



SPECIAL RELEASE

2018 Census of Philippine Business and Industry: Manufacturing

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Industry Section C includes 68 industry groups covering activities with physical or chemical transformation of materials, substances, or components into new products. The raw materials are products of agriculture, forestry, fishing, mining or quarrying as well as products of other manufacturing activities. Substantial alteration, renovation or reconstruction of goods is generally considered as manufacturing.

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)

Manufacture of other food products led the Manufacturing Industry in terms of number of establishments

In 2018, there were 28,968 establishments in the formal sector of the economy engaged in the manufacturing. Among these establishments, about one-third (31.4%) were into manufacture of other food products activities with 9,084 establishments. (Table 1A)

Other industry groups which reached more than the one-thousand mark for the number of establishments were as follows: manufacture of beverage with 3,986 establishments (13.8%); printing and service activities related to printing with 2,566 establishments (8.9%); and manufacture of grain mill products, starches and starch products with 1,701 establishments (5.9%). (Table 1A, and Figure 2)



FIGURE 1 Selected Statistics and Indicators for Manufacturing Establishments, Philippines: 2018 CPBI

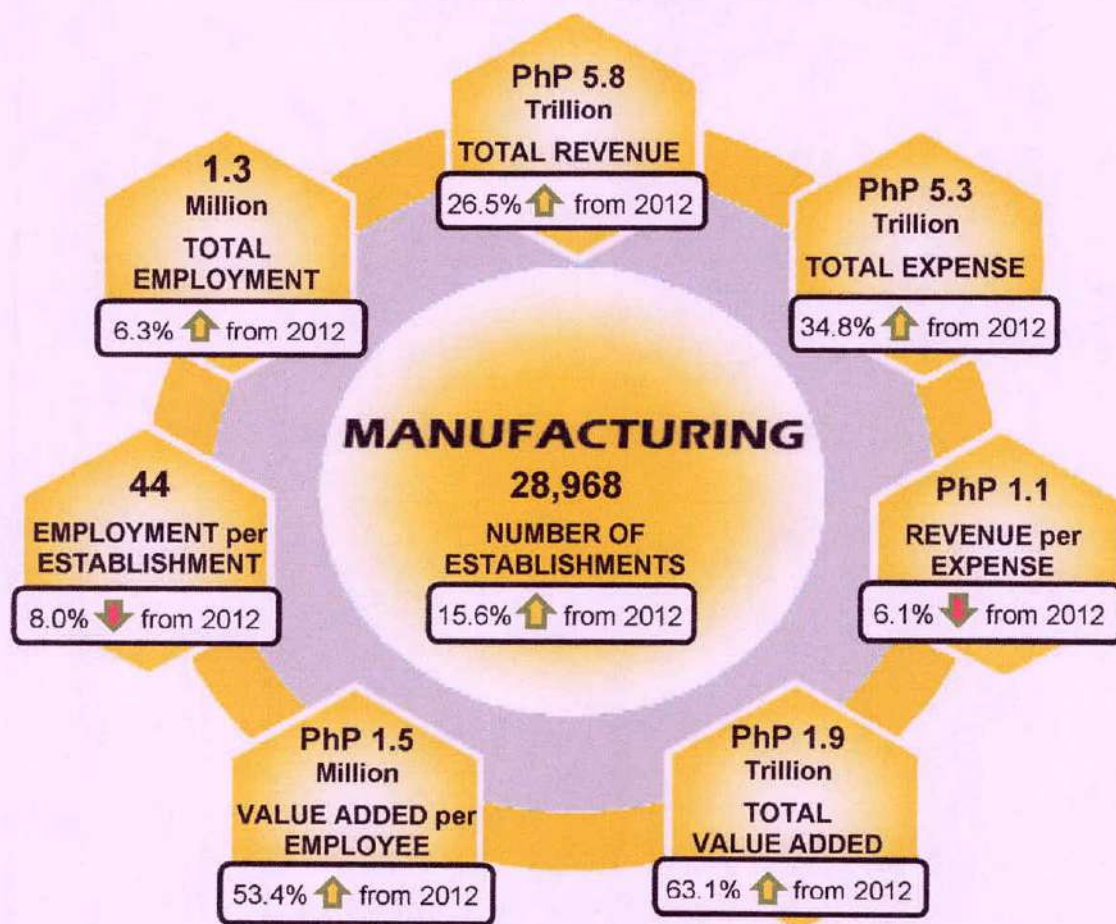
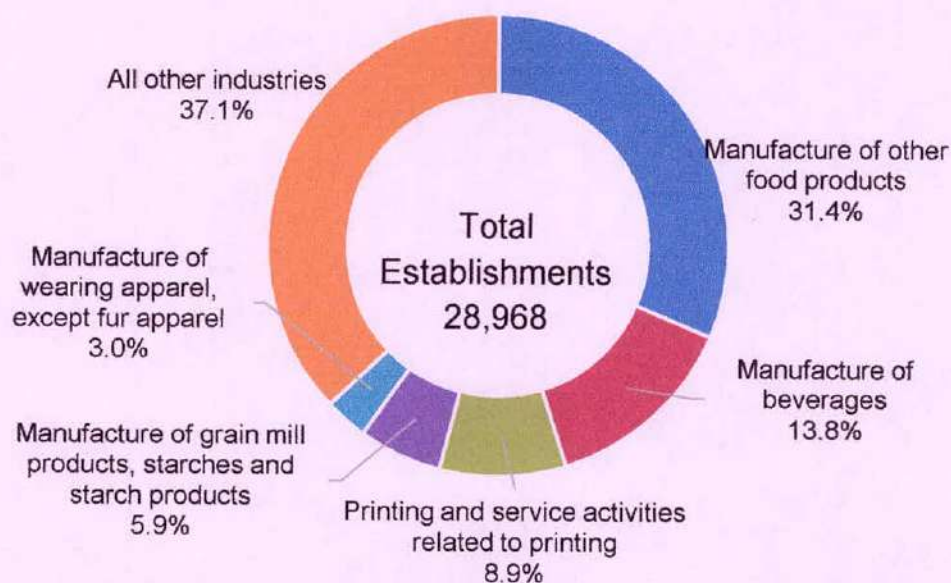


