



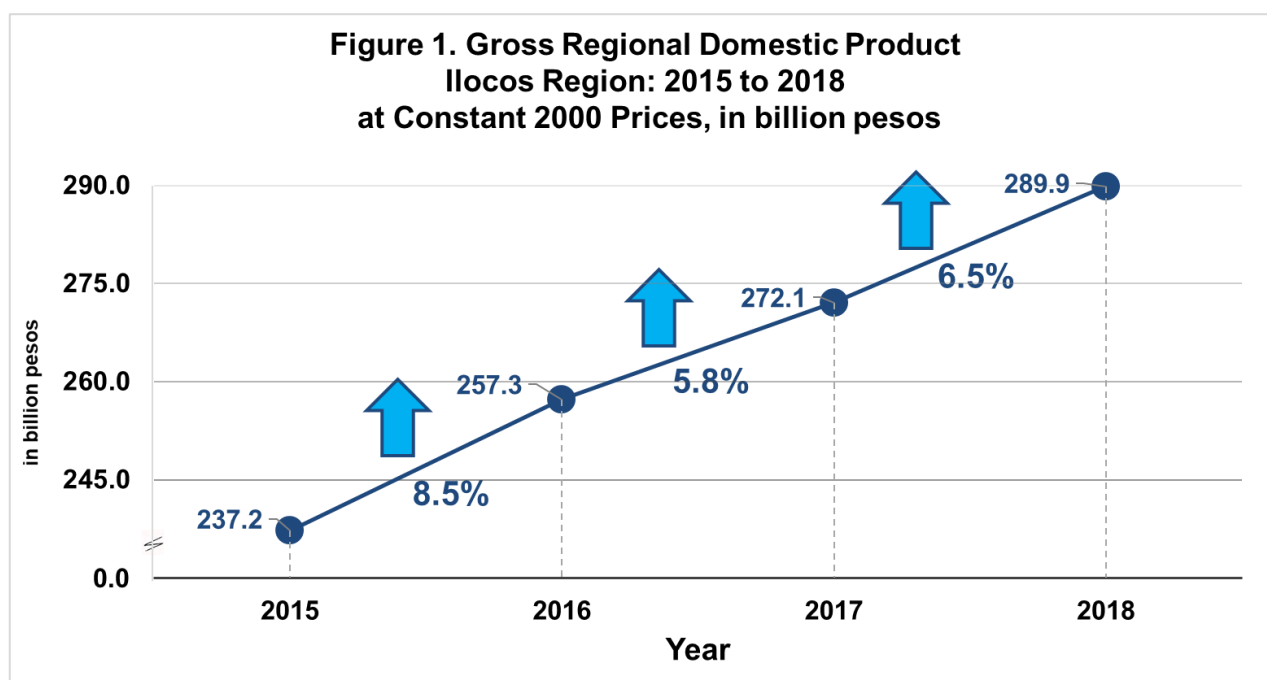
# SPECIAL RELEASE

## Ilocos Region's economy expands by 6.5 percent in 2018

Date of Release: June 7, 2019

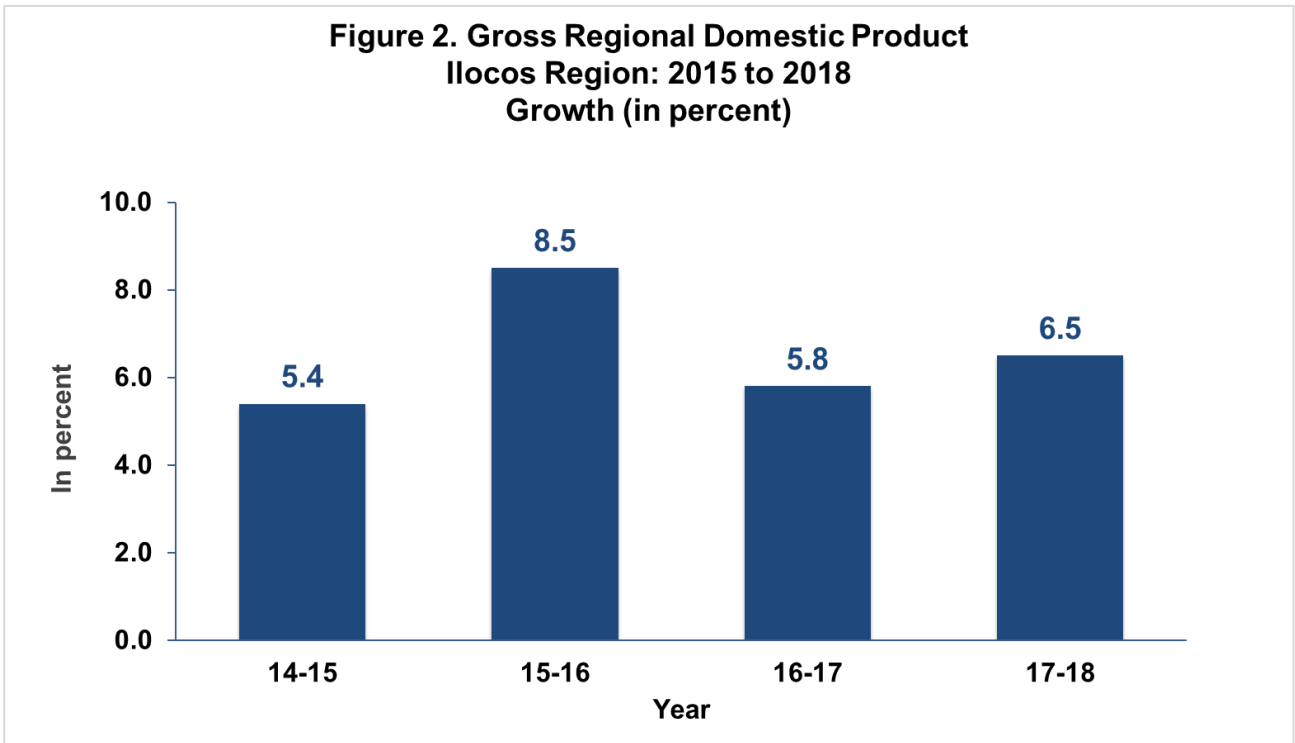
Reference No. 2019 - 10

The economy of Ilocos Region grew by 6.5 percent in 2018, faster than the 5.8 percent growth in the previous year. The region's Gross Domestic Product (GDP) is valued at 289.9 billion pesos, at constant 2000 prices, in 2018. This was 17.8 billion pesos higher than its estimated value of 272.1 billion pesos in 2017. In 2016, it was recorded at 257.3 billion pesos while in 2015 at 237.2 billion pesos.



Source: Philippine Statistics Authority

Figure 2 shows that in the past four years, the economy of Ilocos Region grew the fastest in 2016 at 8.5 percent. The economic performance of the region grew the slowest in 2015 at 5.4 percent. The region's economic growth of 6.5 percent in 2018 was the second highest in the past four years.



Source: Philippine Statistics Authority

As manifested in Table 1, the performance of the national economy decelerated by 6.2 percent in 2018 from 6.7 percent in 2017. On the other hand, Ilocos Region’s economy accelerated by 6.5 percent in 2018 from 5.8 percent in 2017, faster than the national economic growth.

**Table 1. Comparative GDP Growth Rates of the Philippines  
and Ilocos Region in percent, 2017 and 2018**

	2016-2017	2017-2018
<b>Philippines</b>	<b>6.7</b>	<b>6.2</b>
<b>Ilocos Region</b>	<b>5.8</b>	<b>6.5</b>

Source: Philippine Statistics Authority

**Table 2. Growth Rates by Major Industry/Sub-industry,  
Ilocos Region: 2016-2017 and 2017-2018  
(at Constant 2000 Prices, in percent)**

