



SPECIAL RELEASE

2020 Annual Survey of Philippine Business and Industry Financial and Insurance Activities Sector Preliminary Results

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Table A. Comparative Summary Statistics for Financial and Insurance
Activities Sector: Philippines, 2019 and 2020

| Particulars | 2019 ^f | 2020 ^p | Growth Rate (%) |
|---|-------------------|-------------------|-----------------|
| Number of Establishments | 38,804 | 36,579 | (5.7) |
| Employment | 652,178 | 396,380 | (39.2) |
| Average Number of Workers per Establishment | 17 | 11 | (35.3) |
| Compensation (in thousand pesos) | 365,640,756 | 248,141,273 | (32.1) |
| Average Annual Compensation (in pesos) | 566,873 | 633,608 | 11.8 |
| Revenue (in thousand pesos) | 2,764,143,759 | 1,971,095,159 | (28.7) |
| Expense (in thousand pesos) | 1,960,221,722 | 1,455,271,290 | (25.8) |
| Revenue per Expense Ratio | 1.41 | 1.35 | (4.3) |
| Subsidies (in thousand pesos) | 5,687,457 | 6,043,764 | 6.3 |

Notes:

f – final

p – preliminary

() – negative value

Sources: Philippine Statistics Authority, 2019 ASPBI and 2020 ASPBI

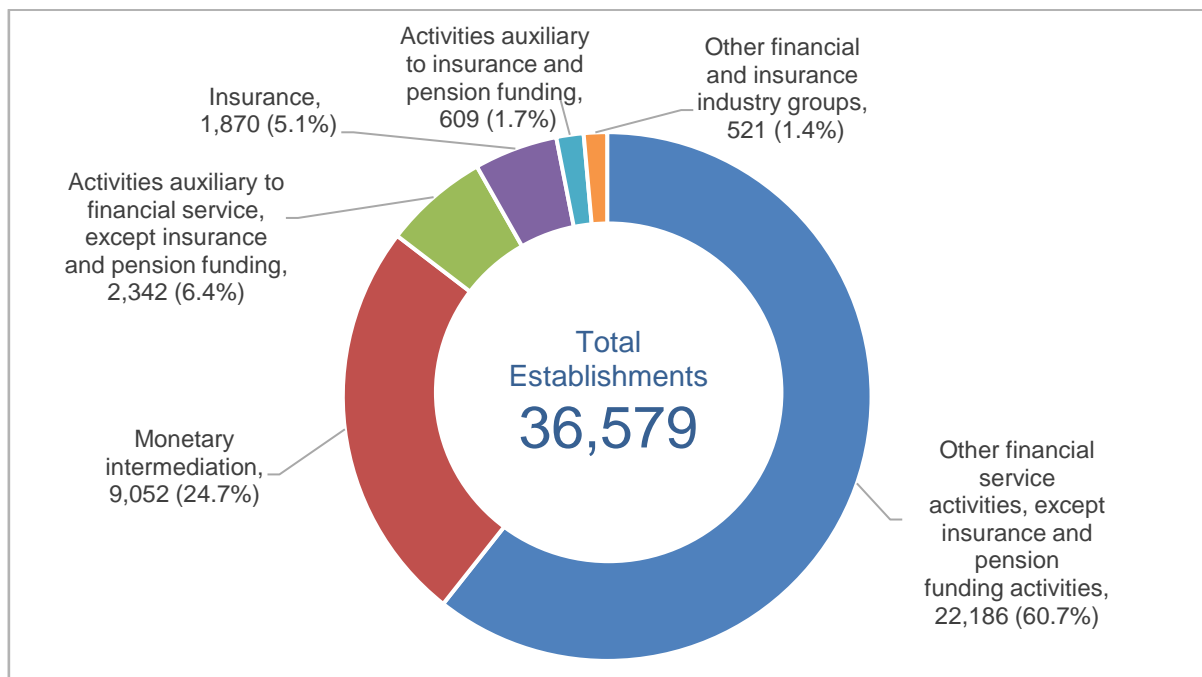


Other financial service activities, except insurance and pension funding activities industry accounted for the majority of establishments

The preliminary results of the Annual Survey of Philippine Business and Industry (ASPBI) showed that a total of 36,579 establishments in the formal sector of the economy were engaged in financial and insurance activities in 2020. This number represents a -5.7 percent decrease from the 38,804 establishments reported in 2019. (Tables A and 1)

Among the industry groups, other financial service activities, except insurance and pension funding activities recorded the highest number of establishments with 22,186 (60.7%) of the total. This was followed by monetary intermediation with 9,052 establishments (24.7%) and activities auxiliary to financial service, except insurance and pension funding with 2,342 establishments (6.4%). (Table 1 and Figure 1)