FIGURE 2 Percent Distribution of Manufacturing Establishments: Philippines, 2018 CPBI



Note: Percent share may not add up to 100% due to rounding.

Most manufacturing establishments were located in the National Capital Region (NCR)

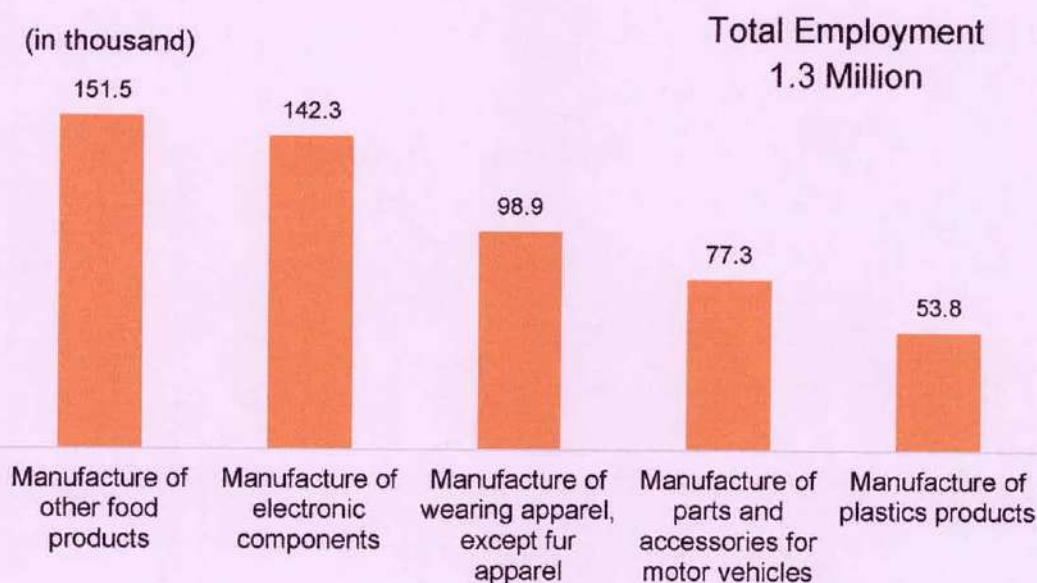
Among regions, the NCR registered the highest number of manufacturing establishments with 4,636 (16.0%). This was closely followed by CALABARZON with 4,035 establishments (13.9%) and Central Luzon with 3,388 establishments (11.7%). (Table 3A)

