



Economic Profile
and Development

| 4

CHAPTER 4: Economic Profile and Development

The Economic Profile focuses on the sub-sectors on Labor and Employment, Family Income and Expenditure, Trade and Industry and Tourism

4.1 LABOR AND EMPLOYMENT

The Labor Force Survey (LFS) conducted quarterly every year by the Philippine Statistics Authority (PSA) has been the main employment data of the city. From the year 2004 onwards, city level data were no longer made available in the LFS. The increase in population over the years required increasing area samples in the survey. With no increase in the sample size, city level figures became less accurate with a wider margin of error, therefore no longer reflected in the results. Due to absence of city data and for the purpose of getting more updated labor and employment statistics, NCR figures have been used to represent those of the city. This is attributed to the large representation of the city's population and land area to the NCR. The city population as of 2015 based on PSA official census result is almost one-fourth or 23% of the total population of the NCR and one-fifth or 20% of its land area which provide a great influence in regional economic status. Even from past LFS data, when city level data were still available, it could be noted that the city's figures were not far off or just followed closely those of the region.

Quezon City's projected population in 2018 is 3,040,672 or 23% of the NCR's population (based on official result as per PSA 2015 Census of Population). The projected working age population 15 years old and over is 2,153,455 (70.8% of the entire population based on the official PSA result).

The working age population is divided into:

1. ***The economically active population or those in the labor force.***

This group is 60.3% (1,298,533) of the working age population composed of the **employed** and the **unemployed**. Using the NCR's rates, employment has been placed at 93.4% representing about 1,212,830 of city's population which also includes the underemployed (those who are working less than the regular 8-hours per day and still looking for additional work) of 7.2% or 87,324. There are more employed males (55.8% or 676,759) than females (44.2% or 536,071). The unemployment on the other hand, is placed at 6.6% or about 85,703 of city's population. (Table ED-1)

2. ***The economically inactive population or those not in the labor force.***

The economically inactive or those not in the labor force on the other hand, makes up 39.7% or about 854,922 of the working age population not looking for work composed of students, housewives, retirees, the sick, PWDs, etc.

Table ED-1:: NCR / QC Population by Employment Status -2018

EMPLOYMENT STATUS	NUMBER		% SHARE	
Working Age Population 15 years old and over	2,153,455		100%	
Labor Force Population		1,298,533		60.3
- Employed (includes the underemployed of 7.2% (87,324)	1,212,830		93.4	
- Unemployed	85,703		6.6	
Total			100.0	
Not in the Labor Force (students, housewives, retirees, sick, PWDs)		854,922		

Source: Philippines Statistics Authority (PSA) Labor Force Survey

Table ED-2 : Labor Force Participation: Employment, Unemployment Underemployment and Not in the Labor Force; Rates of NCR/QC: 2010-2018

YEAR	LABOR FORCE PARTICIPATION		EMPLOYMENT		UNEMPLOYMENT		UNDER EMPLOYMENT		NOT IN THE LABOR FORCE	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
2010	1,215,998	62.4	1,076,158	88.5	139,840	11.5	128,063	11.9	732,717	37.6
2011	1,265,745	63.0	1,122,716	88.7	143,029	11.3	163,917	14.6	743,374	37.0
2012	1,303,012	63.1	1,164,893	89.4	138,119	10.6	167,745	14.4	761,983	36.9
2013	1,348,546	63.5	1,209,646	89.7	138,900	10.3	134,271	11.1	775,148	36.5
2014	1,407,399	64.4	1,263,844	89.8	143,555	10.2	136,495	10.8	778,003	35.6
2015	1,307,948	62.9	1,196,772	91.5	111,176	8.5	119,677	10.0	771,460	37.1
2016	1,323,291	62.9	1,234,631	93.3	88,660	6.7	107,413	8.7	780,510	37.1
2017	1,300,505	61.1	1,204,268	92.6	96,237	7.4	111,997	9.3	827,981	38.9
2018	1,298,533	60.3	1,212,830	93.4	85,703	6.6	87,324	7.2	854,922	39.7

Source: PSA Labor Force Survey (2010 & 2015 figures are Official Census results, figures for other years are projected / estimates)

The employment rate is shown to be slightly improving every year. Underemployment (which is part of the employment figure) in the last five years (2011 to 2016) is also favorably decreasing but slightly increased in 2017 in spite of the growing labor force but also decreased to 7.2% in 2018. (Table ED-2)

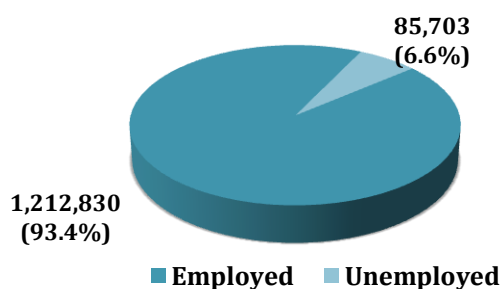


Figure ED-1 : Labor Force 2018

Being supported by the employed population are 1,827,841 **dependent population** composed of the following:

- those in the dependent age below 15 years old (887,216)
- the economically inactive (854,922)
- and the unemployed persons (85,703)

Dependency ratio is therefore computed at **1.5:1 (*dependent:worker*)** which means that there are about three dependents for every two (2) workers for a household with an average size of five (5) persons.

On Employment by Class of Worker (PSA data using the NCR rate), majority (988,589) or about 81.51% of those employed are wage and salaried workers (*worked for private household, private establishment, worked for government or government controlled corporation and worked with pay in own family-operated farm or business*), followed by the self-employed without any paid employee with about 186,898 or 15.41%, Employer in own Family-operated Farm or Business 21,002 or 1.73% and Worked without pay in own Family-operated Farm or Business 16,341 or 1.35%. There are more male Wage and Salaried Workers 57.90 % (702,229) than female 42.10% (510,601).

As to Major occupation in 2018 based on the NCR rate, the top 3 major occupations are persons employed in Service, shops and market sales workers with 19.54% (236,944), Elementary occupations (laborers and unskilled workers) 17.36% (210,587) and Managers (Officials of Government, special interest organizations, corporate executives, managers, managing proprietors and supervisors) with 16.65% (201,899). By sex segregation, males formed the largest percentage group with 57.90% than females with 42.10%.

