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2000 CENSUS OF PHILIPPINE BUSINESS AND INDUSTRY



FINANCIAL INTERMEDIATION



Republic of the Philippines

NATIONAL
STATISTICS
OFFICE
Manila

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F O R E W O R D

Volume X contains the final results of 2000 Census of Philippine Business and Industry (CPBI) for Financial Intermediation Establishments. The 2000 CPBI was conducted by the National Statistics Office (NSO) in August 2000 with the year 1999 as the reference period for data collection.

Statistics on the number of establishments, employment, compensation, revenue, costs, fixed assets, capital expenditures, inventories, and value added are presented by region and by industry group for easy reference of data users. Information contained in this report are useful to government and non-government agencies in formulating and implementing plans and programs.

This office acknowledges with sincere thanks and appreciation the cooperation of reporting establishments.

CARMELITA N. ERICTA
Administrator

Manila, Philippines
August, 2004

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EXPLANATORY TEXT

Introduction

The census of establishments is a comprehensive collection, compilation, evaluation, analysis and publication of data about the economic activities of the country. It is the source of information for establishing benchmark level for the measurement and comparison of national, regional and provincial economic growth.

The 2000 Census of Philippine Business and Industry (CPBI) which was conducted in August 2000 was the 13th of a series of economic censuses conducted by the National Statistics Office (NSO) at irregular intervals. Earlier in May of the same year, the 2000 Census of Population and Housing was also conducted.

The 2000 CPBI is preceded by the censuses of establishments of 1994, 1988, 1983, 1978, 1975, 1972, 1967, 1961, 1948, 1939, 1918 and 1903.

This volume presents the final results of the 2000 CPBI (with 1999 as reference year) for financial intermediation establishments with average total employment (ATE) of 20 and over and with ATE less than 20. Statistical tables for ATE 20 and over are presented at the national and regional levels and by industry group (3-digit 1994 PSIC). For ATE of less than 20, statistical tables are presented at the national and regional levels by industry group and industry class (3- and 4-digit 1994 PSIC).

The tabulations include data on employment, compensation, output/ revenue, cost, fixed assets, capital expenditures, inventories and capital participation.

Legal Authority

The 2000 CPBI was undertaken by authority of the following legislative acts and presidential directives, namely:

- **Commonwealth Act No. 591** (An Act to Create a Bureau of the Census and Statistics, to Consolidate Statistical Activities of the Government Therein) approved and took effect on August 19, 1940

Empowering the Bureau, among other things, to prepare for and undertake all censuses of population, agriculture, industry and commerce.

Section 3 of the Commonwealth Act No. 591 states that:

“... Any person who fails or refuses to accomplish, mail or deliver such questionnaire or form received by him to the Bureau of the Census and Statistics... or any person who in accomplishing any such questionnaire or form, knowingly gives data or information which shall prove to be materially untrue in any particular, or in any person who signs such questionnaire or form after it has been accomplished in the knowledge that it is untrue in any particular shall upon conviction, be punished ...”

- **Presidential Decree No. 418** dated March 20, 1974

Reconstituting the Bureau of the Census and Statistics as a new agency to be known as the National Census and Statistics Office (NCSO), under the administrative supervision of the National Economic Development Authority (NEDA).

- **Executive Order No. 121** (otherwise known as the Reorganization Act of the Philippine Statistical System) dated August 4, 1987

Renaming the National Census and Statistics Office (NCSO) to National Statistics Office (NSO) which shall be the major statistical agency responsible for generating general purpose statistics and undertaking such censuses and surveys as may be designated by the National Statistical Coordination Board (NSCB).

- **Executive Order 5** (Strengthening the National Statistics Office) dated July 29, 1998

Authorizes the Office to delegate more substantive and administrative functions to the field offices to transform them from a mere data collection arm to statistics-producing units; refocuses the functions of the central office units towards developmental planning, design and analysis of designated statistical activities as well as other surveys and statistical studies requested by government agencies and international organizations.

- **Executive Order No. 352** (Designation of Statistical Activities that will generate critical data for decision-making of the Government and the Private Sector) signed by the President on July 1, 1996

Approves the activities and statistics that have been designated by the NSCB for adoption by the government. The CPBI is included in the list of designated statistical activities.

Confidentiality of Information

Section 4 of CA No. 591 states that ...

“... Data furnished to the Bureau of the Census and Statistics will be kept **STRICTLY CONFIDENTIAL** and shall not be used as evidence in court for purposes of taxation, regulation or investigation; nor shall such data or information be divulged to any person except authorized employees of the Bureau of the Census and Statistics Office, nor shall data be published except in the form of summaries or statistical tables in which no reference to an individual, corporation, association, partnership, institution or business enterprise shall appear. Any person violating the provisions of this section shall upon conviction, be punished by fine of not more than six hundred pesos, or by imprisonment for not more than six months, or by both...”

Confidentiality in Statistical Tables – To avoid disclosure of individual establishment's operations, the statistical tables do not provide information for any industry group or class in which the number of establishments is less than three (3). The figures relating to such industries are either suppressed or combined with those of other related industries with appropriate footnote.

Scope and Coverage

The 2000 CPBI is a nationwide census of establishments engaged in economic activities as classified under the 1994 Philippine Standard Industrial Classification (PSIC).

The scope and coverage of the census are listed in the table below:

1994 PSIC	SCOPE	COVERAGE
A	Agriculture, Hunting and Forestry	All establishments
B	Fishing	All establishments
C	Mining and Quarrying	All establishments
D	Manufacturing	All establishments
E	Electricity, Gas and Water Supply	All establishments
F	Construction	All establishments
G	Wholesale and Retail Trade; Repair and Maintenance of Motor Vehicles, Motorcycles and Personal and Household Goods	All establishments, except sari-sari stores with no regularly paid employee and open stalls in public market
H	Hotels and Restaurants	All establishments
I	Transport, Storage and Communications	All establishments, except operators of tricycles, jeepneys, calesas and pedicabs; government postal and telegraphic offices; and booking offices of foreign airlines
J	Financial Intermediation	All establishments
K	Real Estate, Renting and Business Activities	All establishments, except those engaged in letting and operating real estate such as residential and non-residential buildings and land rentals
M	Education	All establishments, except those engaged in public education
N	Health and Social work	All establishments, except those engaged in public medical, dental and other health services
O	Other Community, Social and Personal Service Activities	All establishments, except those activities of membership organizations

The following major divisions are, however, excluded from the coverage of the census: L (Public Administration and Defense; Compulsory Social Security), P (Private House-holds with Employed Persons), and Q (Extra-Territorial Organization and Bodies).

Moreover, the following are excluded from the coverage of the census:

- Ancillary unit;
- Ambulant peddlers and hawkers (do not have fixed locations); and
- Open market stalls and meat, fish or fruit vendors.

Uses of Census Data

The data collected from the 2000 CPBI generated statistical information upon which the government and private sectors formulate sound economic policies and development plans.

Specifically, the census data are used in:

- Establishing benchmark levels for measuring and comparing national, regional and provincial economic growth;
- Providing a frame for planning and designing establishment surveys;
- Formulating and monitoring plans and policies for the attainment of national, regional and provincial goals;
- Constructing national and regional accounts of the Philippine economy;
- Determining and comparing regional economic structure and performance; and
- Conducting market research and feasibility studies.

Reference Period

All information collected in the 2000 CPBI refers to calendar year 1999.

2000 CPBI Logo

A logo for the census was adopted for the first time in the 2000 CPBI. The CPBI logo aims to capture the goals and objectives of the 2000 CPBI. In its appearance, it is a stylistic representation of the Filipino flag.



The golden sun represents the vision of hope which reaches out like the sun's rays for the improvement of the quality of life of all Filipinos; the red chart, the trend of the country's economic progress; the white building, the businesses and industries that propel the growth of the economy; and the blue background symbolizes the cooperation between and among the data providers, data producers and data users.

Main Features of the 2000 CPBI

The 2000 CPBI has a number of outstanding features, as follows:

1. Renaming of the Census of Establishments (CE) to 2000 Census of Philippine Business and Industry (CPBI)

NSCB Resolution No. 3 Series of 2000 approved the modification of the title to Census of Philippine Business and Industry (CPBI) from Census of Establishments (CE). The year in the title refers to the period when the census was conducted.

2. Two-Phase Sampling Design

A two-phase sampling design was used for the first time in the CPBI: Phase 1 and Phase 2. Refer to Section on *Sampling Design*.

While previous censuses and surveys of establishments utilized stratified simple random sampling (ssrs), this census used the method of 'probability proportional to size' (pps) in the selection of samples in the non-certainty strata.