Figure 1. Percentage Distribution of Financial and Insurance Activities Sector by Industry Group: Philippines, 2020



Note: Details may not add-up to total due to rounding
 Source: Philippine Statistics Authority, 2020 ASPBI (Preliminary Results)

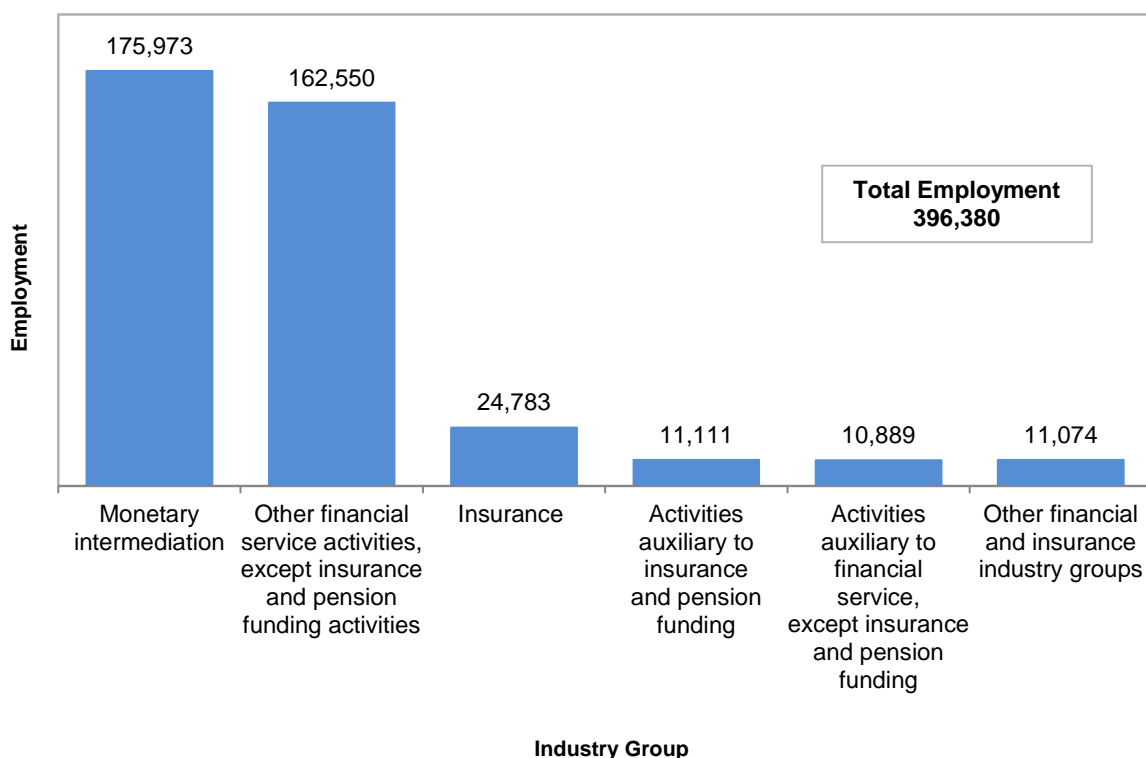
At the regional level, the National Capital Region (NCR) had the most number of establishments of 7,477 or 20.4 percent of the total. This was followed by CALABARZON with 4,401 establishments (12.0%) and Central Luzon with 3,800 establishments (10.4%). (Table 3)

Monetary intermediation industry employed the highest number of workers

The sector employed a total of 396,380 workers in 2020, a decrease of -39.2 percent from the 652,178 workers reported in 2019. Of the total, 391,632 employees or 98.8 percent were paid employees, while the rest were working owners and unpaid workers. (Tables A and 1)

Among the industry groups, monetary intermediation employed the highest number of workers of 175,973 (44.4%). Other financial service activities, except insurance and pension funding activities ranked second with 162,550 (41.0%). Insurance came third with 24,783 (6.3%). (Table 1 and Figure 2)

Figure 2. Distribution of Employment for Financial and Insurance Activities Sector by Industry Group: Philippines, 2020



Source: Philippine Statistics Authority, 2020 ASPBI (Preliminary Results)

By region, NCR hired the highest number of workers of 174,635 (44.1%). This was followed by CALABARZON with 30,069 workers (7.6%) and Central Luzon with 25,904 workers (6.5%). Autonomous Region in Muslim Mindanao (ARMM), on the other hand, employed the least number of workers of 729 (0.2%). (Table 3)

The sector recorded an average number of 11 workers per establishment in 2020. (Tables A and 2)