INDUSTRY	YEAR	
	2016-2017	2017-2018
<b>I. AGRICULTURE, HUNTING, FORESTRY &amp; FISHING</b>	<b>2.4</b>	<b>(2.3)</b>
a. Agriculture and Forestry	2.3	(2.1)
b. Fishing	2.9	(3.0)
<b>II. INDUSTRY</b>	<b>6.4</b>	<b>11.9</b>
a. Mining and Quarrying	4.3	8.5
b. Manufacturing	5.4	1.6
c. Construction	11.5	16.2
d. Electricity, Gas and Water Supply	1.7	12.1
<b>III. SERVICES</b>	<b>6.7</b>	<b>6.8</b>
a. Transport, Storage & Communication	4.0	3.7
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	7.6	5.0
c. Financial Intermediation	7.0	8.2
d. R. Estate, Renting & Business Activities	7.0	5.1
e. Public Administration & Defense; Compulsory Social Security	7.7	14.2
f. Other Services	7.8	8.5
<b>GROSS REGIONAL DOMESTIC PRODUCT, ILOCOS REGION</b>	<b>5.8</b>	<b>6.5</b>

Source: Philippine Statistics Authority

In terms of growth rates, by major industries and sub-industries in 2017 and 2018, Industry had the fastest growth among the major industries, with 11.9 percent in 2018, compared with the previous year's figure of 6.4 percent.

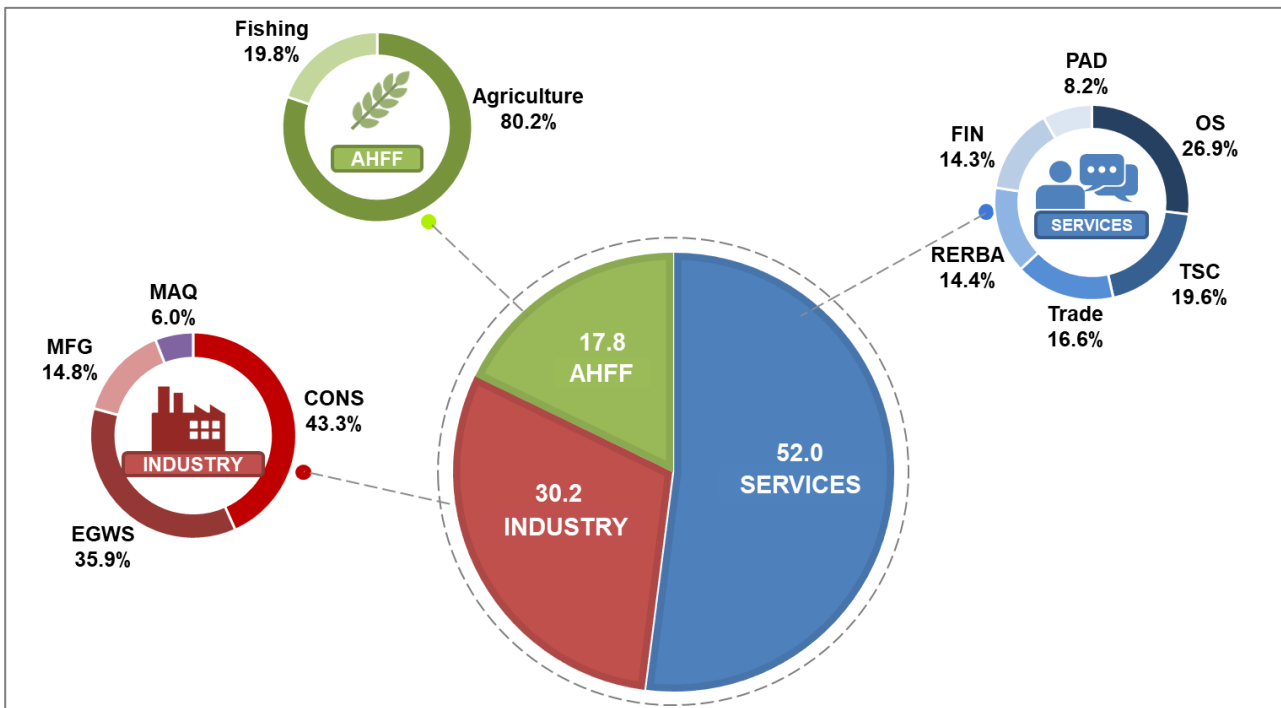
Services grew slightly faster by 6.8 percent in 2018 compared with the previous year's growth of 6.7 percent. Meanwhile, Agriculture, Hunting, Forestry and Fishing (AHFF) recorded a 2.3 percent decline in 2018, a downturn from its 2.4 percent growth in 2017.

