



SPECIAL RELEASE

2018 Census of Philippine Business and Industry: Construction Establishments

Date of Release: 21 January 2021
Reference No. 2021-025

Industry Section F includes eight industry groups covering the activities of general construction. This involves the construction of entire dwellings, office buildings, stores, and other public and utility buildings, farm buildings, etc.; the construction of civil engineering works such as motorways, streets, bridges, tunnels, railways, airfields, harbours, and other water projects, irrigation systems, industrial facilities, pipelines, and electric lines, sports facilities, etc.; and specialized construction activities for buildings, and civil engineering works. It also covers new work, repair, additions, and alterations, the erection of prefabricated buildings or structures on the site and construction of a temporary nature.

Figure 1 presents the selected statistics on the number of establishments, total employment, total revenue, total expense, and total value added. It also includes ratios on employment per establishment, revenue per expense, and value added per employee. Growth rates on these selected statistics and indicators from the results of the 2012 CPBI, are also presented. (Figure 1)

Construction of buildings dominated the construction industry in terms of number of establishments

In 2018, a total of 2,487 establishments were engaged in construction. This indicated a 42.4 percent increase from the 1,747 establishments recorded in 2012. (Table A, and Figure 1)

Across industry groups, construction of buildings with 1,115 establishments accounted for 44.8 percent of the total, the highest among others. The electrical, plumbing and other construction installation activities with 467 (18.8%) and construction of roads and railways with 374 (15.0%) establishments ranked second and third, respectively. Demolition and site preparation with 13 establishments (0.5%) contributed the lowest share in terms of count of establishments. (Table 1A, and Figure 2)



Figure 1. Selected Statistics and Indicators for Construction Establishments, Philippines: 2018 CPBI

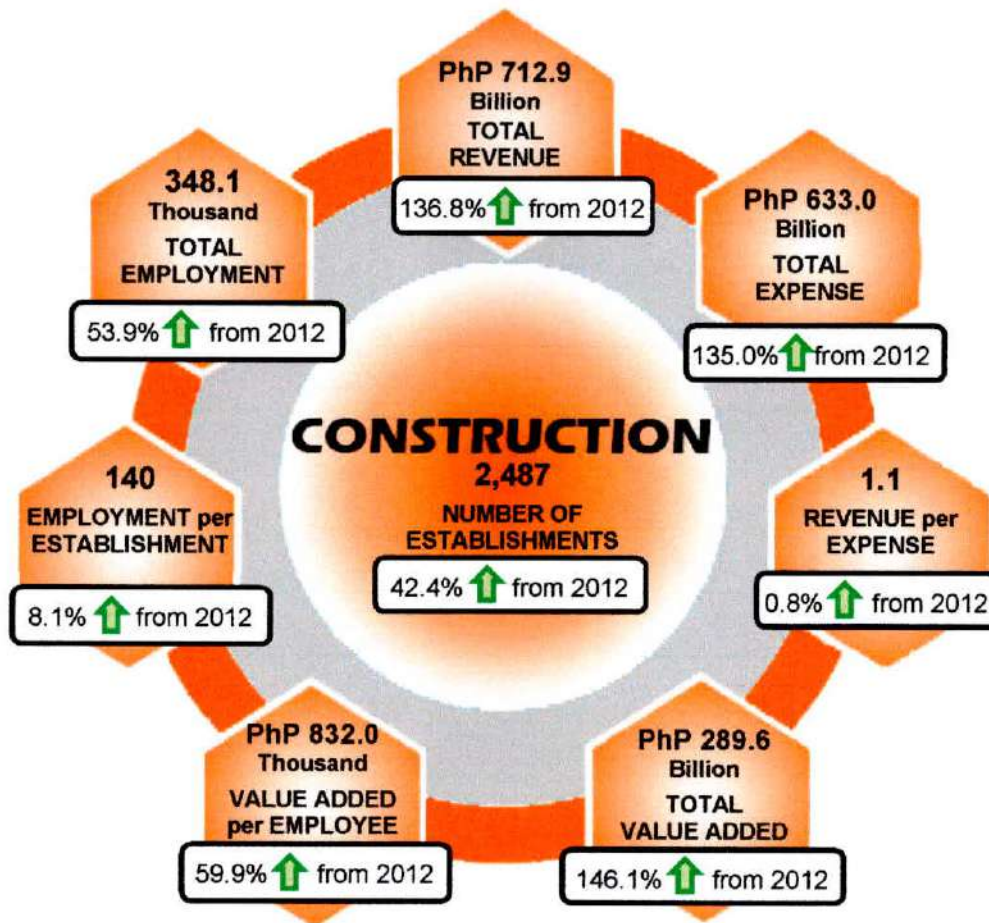
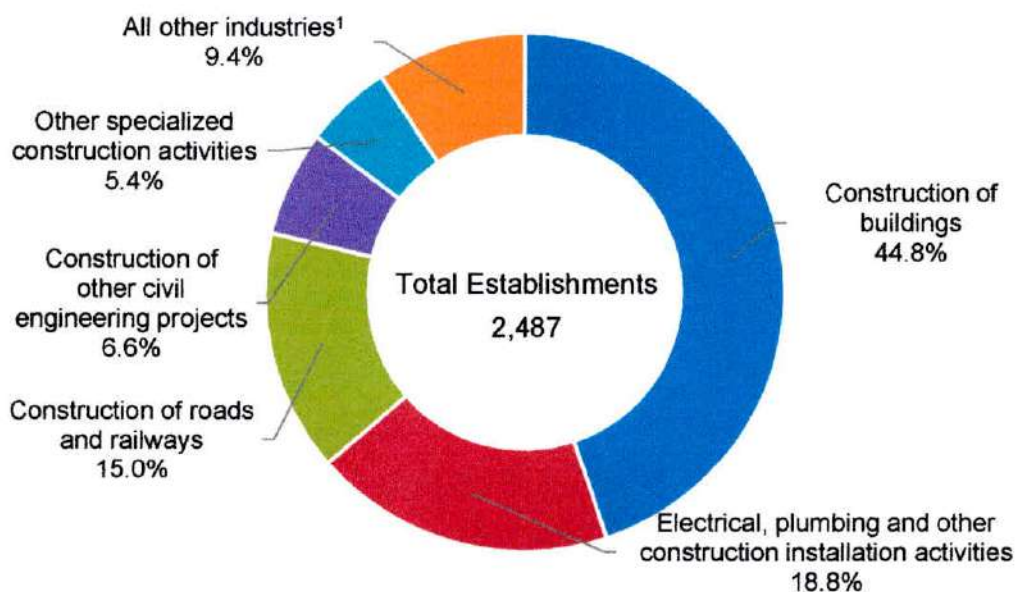


