



**15TH NATIONAL
CONVENTION
ON STATISTICS**

03-05 OCTOBER 2022

*Organized by the Philippine Statistical System
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Untangling the GDP-Labor-Poverty Paradigm through the Provincial Product Accounts (PPA)

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Session on Economic Progress
Crowne Plaza Manila Galleria
05 October 2022, 10:30 AM – 12:00 PM

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Overview



The Philippine Statistics Authority (PSA) is mandated to promote and develop integrated social and economic statistics, among others.

One of its major products is the release of the Gross Domestic Product (GDP) – commonly used indicator to measure economic performance.

To date, PSA releases national GDP quarterly and annually, and regional GDP annually.

There is an increasing demand for more granular statistics on subregional accounts from economic planners at the subnational level.





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● The Provincial Product Accounts (PPA)

● PPA is a mechanism to measure the economic performance of the province/highly urbanized city (HUC).

● It complements the GDP published at the national and regional level.

● PPA aims to strengthen the planning and decision-making of policy makers and economic managers at the subnational level, especially on job creation and poverty alleviation.



Sources of Data

1 Provincial Product Accounts

- 2018 Gross Domestic Product of the 46 pilot provinces and 13 HUCs

2 2018 Family Income and Expenditure Survey (FIES)

- Total income of households, by province and HUC

3 2018 Poverty Statistics

- Poverty Incidence, by province and HUC

4 Labor Force Survey (LFS)

- Total employment, by province and HUC

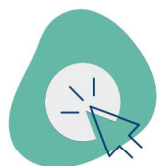
5 Projected 2018 Population



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Methodology

- Comparison of GDP (from PPA) and income (from FIES)
- Comparison of per capita GDP and per capita income
- Comparison of per capita GDP and poverty incidence
- Comparison of GDP per employed person and poverty incidence





Results

Preliminary Results of the 2018 Benchmark Estimates of the Pilot Provinces/HUCs

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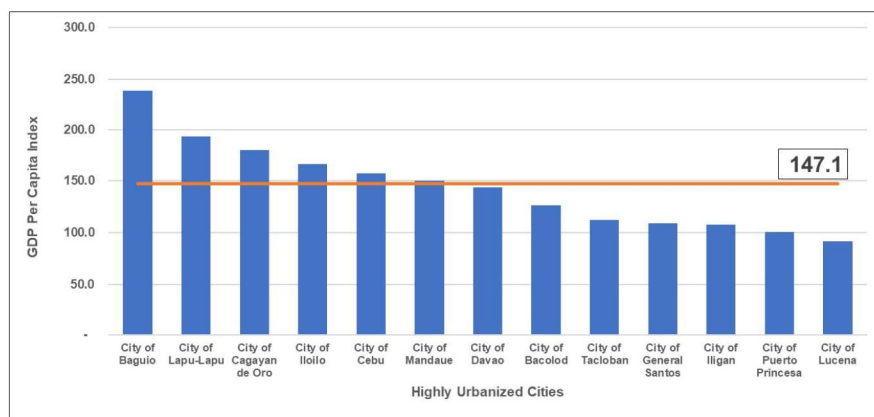


Figure 1. GDP Per Capita Index of the 13 Highly Urbanized Cities, 2018

Table 1. Distribution of GDP Per Capita Index of the 46 Provinces

Index	Number of Provinces
100.0 and higher	3
80.0 but less than 100.0	7
50.0 but less than 80.0	25
Less than 50.0	11
Total	46



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Results

Comparison of GDP and Income

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Comparison of Per Capita GDP and Per Capita Income