Table ED-3 : Number and Percentage Distribution of Employed Person by Major Occupation and by Sex: Quezon City Using NCR Rate: 2018

MAJOR OCCUPATION	MALE		FEMALE		BOTH SEXES	
	NUMBER	%	NUMBER	%	NUMBER	%
Elementary Occupations (laborers and unskilled workers)	124,295	17.70	86,292	16.90	210,587	17.36
Service, Shops and Market sales workers	117,974	16.79	118,970	23.30	236,944	19.52
Plant and machine operators and assemblers	103,228	14.70	7,659	1.50	110,887	9.14
Managers (Official of government and special interests organizations, corporate executives, managers, managing proprietors and supervisors)	96,205	13.69	105,694	20.70	201,899	16.64
Craft and related trade workers	94,099	13.40	14,807	2.90	108,906	9.05
Clerks (clerical support workers)	66,010	9.40	87,823	17.20	153,833	12.68
Technicians and associate professional	48,454	6.90	37,785	7.40	86,239	7.11
Professional	46,347	6.62	51,571	10.10	97,918	8.07
Skilled agricultural workers (farmers), forestry workers and fishery workers (fishermen)	2,809	0.40	-	-	2,809	0.23
Armed Forces Occupation (special occupations)	2,808	0.40	-	-	2,808	0.23
Total	702,229	100.00	510,601	100.00	1,212,830	100.00

In a separate study or census of the PSA on 2017 Business Establishments by Industry and Employment, NCR as in the past has been shown to have the highest share (37.66%) in the country's total employment figure as it has been known to be the center of major business activities in the country. The top three (3) NCR cities on employment are: Quezon City registered the highest employment (708,369) with 24.0% of the total regional employment (2,949,627), followed by Makati 19.23% (567,358) and Manila 10.60% (312,707) See Table ED-4.

Table ED – 4 Number and Percentage of Employed Persons in the Philippines, NCR, by Other Cities in NCR, 2017

GEOGRAPHICAL COVERAGE	2017	% from Phils.	% from NCR
Philippines	7,832,089		
National Capital Region	2,949,627	37.66	
Quezon City	708,369	9.04	24.02
Makati City	567,358	7.24	19.23
Manila City	312,707	3.99	10.60
Pasig City	247,513	3.16	8.39
Taguig City	198,020	2.53	6.71
Mandaluyong City	180,902	2.31	6.13
Paranaque City	148,604	1.90	5.04
Pasay City	114,505	1.46	3.88
Caloocan City	107,213	1.37	3.63
Muntinlupa City	101,600	1.30	3.44
Valenzuela City	92,839	1.19	3.15
San Juan City	44,588	0.57	1.51
Las Piñas City	41,156	0.53	1.40
Marikina City	31,360	0.40	1.06
Malabon City	30,220	0.39	1.02
Navotas City	19,150	0.24	0.65
Pateros	3,523	0.04	0.12

The city's top five industries with highest employment are: Administrative and Support Service Activities with 219,891 or 31.04%, Wholesale and Retail Trade and Repair of Motor Vehicles and Motorcycles with 143,406 (20.24%), Construction with 72,290 (10.21%), Accommodation and Food Services/Hotel and Restaurant with 59,588 (8.41%) and Manufacturing with 56,871 or 8.03%.

Table ED-5 Number and Percentage of Employed Persons by Type of Industry Classification, Quezon City: 2017

INDUSTRY CLASSIFICATION	NUMBER	%
Administrative and Support Services Activities	219,891	31.04
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	143,406	20.24
Construction	72,290	10.21
Accommodation and Food Service Activities	59,558	8.41
Manufacturing	56,871	8.03
Education	28,925	4.08
Information and Communication	25,006	3.53
Financial and Insurance Activities	20,750	2.93
Professional, Scientific and Technical Activities	18,739	2.65
Human Health and Social Work Activities	17,986	2.54
Other Service Activities	17,707	2.50
Transport and Storage	8,655	1.22
Real Estate Activities	8,653	1.22
Arts, Entertainment and Recreation	2,972	0.42
Water Supply, Sewerage, Waste Management and Remediation Activities	2,252	0.32
Electricity, Gas, Steam and Air Conditioning Supply	2,239	0.32
Agriculture, Forestry and Fisheries	1,694	0.24
Mining and Quarrying	775	0.11
Total	708,369	100.00

Source: Philippine Statistics Authority (PSA)

The Informal Sector/Economy

In view of the limited employment opportunities, many are forced to engage in small-scale entrepreneurial activities mostly unregistered, unregulated, unmonitored. These are those who irregularly engaged in entrepreneurial activities working in full, part time or seasonal basis who are not normally paying taxes. Section 4 of the Quezon City Ordinance No. SP-2512, S-2016 known as “The Quezon City Informal Economy Ordinance” classified the informal economy workers into home-based workers (own account/self-employed), vendors, transportation sectors, non-corporate construction workers and others such as street workers, waste workers and volunteer service workers in private and public. On the other hand, Section 3 (a) defines Informal Economy as all economic activities by workers and economic units that are in law or in practice not covered or insufficiently covered by formal arrangements and does not cover illicit activities. However, to uphold the rights, ensure the protection and promote the welfare of these workers, the city government enacted said Ordinance, providing the basic framework for the development programs for the workers in the informal economy and created the Informal Economy Development Council.

Data available from the Market Development and Administration Department (MDAD) had recorded 54 temporary vending sites in six (6) Districts of the city with 2,026 vendors. The Tricycle Regulation Unit (TRU) under the Department of Public Order and Safety had 152 Tricycle Operators and Drivers Associations (TODA) operating with 24,756 units and drivers with approved route measured capacity (RMC) by the Tricycle Franchising Board (TFB). The Public Employment Service Office (PESO) in coordination with DOLE is the agency in-charge in the documentation and monitoring of 779 marginalized/disadvantaged beneficiaries in the provision of emergency short-term wage employment assistance Program through the Tulong Panghanapbuhay sa Ating Disadvantaged workers (TUPAD).

Overseas Filipino Workers (OFW)

For better employment opportunities, many are forced to seek employment abroad. These are the Overseas Filipino Workers (OFWs), who contribute on nations’ economic well-being. The OFW’s foreign currency remittances constitute a big part of the Philippines National Gross Product (GNP). Based on records of Overseas Workers Welfare Administration (OWWA) membership as of 2018, OFW from Quezon City ranked highest in the NCR with 193,101 or 21.83% share. Male is 109,970 or 56.95%, Female comprises of 74,921 or 38.80% and Not stated 8,300 or 4.30%

By type, land-based OFWs show a bigger number with 149,052 (77.19%) compared to sea-based 37,570 (19.46%). The land-based and sea-based OFWs are largely dominated by males with 52.79% and 76.69% share respectively.

According to Philippine Overseas Employment Administration (POEA) records in 2017, there were eleven thousand five hundred forty (11,540) OFW new hires from Quezon City deployed in foreign countries, 35.85% (4,105) are males and 64.93% (7,435) are females. In the NCR, there are more female 20.48% (36,305) OFWs than male 19.81% (20,720) OFWs deployed in foreign countries. Majority were deployed in the Middle East Countries such as: Saudi Arabia, Qatar, United Arab Emirates, Kuwait, Bahrain, Oman, Jordan while the remaining others were deployed in other Asian countries, Canada and Guam. Contributing to the city’s unemployment problems are the returning OFWs with finished and non-renewed work contracts from abroad. Some have returned as they have been maltreated and abused by employer, jailed for various

reasons/offenses, or repatriated due to armed conflicts/civil war in the country where they worked from.

According to their job and skills, QC-OFWs deployed in foreign countries were ranked accordingly: Domestic Cleaners and Helpers 17.00% (1,962), Manufacturing Laborers 6.79% (783), Waiters 3.62% (418), Dancers and Choreographers 1.97% (227), Home Based Personal Care Workers 1.59% (183), Nursing Professionals 1.58% (182), Musicians, Singers and Composers 1.31% (151), Health Care Assistants 1.10% (127), and others.