3. Decentralization of Machine Processing to Field Offices

In addition to the regular responsibilities of the field offices in the distribution, collection and field editing of questionnaires, the decentralization of machine processing for CPBI required the provincial offices to perform the data entry, validation and tabulation of Phase 1 samples by province and selected cities, while the regional offices were required to consolidate the provincial tables to generate regional tables for Phase 1.

4. Use of the 1994 Philippine Standard Industrial Classification (PSIC)

The 2000 CPBI was the first economic census to use the 1994 Philippine Standard Industrial Classification. This same classification was used previously in the 1996-1997 Annual Survey of Establishments and the 1998 Annual Survey of Establishments.

Data Items

The 2000 CPBI collected the following items of data for each of the sampling phase:

ITEMS	PHASE 1	PHASE 2
Name and Address of Establishment	✓	✓
Kind of Economic Activity or Business	✓	✓
Legal Organization	✓	✓
Economic Organization	✓	✓
Capital Participation	✓	✓
Employment	✓	✓ with detailed items
Compensation	✓	✓ with detailed items
Hours Worked by Production Workers (for industrial sectors only)		✓
Receipts/Revenue/Sales	✓	✓ with detailed items
Subsidies	✓	✓
Costs	✓	✓ with detailed items
Fixed Assets	✓	✓ with detailed items
Capital Expenditures	✓	✓ with detailed items
Inventories	✓	✓ with detailed items
Capacity Utilization	✓	✓
List of Branches/Divisions/Plants (for main offices only)	✓	✓
Profile of Managers	✓	✓

Questionnaire Design

Three types of questionnaires were utilized in the 2000 CPBI , as follows:

- CPBI Form 1 - The common questionnaire was administered to Phase 1 samples and asked for core data (totals) from establishments with ATE less than 20 and ATE 20 or more.
- CPBI Form 2 – Fourteen (14) types of sector-specific questionnaires were administered to Phase 2 samples with ATE 20 or more. Detailed data items were collected using these forms and formed the basis for estimating details of Phase 1 samples.
- CPBI Form 3 - This is a supplementary questionnaire which collected information on contracting activities of establishments, the classification of contracting parties and the kind of contracting activities entered into by the establishments.

Types of Questionnaires - The types of questionnaires used in the 2000 CPBI were granted clearance numbers and an expiry date (June 30, 2001) by the National Statistical Coordination Board. The table below lists the types of CPBI questionnaires and their corresponding questionnaire and clearance numbers.

1994 PSIC	TITLE	QUESTIONNAIRE NUMBER	NSCB CLEARANCE NUMBER
A – O	Common Questionnaire	CPBI Form 1	NSO-0014-01
C	Mining and Quarrying	CPBI Form 2.1.1	NSO-0014-02
D	Manufacturing	CPBI Form 2.1.2	NSO-0014-03
E	Electricity, Gas and Water	CPBI Form 2.1.3	NSO-0014-04
F	Construction	CPBI Form 2.1.4	NSO-0014-05
G	Wholesale and Retail Trade; and Repair Services	CPBI Form 2.2.1	NSO-0014-06
I	Transport, Storage and Communications	CPBI Form 2.2.2	NSO-0014-07
J65-66 & 68	Banking and Non-Bank Financial Intermediation	CPBI Form 2.2.3	NSO-0014-08
J67	Insurance and Pension Funding	CPBI Form 2.2.4	NSO-0014-09
K70	Real Estate	CPBI Form 2.2.5	NSO-0014-10
H	Hotels and Restaurants	CPBI Form 2.2.6	NSO-0014-11
M & N	Education, Health and Social Work Services	CPBI Form 2.2.7	NSO-0014-12
K71-74 & O	Business, Other Community, Social and Personal Services	CPBI Form 2.2.8	NSO-0014-13
A	Agriculture and Forestry	CPBI Form 2.3.1	NSO-0014-15
B	Fishing	CPBI Form 2.3.2	NSO-0014-14
A – O	Supplementary Questionnaire on Contracting Activities	CPBI Form 3	NSO-0014-16

Frame of Establishments

The updated 1999 List of Establishments (LE) was the frame used for drawing the sample establishments for the 2000 CPBI.

The preliminary updating activity was conducted in April to July 1999. The resulting preliminary 1999 LE was further updated from February 14 to April 15, 2000 to improve the frame for establishments with employment size of 50 or more.

The updating activities undertaken were the following:

1. Matching of the preliminary 1999 LE with lists from secondary sources, such as the following:
 - SEC list of registered corporations for 2nd semester 1998-2nd semester 1999
 - 1998 and 1999 list of exporters and importers
 - Bangko Sentral ng Pilipinas' list of banks as of December 30, 1999
 - Bureau of Labor and Employment Statistics' list of closed establishments.
2. Field verification of the status and characteristics of establishments not found in the LE.
3. Field verification of the status and characteristics of establishments (with employment of 50 or more).
4. Utilizing the results of the 1998 Annual Survey of Establishments (ASE), 4th Quarter 1999 Quarterly Survey of Establishments (QSE) and 1st Quarter 2000 QSE to update establishments' characteristics.

Field Updating Procedures - The provincial offices were given the 1999 LE data files by city/municipality. The lists were printed and verified by the field staff. Updates from the field were then encoded by the provincial staff using the microcomputer system developed for the 1999 LE. The updated files were then forwarded to the Industry and Trade Statistics Department (ITSD) of the Central Office.

At the ITSD, the updated provincial LE data files were merged and distributed by sector to the subject matter divisions (Industry Statistics Division and Business and Services Statistics Division) for review. Consolidation of the final sectoral lists of establishments was done by the Statistical Sampling and Operations Division.

The updated LE was then used as the frame for the 2000 CPBI. Establishments that started operation only in 2000 but were listed in the updated LE were excluded from the frame.

Items of information in the LE - The LE contains the following information:

- Name and address of establishment
- Tax identification number (TIN)
- PSIC code of main activity
- Description of the main economic activity
- Establishment control number (ECN)
- Actual Total Engaged (AcTE)
- ATE code
- Number of Paid Employees
- Economic Organization (EO)
- Legal Organization (LO)
- Name and address of Main Office, if establishment is a branch or ancillary unit
- Year started operation
- LE indicator
- Source Code
- Type of Special Area.

Unit of Enumeration

The **establishment** is the unit of enumeration for this census. An establishment is defined as “an economic unit under a single ownership or control, i.e., under a single legal entity, engaged in one or predominantly one kind of economic activity at a single fixed location.”

For some sectors, the establishment is defined in operational terms as “the unit that is engaged in the production of the most homogenous group of goods and services, usually at one location, but sometimes over a wider area, for which separate records are available that can provide data concerning production of these goods and services and the materials, labor and physical resources used in this production.”

Economic Organization

Establishments listed in the frame or List of Establishments (LE) are classified according to their economic organization (EO). The following are the types of EO classification and their corresponding EO code:

- Single establishment (EO code 1) is an establishment which has no branch nor main office elsewhere.
- Branch only (EO code 2) is an establishment which has a separate main office located elsewhere.
- Establishment and main office (EO code 3) is the unit in which both are located in the same address and has branch/es elsewhere.
- Main office only (EO code 4) is the unit which controls, supervises and directs one or more establishments of an enterprise.
- Ancillary unit other than Main Office (EO code 5) is the unit that operates primarily or exclusively for a related establishment or group of related establishments and provides goods or services that support but do not become part of the output of these establishments.

Legal Organization

Establishments are also classified according to their legal organization (LO). The following are the types of LO classification and their corresponding LO code:

- Single Proprietorship (LO code 1) - The establishment name is that of a person, or has such words as *Owner, Proprietor, or Operator*.
- Partnership (LO code 2) - The establishment name includes words as *Owners, Partners, Limited or Ltd., or Associates*.
- Government Corporation (LO code 3) - The establishment name is that of a government agency, and has words as *Corporation or Corp., Incorporated or Inc.*
- Private Corporation (LO code 4) - The establishment name includes words such as *Corporation or Corp., Incorporated or Inc.*

- Cooperative (LO code 5) - The establishment name includes words such as *Cooperative* or *Coop*.
- Others such as foundation, non-government organization (NGO), association (LO code 6).

Industrial Classification

The industry classification of an economic unit is generally determined by the activity from which that unit derives its major income or revenue. The 1994 Philippine Standard Industrial Classification (PSIC), which was patterned after ISIC Revision 3, was utilized to classify economic units according to their economic activities.

The 1994 PSIC consists of alpha character and 5 numeric digits. The alpha character, which represents the **major division**, is denoted by the characters A to Q. The first two numeric digits represent the **division**; the first three numeric digits, the **group**; the first four digits, the **class**; and the 5 digits, the **sub-class**.