Figure 2. Percent Distribution of Construction Establishments by Industry Group, Philippines: 2018 CPBI



¹- All other industries category includes construction of utility projects, building completion and finishing, and demolition and site preparation industry groups.

More construction establishments in NCR

The National Capital Region, with 949 establishments (38.2%), topped among the other regions in terms of number of establishments. CALABAZON with 296 establishments (11.9%) and Central Visayas with 231 establishments (9.3%) ranked second and third place, respectively. Autonomous Region in Muslim Mindanao (ARMM) and Cagayan Valley are the regions which recorded the two lowest count but data for both are suppressed due to statistical disclosure control. (Table 3A)

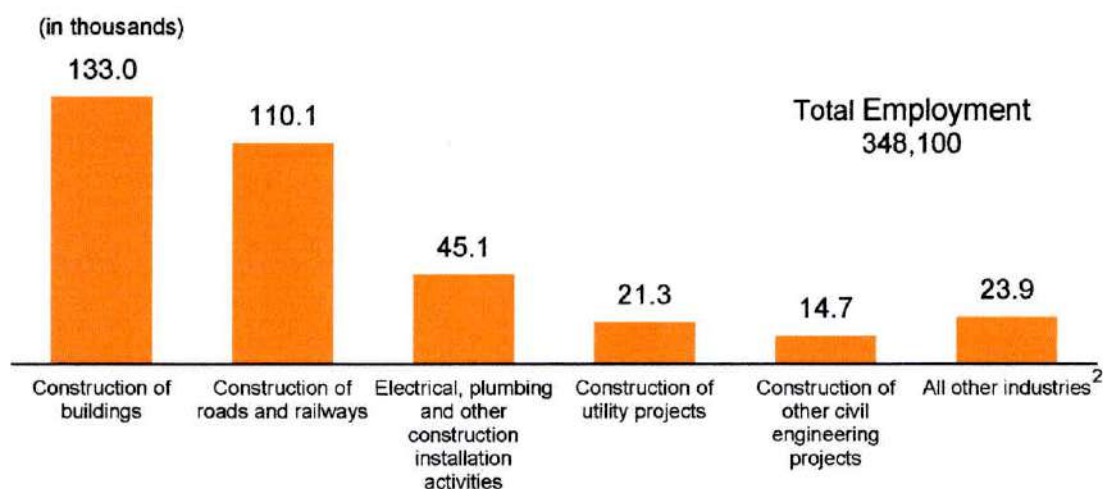
Construction of building engaged the highest number of employees