Manufacture of food products and manufacture of electronic components activities generated the highest employment

Total employment is the sum of all paid employees and unpaid workers hired by an establishment. The manufacturing industry employed a total of 1,260,512 workers in 2018.

Manufacture of other food products activities employed the highest number of workers with 151,514 (12.0%). This was followed by manufacture of electronic components activities and manufacture of wearing apparel, except fur apparel activities, with 142,340 (11.3%) and 98,868 employees (7.8%), respectively. (Table 1A, and Figure 3)

FIGURE 3 Total Employment of the Top Five Industry Groups for Manufacturing Establishments: Philippines, 2018 CPBI



The average employment per establishment recorded for the manufacturing industry was at 44. (Table 2)

Among the manufacturing industry groups, manufacture of computers and peripheral equipment and accessories activities had the highest average employment per establishment with 1,320 workers while custom tailoring and dressmaking activities had the least with 9 workers. (Table 2)

CALABARZON employed the majority of workers

The concentration of manufacturing employees in 2018 was in CALABARZON which hired about 39.4 percent of the total or 496,158 workers. This was followed by NCR which employed 230,730 (18.3%) workers and Central Luzon with 197,866 workers (15.7%). (Table 3A)

Four regions exceeded the national average of employment per establishment, namely, CALABARZON (123); Central Visayas (61); Central Luzon (59); and NCR (50). (Table 4)

Manufacture of electronic components activities engaged more sub-contracting employment

In 2018, a total of 337,560 workers were hired under sub-contract agreement in manufacturing industry. The highest share was reported by manufacture of electronic components activities with 51,313 employees (15.2%) followed by manufacture of other food products activities with 25,941 employees (7.7%). (Table 1)

Among the regions, CALABARZON reported the highest concentration of employment on a sub-contact agreement in the manufacturing industry with 152,240 workers (45.1%). (Table 3)

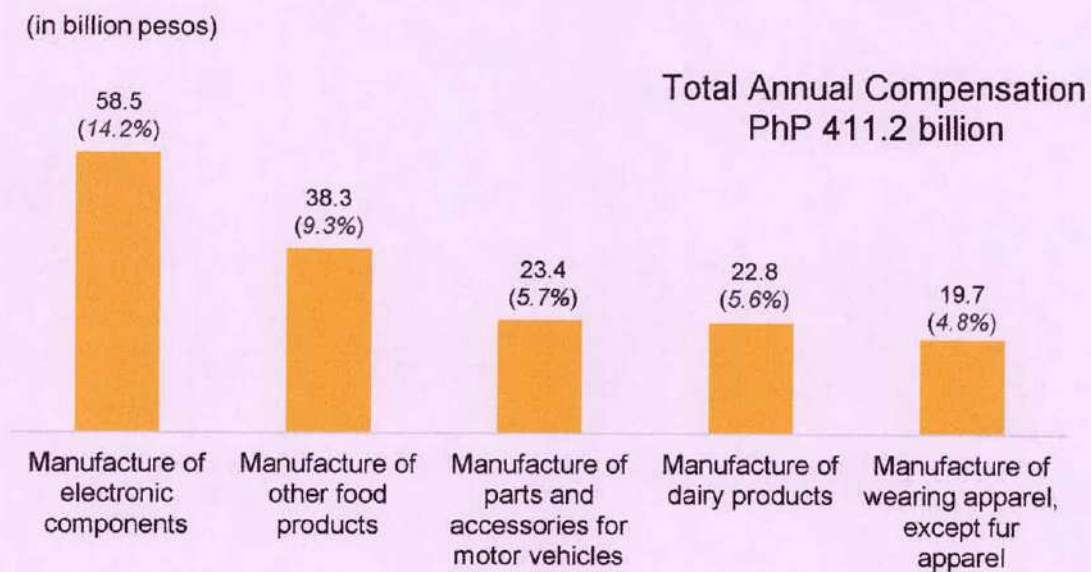
Manufacture of electronic components activities paid the highest average annual compensation