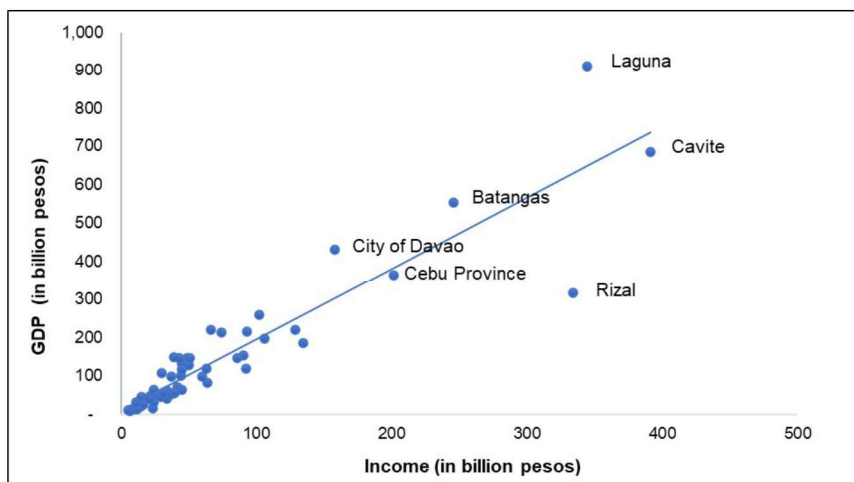


Figure 2. Scatter Plot Between GDP and Income for the 46 Provinces and 13 HUCs

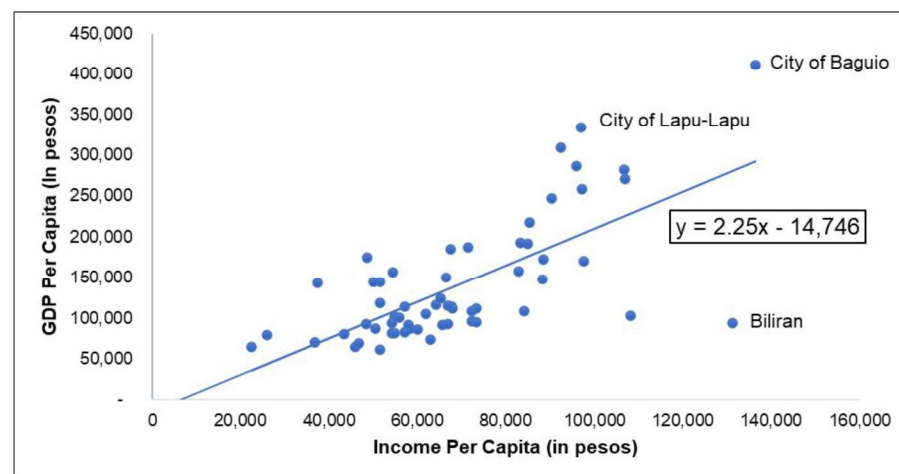


Figure 3. Scatter Plot Between Per Capita GDP and Per Capita Income for the 46 Provinces and 13 HUCs



Results

Comparison of Per Capita GDP and Poverty Incidence

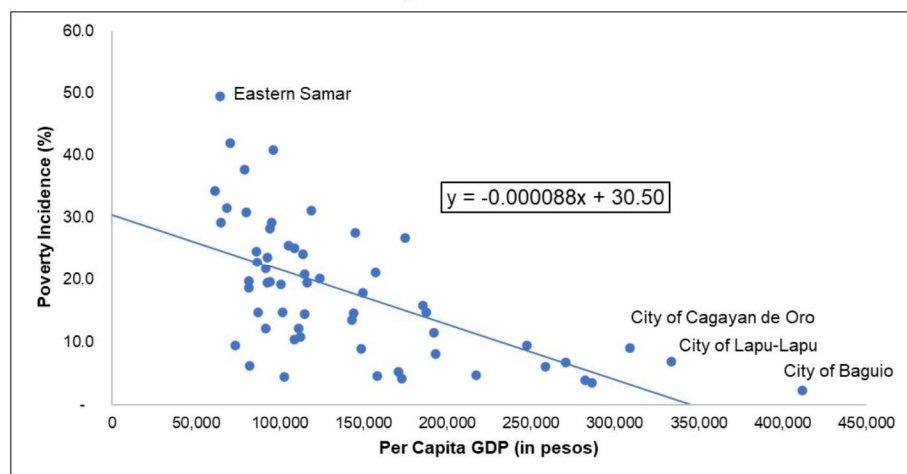


Figure 4. Scatter Plot Between Per Capita GDP and Poverty Incidence for the 46 Provinces and 13 HUCs

Comparison of GDP Per Employed Person and Poverty Incidence

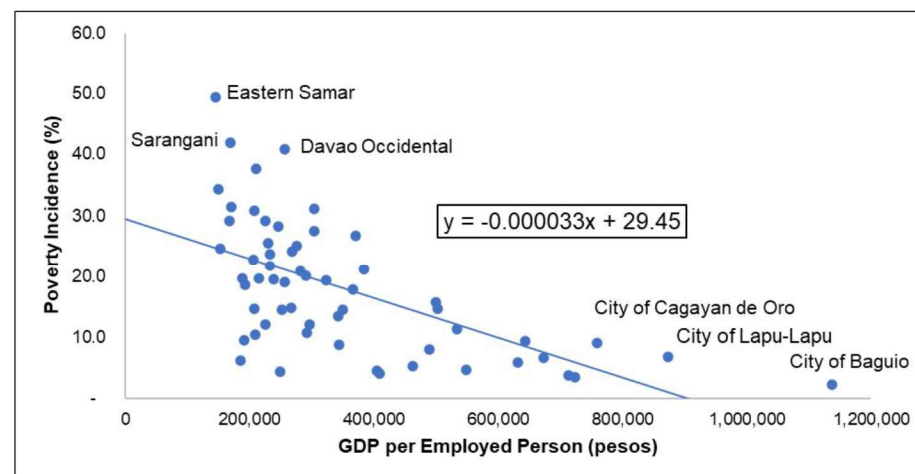



Figure 5. Scatter Plot Between the GDP Per Employed Person and Poverty Incidence for the 46 Provinces and 13 HUCs

Conclusion

- 
- Economic activity, employment, income and poverty are linked at lower levels of disaggregation based on available information to date.
 - In the long run, it is expected that sustained economic growth could result in higher income and lower poverty incidence.
 - However, in the short run and with the limited data, this assumption may not be evident.
 - Extended analyses using panel information covering all provinces and HUCs with further segmentation is recommended.

Recommendations

- Sustained partnership with the LGUs and Provincial line agencies for support on statistical operations
- Continuous advocacy on PPA and other socio-economic statistics for evidence-based planning and decision-making
- Continuous capacity-building for compilers, producers and users of PPA
- Sufficient resources – financial, technical and manpower – both for PSA field offices and LGUs for quality data





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Thank you!



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