Various Programs are continuously undertaken by the city on employment generation, promotion and protection where such services are mostly lodged with the PESO. Among these programs are: Jobs Fair/Jobs Referrals, Workers Hiring for Infrastructure Projects (WHIP), Youth Employment Programs Summer Job, TUPAD, National Skills Registry System (a comprehensive skill/job mapping and matching service facility), Retooling Assistance for Employment of Returning OFWs, creation of a Migrants Resource Center and profiling of OFWs of QC. The QC Small Business Development and Promotions Office (SBDPO) also undertakes livelihood technology skills training (e.g. on production of processed food, recycled paper-based products, cloth and personal care products, etc.) and entrepreneurship seminars. It also has the Micro-Credit Program or Puhunang Pangkaunlaran ng Sikap Buhay (PPSB) another Livelihood assistance program that provides financial assistance including assistance in the Formation of Cooperatives (Cooperative Development Program).

A cooperative is an autonomous association of persons who voluntarily collaborate for their mutual social, economic and cultural benefit. Economic benefits are distributed proportionally to each member's level of participation in the cooperative. There are several types of cooperatives most common of which are the Multi-purpose, Credit, Service, Consumer, Transport, Housing, Federation, Labor, Producers and other like Workers Union, insurance, marketing and cooperative bank. The 2018 records of the Cooperative Development Authority (CDA) shows that there are 463 registered Cooperatives operating in Quezon City.

Table ED-6 Registered Cooperatives by Type: Quezon City 2018

TYPE OF COOPERATIVE	NUMBER	%
Multi-Purpose	211	45.57
Credit	76	16.41
Service	42	9.07
Consumers	37	7.99
Transport	32	5.91
Housing	13	2.81
Federation	12	2.59
Labor Service	10	2.16
Producers	8	1.73
Others	22	4.75
TOTAL	463	100

Source: Cooperative Development Authority (CDA)

In the NCR, there are 2,261 Cooperatives registered in the Cooperative Development Authority (CDA). Cooperatives that are actively operating are 67.85% or 1,534 while those that are not actively operating but still registered in the CDA are 32.15% or 727. Quezon City has the

highest number of registered cooperatives (active and inactive) with 29.68% of the NCR's figure, followed by Manila (13.36%), Makati (8.89%) and Pasig (6.90%).

4.2 FAMILY INCOME AND EXPENDITURES

The Family Income and Expenditure Survey (FIES) is a nationwide survey of households conducted by the Philippine Statistics Authority (PSA) every three (3) years. The results of the 2015 FIES is presented below inasmuch as the results of 2018 data is expected to be released by the second quarter of 2019. FIES is the main source of data on family income and expenditure, which include among others, levels of consumption by item of expenditure as well as sources of income in cash and in kind. The results of FIES provide information on the levels of living and disparities in income of Filipino families, as well as their spending patterns.

4.2.1 Family Income

In 2015, Filipino families had an average monthly income of ₱22,250.00 based on the results of the 2015 Family Income and Expenditures Survey (FIES) conducted by the Philippine Statistics Authority (PSA). It increased by 13.6% from the average monthly income of ₱19,583.00 in the year 2012. On the other hand, families in the National Capital Region (NCR) earned an average monthly income of ₱35,417.00 in 2015, increasing by 12.1% from the 2012 figure of ₱31,583.00.

In the absence of more updated income statistics, NCR figures have been used to represent that of the city in view that the population of the city makes up $\frac{1}{4}$ that of NCR. Even with past data, it could be noted that the city's figures were not far off or just followed closely that of the region's figures.

*Table ED-7: Average Family Income, Expenditure and Savings
Philippines, NCR and Quezon City: 2003 – 2015*

YEAR	AVERAGE MONTHLY INCOME			AVERAGE MONTHLY EXPENDITURE			AVERAGE MONTHLY SAVINGS		
	Phils.	NCR	QC	Phils.	NCR	QC	Phils.	NCR	QC
2015	22,250	35,417	***	17,917	29,083	***	4,333	6,333	***
2012	19,583	31,583	***	16,083	27,083	***	3,500	4,500	***
2009	17,167	29,670	29,441	14,667	25,747	26,169	2,500	3,923	3,272
2006	14,394	25,916	***	12,263	21,500	***	2,131	4,416	***
2003	12,324	22,204	***	10,308	18,159	***	2,016	4,045	***

Source: PSA-FIES

**** No city disaggregation for years 2003, 2006 and 2012 & 2015*

Families were grouped and ranked into per capita income deciles. The richest decile represents families belonging to the highest ten percent in terms of per capita income, while the poorest decile represents families in the lowest ten percent.

In the Philippines from 2012 to 2015, average annual family income in all deciles increased, the average ranged from Php86,000.00 for the first income decile (lowest 10 percent) to Php786,000.00 for the tenth income decile (highest 10 percent) in 2015. The average annual family income of the tenth decile in 2015 was about 9 times that of the first decile, while it was 10 times that of the first decile in 2012 (*Table ED-5*).

In the National Capital Region, average annual family income in all deciles also increased, the average ranged from Php174,000.00 for the first income decile to Php1.12 Million for the tenth decile. The average annual family income of the tenth decile was about 6 times that of the first decile in the years 2012 and 2015.

Table ED-8 : Average Income, Average Expenditure and Average Savings of Families by Per Capita Income Decile, Philippines and NCR 2015

PER CAPITAL INCOME DECILE	INCOME				EXPENDITURE				SAVINGS			
	PHILIPPINES		NCR		PHILIPPINES		NCR		PHILIPPINES		NCR	
	ANNUAL	MONTHLY	ANNUAL	MONTHLY	ANNUAL	MONTHLY	ANNUAL	MONTHLY	ANNUAL	MONTHLY	ANNUAL	MONTHLY
First Decile	86,000	7,167	174,000	14,500	89,000	7,417	178,000	14,833	(3,000)	(250)	(4,000)	(333)
Second Decile	114,000	9,500	223,000	18,583	110,000	9,167	212,000	17,667	4,000	333	11,000	917
Third Decile	133,000	11,083	260,000	21,667	122,000	10,167	241,000	20,083	11,000	917	19,000	1,583
Fourth Decile	156,000	13,000	282,000	23,500	140,000	11,667	251,000	20,917	16,000	1,333	31,000	2,583
Fifth Decile	182,000	15,167	330,000	27,500	161,000	13,417	284,000	23,667	21,000	1,750	46,000	3,833
Sixth Decile	218,000	18,167	362,000	30,167	189,000	15,750	306,000	25,500	29,000	2,417	56,000	4,667
Seventh Decile	259,000	21,583	411,000	34,250	217,000	18,083	344,000	28,667	42,000	3,500	67,000	5,583
Eighth Decile	320,000	26,667	487,000	40,583	260,000	21,667	398,000	33,167	60,000	5,000	89,000	7,417
Ninth Decile	415,000	34,583	601,000	50,083	326,000	27,167	475,000	39,583	89,000	7,417	126,000	10,500
Tenth Decile	786,000	65,500	1,120,000	93,333	534,000	44,500	799,000	66,583	252,000	21,000	321,000	26,750
Ratio of Tenth Decile to First Decile	9.1		6.4		6.0		4.5					

Source: Philippine Statistics Authority (PSA)

Families in the poorest decile registered a negative monthly savings of Php250.00 and Php333.00 in the Philippines and NCR, respectively. Families in the richest decile registered monthly savings of Php21,000.00 and Php26,750.00 in the Philippines and NCR, respectively

According to the results from the 2015 FIES, the Gini coefficient, which is a measure of income inequality within a population, was estimated at 0.4439 for 2015. The figure is slightly lower than the 2012 ratio of 0.4605 which may indicate some improvement in the income distribution among families. A Gini coefficient ranges from 0 to 1, with 0 indicating perfect income equality among families, while a value of 1 indicates absolute income inequality.