The construction industry employed a total of 348,100 persons, a 53.9 percent increase from the total employed in 2012. The average number of employees per establishment posted at 140. (Table A, and Figure 1)

Construction of buildings industry, with total employment of 133,020 which accounted for 38.2 percent of the total, ranked first among industry groups. This was followed by construction of roads and railways with 110,108 employees (31.6%) and electrical, plumbing and other construction installation activities with 45,089 (13.0%). (Table 1A, and Figure 3)

In terms of average employees per establishment, the demolition and site preparation recorded the highest ratio of 413 employees per establishment, followed by construction of roads and railways with 295 and construction of utility projects with 171. These were the three industries with employment-establishment ratio higher than the national level. (Table 2)

Figure 3. Employment Distribution for Construction Establishments, Philippines: 2018 CPBI



²- All other industries category includes construction of utility projects, building completion and finishing, and demolition and site preparation industry groups.

NCR accounted for more than half of the total employment

NCR with 214,815 employees accounted for 61.7 percent of the total employment in the industry, the highest among regions. Central Visayas with 29,066 (8.3%) and CALABARZON with 28,634 (8.2%) contributed the next highest percent share. (Table 3A)

In addition to the 348,100 employees, the industry hired the services of 41,128 workers on sub-contract agreement or under manpower agencies contractors. Establishments in NCR employed the highest number of sub-contracted workers which comprised of 25,911 workers or 63.0 percent of the total. (Table 3)

Across industry groups, 19,500 (47.4%) sub-contracted workers were engaged in construction of buildings. (Table 1)

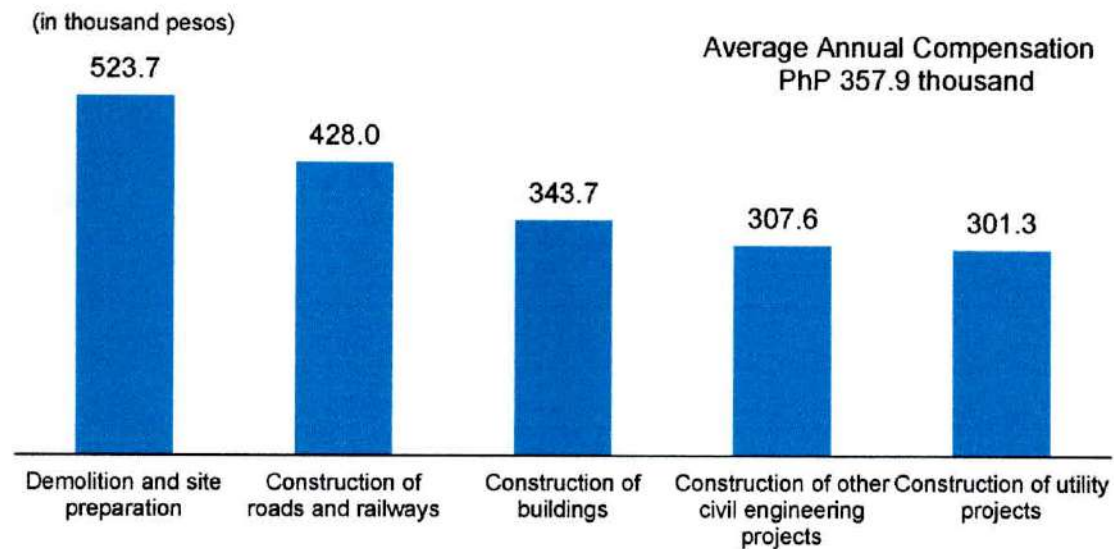
Demolition and site preparation establishments paid the highest annual compensation

A total of PhP 124.3 billion was spent by the construction establishments for the compensation of its employees. This translated to an average annual compensation per paid employee at PhP 357,890.