Size of Establishment

The size of an establishment is determined by its average total employment (ATE). Listed below is the employment size classification used in the census.

ATE CODE	EMPLOYMENT	ATE CODE	EMPLOYMENT
0	1 – 4	5	100 – 199
1	5 – 9	6	200 – 499
2	10 – 19	7	500 – 999
3	20 – 49	8	1000 – 1999
4	50 – 99	9	2000 and over

Sampling Design

The two-phase sampling design of the 2000 CPBI is summarized in the table below.

	DOMAIN	EMPLOYMENT STRATUM	SAMPLE SELECTION
Phase 1	<i>Geographic:</i> <ul style="list-style-type: none"> • province/ selected cities <i>Industry:</i> <ul style="list-style-type: none"> • 4-digit PSIC 	ATE less than 20	<ul style="list-style-type: none"> • Probability proportional to size (pps) • Maximum of 3 samples per stratum
		ATE 20 and over	100% selection
Phase 2	<i>Geographic:</i> <ul style="list-style-type: none"> • region <i>Industry:</i> <ul style="list-style-type: none"> • 3-digit PSIC 	ATE 20 and over	<ul style="list-style-type: none"> • Probability proportional to size (pps) • Maximum of 10 samples per stratum (Subsamples of Phase 1 samples)

Sampling Units

In the 2000 CPBI, the sampling units of the different sectors are establishments classified in the following EO:

SAMPLING UNITS	SECTOR/SUB-SECTOR
Single establishments (EO = 1) Branch only (EO = 2) Establishment and main office (EO = 3)	Agriculture Fishing Mining and Quarrying Manufacturing Electricity, Gas and Water Wholesale and Retail Trade, Repair and Maintenance of Motor Vehicles, Motorcycles and Personal and Household Goods Hotels and Restaurants Financial Intermediation Real Estate, Renting and Business Services (except K7012, K7492) Education Health and Social Work Other Community, Social and Personal Service Activities
Single establishments (EO = 1) Establishment and main office (EO = 3) Main office only (EO code 4)	Construction (PSIC F) Transport, Storage and Communications (PSIC I) Insurance (PSIC J6701 and J6703) Pre-need plan activities (PSIC J6814) Activities auxiliary to insurance (PSIC J682) Real estate buying, developing, subdividing and selling (PSIC K7012) Investigation and security activities (PSIC K7492).

Geographic Domain

The geographic domains for the two-phase sampling are shown in the table below:

PHASE 1		PHASE 2 (ATE 20 AND OVER)
PROVINCE	CITY	REGION
First District Second District Third District Fourth District	City of Manila Quezon City, Mandaluyong City, Marikina City, Pasig City, San Juan Caloocan City, Malabon City, Navotas, Valenzuela City Makati City, Pateros, Taguig, Parañaque City, Las Piñas City, Muntinlupa, Pasay City	National Capital Region
Abra, Apayao, Benguet, Ifugao, Kalinga, Mountain Province	Baguio City	Cordillera Administrative Region (CAR)

Continued

Geographic Domain (cont.)

PHASE 1		PHASE 2 (ATE 20 AND OVER)
PROVINCE	CITY	REGION
Ilocos Norte, Ilocos Sur, La Union, Pangasinan		Region I - Ilocos
Batanes, Cagayan, Isabela, Nueva Vizcaya, Quirino		Region II - Cagayan Valley
Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac, Zambales	Angeles City, Olongapo City	Region III - Central Luzon
Aurora, Cavite, Laguna, Batangas, Rizal, Quezon, Oriental Mindoro, Occidental Mindoro, Romblon, Marinduque, Palawan	Lucena City	Region IV - Southern Tagalog
Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate, Sorsogon		Region V - Bicol
Aklan, Antique, Capiz, Guimaras, Iloilo, Negros Occidental	Iloilo City, Bacolod City	Region VI - Western Visayas
Bohol, Cebu, Negros Oriental, Siquijor	Cebu City	Region VII - Central Visayas
Biliran, Leyte, Southern Leyte, Eastern Samar, Northern Samar, Western Samar		Region VIII - Eastern Visayas
Basilan, Zamboanga del Norte, Zamboanga del Sur	Zamboanga City	Region IX - Western Mindanao
Bukidnon, Camiguin, Misamis Occidental, Misamis Oriental	Cagayan de Oro City	Region X - Northern Mindanao
Compostela Valley, Davao del Norte, Davao Del Sur, Davao Oriental, South Cotabato, Sarangani	Davao City, General Santos City	Region XI - Southern Mindanao
North Cotabato, Lanao del Norte, Sultan Kudarat	Cotabato City, Marawi City	Region XII - Central Mindanao
Lanao del Sur (except Marawi City), Maguindanao (except Cotabato City), Sulu, Tawi-Tawi		Autonomous Region in Muslim Mindanao (ARMM)
Agusan del Sur, Agusan del Norte, Surigao del Sur, Surigao del Norte	Butuan City	Caraga

The geographic physical locations of establishments were classified in accordance with the 1999 Philippine Standard Geographic Code (PSGC).

Method of Sample Selection

- Phase 1: ATE less than 20

The method of sample selection using probability proportional to size (pps) for this stratum is explained as follows:

1. Establishments in the sampling stratum were sorted by actual total employment, that is, from highest to lowest. (For the 2000 CPBI, the 1999 Updated List of Establishments or the LE served as the frame for sample selection. The actual total employment (AcTE) is one of the characteristics of the establishments listed in the frame.)

A **stratum** is defined in terms of geographic and industry domains and employment size. For Phase 1, the sampling (non-certainty) stratum is the province/city domain, 4-digit PSIC and ATE less than 20. (The certainty stratum is the province/city domain, 4-digit PSIC and ATE 20 and over.)

2. A maximum of 3 establishments were selected as samples for the sampling stratum, $n_{jk} = 3$ (if N is equal to or greater than 3). The number of samples of a sampling stratum consists of non-certainty samples and, in some instances, certainty samples.

Generally, the probability $P(e_{ijk})$ of each establishment being selected as sample is denoted by:

$$P(e_{ijk}) = (n_{jk} \times ATE_{ijk}) / ATE_{jk}$$

where: n_{jk} = number of samples in the (j,k) stratum

ATE_{ijk} = employment of the i^{th} establishment in the (j,k) stratum (province/city and 4-digit PSIC)

ATE_{jk} = total employment of all establishments in the (j,k) stratum

3. The sampling interval, I_{jk} , for the stratum is given by:

$$I_{jk} = ATE_{jk} / n_{jk}$$

All establishments with employment size larger than the computed sampling interval were selected as certainty samples in the stratum.

4. The selection of the remaining samples is done by adjusting the I_{jk} , total employment in the stratum, and the number of samples. In many cases, the remaining samples comprised the non-certainty samples.

Thus,

$$I'_{jk} = ATE'_{jk} / n'_{jk}$$

where: I'_{jk} = adjusted sampling interval for the stratum

ATE'_{jk} = ATE_{jk} less total employment of certainty samples

n'_{jk} = n_{jk} less number of certainty samples

- Phase 2: ATE 20 and over

For Phase 2 samples, the method of selection is similar to that applied in Phase 1 ATE less than 20 except that the maximum number of samples per stratum is set at 10 (if N is equal to or greater than 10). For Phase 2, the sampling stratum is the region, 3-digit PSIC and ATE 20 and over.

As noted, pps is biased towards the selection of larger establishments in the stratum as these are assigned higher probabilities.

Sample Size

The total number of samples for the financial intermediation sector was 4,198 and with breakdown shown below:

PHASE	TOTAL SAMPLES	ATE LESS THAN 20	ATE 20 AND OVER
	4,198	2,665	1,533
Phase 1 (<i>excluding Phase 2 samples</i>)	3,847	2,665	1,182
Phase 2	351		351

Weight

Each sample establishment in the sampling strata (Phase 1 ATE less than 20 and Phase 2 ATE 20 and over) has a weight (w_{ijk}) equal to the inverse of its probability of selection:

$$w_{ijk} = 1 / P(e_{ijk})$$

$$= ATE_{jk} / (n_{jk} \times ATE_{ijk})$$

where: ATE_{ijk} = employment of the i^{th} establishment in the (j,k) stratum (province/city and 4-digit PSIC for Phase 1; region and 3-digit PSIC for Phase 2)

ATE_{jk} = total employment of all establishments in the (j,k) stratum

n_{jk} = number of sample establishments in the (j,k) stratum

If there are certainty samples in the stratum, the non-certainty samples will have a weight equal to:

$$w_{ijk} = ATE'_{jk} / (n'_{jk} \times ATE_{ijk})$$

where: ATE'_{jk} = ATE_{jk} *less* total employment of certainty samples

n'_{jk} = n_{jk} *less* number of certainty samples

In cases when the number of responding non-certainty samples in a sampling stratum are less than the number of non-certainty samples, an adjustment factor is multiplied to the original weight of the responding non-certainty samples. The adjustment factor is equal to:

$$n_{rjk} / n'_{jk}$$

where: n_{rjk} = number of responding non-certainty samples in the (j,k) stratum

Thus, the adjusted weight is equal to

$$w_{ijk} = ATE_{jk} / (n_{rjk} \times ATE_{ijk})$$

or

$$w_{ijk} = ATE'_{jk} / (n_{rjk} \times ATE_{ijk})$$

Certainty samples are given a weight equal to **1**. The weights are used during the estimation process for the tabulation of levels.