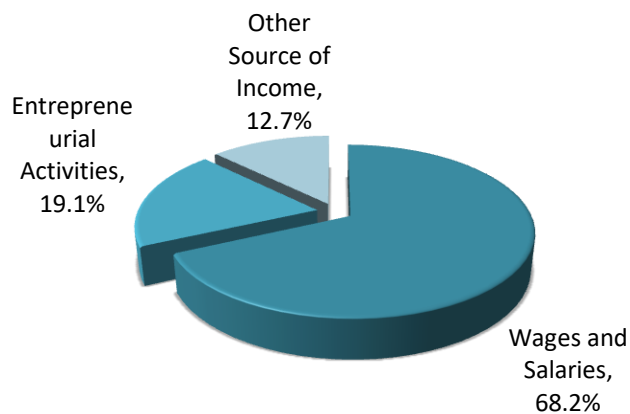
Table ED-9: Gini Coefficient, Philippines and NCR: 2003-2015

YEAR	PHILIPPINES	NCR
2015	0.4439	0.3909
2012	0.4605	0.4028
2009	0.4484	0.3953
2006	0.4580	0.3988
2003	0.4605	0.4021

Source: Philippine Statistics Authority

Sources of Income

In terms of sources of income for families in the NCR and which would likely be representative of Quezon City, majority or 68.2% of the families in the National Capital Region rely on salaries/wages as their main source of income; 19.1% rely on other sources of income which includes cash receipts from local and abroad, pension and retirement, dividends and investments, house rental, interest income, etc.; and the remaining 12.7% rely on entrepreneurial activities (wholesale and retail trade, small-scale manufacturing, transportation and communication services, community, social and other services).



**Figure ED-2 : Distribution of Families by Main Source of Income
NCR 2015**

4.2.2 Family Expenditure

Filipino families in 2015 had an average monthly expenditure of ₱17,917.00 increasing by 11.4% from the average monthly family expenditure of ₱16,083.00 in 2012. On the other hand, average monthly expenditure in NCR was registered at ₱29,083.00 in 2015. It increased by 7.4% from the average monthly expenditure of ₱27,083.00 in 2012.

In terms of pattern of expenditure, Filipino families spent about 41.9% on food (33.7% spent on foods consumed at home and 8.2% regularly spent on foods consumed outside the home), 12.2% on housing, 7.9% on water, electricity, gas and other fuels and 6.2% on transportation. Other expenditure items include expenses on education, health, durable furniture and equipment and special family occasion.

**Table ED-10: Percent Distribution of Total Family Expenditure
by Expenditure Group: Philippines & NCR (2015)**

EXPENDITURE ITEM	PHILIPPINES	NCR
Food expenditures	41.9	36.3
Alcoholic beverages	0.5	0.4
Tobacco	1.1	0.8
Other Vegetable-Based products	0.0	0.0
Clothing and Footwear	2.4	2.0
Furnishings and Routine Household Maintenance	2.5	2.8
Health	3.7	2.9
House Rent/Rental Value	12.2	18.2
Water, Electricity, Gas and Other Fuels	7.9	8.8
Transport	6.2	6.6
Communication	2.2	2.9
Recreation and Culture	0.8	0.8
Education	3.8	3.5
Accommodation Services	0.2	0.0
Miscellaneous Goods and Services	6.3	6.3
Durable Furniture and Equipment	2.5	1.5
Special Family Occasion	2.5	1.5
Other Expenditure	3.1	4.6
TOTAL	100.0	100.0

Source: Philippine Statistics Authority (PSA)

In the NCR, about 36.3% of the total annual expenditures was spent on food, 18.2% on House Rental and about 8.8% was spent on basic utilities as water, electricity, gas and other fuels. Other major expenditures include Transport (6.6%), Education (3.5%) and Health (2.9%).

Food and Poverty Thresholds

Food threshold is the minimum income required to meet the basic food needs, satisfying the nutritional requirements set by the Food and Nutrition Research Institute (FNRI) to ensure that one remains economically and socially productive. On the other hand, poverty threshold is the minimum income required to meet the basic food and non-food needs such as clothing, fuel, light and water, housing, rental of occupied dwelling units, transportation and communication, health and education expenses, non-durable furnishing, household operations and personal care and effects.

In the first semester of 2018, a family of five needed no less than PhP 7,337, on average, to meet the family's basic food needs for a month. This amount is the food threshold. On the other hand, no less than PhP10,481.00, on average, was needed to meet both basic food and non-food needs of a family of five in a month. This amount is the poverty threshold. These are 11% higher than the food and poverty thresholds from the first semester of 2015.

In the National Capital Region, first semester of 2018, a family of five needed at least PhP8,207.00 (monthly food threshold), on average, every month to meet the family's basic food needs and at least PhP11,752.00 (monthly poverty threshold), on average, every month to meet both basic food and non-food needs. Food and poverty threshold in NCR indicate increases of about 11% from the first semester of 2015 to the first semester of 2018.

Table ED-11: Poverty and Food Thresholds ; Philippines and NCR: 2006, 2009, 2012 & 2015 and First Semester of 2015 and 2018

STATISTICS	2006	2009	2012	2015		2018
				Full Year	First Semester	First Semester
Monthly Poverty Threshold:						
Philippines	5,566	7,030	7,890	9,064	9,064	10,481
National Capital Region (NCR)	6,541	8,011	8,477	10,420	10,420	11,752
Monthly Food Threshold:						
Philippines	3,878	4,908	5,513	6,329	6,600	7,337
National Capital Region	4,568	5,594	5,919	7,276	7,335	8,207

Source: Philippine Statistics Authority (PSA)

Poverty

Poverty incidence among Filipinos families in the first semester of 2018 was estimated at 16.1 percent. This is defined as the proportion of families whose income is below the poverty line to the total number of families. This was estimated at 22.2 percent in the same period in 2015.

In the National Capital Region, poverty incidence among families increased by 0.3% in the first semester of 2018 which was estimated at 4.9% from the 4.6% registered in the first semester of 2015.

In Quezon City, poverty incidence dropped from 3.9% in the first semester of 2015 to only 3.5% in the same period in 2015.

The subsistence incidence among Filipino families was estimated at 6.2 percent in the first semester of 2018. This is alternatively called as the proportion of Filipino families whose incomes fall below the food threshold. In the same period in 2015, the proportion of families who are food poor was recorded at 9.9 percent.

