial and insurance activities sector varies per industry as presented below:

Intermediate input is equal to the sum of the following expense items: materials and supplies purchased; fuels, lubricants, oils and greases purchased; electricity purchased, water purchased; industrial services done by others; non-industrial services done by others *less* rent expense for land; research and development expense; environmental protection expense; royalty fee; franchise fee; foreign exchange losses and other expense.

Gross addition to tangible fixed assets is equal to capital expenditures less sale of fixed assets, including land.

Change in inventories is equivalent to the value of inventories at the end of the year less the value of inventories at the beginning of the year.

Inventories refer to the stock of goods owned by and under the control of the establishment as of a fixed date, regardless of where the stocks are located. Valuation is at current replacement cost in purchaser prices. Replacement cost is the cost of an item of its present price rather than its original cost.

Subsidies are all special grants in the form of financial assistance or tax exemption or tax privilege given by the government to aid and develop an industry.