Estimation Procedure

Phase 1 Tables

Provincial and city estimates are generated from the Phase 1 samples as follows:

- ATE less than 20 (Weighted tables)

$$Y_{jk} = \sum_{i=1}^n y_{ijk} \times \frac{(ATE_{jk})}{(n_{jk})(ATE_{ijk})}$$

where: j = province/city indicator
 k = industry indicator (4-digit PSIC)
 y_{ijk} = value for the i^{th} establishment in the (j,k) stratum
 Y_{jk} = total estimate for the (j,k) stratum
 ATE_{ijk} = employment of the i^{th} establishment in the (j,k) stratum (province/city and 4-digit PSIC)

ATE_{jk} = total employment of all establishments in the (j,k) stratum
 $i = 1,2,3,... n$ = number of sample establishments in the (j,k) stratum
 n_{jk} = number of sample establishments in the (j,k) stratum

Since weight is equal to:

$$W_{ijk} = 1/\text{probability of selecting establishment (i) in stratum (j,k)}$$

then

$$Y_{jk} = \sum_{i=1}^n y_{ijk} \times w_{ijk}$$

The total estimates for the province and city are obtained by aggregating the estimates of all industries in the province and city, respectively. Regional estimates by industry are obtained by aggregating each of the industry estimates of the provinces and cities. The total estimates for the region are obtained by aggregating the estimates of all industries in the region. National

estimates by industry are obtained by aggregating each of the industry estimates of all regions. National total estimates are obtained by aggregating the estimates of all industries.

- ATE 20 and over (Tally tables)

$$Y_{jk} = \sum_{i=1}^N y_{ijk}$$

where: $i = 1, 2, 3, \dots, N$
 N = total number of establishments in the (j,k) stratum

Provincial and city totals are the aggregates of the estimates of all industries in the province and city, respectively. Regional totals by industry are obtained by aggregating each of the industry estimates of the provinces and cities. Regional totals are obtained by aggregating the estimates of all industries in the region. National totals by industry are obtained by aggregating each of the industry estimates of all regions. National total estimates are obtained by aggregating the estimates of all industries.

Phase 2 (ATE 20 and over)

Regional estimates are obtained from the Phase 2 samples as follows:

- Weighted Tables

$$Y'_{jk} = \sum_{i=1}^n y'_{ijk} \times \frac{(ATE_{jk})}{(n_{jk})(ATE_{ijk})}$$

where: j = region indicator
 k = industry indicator (3-digit PSIC)
 y'_{ijk} = value for the i^{th} establishment in the (j,k) stratum of Phase 2
 Y'_{jk} = total estimate for the (j,k) stratum of Phase 2
 ATE_{ijk} = employment of the i^{th} establishment in the (j,k) stratum (region and 3-digit PSIC)
 ATE_{jk} = total employment of all establishments in the (j,k) stratum
 $i = 1, 2, 3, \dots, n$ = number of sample establishments in the (j,k) stratum
 n_{jk} = number of sample establishments in the (j,k) stratum

- Ratio Tables

The ratio (R_{jk}) of the detailed estimate to its total is computed from the weighted tables by industry group (3-digit PSIC), i.e. ratio of *total salary of manager* to *total salaries and wages*, ratio of *value of products sold* to *total revenue*. The ratio is used as an estimator to obtain detailed estimates of Phase 1 (ATE 20 and over).

$$R_{jk} = Y'_{jk} / \sum Y'_{jk}$$

where: R_{jk} = ratio of detailed estimate to total for the (j,k) stratum of Phase 2 (3-digit PSIC)
 $\sum Y'_{jk}$ = sum of the detailed estimates for the (j,k) stratum of Phase 2 (3-digit PSIC)

Phase 1 Detailed Tables (ATE 20 and over)

For each industry stratum, the computed ratios are applied to the total value of the variable generated in Phase 1 tabulation for ATE 20 and over (3-digit PSIC) to obtain the detailed estimates of the variable. The sum of the detailed estimates is equal to the total value of the variable in Phase 1 table. Thus, detailed estimates of the variable for Phase 1 tables are available only at the regional level by industry group (3-digit PSIC).

$$Y_{jk} = R_{jk} \times \Sigma Y_{jk}$$

where: ΣY_{jk} = sum of detailed estimates for (j,k) stratum of Phase 1 (3-digit PSIC)
 Y_{jk} = detailed estimate for (j,k) stratum of Phase 1 (3-digit PSIC)

Note that the variables *Value of Output*, *Value Added*, and *Census Value Added* are derived after the detailed estimates of their component variables are made available.

Phases of Operation

The 2000 CPBI operation consisted of the following major phases: preparatory activities, training, distribution and collection of questionnaires, data processing, tabulation and dissemination.

Preparatory Activities

Activities undertaken during this phase included the updating of the frame of establishments, questionnaire design, clearance process, preparation of budget, preparation of manuals, formulation of sampling design, sample selection, printing of questionnaires and manuals, preparation of edit specifications and tabulation formats, development of systems design for machine processing and tabulation, and publicity campaign, among others. All the aforementioned activities, excluding development of systems design, were undertaken by the Industry and Trade Statistics Department (ITSD).

To ensure uniformity of instructions and procedures, three (3) manuals of instructions were prepared for this operation, as follows: Field Operations and Field Editing Manual, Manual for Manual Processing, and 2000 CPBI User's Manual.

Publicity Programme - Before the actual conduct of the 2000 CPBI, a consultative meeting and data dissemination forum was organized by NSO on June 23, 2000 to promote the importance of the census operation. Participating in the meeting were officials and representatives of business establishments, business and industrial associations, and concerned government agencies.

Several forms of media were also utilized to ensure high degree of success in its publicity campaign. Newspapers, radio and television were used nationwide to promote the economic census to the population. A news release was also posted on the NSO website to announce the conduct of the 2000 CPBI. Brochures were likewise distributed to business establishments while posters and streamers were displayed in public places around the country. Endorsements for the support of the 2000 CPBI were also given by leading business leaders and government officials.

Training

Three stages of training were conducted for the 2000 CPBI, as follows: (1) Field Operation and Field Editing and (2) Manual Processing, and (3) Machine Processing.

Training for Field Operation and Field Editing was done in three levels during the period from mid-June to early August 2000. These levels were as follows:

- Task Force training – This first level training was conducted at the Central Office and attended by ITSD statisticians who served as trainers for the second level training.
- Second level training – This training was conducted in all regional centers throughout the country and attended by the Regional Directors (RDs), Provincial Statistics Officers (PSOs), regional/provincial statisticians and selected staff.
- Third level training – This training was conducted in all provincial offices nationwide and attended by the statistical staff of the province (district statistical officers, statistical coordination officers, statistical researchers, other statistical staff). Those who attended the second level training served as trainers at this level.

Training for Manual Processing, including imputation methods, was likewise conducted in three levels, similar to the training for Field Operation. These levels of training lasted from late August to September 2000.

Training for Machine Processing was conducted in two levels. The first level training was conducted at the Central Office and attended by ITSD statisticians who served as trainers for the second level training. The second level training was conducted for three days in March 2001 in all regional centers, with the regional and provincial statisticians as participants.

The planned training for tabulation (Phase 1), which was scheduled for the later part of 2001 did not materialize due to budget constraints. Instead, all pertinent instructions and computer programs for machine processing and tabulation were sent to the regional and provincial offices by electronic means.

At the Central Office, training for manual verification, machine processing and tabulation were conducted for the statisticians of the subject matter divisions before the start of the data processing phase.

Field Operation

Distribution and collection of questionnaires, including field editing were undertaken by the staff of all provincial offices, including some regional offices where no provincial office was attached. This phase, while programmed for only three (3) months, stretched from August 2000 to late March 2002.

Questionnaires were personally distributed to the sample establishments by the provincial staff. The respondents were generally given thirty (30) days within which to accomplish the questionnaire. As deadline was nearing, follow-ups were made thru telephone calls or reminders/notices were sent by the provincial offices to the establishments.