Subsistence incidence in NCR, on the other hand, registered an increase from 1.2% in the first semester of 2015 to 1.65% in the first semester of 2018. Quezon City's food poor also registered an increase from 0.6% in the first semester of 2015 to 0.9% in the first semester of 2018.

Table E-12 : Poverty Incidence NCR, Philippines & Quezon City: 2006-First Semester 2018

STATISTICS	2006	2009	2012	2015		2018 FIRST SEMESTER
				FULL YEAR	FIRST SEMESTER	
Poverty Incidence Among Families						
Philippines	21.0%	20.5%	19.7%	16.5%	22.2%	16.1%
NCR	2.9%	2.4%	2.6%	2.7%	4.6%	4.9%
Quezon City	3.2%	2.2%	1.9%	1.9%	3.9%	3.5%
Poverty Incidence Among Population						
Philippines	26.6%	26.3%	25.2%	21.6%	27.6%	21.0%
NCR	4.7%	3.6%	3.9%	3.9%	6.6%	6.6%
Quezon City	4.9%	3.3%	2.4%	2.9%	5.8%	5.0%
Subsistence Incidence Among Families						
Philippines	8.8%	7.9%	7.5%	5.7%	9.9%	6.2%
NCR	0.5%	0.3%	0.3%	0.4%	1.2%	1.6%
Quezon City	0.2%	0.3%	0.3%	0.1%	0.6%	0.9%
Subsistence Incidence Among Population						
Philippines	12.0%	10.9%	10.4%	8.1%	13.0%	8.5%
NCR	0.9%	0.5%	0.5%	0.7%	1.9%	2.0%
Quezon City	0.3%	0.5%	0.4%	0.3%	1.0%	1.1%

Source: Philippines Statistics Authority (PSA)

Minimum Wage

The new minimum wage rates for agricultural workers, firms in the manufacturing sector with at most 10 workers, and firms in the retail as well as service sectors with at most 15 workers will earn at least Php500.00 daily, from the previous Php475.00. Non-agricultural workers, meanwhile, will have a daily minimum wage of Php537.00 from Php512.00. Under Wage Order No. 22, the Php10.00 cost of living allowance (COLA) will also become part of the basic pay. Previously, the minimum basic pay ranged from P465 to P502, with an additional Php10.00 COLA. The integration of COLA in the basic pay means bigger computations for overtime pay and 13th month pay.

**Table ED-13: CURRENT DAILY MINIMUM WAGE RATES
National Capital Region (NCR), Per Wage Order No. NCR-22 (Effective: 22 November 2018)**

SECTOR / INDUSTRY	BASIC WAGE / INTEGRATION OF COLA	BASIC WAGE INCREASE	NEW MINIMUM WAGE RATES
Non-Agriculture	Php 512.00	Php 25.00	Php 537.00
Agriculture	Php 475.00	Php 25.00	Php 500.00
Retail Establishments Employing 15 workers or less			
Manufacturing establishments regularly employing less than 10 workers			

4.3 FOOD SECURITY

Food Security “exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”. The four (4) elements on the definition of food security are as follows: **1) Availability** - there must be adequate food supply to meet people’s needs; **2) Accessibility** - it considers people’s incomes/expenditures, markets and prices in achieving food security. **3) Utilization** - It is the way the body takes in the nutritional value of the food they consumed. **4) Stability** - it is having suitable food intake not only on a periodic basis but at all times.

The major sources of food supply come from the country’s Agricultural Sector: *the agricultural, fisheries, aqua-culture and forestry products*. The country is therefore undertaking great efforts to improve productivity of the sector. Food security is not all food but also having access to clean water sources and sanitation facilities. Insufficient food consumption, its deficiencies, imbalances in the consumption, the incapability of acquiring acceptable food result to hunger or malnutrition. The national goal is to end hunger for all Filipinos.

With urbanization comes the challenges in food security. Metro Manila is a highly urbanized region in the country with Quezon City as one of its most populated cities. Food systems are required to ensure efficient and sustainable production, distribution and delivery of goods from the farm to the metropolis or to all its local units.

4.3.1 Food Availability

As a highly urbanized city, with a very minimal agricultural activities to readily supply food requirements, food is sourced by the city from nearby provinces. Agricultural produce are brought to the city in bulk, at trading areas or “bagsakan” areas and sold mostly to wholesale clients who then distributes said goods to other market outlets located in various areas in the city. The trading area of the city is the Balintawak Cloverleaf Market and the Mega Q-Mart located at EDSA. The distribution or retail outlets are: **city’s eight (8) public markets, twenty nine (29) private markets, and thirty one (31) talipapa**. There are also now many other available suppliers of basic goods and commodities/distribution outlets such as supermarkets, mini marts, groceries strategically located in various areas of the city.

Table ED-14: Number of Public-Private-Talipapa/Satellite Markets with Occupied and Vacant Stalls , Quezon City by District: 2018

TYPE OF MARKET	NUMBER	NUMBER OF STALL						TOTAL
		DIST. 1	DIST. 2	DIST. 3	DIST. 4	DIST. 5	DIST. 6	
Public	8	52	-	727	2,512	-	-	3,291
Private	29	1,317	1,937	858	541	638	892	6,183
Talipapa/Satellite	31	248	110	33	16	372	-	779
Total	68	1,617	2,047	1,618	3,069	1,010	892	10,253

Source: Market Development and Administration Department (MDAD)

Through the years, the number of private markets have decreased considering the opening of the new and modern supermarkets and groceries (e.g. SM Supermarket/Hypermarket, Robinson’s Supermarket, Savemore, Puregold, Robinsons etc.) which became a preference by market-goers due to better and more convenient facilities that they offer. This has posed a challenge to many operators of private wet and dry markets.

Food distribution in the city is also channeled through the numerous food outlets such the neighborhood stores, restaurants and some 205 food establishments engaged in food processing and 4 food manufacturing companies.

The city, in coordination with the national agencies, e.g. Department of Trade and Industry, National Food Authority, Department of Agriculture, National Meat Inspection Service (NMIS), etc., constantly controls and monitors operations on food supply and distribution in order to stabilize its supply and demand.

On Rice

Rice is considered to be a staple food of the Filipinos. The major source of rice distributed by the National Food Authority (NFA) particularly for the NCR are from top producing provinces in Luzon namely: Pangasinan, Nueva Ecija, Tarlac, Pampanga, Bulacan, Cagayan, Isabela and Mindoro. The country has been ranked as one of the top rice producers in Asia but data from the NFA, that in the past years when the country experienced deficit in production, rice was imported from the following countries: Vietnam, Thailand and India to ensure stability of supply. The country is working to becoming self-sufficient in rice production for the coming years.

On Fish and Vegetables

Sources of fish sold in markets, flea markets, supermarkets in the city mainly come from the Navotas Fish Port, with others coming from Cavite, Batangas, Quezon and as far as the provinces in the Visayas and Mindanao.