Employees in the demolition and site preparation received the highest average annual compensation of PhP 523,660, followed by construction of roads and railways industry group with PhP 428,042. These were the two industry groups with higher average annual compensation than the national level figure. (Table 1, and Figure 4)

Across regions, the highest average annual compensation per paid employee was recorded in Zamboanga Peninsula at Php 857,950. In addition, six other regions including NCR, Ilocos Region, Central Luzon, MIMAROPA, Bicol Region, and Northern Mindanao recorded an average annual compensation greater than the national level figure. (Table 3)

Figure 4. Top Five Industry Groups in Terms of Average Annual Compensation for Construction Establishments, Philippines: 2018 CPBI



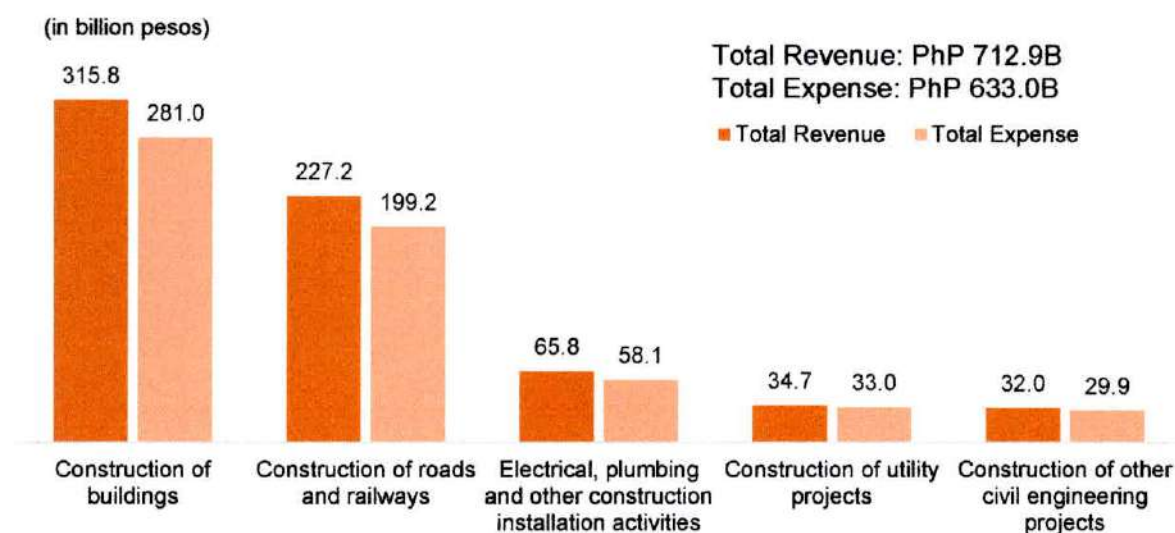
Construction of buildings generated the highest revenue and incurred the highest expense

The construction industry generated PhP 712.9 billion total revenue and incurred PhP 633.0 billion total expense. These can be translated to a 136.8 percent increase in revenue and 135.0 percent increase in expense from the PhP 301.0 total revenue and PhP 269.4 billion total expense reported in 2012. (Table A, and Figure 1)

The construction of buildings accounted for the biggest portion of the total revenue generated by the construction industry amounting to PhP 315.8 billion or 44.3 percent of the total. The industry group also recorded the highest total expense with PhP 281.0 billion or 44.4 percent.

The construction of roads and railways generated the second highest revenue with PhP 227.2 billion (31.9%) and incurred the second highest expense with PhP 199.2 billion (31.5%). (Table 1A, and Figure 5)

Figure 5. Top Five Industry Groups in Terms of Total Revenue and Total Expense for Construction Establishments, Philippines: 2018 CPBI



NCR shared more than half of the industry's total revenue

NCR generated the highest revenue with PhP 451.7 billion or 63.4 percent share to total revenue and had the highest expense incurred with PhP 405.0 billion or 64.0 percent share. This was followed by Central Luzon with PhP 43.8 billion total revenue or 6.1 percent share and with PhP 37.3 billion total expense or 5.9 percent share. (Table 3A)

Caraga recorded the highest revenue-expense ratio

The PhP 712.9 billion total revenue generated and the PhP 633.0 billion total expense incurred by the construction industry can be translated to a revenue-expense ratio of 1.1. This ratio indicated that, on the average, establishments engaged in construction earned 10 centavos for every one-peso expense.