For Industry, Construction remained as the biggest contributor to growth with 16.2 percent increase compared with the 11.5 percent growth in 2017. It was followed by Electricity, Gas and Water Supply (EGWS), which grew by 12.1 percent; and Mining and Quarrying with 8.5 percent. Manufacturing, on the other hand, grew at a slower rate of 1.6 percent compared with the 5.4 percent growth in the previous year.

Among the sub-industries of Services, Public Administration and Defense; Compulsory Social Security grew the fastest with 14.2 percent. It was followed by Other Services with 8.5 percent and Financial Intermediation with 8.2 percent. On the other hand, the following sub-industries also grew, but at a slower pace: Transportation, Storage and Communication, 3.7 percent; Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods, 5.0 percent; and Real Estate, Renting and Business Activities (RERBA), 5.1 percent.

For the AHFF sub-industries, Agriculture and Forestry as well as Fishing both contracted, by 2.1 percent and 3.0 percent, respectively.

**Figure 3. Percent Distribution by Industry and Sub-industry, Ilocos Region: 2018 (at Constant 2000 Prices)**



Source: Philippine Statistics Authority

The economy of Ilocos region is predominantly Services-based, accounting for 52.0 percent of the region's total output. Other Services which include Education, Health and Social Welfare, Hotel and Restaurants and Recreation Activities accounted for the largest share in Services with 26.9 percent. This was followed by Transport, Storage and Communication with 19.6 percent share; Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods with 16.6 percent share; Real Estate, Renting and Business Activities with 14.4 percent share; Financial Intermediation with 14.3 percent share; and Public Administration and Defense with the smallest share of 8.2 percent.

The share of Industry contributed 30.2 percent to the region's total economy. Among its sub-industries, Construction accounted for the biggest share with 43.3 percent. Electricity, Gas, and Water Supply followed with 35.9 percent share while Manufacturing accounted for 14.8 percent. Meanwhile, Mining and Quarrying had the least share of 6.0 percent.

AHFF remained to be the least contributor to the region's economy with 17.8 percent share. Its sub-industries, Agriculture and Fishing accounted for 80.2 percent and 19.8 percent respectively of the AHFF output.

**Table 3. Contribution to Growth by Industry, Ilocos Region: 2017 and 2018  
at Constant 2000 Prices, in percentage points**

INDUSTRY	Year	
	2017	2018
<b>I. AGRI., HUNTING, FORESTRY &amp; FISHING</b>	<b>0.5</b>	<b>(0.4)</b>
a. Agriculture and Forestry	0.4	(0.3)
b. Fishing	0.1	(0.1)
<b>II. INDUSTRY</b>	<b>1.8</b>	<b>3.4</b>
a. Mining and Quarrying	0.1	0.2
b. Manufacturing	0.2	0.1
c. Construction	1.3	1.9
d. Electricity, Gas and Water Supply	0.2	1.2
<b>III. SERVICES</b>	<b>3.5</b>	<b>3.5</b>
a. Transport, Storage & Communication	0.4	0.4
b. Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods	0.7	0.4
c. Financial Intermediation	0.5	0.6
d. R. Estate, Renting & Business Activities	0.5	0.4
e. Public Administration & Defense; Compulsory Social Security	0.3	0.6
f. Other Services	1.1	1.1
<b>GROSS REGIONAL DOMESTIC PRODUCT (ILOCOS REGION)</b>	<b>5.8</b>	<b>6.5</b>

Source: Philippine Statistics Authority

It can be gleaned in Table 3 the contribution of the major industries to the over-all economic growth of the region in 2018. Services contributed the highest with 3.5 percentage points closely followed by Industry with 3.4 percentage points. On the other hand, AHFF pulled down the region's economic performance by 0.4 percentage point.

Among the industries, Construction contributed the highest with 1.9 percentage points, followed by EGWS with 1.2 percentage points and Other Services with 1.1 percentage points.