Vegetables in the city are sourced mostly from the northern provinces in Luzon: Baguio, Pangasinan, Isabela, Bulacan, and Pampanga. These are brought to city's major trading/"bagsakan" area at the Cloverleaf Balintawak Market which through the years became known as a trading site for agricultural produce coming in from the north. Other trading areas are the Mega Q- Mart. Other food retailers also go directly to the major sources for supply.

On Livestock and Poultry

Slaughtered meat are sourced from the city's slaughterhouses. The live animals (*hogs, cattle, carabao, goats*) brought in for slaughtering in the city's abattoirs are mainly sourced from nearby provinces Bulacan, Nueva Ecija, Batangas, etc. Some families are also engaged in backyard livestock or poultry raising as their main source of income. The city has three (3) existing slaughterhouses: **Novaliches Slaughterhouse** (the only accredited slaughterhouse of the city by the NMIS), **Labudahon Slaughterhouse** and **Mega Q- Mart Abattoir**-(a temporary Slaughterhouse). There are also the non-NMIS accredited small slaughterhouse of the "lechonan" operators at La Loma serving specifically the city's lechon industry requirements. Chicken/fowls on the other hand, are also sourced out from nearby provinces and brought in to various public market stallholders for slaughtering. Quezon City does not have a city-owned slaughterhouse, but all slaughterhouse operations in the city are monitored and inspected by its **City Veterinary Department** (CVD) to see to that operations are in accordance with national and local regulation.

Based on a market assessment study conducted by the city, the daily total production capacity from existing slaughterhouse as monitored by the CVD **shows a big deficiency in supply** (see table below). To cope with the meat requirements of the city, many distributors/traders (e.g. public & private markets, supermarkets, groceries etc.) get their meat supply from other sources namely:

- Slaughtered meat from nearby cities and municipalities
- Local processed meat suppliers/manufacturers namely :Pure foods, Monterey, Magnolia, CDO, Bounty Fresh, and other meat companies; and
- Imported frozen products (USA and Canada as the country's major suppliers).

This shows that there is a big market for slaughtered meat products/services.

Table ED-15 : 2015 Daily Meat Demand and Supply Of Quezon City

TYPE	AVERAGE DAILY CONSUMPTION*	**MEAT REQUIREMENTS / DEMAND**	PRODUCTION CAPACITY
Hogs	0.05137	1,142 hogs	550 (220 from lechoneros)
Cattle	0.00677	183 cattle	54
Goat	-	-	136
Chicken	0.03496	68,431 chicken	8,449

Sources: * PSA Consumption Study; ** City Veterinary Department

Risk of Supply Disruption

Food insecurity exists when there is the risk of supply disruption- a situation when people lack secure access to sufficient safe and nutritious food for normal growth and development and an active and healthy life. The factors that could affect food security are: poor quality of transport infrastructure, climate change, typhoon, strong rains, disasters, farmers' lack of lands to be irrigated and lack of income which can be grouped into economic, environmental, demographic, political conditions, and risks, hazards and shocks.

Programs undertaken by the city on food availability are: urban farming, vertical gardening for public schools, barangays with open/vacant spaces.

4.3.2 Food Affordability

This category measures the ability of consumers to purchase food, their vulnerability to price shocks, and the presence of programs and policies to support them when shocks occur.

The capacity to afford good-quality food without undue stress is a crucial aspect of food security. Food affordability considers first, whether an average individual in a country has sufficient means to purchase food, and second, the public structures that have been established to respond to personal or societal shocks. Together, these provide a holistic treatment of affordability, exploring elements of ability to pay and cost under a broad array of environmental conditions.

Food Consumption as a Share of Household Expenditure

This indicator captures the relative importance of food in household budgets. The lower the share of household expenditure on food, the easier it is for a household to cope with price increases and shocks.

Income plays an important role to food security. It is the determining factor of how much food can be bought by the consumer household. When consumers' income increase their choices expand to include food quality. Food spending as percentage share to total expenditures generally declines as income increases. In the Philippines, the average household earned Php 267,000 in 2015 (PSA FIES Survey). In the country, 41.9% of total spending is on food, while in the NCR, 36.3% of income earned by families are spent on food alone. NCR estimates are also used by QC in the absence of data in the PSA-FIES Survey. The big percentage being spent on food just show that still many of the city's families still belong to the low income group.

The QC Local Price Coordinating Council has been created for the proper efficient and effective enforcement of the "price act" by virtue of RA 7581, The Price Act of 1991, (*a national policy that ensures the availability of basic necessities/commodities at reasonable at all times*). It protects consumers on price manipulation and other illegal acts on profiteering by some businesses especially during times of emergency/calamities.

To make food supply (agricultural produce) also more affordable to residents, the city has tied up with some neighboring provinces such as Ilocos Norte and the Department of Trade and Industry (DTI) for a food caravan projects, where the farmers/food suppliers bring in directly to the designated City Hall covered area their goods for immediate sale to residents on a regular basis. This direct sale and omission of middlemen costs in the food supply system makes the food supply readily available and more affordable to city residents. It hopes to expand this program thru coordination most especially with sister cities.

4.3.3 Food Security, Safe, and Quality

Food security, safety and quality is a condition where foods are fit for human consumption. Food and water must be edible and potable at all times. Security and protection of human is basically dependent on the food we eat and water we intake. Comprehensive, intensive and effective food control system are essential to protect and safeguard the health, safety and welfare of the consumers. It is also critical to assure the security, safety and quality of foods entering the country and local territories. The food regulatory agencies of both national and local governments are responsible for setting food safety standards, regulating food establishments and food business operators as well as the products they manufacture, offer for sale, or distribute, by conducting inspections to ensure compliance with the law.

National and Local government agencies responsible for the implementation of laws on food security, safety and quality with regulatory functions:

National Agencies:

- National Food Authority (NFA) for rice, corn and other grains
- National Meat Inspection Services (NMIS) for meats
- Bureau of Fisheries and Aquatic Resources (BFAR) for fresh fish, and other sea foods including those grown by aquaculture
- Bureau of Animal Industry (BAI) for food derived from animals including eggs and honey production
- National Dairy Authority (NDA) for milk production and post- harvest handling

- Bureau of Plant and Industry (**BPI**) for plant foods
- Philippine Coconut Authority (**PCA**) for fresh coconut
- Sugar Regulatory Administration (**SRA**) for sugar cane production and marketing
- Fertilizer & Pesticide Authority (**FPA**) for pesticides and fertilizers used in the production of plants and animal foods
- Others : Department of Health (**DOH**), Food & Drug Administration (**FDA**), Department of Trade and Industry (**DTI**), Food development Center (**FDC**) under **NFA**, Bureau of Agricultural and Fisheries standards (**BAFPS**), Bureau of Quarantine (**BOQ**), National Epidemiology Center (**NEC**), Research Institute of Tropical Medicine (**RITM**), National Center for Disease Prevention and Control (**NCDPC**), National Center for Health Promotion (**NHCP**)

Local Government Agencies:

- Quezon City Health Department (QCHD)
- Quezon City Veterinary Department (QCVD)
- Market Development and Administration Department (MDAD)

In Quezon City, some issues and concerns on food security and safety which are addressed are the following: sale of hot/double dead meats known as “botcha” in public and private markets; distribution and sale of expired bottled and canned goods and others.