Total compensation of manufacturing industry in 2018 reached PhP 411.2 billion. The average annual compensation per employee engaged in manufacturing activities is at PhP 329.8 thousand. (Table 1)

Establishments engaged in manufacture of electronic components activities spent the highest compensation to its employees with Php 58.5 billion (14.2%). Those in the manufacture of other food products

activities, on the other hand, paid a total of PhP 38.3 billion (9.3%) to its employees. Compensation paid by establishments in the manufacture of parts and accessories for motor vehicles activities and manufacture of dairy products activities were reported at PhP 23.4 billion (5.7%) and PhP 22.8 billion (5.6%), respectively. (Table 1, and Figure 4)

FIGURE 4 Annual Compensation for the Top Five Industry Groups in Manufacturing: Philippines, 2018 CPBI



Manufacture of electronic components generated the biggest share in revenue

In 2018, total revenue generated by the manufacturing industry reached PhP 5.8 trillion.

Manufacture of electronic components activities had the largest share in revenue with PhP 639.4 billion (11.1%). Manufacture of beverages activities followed next with PhP 405.5 billion (7.0%) and manufacture of other food products with PhP 365.4 billion (6.3%). (Table 1, and Figure 5)

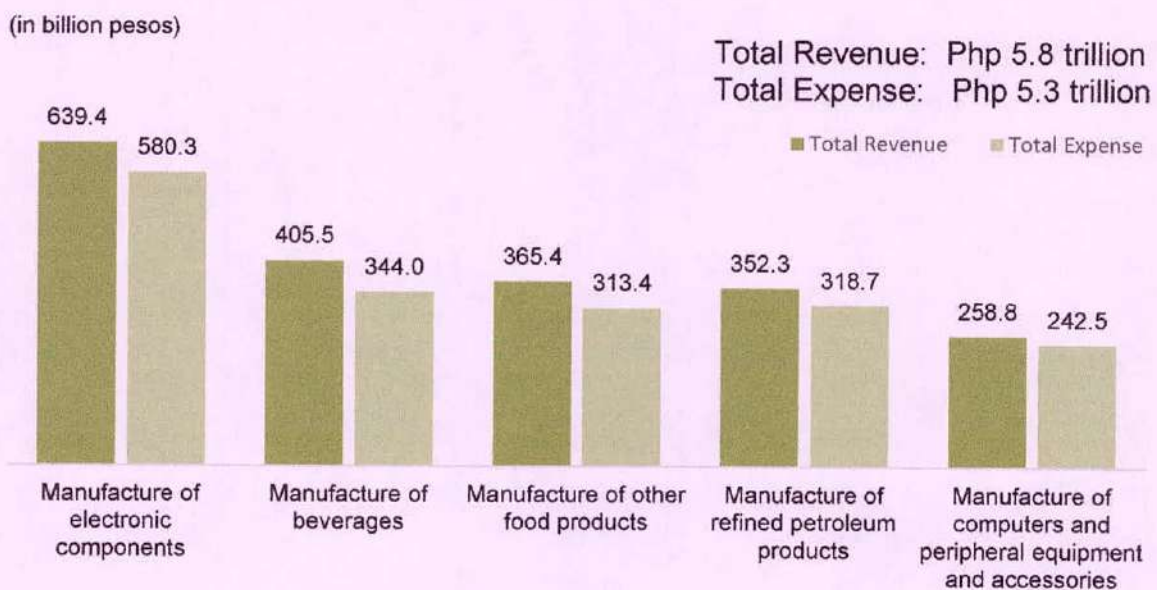
Total expense amounted to PhP 5.3 trillion

Total expense, including compensation incurred in business operations by all manufacturing establishments, amounted to PhP 5.3 trillion in 2018.