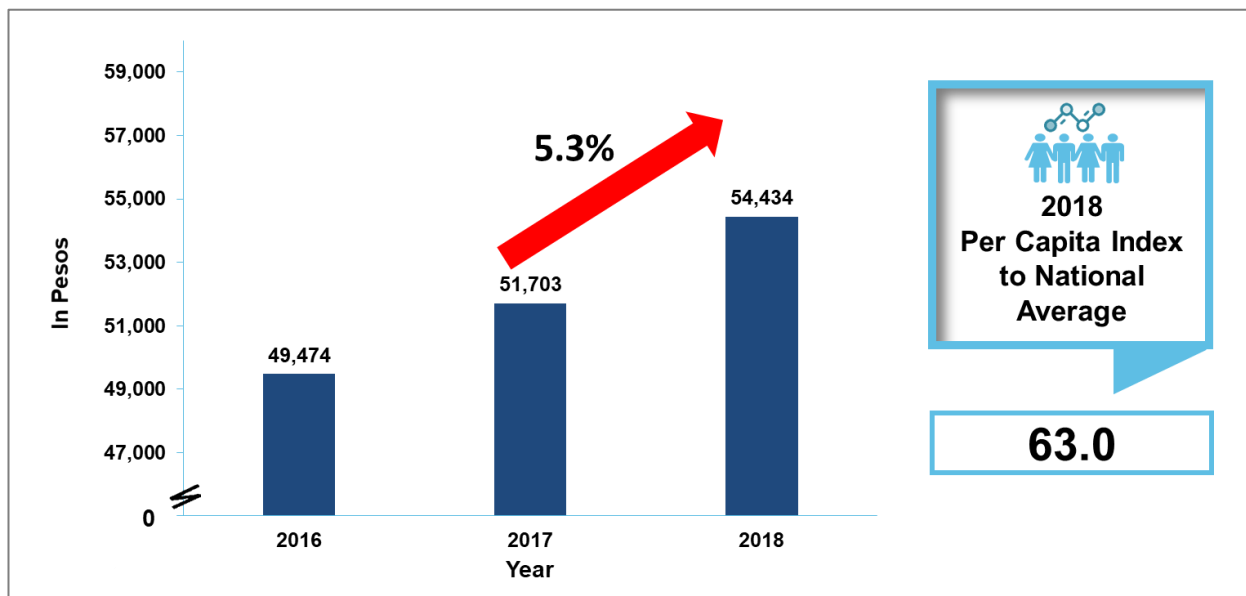
**Table 3.a. Contribution to Growth of the Sub-industries  
of Other Services, Ilocos Region: 2018**

OTHER SERVICES	Contribution to Growth
Education	7.1
Health and Social Work	0.7
Hotels and Restaurants	0.7
Other Service Activities (Sewage, Recreation, etc.)	0.0
<b>Total</b>	<b>8.5</b>

Source: Philippine Statistics Authority

Among the sub-industries of Other Services, Education had the highest contribution to growth with 7.1 percentage points. This was followed by Health and Social Work and Hotel and Restaurants both contributing 0.7 percentage point each. Other Service Activities like sewage, recreation, etc, contributed almost negligible to the industry with 0.0 percentage point.