4.4 INDUSTRY AND SERVICE

The city’s economy continues to be dominated by small to medium-scale business establishments engaged mostly in the distribution of finished products and in the provision of basic services.

Table ED-16: Number of Registered New and Renewing Business Establishments: 2010-2018

YEAR	NEW	RENEWAL	TOTAL	GROWTH RATE
2010	12,382	45,019	57,401	-
2011	12,765	48,567	61,332	6.85
2012	13,074	49,628	62,702	2.23
2013	13,417	51,098	64,515	2.89
2014	13,679	52,965	66,644	3.30
2015	12,107	54,989	67,096	0.68
2016	12,116	57,088	69,204	3.14
2017	12,368	59,961	72,329	4.52
2018	13,117	63,146	76,263	5.44

Source: Quezon City Information Technology Development Department (QC-ITDD)

As to industry type, registered businesses were classified using the Philippine Standard Industry Classification (PSIC), the classification also used by the national agencies. The PSIC provides three (3) major divisions namely: Agriculture, Industry and Services and further subdivided into sub-classes/industries. Majority of businesses (about 91.01%) belong to the Service Sector, while the Industry Sector has only 8.99% share of the total businesses. There are no business operations that registered in the Agriculture Sector, the usual case in highly urbanized cities. Furthermore, majority of city’s businesses are under the micro and small size categories.

Table ED-17: Number of Registered Business Establishments by PSIC Type: 2011-2017

INDUSTRY CLASSIFICATION	2013	2014	2015	2016	2017	% to TOTAL (2017)
INDUSTRY	3,947	3,973	3,558	4,098	6,508	8.99
Electricity, Gas, Steam, and Air Conditioning Supply; Water Supply; Sewerage, Waste Management and Remediation Activities	5	5	13	7	-	-
Construction	1,709	1,739	1,561	1,744	3,517	4.86
Manufacturing	2,233	2,229	1,984	2,347	2,991	4.13
SERVICE	60,568	62,671	63,438	65,105	65,821	91.01
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	27,922	28,306	25,044	28,721	17,423	24.09
Transport and Storage Information and Communication	1,872	2,063	3,514	2,423	6,126	8.47
Accommodation and Food Service Activities	4,318	4,567	4,758	4,794	3,719	5.14
Finance and Insurance Activities	2,855	3,058	3,318	3,087	8,553	11.83
Real Estate Activities; Professional, Scientific and Technical Activities; Administrative and Support Service Activities	17,461	17,870	15,973	18,204	11,262	15.57
Education	919	1,028	985	1,047	1,960	2.71
Human Health and Social Work Activities	1,274	1,378	1,572	1,388	3,220	4.46
Arts, Entertainment and Recreation; Other Service Activities	3,947	4,401	8,274	5,441	13,558	18.74
Total	64,515	66,644	66,996	69,203	72,329	100.00

Source: QC-Information Technology Development Department (QC-ITDD)

Table ED-18: Number of Registered Business Establishments by PSIC Type and by District: 2017

INDUSTRY CLASSIFICATION	1	2	3	4	5	6	CITYWIDE	TOTAL
INDUSTRY	1,072	1,028	783	620	801	793	1,411	6,508
Electricity, Gas, Steam, and Air Conditioning Supply	-	-	-	-	-	-	-	-
Water Supply, Sewerage, Waste Management and Remediation Activities	-	-	-	-	-	-	-	-
Construction	511	559	495	376	437	496	643	3,517
Manufacturing	561	469	288	244	364	297	768	2,991
SERVICE	8,697	11,497	13,377	7,975	5,125	4,352	16,798	65,821
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	3,115	1,989	3,597	1,340	1,340	1,103	3,446	17,423
Transport and Storage	451	342	859	496	496	523	506	3,769
Information & Communication	73	83	155	217	217	236	1,446	2,357
Accommodation and Food Service Activities	817	115	647	569	569	195	1,024	3,719
Financial and Insurance Activities	1,261	946	2,989	329	329	528	1,773	8,553
Real Estate Activities	1,063	2,117	1,924	770	770	598	1,162	9,143
Professional, Scientific and Technical Activities; Administrative and Support Service Activities	108	268	147	303	303	445	585	2,119
Education	128	256	367	150	150	166	751	1,960
Human Health and Social Work Activities	338	1,087	323	198	198	88	805	3,220
Arts, Entertainment and Recreation	108	2,018	472	89	89	27	964	3,811
Other Service Activities	1,235	2,276	1,897	664	664	443	2,336	9,747
Total	9,769	12,525	14,160	8,595	5,926	5,145	18,209	72,329

Source: QC-Information Technology Development Department (QC-ITDD)

There has been an increasing trend in the number of registered businesses from 2010 to 2018. For 2018, registered businesses are broken down as follows – 13,117 new businesses and

63,146 renewing businesses totaling to 76,263, a 5.44% increase from the previous year. The biggest increase in the number of registered businesses was in 2011, an increase of 6.85%. Average annual growth rate of registered business establishments on said period is computed at 3.63%.

Although there is an average of 12,781 new businesses that come in and register, it could be noted that the average annual increase in total number of businesses every year is only about 2,096 primarily attributed to the big annual number of non-renewing firms.

Table ED-19: Number and Percentage of Non-Renewing Business Establishments: 2010-2018

YEAR	NEW	RENEWAL	TOTAL	NON-RENEWAL	% of NON-RENEWED FIRMS FROM NO. OF RENEWED BUSINESSES	% of NON-RENEWED FIRMS FROM TOTAL NO. OF BUSINESSES
2009	10,474	43,277	53,751			
2010	12,382	45,019	57,401	8,732	19.40	15.21
2011	12,765	48,567	61,332	8,834	18.19	14.40
2012	13,074	49,628	62,702	11,704	23.58	18.67
2013	13,417	51,098	64,515	11,604	22.71	17.99
2014	13,679	52,965	66,644	11,550	21.81	17.33
2015	12,107	54,989	67,096	11,655	21.20	17.37
2016	12,116	57,088	69,204	10,008	17.53	14.46
2017	12,368	59,961	72,329	9,243	15.42	12.78
2018	13,117	63,146	76,263	9,183	14.54	12.04
Average	12,781	53,607	66,387	10,279	19.37	15.58

Source: QC-ITDO

Every year, some 15.58% of the total registered businesses do not renew their permits in the succeeding year. These non-renewing firms are those that have shut down operations due to bankruptcy, mismanagement, etc. or those that may have just continued operations without securing the required permits.

There are many businesses that may have shut down operations but have not registered/declared retirement with the city due to the high cost of retiring a business (back taxes are required to be paid) and create a tedious process as many documents have to be submitted. From July 21, 2016 to December 2018, a total of 7,496 businesses or an average of 2,500 have declared retirement as per report from the Office of the City Treasurer.