For some establishments, particularly those that were classified as Phase 1 samples, the field staff directly interviewed or assisted the respondents in accomplishing the questionnaires. In this case, the forms were collected immediately.

Control procedures were also instituted by the field office staff to keep track of the distribution and collection of questionnaires. A control list of sample establishments was made available where information on the status of the questionnaire was recorded.

The overall response rate is 81.25 percent for the financial intermediation sector. For Phase I, the response rate is 81.33 percent while that for Phase 2, it is 80.33 percent. These include receipts of good questionnaires, partially accomplished questionnaires, reports of closed/moved out/out of scope establishments, etc.

Reports of the remaining non-reporting establishments were imputed based on traditional imputation methods and available data sources. However, reports of establishments in the certainty stratum which were found to be duplicates and out of business in 1999 were not imputed.

Data Processing

Processing or editing of census data was done to check for completeness, consistency and reasonableness of data. It consisted of two stages: manual editing and machine processing.

- Manual editing of data was done in two levels, as follows:
 - ❖ Field editing of data was done by NSO field staff upon collection of the accomplished questionnaires from the establishments. The objective is to check for completeness and consistency of entries in the questionnaires, following the instructions provided in the Field Operations and Field Editing Manual. Any inconsistent or missing data were corrected at this level as the staff were immediately able to verify from the respondents.
 - ❖ Office verification was done by provincial office staff upon receipt of the accomplished questionnaire from the field staff. In some instances, the staff contacted directly the establishments thru phone call or email to verify some inconsistent or missing data.
- Machine Processing

A microcomputer-based machine processing and tabulation system for the 2000 CPBI was developed by the staff of the Information Resources Department (IRD). Machine processing and tabulation programs for Phase 1 samples were developed using IMPS version 3.1 software, Clipper and COBOL. For Phase 2 samples and the final detailed tables for Phase 1, machine processing and tabulation made combined use of IMPS version 3.1, CSPro 2.2 and Excel macro.

Both the IMPS and its upgraded version - the CSPro - are software packages developed by the International Processing Center (IPC) of the US Bureau of Census. The integrated modules of these software that were used in the 2000 CPBI machine processing were the following: CENTRY for data encoding, CONCOR for generation of structural and consistency edits, and CENTS for the generation of statistical tables.

With the use of these software packages, the staff of the provincial and regional offices and the subject matter divisions (SMDs) of ITSD were directly involved in the machine processing and tabulation of the census data using microcomputers.

Machine processing of the 2000 CPBI data at the provincial offices includes the following modules: data entry for Phase 1 samples, structural and consistency edits, completeness check and ID validation, generation of summary file reports and preliminary tabulation at the

provincial and city levels. In addition, data entry for Phase 2 samples was also done. Errors due to encoding and other inconsistencies missed during field verification were corrected at this stage. The regional statistics offices, on the other hand, compiled all the provincial and city tables to generate the preliminary regional tables for Phase 1.

All data files for Phase 1 and Phase 2 samples were transmitted to the Central Office for verification. The SMDs of ITSD were responsible for generating the final tables for Phase 1, as well as the machine processing and generation of final tables for Phase 2 and Phase 1 detailed tables.

Tabulation

There were different stages in the tabulation phase of the 2000 CPBI, and these were in accordance with the two-phase sampling design. The types of tables generated are enumerated below.

- Phase 1: ATE less than 20
 1. Unweighted tables - The tables were generated by province/selected city and industry group and industry class (3- and 4-digit PSIC) at the provincial offices. The unweighted tables are simply the tally tables for the responding samples, that is, without adjustment to the weight of each sample.
 2. Weighted tables – The tables were generated by region/province/selected city and industry group and industry class (3- and 4-digit PSIC). Provincial offices generated the preliminary tables by province and selected city while the regional offices consolidated the provincial/city tables to generate the regional tables.

However, sectoral tables generated by subject matter divisions (SMDs) of ITSD served as the final tables for this stratum. Final tables have the following levels: national, regional, provincial, city at the industry class (4-digit PSIC). On the other hand, the published weighted tables for this stratum have national and regional disaggregations at the industry group and industry class levels (3- and 4-digit PSIC).

- Phase 1: ATE 20 and over

Tally tables – The tables were generated by region/province/selected city and industry group and industry class levels (3- and 4-digit PSIC). These were done by merging the data files of Phase 1 and 2 samples, of which only the totals of the variables are combined, i.e. employment, compensation, revenue, cost, etc. The data generated served as the control totals for the generation of the final detailed tables, which were done after the weighted and ratio tables for Phase 2 have been generated.

As in the case for ATE less than 20, the provincial and regional offices prepared the preliminary tables while ITSD generated the final tables at the national, regional, provincial, and selected city level by industry group and industry class (3- and 4-digit PSIC).

- Phase 1: All Establishments

Tables for All Establishments - ITSD staff generated the final sectoral tables by region/province/selected city and industry group and industry class (3- and 4-digit PSIC). These were done by simply consolidating the weighted tables for ATE less than 20 and the tally tables for ATE 20 and over.

For Phase 1 (ATE less than 20, ATE 20 and over and ALL Establishments), the number of tables for each sector and each employment stratum is 12.

- Phase 2: ATE 20 and over
 1. Unweighted tables - ITSD staff generated the sectoral tables by region and industry group (3-digit PSIC). The unweighted tables are simply the tally tables for the responding samples, that is, without adjustment to the weight of each sample.
 2. Weighted tables - ITSD staff generated the sectoral tables by region and industry group (3-digit PSIC). The estimates served as the basis for the generation of the ratio tables in the succeeding stage.
 3. Ratio tables - ITSD staff generated the sectoral tables by region and industry group (3-digit PSIC). The ratios, when linked with the control totals generated in Phase 1 tables for ATE 20 and over, gave the detailed estimates of the variables for Phase 1 tables, ATE 20 and over.
- Phase 1: ATE 20 and over (Detailed)

ITSD staff generated the final detailed tables for Phase 1, ATE 20 and over. The final tables have the following levels: national and regional at the industry group (3-digit PSIC). The detailed tables for ATE 20 and over are published at these levels.

Analysis of Tables - The preliminary and final tables generated by the staff of the provincial offices and the SMDs of ITSD were subjected to review and analysis to check for internal and external consistency and completeness of data, including the correctness in the computation of derived variables and indicators.

Two separate workshops on the analysis of tables were conducted by ITSD prior to the release of the final tables. In September 2003, a two-day workshop participated by ITSD statisticians was conducted to evaluate the acceptability of the census data as to trends and levels. In March 2004, another two-day workshop was conducted primarily to evaluate the internal consistency of the sectoral data and determine which of these data were acceptable for release.

Concepts and Definitions

Economic activity or business is the activity of the establishment as classified under the 1994 Philippine Standard Industrial Classification (PSIC). Generally, the main activity of the establishment is the establishment's principal source of income. If the establishment is engaged in several activities, its main activity is that which earns the biggest income or revenue.

Average total employment is the sum of the number of persons who worked in or for this establishment for all months of the year divided by 12, regardless of the number of months the establishment is in operation.

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, workers receiving pure commissions only and workers on indefinite leave.

Working owners are owners who are actively engaged in the management but do not receive regular pay, i.e., not included in the payrolls. Managers and directors of corporations working for pay are reported as managers.

Unpaid workers are persons working for at least one third of the working time normal to the establishment and do not receive regular pay.

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.

Overtime pay are payments given for extra hours worked.

Other benefits include bonuses, cost of living allowances, commutable transportation and representation allowances, food, housing, commissions paid to salaries employees, separation, retirement, terminal pay, gratuities, etc. Excluded are cost of uniform/working clothes and reimbursable transportation and representation allowances.

Employer's Contribution to SSS/GSIS and the like refers to payments made by the establishment on behalf of the employees. Examples are SSS, GSIS, Employees Compensation Commission (ECC), Philhealth and PAGIBIG.

Revenue includes cash received and receivables for goods sold and services rendered. Valuation is at producer's prices (ex-establishment), net of discounts and allowances, including duties and taxes but excluding subsidies.

Cost refers to all expenses incurred during the year whether paid or payable. Valuation is at market prices 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.

Indirect taxes refer to all taxes, other than income tax, incidental to the production or sale of goods and services which are chargeable as expenses including business license, BIR stamps, real estate tax and other local taxes.

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 or production and to protect it against competition.

Fixed assets are physical assets expected to have productive lives of more than one year and intended for use and/or being used by the establishment. Included are land, buildings, other structures and land improvements, transport equipment, machinery and equipment, furniture, fixtures, and other fixed assets.

Book value of fixed assets is the initial value or acquisition cost of fixed assets less the accumulated depreciation.