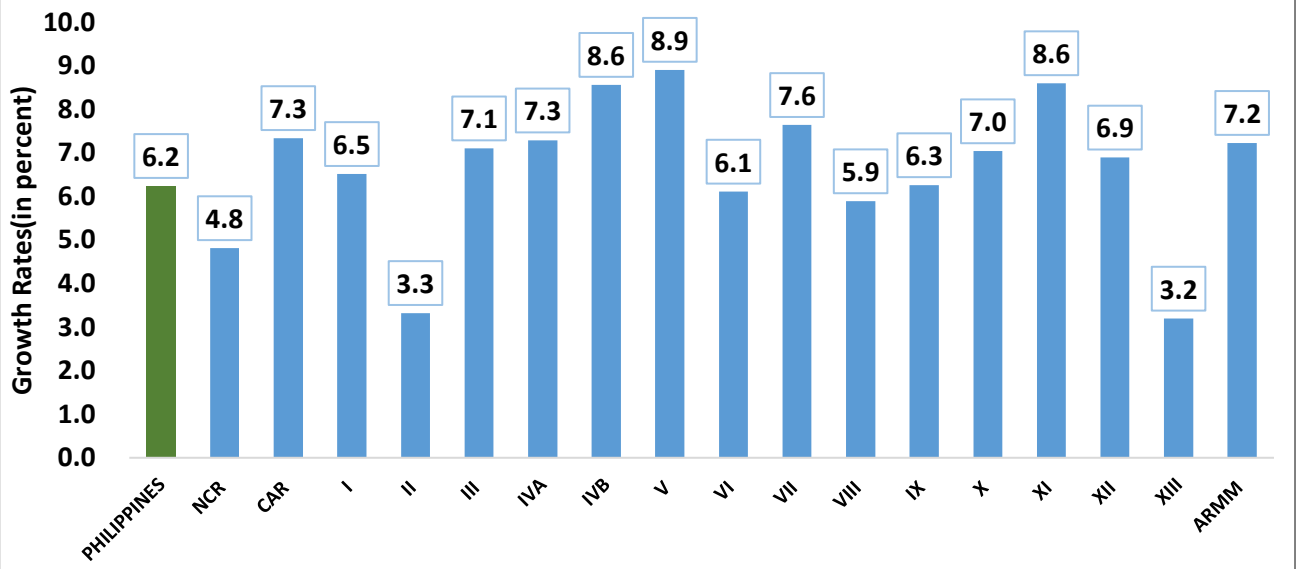
**Figure 4. Per Capita GRDP, Ilocos Region: 2016 to 2018  
at Constant 2000 Prices, in Pesos**



Source: Philippine Statistics Authority

The per capita GRDP of Ilocos Region was estimated at 54,434 pesos, which grew by 5.3 percent from the previous year's record. Per capita GRDP is the total GRDP level of the region divided by its total population to see how much each individual contributes to the regional economy. The 2018 per capita index of Ilocos Region to the national average is 63.0 percent.