Being the major income contributor, manufacture of electronic components

activities also had the largest proportion in expense with PhP 580.3 billion (11.0%). This was followed by the manufacture of beverages with PhP 344.0 billion (6.5%) and manufacture of refined petroleum products with PhP 318.7 billion (6.0%). (Table 1A, and Figure 5)

FIGURE 5 Total Revenue and Total Expense for the Top Five Industry Groups in Manufacturing: Philippines, 2018 CPBI



CALABARZON generated the biggest share in revenue, and expense among regions

At the regional level, CALABARZON generated the biggest share in total revenue with PhP 2.5 trillion (43.2%). Earning the second place was NCR with PhP 1.2 trillion (20.9%), followed by Central Luzon with PhP 940.5 billion (16.3%). Autonomous Region in Muslim Mindanao (ARMM) registered the least income of PhP 4.8 billion (0.1%).

In the same manner, CALABARZON had the highest expense amounting to PhP 2.3 trillion (43.8%). NCR ranked second with total expense amounting to PhP 1.1 trillion (20.7%), followed by Central Luzon with PhP 825.7 billion (15.7%). (Table 3A)

Revenue per expense ratio stood at 1.1

The manufacturing industry generated a revenue per expense ratio of 1.1 which means that on the average, for every peso spent, a corresponding income of 10 centavos was generated.

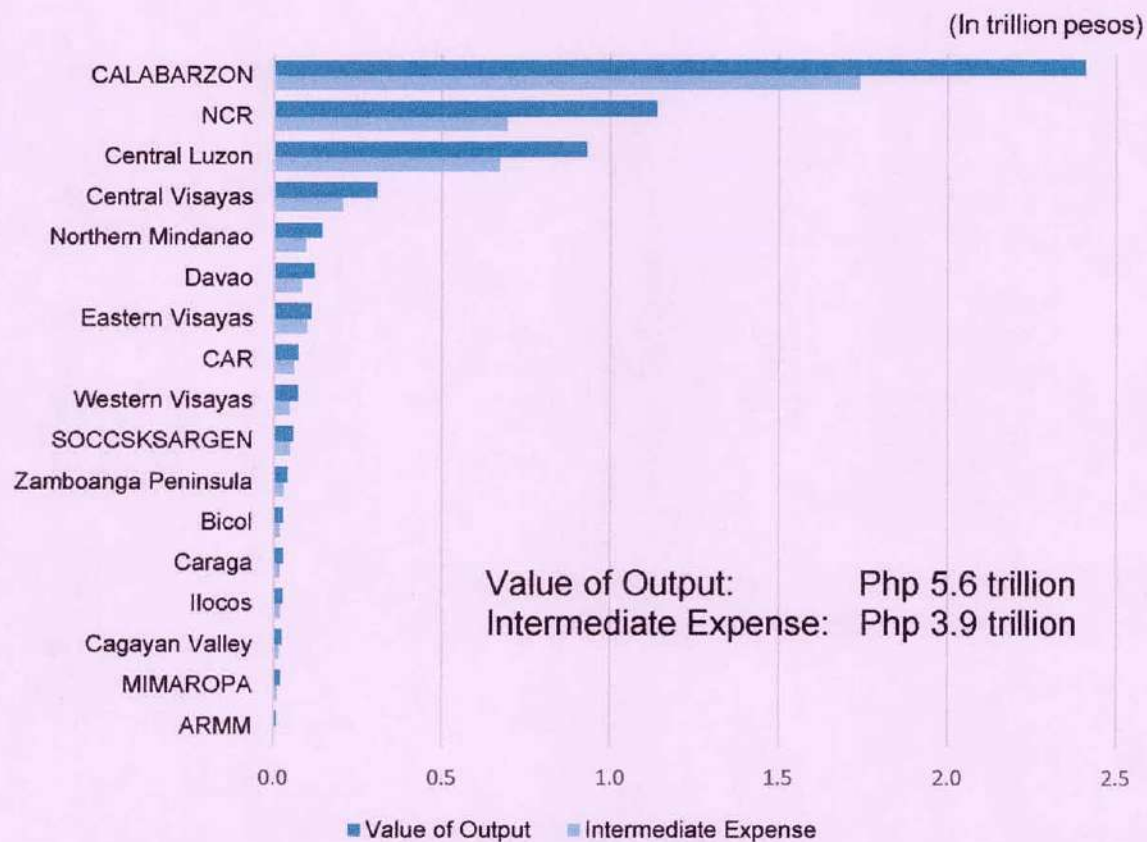
Among industries, installation of industrial machinery and equipment activities registered the highest revenue per expense ratio of 1.5. Manufacture of rubber products activities recorded revenue per expense ratio of 1.4. Establishments engaged in the processing and preserving of fruits and vegetables registered the least revenue per peso expense of 0.9. (Table 2)