Depreciation is the total amount set aside for the year to cover the decrease in value of fixed assets owned by the establishment because of foreseen obsolescence, wear and tear as a result of operation and normal amount of accidental damage.

New fixed assets refer to brand new fixed assets acquired during the year, including directly/newly imported fixed assets.

Used fixed assets refer to those that have been used previously within the country.

Fixed assets produced on own account refer to the physical assets produced by the establishment for its own use. It is valued at the cost of all work put in place, including overhead.

Capital expenditures for fixed assets include cost of acquisition of new and used fixed assets; fixed assets produced by the establishment for its own use; major alterations, additions and

improvements to fixed assets, whether done by others or on own account. Fixed assets received from other establishments belonging to the same enterprise are valued as though purchased.

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

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 should be at current replacement cost in purchaser's (market) prices. Replacement cost is the cost of an item in terms of its present price rather than its original cost.

Change in inventories is computed as the total value of ending inventory less the total beginning inventory.

Value added is equal to the sum of total revenue and cost of fixed assets produced on own account less the following items – cost of materials and supplies purchased; cost of fuels, lubricants, oils and greases purchased; cost of electricity and water purchased; cost of industrial services done by others; cost of non-industrial services done by others; cost of goods purchased for resale; cost of research and experimental development activity; insurance claims (for insurance companies) and other costs (except indirect taxes for banking institutions and financial intermediaries; and indirect taxes and interest expense for insurance); this result being corrected for change in inventories.

Capital participation is classified into two categories: with foreign equity and without foreign equity.

Symbols and Abbreviations

TABLES of ATE 20 and OVER

s	<i>Suppressed data to avoid disclosure of individual establishment's data</i>
]	<i>Combined data of two or more industries</i>
-	<i>Zero</i>
N.E.C.	<i>Not elsewhere classified</i>

TABLES of ATE LESS THAN 20

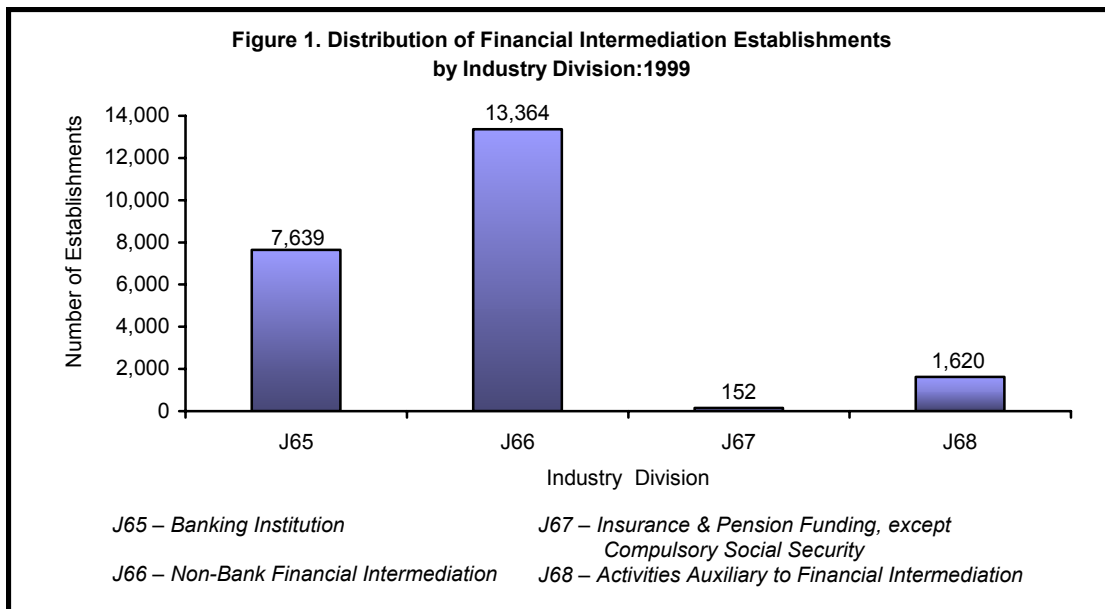
s	<i>Suppressed data to avoid disclosure of individual establishment's data</i>
]	<i>Combined data of two or more industries</i>
-	<i>Zero</i>
N.E.C.	<i>Not elsewhere classified</i>
a/	<i>Combined with PSIC J6619</i>
b/	<i>Combined with PSIC J6819</i>
c/	<i>Combined with PSIC J6694</i>
d/	<i>Combined with PSIC J6619</i>
e/	<i>Combined with PSIC J6619</i>

BRIEF ANALYSIS

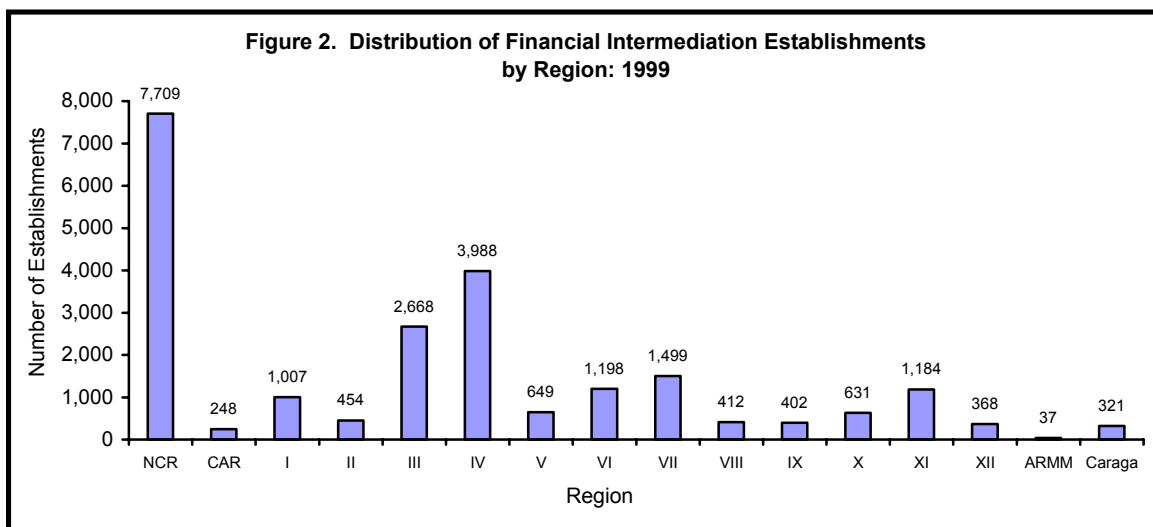
NUMBER OF ESTABLISHMENTS

The 2000 Census of Philippine Business and Industry covered a total of 22,775 Financial Intermediation establishments. Of the total figure, 93.1 percent or 21,210 establishments were with average total employment (ATE) of less than 20. The remaining 6.9 percent or 1,565 were establishments with average total employment of 20 and over.

By industry division, Non-bank Financial Intermediation (J66) registered the highest number of establishments with 13,364. This accounted for more than half (58.7%) of the total. This was followed by Banking Institutions (J65) with 7,639 establishments (33.5%). Activities Auxiliary to Financial Intermediation (J68) ranked third with 1,620 establishments (7.1%). On the other hand, establishments engaged in Insurance and Pension Funding except Compulsory Social Security (J67) recorded the least in number of establishments with 152 or 0.7 percent. *Figure 1 shows the distribution of number of establishments by industry division.*