Industry group-wise, fund management activities had the highest average of 60 workers per establishment. On the other hand, both reinsurance and activities auxiliary to financial service, except insurance and pension funding posted the lowest average of five workers per establishment. (Table 2)

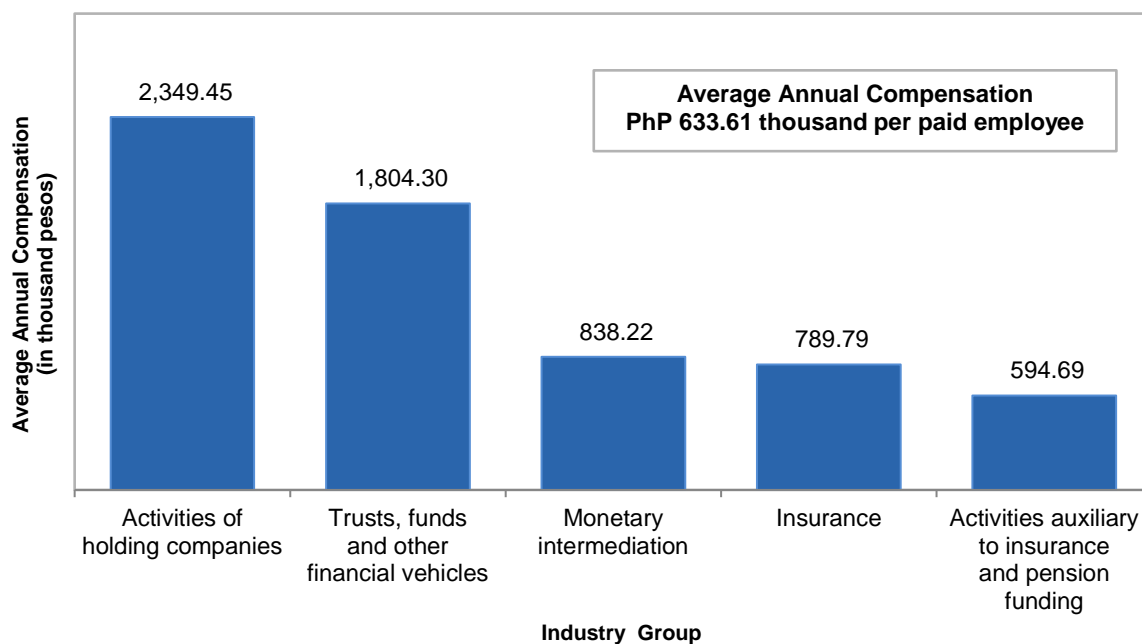
By region, NCR had the highest average of 23 workers per establishment, while the lowest average was registered in ARMM at four workers per establishment. (Table 4)

Activities of holding companies industry group paid the highest average annual compensation

In 2020, the total compensation paid by the sector amounted to PhP 248.14 billion, which translates to an average annual compensation of PhP 633.61 thousand per paid employee. This figure was higher by 11.8 percent than the recorded average annual compensation of PhP 566.87 thousand in 2019. (Tables A, 1, and 2)

Employees in activities of holding companies industry were the highest paid, receiving an average annual compensation of PhP 2.35 million per paid employee. Trusts, funds and other financial vehicles followed with an average annual compensation of PhP 1.80 million per paid employee. Meanwhile, those employed in fund management activities received the lowest annual pay of PhP 201.06 thousand per paid employee. (Table 2 and Figure 3)

Figure 3. Average Annual Compensation of Paid Employees for the Top Five Industries for Financial and Insurance Activities Sector by Industry Group: Philippines, 2020



Source: Philippine Statistics Authority, 2020 ASPBI (Preliminary Results)

Among the regions, NCR paid the highest average annual compensation of PhP 974.28 thousand per paid employee. CALABARZON and Zamboanga Peninsula ranked second and third, paying an average annual compensation of PhP 495.26 thousand and PhP 467.10 thousand per paid employee, respectively. ARMM, on the other hand, paid the least average annual compensation of PhP 176.14 thousand per paid employee. (Table 4)