CALABARZON generated the highest value of output; manufacture of electronic components activities among industry group

Almost half (43.3%) of the total value of output was generated in CALABARZON with PhP 2.4 trillion. This was followed by NCR with PhP 1.1 trillion (20.5%), and Central Luzon with PhP 930.3 billion (16.7%). (Table 3, and Figure 6).

Among the industry groups, the combined output value of the top ten industries accounted for PhP 3.0 trillion or a combined share of 54.3 percent of the total. Manufacture of electronic components activities contributed the biggest output of PhP 633.0 billion (11.4%), followed by manufacture of beverages with PhP 395.4 billion (7.1%).

FIGURE 6 Value of Output and Intermediate Expense for Manufacturing Establishments by Region, Philippines: 2018 CPBI

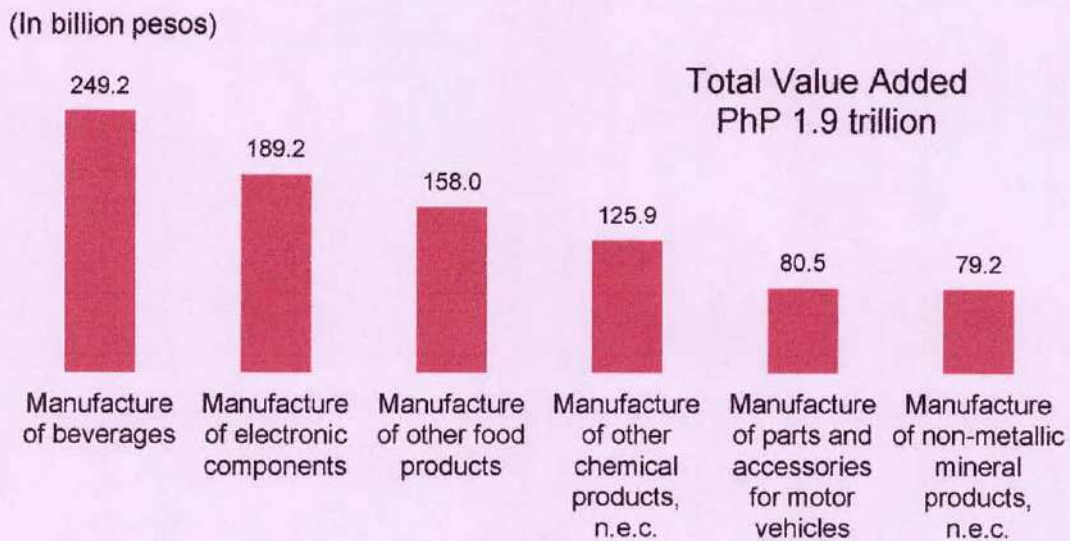


Value added amounted to PhP 1.9 trillion in 2018

Total value added produced by all establishments engaged in manufacturing in 2018 was estimated at PhP 1.9 trillion. (Table 1)

Among industry groups, manufacture of beverages generated the highest value added amounting to PhP 249.2 billion (13.2%). Manufacture of electronic components came in second with PhP 189.2 billion (10.0%) followed by manufacture of other food products with PhP 158.0 billion (8.4%). (Table 1A, and Figure 7)

FIGURE 7 Value Added for the Top Six Industry Groups in Manufacturing, Philippines: 2018 CPBI



CALABARZON accounted for nearly half of total value added

CALABARZON contributed nearly half (39.9%) of the total value added or PhP 753.6 billion. NCR, and Central Luzon followed with generated value added of PhP 546.4 billion (28.9%) and PhP 261.5 billion (13.8%), respectively. (Table 3A)

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Attachments:

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