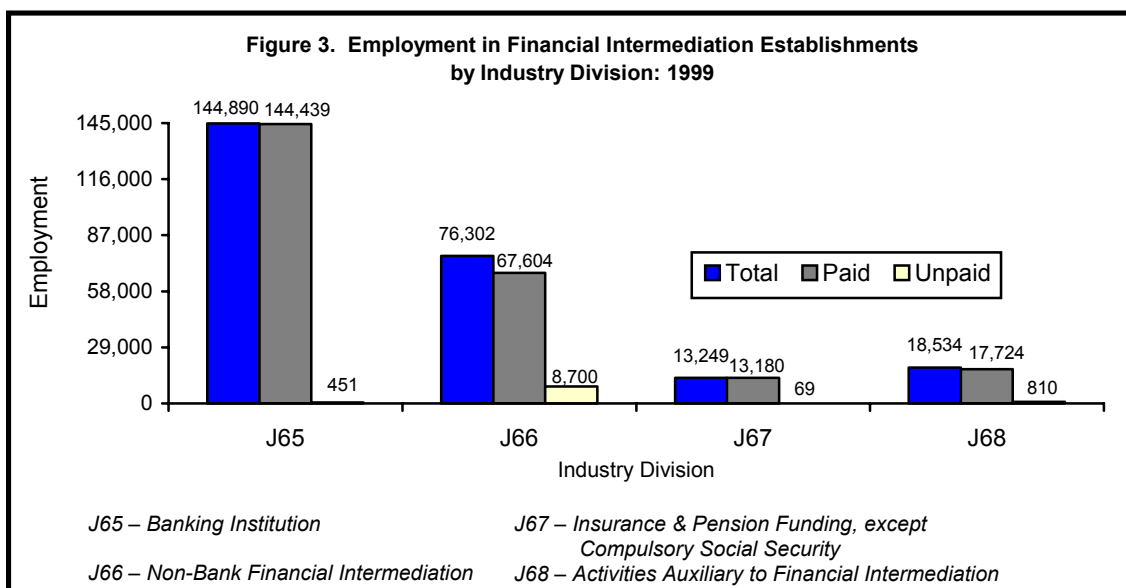
Regionwise, more than one-third (33.8%) or 7,709 of the total number of financial intermediation establishments in the country were concentrated in National Capital Region (NCR). The neighboring regions, Southern Tagalog and Central Luzon ranked second and third with 3,988 (17.5%) and 2,668 (11.7%) establishments respectively. The Cordillera Administrative Region (CAR) and Autonomous Region in Muslim Mindanao (ARMM) recorded the least number of establishments with only 248 (1.1%) and 37 (0.2%), respectively. *Figure 2 shows the distribution of number of establishments by region.*



EMPLOYMENT

Financial Intermediation establishments generated jobs to some 252,976 workers in 1999. Of the total work force, 242,946 (96.0%) were paid employees. Working owners and unpaid workers accounted for 4.0 percent (10,030) of total.

Top employer in the sector were the Banking Institutions (J65) which employed 144,890 workers or more than half (57.3%) of the total employed. Non-bank Financial Intermediation (J66) followed next which generated jobs comprising of 76,302 workers or 30.2 percent share to total employment. In contrast, Insurance and Pension Funding, except Compulsory Social Security (J67) recorded the least in number of workers with 13,249 persons (5.2%).



The National Capital Region (NCR), the center of trade and industry remained the biggest employer absorbing 55.9 percent (141,317 workers) of the total employment in the sector. On the average there were 11 employees per Financial Intermediation establishment in the country in 1999. Far next, was Southern Tagalog employing 25,579 workers (10.1%). Central Luzon ranked

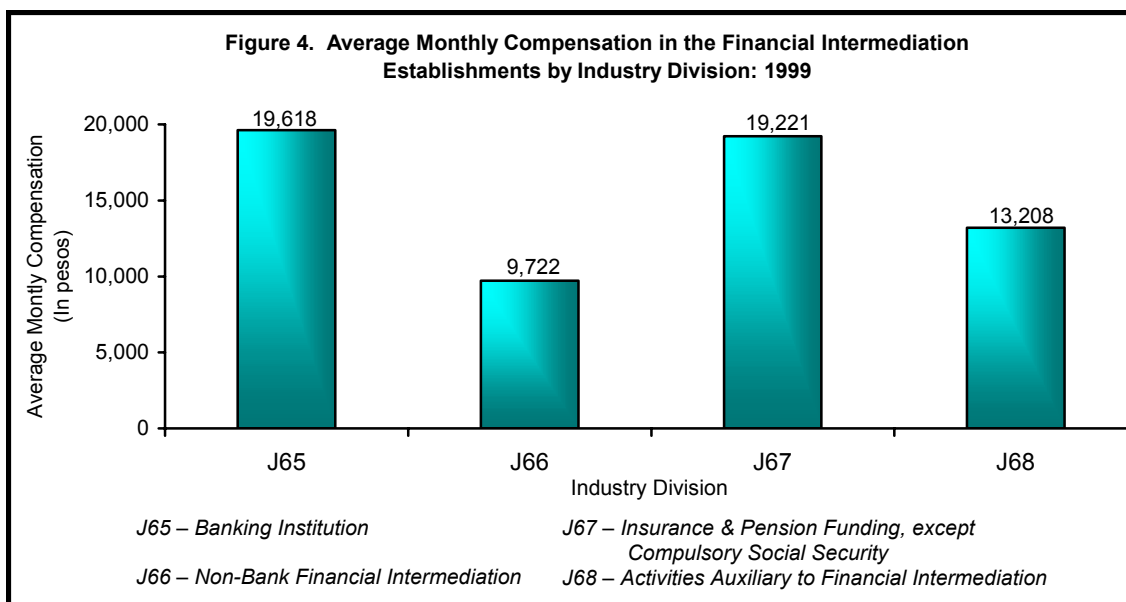
third with 19,667 (7.8%) workers. On the other hand, Autonomous Region in Muslim Mindanao (ARMM) employed the least worker with only 243 (0.1%). See *Table A to C for the summary statistics and selected ratios for all Financial Intermediation establishments industry division and region.*

COMPENSATION

Aggregate compensation paid by the Financial Intermediation sector to its 242,946 employees amounted to 47.74 billion in 1999. Of the total about 94.8 percent or P45.25 billion covered the basic salaries and wages and the remaining 5.2 percent (P2.49 billion) were employee's contribution to SSS/GSIS and the like.

Payments made by the Banking Institutions (J65) at P34 billion (71.2%) comprised the largest share to total compensation. On the other hand, Activities Auxiliary to Financial Intermediation (J68) paid the least to its employees with P2.81 billion (5.9 percent)

Highest earners were those engaged by Banking Institutions (J65) with an average monthly pay of P19,618. This was closely followed by workers in Insurance and Pension Funding, except Compulsory Social Security (J67) with P19,221 monthly pay. Whereas, workers in Non-bank Financial Intermediation (J66) establishments received the lowest average monthly pay of P9,722. *Figure 4 shows the average monthly compensation of employees by industry division.*

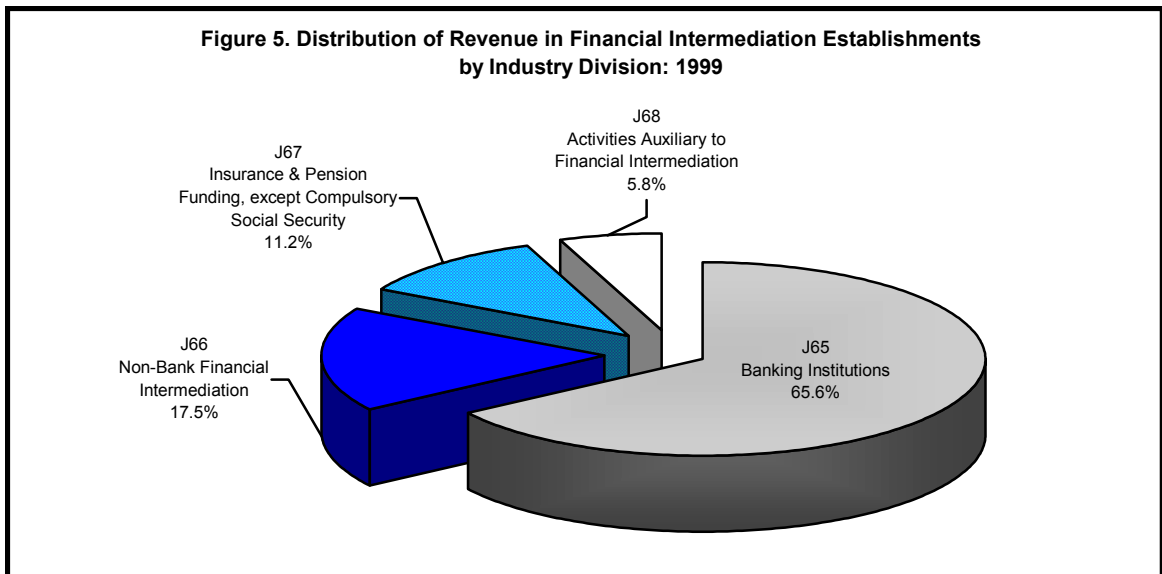


National Capital Region (NCR) based Financial Intermediation workers earned the highest monthly income of P21,007 and the only one regional employees paid more than the national average.