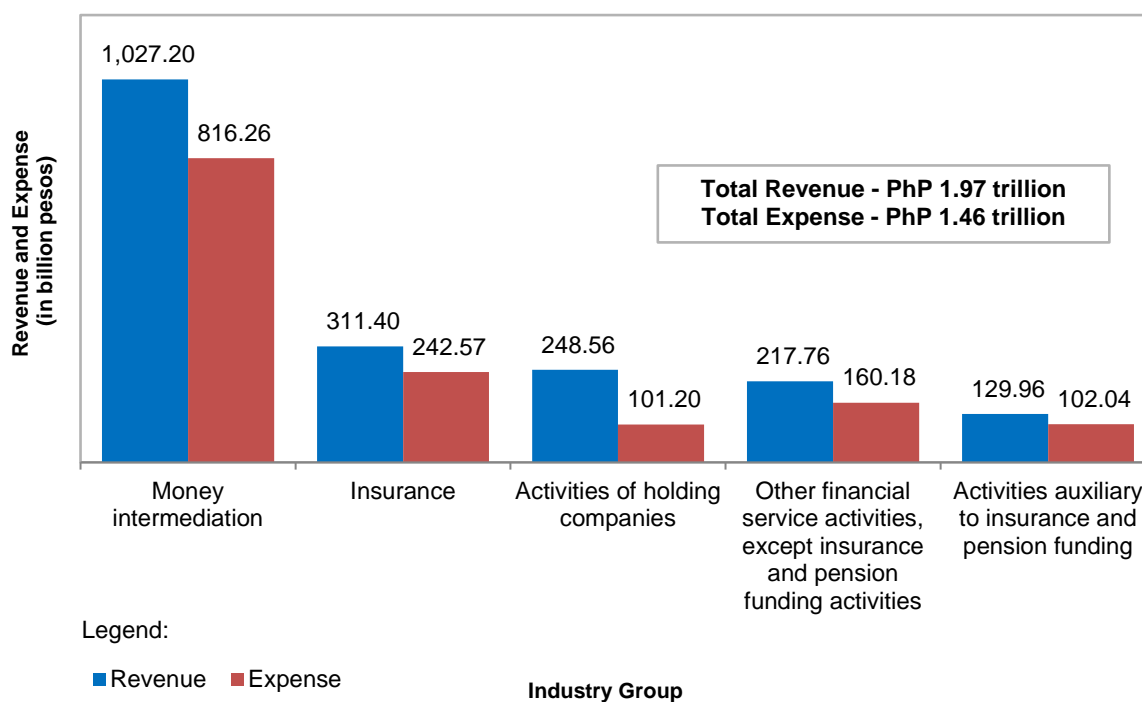
Monetary intermediation industry contributed the biggest share in revenue and expense

The sector generated a total revenue amounted to PhP 1.97 trillion in 2020, lower by -28.7 percent than the PhP 2.76 trillion revenue in 2019. Meanwhile, total expense incurred by the sector in 2020 reached to PhP 1.46 trillion, a decrease of -25.8 percent from the PhP 1.96 trillion total expense in 2019. (Tables A and 1)

At the industry group level, monetary intermediation had the highest contribution to both total revenue and total expense amounting to PhP 1.03 trillion or 52.1 percent and PhP 816.26 billion or 56.1 percent,

respectively. Reinsurance, on the other hand, generated the lowest revenue of PhP 235.03 million or 0.01 percent and lowest expense worth PhP 218.88 million or 0.02 percent. (Table 1 and Figure 4)

Figure 4. Revenue and Expense for the Top Five Industries for Financial and Insurance Activities Sector by Industry Group: Philippines, 2020



Source: Philippine Statistics Authority, 2020 ASPBI (Preliminary Results)

At the regional level, the top three regions in terms of revenue and expense were as follows:

1. NCR with revenue of PhP 1.52 trillion (76.9%) and expense of PhP 1.09 trillion (75.2%);
2. CALABARZON with revenue amounting to PhP 78.63 billion (4.0%) and a total expense of PhP 63.18 billion (4.3%); and
3. Central Luzon with PhP 77.63 billion (3.9%) revenue and with corresponding PhP 62.97 billion (4.3%) expense. (Table 3)

The revenue per peso expense ratio generated by the sector stood at 1.35 in 2020. This indicator means that a revenue of PhP 1.35 was generated for every peso spent in the business operations of the sector. Compared with the revenue per peso expense ratio of 1.41 in 2019, the revenue per peso expense ratio in 2020 decreased by -4.3 percent. (Tables A and 2)

By industry group, activities of holding companies generated the highest revenue per peso expense of PhP 2.46, while activities auxiliary to financial service, except insurance and pension funding generated the lowest revenue per peso expense of PhP 1.04. (Table 2)

At the regional level, Cagayan Valley generated the highest revenue per peso expense of PhP 1.73, while the lowest revenue per peso expense was generated in Bicol Region at PhP 1.06. (Table 4)

Subsidies received from the government amounted to PhP 6.04 billion

Subsidies are special grants in the form of financial assistance or tax exemption, or tax privilege given by the government to aid and develop an industry. The total subsidies received by the sector from the government was PhP 6.04 billion in 2020, with activities auxiliary to insurance and pension funding receiving the highest at PhP 5.16 billion or 85.4 percent of the total. (Tables A and 1)

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