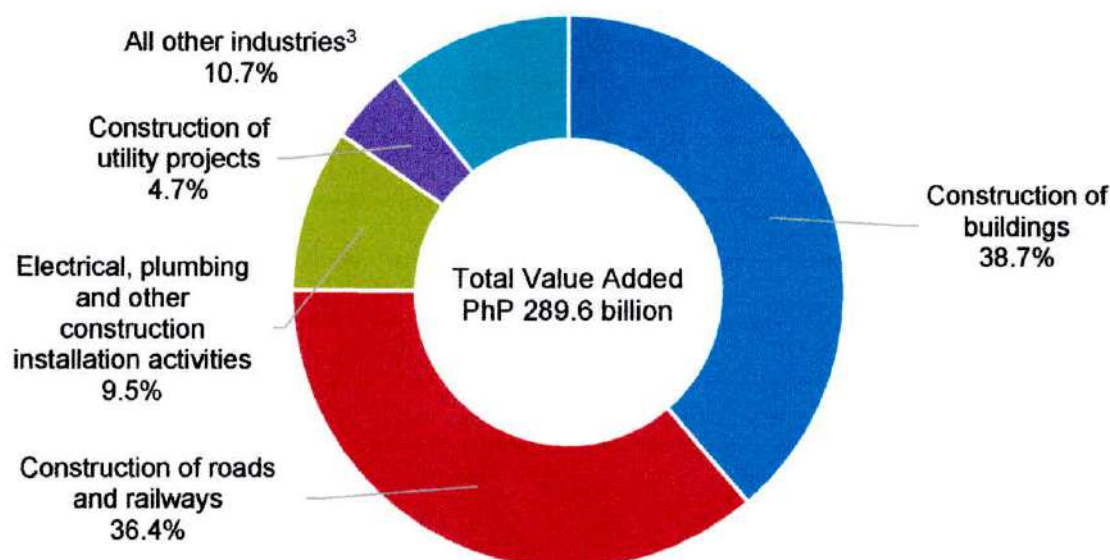
Caraga recorded the highest ratio at 1.9 followed by five regions with ratio of 1.2 including Ilocos Region, Central Luzon, MIMAROPA, Eastern Visayas, and SOCCSKSARGEN. (Table 4)

Construction of buildings generated the highest value added

Value added generated by the construction industry amounted to PhP 289.602 billion. This amount recorded a 146.1% increase from the value added of PhP 117.698 billion in 2012. (Table A, and Figure 1)

Construction of buildings generated the highest value added with PhP 112.0 billion or 38.7 percent of the total. This was followed by construction of roads and railways with PhP 105.3 billion or 36.4 percent share. (Table 1A, and Figure 6)

Figure 6. Value Added for Construction, Philippines: 2018 CPBI



³- All other industries category includes construction of utility projects, building completion and finishing, other specialized construction activities, and demolition and site preparation industry groups.

DENNIS S. MAPA, Ph.D.
Undersecretary
National Statistician and Civil Registrar General

MEPE/FCV/NPR

Attachments:

1. Table A. Comparative Statistics for Construction Establishments by Industry Group: Philippines, 2018 and 2012 CPBI
2. Table 1. Summary Statistics for Construction Establishments by Industry Group: Philippines, 2018 CPBI
3. Table 1A. Selected Statistics and Percent Share of Industry Group to Total for Construction Establishments: Philippines, 2018 CPBI
4. Table 2. Selected Indicators for Construction Establishments by Industry Group: Philippines, 2018 CPBI
5. Table 3. Summary Statistics for Construction Establishments by Region: Philippines, 2018 CPBI
6. Table 3A. Selected Statistics and Percent Share of Regions to Total for Construction Establishments: Philippines, 2018 CPBI
7. Table 4. Selected Indicators for Construction Establishments by Region: Philippines, 2018 CPBI
8. Explanatory Notes