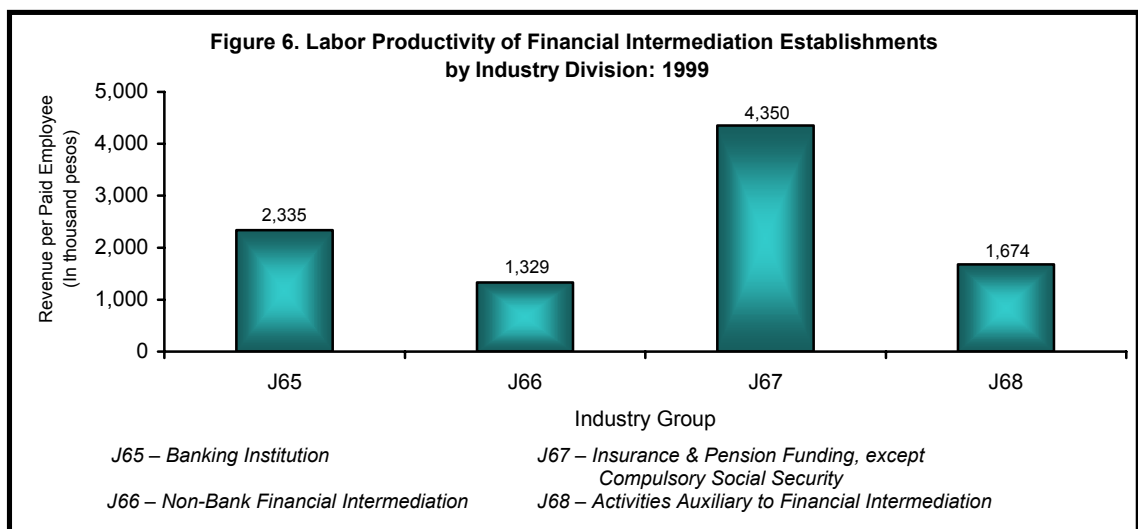
Labor payments in the National Capital Region (NCR) made up 73.7 percent (P35.16 billion) of compensation nationwide. Other regions which spent over billions for compensation include Central Luzon (P2.06 billion or 4.3 percent), Southern Tagalog (P2.66 billion or 5.6 percent), Western Visayas (P1.14 billion or 2.4 percent), Central Visayas (P1.48 billion or 3.1 percent) and Southern Mindanao (1.22 billion or 2.6 percent).

REVENUE

The total revenue generated by Financial Intermediation establishments amounted to P514.08 billion. Among the industry divisions, Banking Institutions (J65) the top grosser with P337.20 billion or 65.6 percent of the sector's total revenue. Non-bank Financial Intermediation (J66) placed second which earned P89.87 billion (17.5%) while Insurance and Pension Funding, except Compulsory Social Security (J67) produced P57.33 billion (11.2%). In contrast, Activities Auxiliary to Financial Intermediation (J68) earned the least income with P29.67 billion (5.8%). Figure 5 shows the distribution of revenue by industry division.



All the regions generated revenue exceeding a billion mark except ARMM. As expected, National Capital Region (NCR) accounted for the largest contribution with P433.35 billion or 84.3 percent of the total revenue. This was followed by Central Luzon, Southern Tagalog and Central Visayas with P20.21 billion (3.9%), P14.63 billion (2.8%) and P8.30 billion (1.6%), respectively. Whereas, Autonomous Region in Muslim Mindanao (ARMM) had the least contribution with only P 118.05 million.

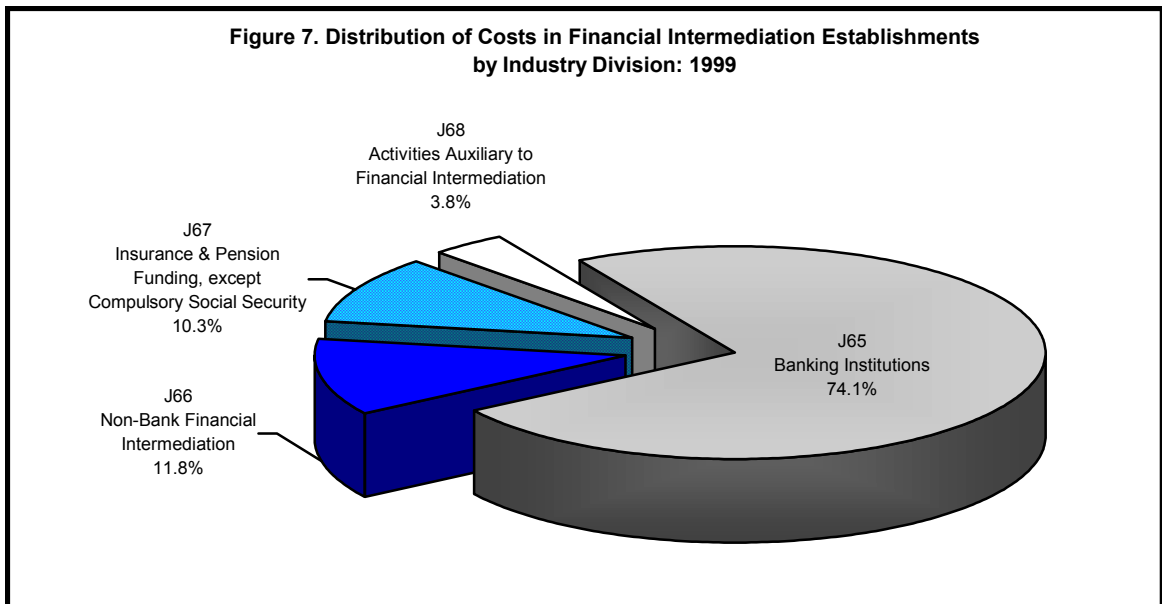


Labor productivity as measured by revenue per paid employee in all Financial Intermediation establishments amounted to P2.12 million in 1999. Insurance and Pension Funding, except Compulsory Social Security (J67) and Banking Institutions (J65) surpassed the national average in labor productivity with P4.35 million and P2.33 million, respectively. Non-Bank Financial Intermediation (J66) recorded the least labor productivity with P1.33 million.

At the regional level, workers based in National Capital Region (NCR) had the largest labor productivity amounting to P3.11 million in 1999. Cordillera Administrative Region (CAR) followed next, with P1.35 million. On the other hand, Autonomous Region in Muslim Mindanao (ARMM) recorded the least labor productivity with P527 thousands per annum.

COSTS

In 1999, the operational costs spent by Financial Intermediation establishments stood at P399.84 billion. The biggest spender in the sector was the Banking Institutions (J65) which incurred P296.25 billion or 74.1 percent of the sector's expenses for the year. This was followed by Non-bank Financial Intermediation (J66) and Insurance and Pension Funding, except Compulsory Social Security (J67) with P47.31 billion (11.8%) and P41.25 billion (10.3%), respectively. Activities Auxiliary to Financial Intermediation (J68) spent the least with P15.03 billion (3.8%). Figure 7 shows the distribution of costs by industry division.



National Capital Region incurred the highest cost among the regions with an estimated value of P333.96 billion or 83.5 percent. Far next were Central Luzon with P15.05 billion (3.8%), Southern Tagalog with P13.82 billion (3.5%) and Central Visayas with P7.88 billion (2.0%). Regions which spent the least were Cordillera Administrative Region (CAR) and Autonomous Region in Muslim Mindanao (ARMM) with P1.31 billion and P 97.12 million, respectively.

The revenue per peso cost earned by Financial Intermediation establishments is 1.29. This was interpreted as for every peso spent by the industry, P1.29 was generated.

Three industries in the sector had surpassed the national level rate, these were; Activities Auxiliary to Financial Intermediation (J68) with P1.97, Non-Bank Financial Intermediation (J66) with P1.90 and Insurance and Pension Funding, except Compulsory Social Security (J67) with P1.39.

GROSS ADDITIONS TO FIXED ASSETS

Total gross additions to fixed assets acquired by Financial Intermediation establishments amounted to P23.14 billion in 1999.

By industry division, Banking Institutions (J65) recorded the largest in gross additions to fixed assets amounting to P17.28 billion or almost three-fourths (74.7%) of the total. This was followed by Insurance and Pension Funding, except Compulsory Social Security (J67) with an added value to fixed assets worth P2.92 billion (12.6%).

CHANGE IN INVENTORIES

From the inventory reports of Financial Intermediation establishments, change in inventories summed up to P537.75 million in 1999.

Of the total, Non-bank Financial Intermediation (J66) registered the highest total change in inventories amounting to P428.29 million or 79.6 percent of the total. This was followed by Banking Institutions (J65) with P94.54 million (17.6%). On the other hand, Activities Auxiliary to Financial Intermediation (J68) recorded a negative change in inventories of P470 thousand.

SUBSIDIES

The total subsidies provided by government to support the operation of Financial Intermediation establishments reached P779.53 million.

Industrywise, Non-bank Financial Intermediation (J66) received the biggest share in subsidies amounting to P499.76 million or 64.1 percent of the total. Banking Institutions (J65) placed second which comprised of P 242.00 million (31.0%). Meanwhile, Insurance and Pension Funding, except Compulsory Social Security (J67) received the least in subsidies which amounted to P 18.30 million (2.4%) from the government.