**Figure 5. Regional Growth Rates in the Philippines: 2017 to 2018  
(At Constant 2000 Prices)**

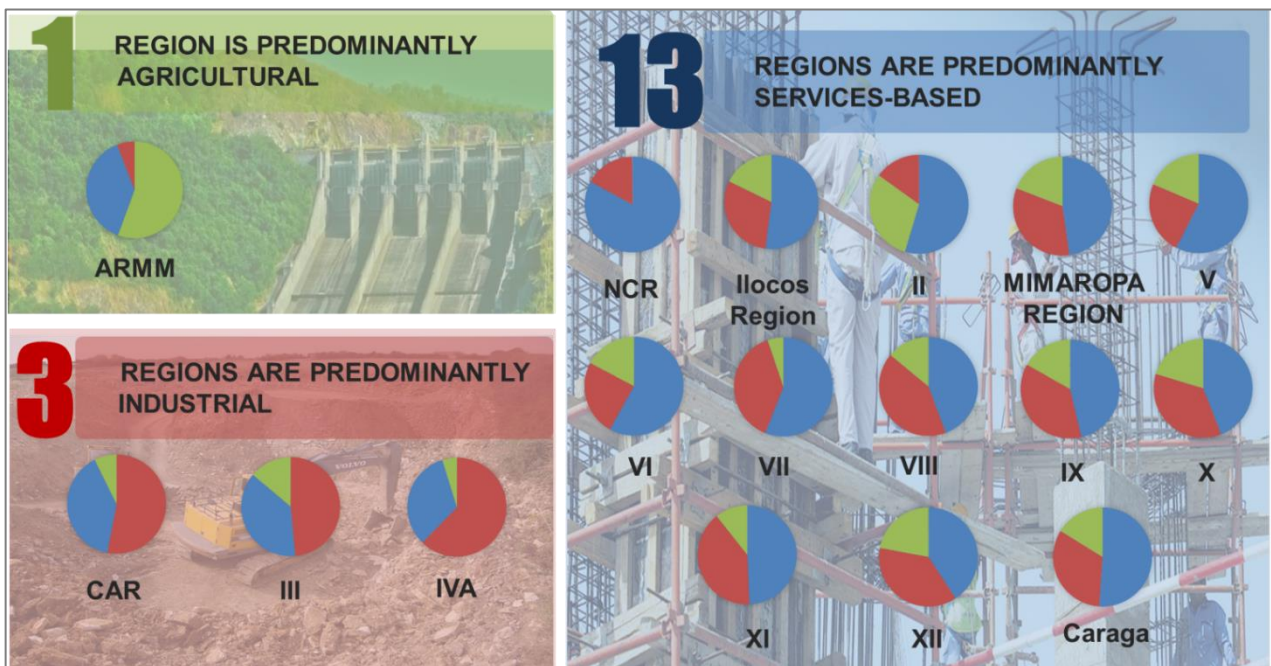


Source: Philippine Statistics Authority

Among the 17 regions, 12 regions including Ilocos Region, posted higher growth rates than the national GDP growth of 6.2 percent. Moreover, Ilocos Region was also one of the 8 regions that posted accelerated growths in 2018. The region ranked 11<sup>th</sup> highest in 2018 in terms of growth rate, maintaining its rank in the previous year.

Bicol Region grew the fastest at 8.9 percent, followed by MIMAROPA and Davao Region each growing by 8.6 percent.

**Figure 6. Structure of the Regional Economies in the Philippines: 2018**



Source: Philippine Statistics Authority

In terms of the economic structure, Ilocos Region is one of the 13 regions whose economy is predominantly Services-based in 2018.

Three regions, namely the Cordillera Administrative Region (CAR), Central Luzon, and CALABARZON are predominantly industrial while the Autonomous Region in Muslim Mindanao (ARMM) remained predominantly agricultural.

**Table 4. Per Capita GRDP in the Philippines by Region: 2016 to 2018  
at Constant 2000 Prices, in pesos**

REGION	YEAR		
	2016	2017	2018
<b>PHILIPPINES</b>	<b>78,682</b>	<b>82,593</b>	<b>86,370</b>
National Capital Region	232,739	244,589	253,893
Cordillera Administrative Region	75,401	83,153	87,722
Ilocos Region	49,474	51,703	54,434
Cagayan Valley	39,344	41,571	42,387
Central Luzon	68,634	73,863	78,016
CALABARZON	94,811	99,346	104,708
MIMAROPA	39,837	41,069	43,715
Bicol	26,686	27,487	29,369
Western Visayas	41,420	44,368	46,440
Central Visayas	69,322	71,743	76,024
Eastern Visayas	37,144	37,121	38,598
Zamboanga Peninsula	43,043	43,326	45,265
Northern Mindanao	63,771	66,408	70,000
Davao Region	65,913	71,621	76,378
SOCCKSARGEN	45,459	48,277	50,644
Caraga	35,679	36,235	36,651
Autonomous Region in Muslim Mindanao	13,366	14,012	14,657

Source: Philippine Statistics Authority

As shown in Table 4, the per capita GRDP of Ilocos Region was registered at 54,434 pesos, lower than the national per capita GDP of 86,370 pesos.

Ilocos Region ranked 8<sup>th</sup> in terms of per capita GRDP among all regions. National Capital Region (NCR) ranked first.




## TECHNICAL NOTES

Gross Regional Domestic Product (GRDP) is the aggregate of gross value added (GVA) of all resident producer units in the region.

The GRDP includes regional estimates on the three major industries including their sub-industries namely:

- Agriculture, Hunting, Forestry and Fishing (AHFF)
- Industry Sector
  - Mining and Quarrying
  - Manufacturing
  - Construction
  - Electricity, Gas and Water Supply (EGWS)
- Service Sector
  - Transport, Storage and Communication (TSC)
  - Trade and Repair of Motor Vehicles, Motorcycles, Personal and Household Goods
  - Financial Intermediation (FI)
  - Real Estate, Renting and Business Activity (RERBA)
  - Public Administration and Defense; Compulsory Social Security (PAD)
  - Other Services (OS)

  
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