Table ED- 20: Number of Retired Businesses: 2018

YEAR	FULL	PARTIAL	TOTAL
2016	914	14	928
2017	2,958	35	2,993
2018	3,523	52	3,575
Total	6,995	101	7,496

The city government is therefore undertaking a great efforts not only in generating growth in new investments but also maintaining if not sustaining growth of old investments thru more improved and systematic business registration processing, provision of tax incentives,

conduct of inspections with apprehension of operators without permits (Suyod Buwis), and better coordination with the barangays.

4.4.1 Services

Data for the year 2017 show that majority or 91% of registered businesses belong to the Service Sector.

The biggest shares are those business firms engaged in the Wholesale/Retail Trade activities which total to 17,423 or 24.09% of the total registered businesses. It is also the number one business revenue source of the city and shown to have the highest increase amongst all sectors in number in the last three (3) years. Such is evidenced by the existence of numerous shopping malls where many retail stores operate. These malls include the five SM Malls, the Ayala Malls (Trinoma, UP Town Center and Fairview Terraces), the Robinsons Mall (Fairview, Magnolia and Galleria) and Ever-Gotesco Mall, Eton Centris, Gateway Mall and Fishermall, as well as supermarkets and groceries/convenience stores located in various parts of the city. There are also many home-based retail stores such as sari-sari stores, bakeries, carinderias mostly located in a high density residential areas. Many of these establishments engaged in the Wholesale/Retail Trade are concentrated in Districts 1 and 4.

The second major business type in the city is the Real Estate Activities; i.e. those engaged in leasing of real properties, consultancy and law offices, janitorial/messengerial/labor services, real estate broker and developer which registered a total of 9,143 and many of which are from District 1 and 4 also. Those engaged In Financial and insurance activities (composed of banks, pawnshops, money shops and financing and holding companies, etc.) with 8,553 ranked third mostly found in District 3 & 1. The other succeeding types are the following: Arts, Entertainment and Recreation (radio and TV networks, call centers etc.) with 3,811, Transport and Storage (transport companies/operators, trucking/hauling services, forwarding/freight services. Accommodation and Food Service activities mostly found in District 1, 3 & 4 at Banawe, Quezon & West Avenues, SM North, Trinoma, Cubao Commercial Area, Eastwood City, SM Centerpoint and South Triangle areas totaling to 3,719. The increasing numbers of BPO locators in the city account for a big number of businesses in category.

The Human Health and Social Work activities (hospitals, clinics, laboratories, etc.) with 3,220 and Professional, Scientific and Technical Activities; Administrative and Support Service Activities with 2,119, Information and Communication with 2,357 and lastly Education (composed of the colleges, universities, vocational schools and other training institutions) that recorded 1,960. Other Service activities (e.g. beauty salons, dress shops, tailoring shops, etc.) has a total of 9,747 registered businesses.

4.4.2 Industry

The Industry Sector has only 8.99% share of the total businesses numbering to 6,508 in 2017. This is composed of Construction businesses (construction of buildings, site preparation and development, Architectural and Engineering works, etc.) with 3,517 followed by the Manufacturing businesses (printing/publishing, assembly of motor vehicles, fabrication of metal, steel and aluminum products, etc.)

It could be noted that the manufacturing industry in particular are no longer growing in number through the years due to a national policy on industry dispersal outside Metro Manila during the 70s. Those Manufacturing businesses-labor intensive, clean industries not harmful to

the environment may however need to be revitalized and encouraged to grow due to economic benefits that such industries entail. These are mostly located in the city's traditional industrial areas at District 5 and 6 – the Balintawak and Novaliches area.

Business Data from Other National Sources / Statistics

For comparative and information purposes on the city's standing in distribution and ranking of businesses in the country and in the region, the 2017 List of establishments, Census & Technical Coordination Office, Philippine Statistics Authority data gathered and analyzed showed that 20.99% of the total businesses in the Philippines are in the NCR. Top four (4) cities with the highest number of businesses in the region are: Quezon City (39,777), Manila (36,965), Caloocan (18,339) and Makati (16,304). Wholesale and Retail Trade; Repair of Motor vehicles and Motorcycles activities and Accommodation and Food Services Activities are two (2) businesses found dominating types similar to all four localities.

*Table ED-21: Number of Business Establishments by PSIC:
Top Five (5) Cities in NCR for 2017*

PSIC CLASSIFICATION	PHILIPPINES	NCR	QC	Manila	Caloocan	Makati	Valenzuela
Agriculture, Forestry and Fishing	9,209	223	45	11	28	33	23
Mining and Quarrying	930	89	8	3	3	31	-
AGRICULTURE	10,139	312	53	14	31	64	24
Manufacturing	117,035	19,826	3,782	2,725	2,874	1,013	2,283
Electricity, Gas, Steam, and Air Conditioning Supply	1,234	140	16	6		36	3
Water Supply, Sewerage, Waste Management and Remediation Activities	1,466	171	29	10		9	54
Construction	3,387	1,434	458	101	59	184	59
INDUSTRY	123,122	21,571	4,285	2,842	2,949	1,242	2,417
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	424,061	81,631	15,687	17,290	2	4,962	4,922
Transportation and Storage	8,496	3,157	386	1,068	14	260	160
Accommodation and Food Service Activities	121,821	25,118	5,701	4,648	2,100	2,210	1,626
Information and Communication	35,730	8,054	1,199	1,666	1,088	785	503
Financial and Insurance Activities	41,143	9,091	2,059	1,592	456	1,410	269
Real Estate Activities	9,748	4,238	782	671	177	881	293
Professional, Scientific and Technical Activities	16,885	5,332	1,087	696	201	1,304	119
Administrative and Support Service Activities	16,194	5,916	1,242	1,421	220	918	176
Education	17,504	4,239	1,183	661	371	322	149
Human Health and Social Work Activities	27,422	7,504	1,944	1,334	589	669	294
Arts, Entertainment and Recreation	14,956	2,356	525	425	238	120	125
Other Service Activities	57,500	15,615	3,644	2,637	1,573	1,157	756
SERVICE	791,460	172,251	35,439	34,109	15,359	14,998	9,366
Total	924,721	194,134	39,777	36,965	18,339	16,304	11,814

Source: 2017 List of Establishments, Census & Technical Coordination Office, Philippine Statistics Authority

From this same data, the locational quotient (LQ) was computed to get information on which industries of the city are more unique, higher concentrated and have greater advantage

over the region. The Service Industry, which include Wholesale and Retail Trade, Accommodation and Food Service Activities, Financial and Insurance Activities, Human Health and Social Work Activities is considered to be the city's highly concentrated industry.

Another business data source is the Business World Publication on the Top 1,000 Corporations in the Philippine Economy 2017. From this publication, majority or about 75% of the top corporations in the country were shown to be located in the National Capital Region (NCR) with Quezon City (111 firms) ranking second to Makati City (with 223 firms) in terms of number of business establishments (mostly engaged in the Wholesale and retail activities).

Various efforts have been undertaken to improve services. Processes on business registration has been simplified and made easier thru:

- Existence of a Business-One-Stop-Shop (BOSS) which had reduced time and requirements in securing business permits.
- Improving the payment system of taxes & fees thru the opening of more satellite offices, use of over-the-counter payments in accredited banks internet banking, automated teller machines and mobile money service providers.
- Operationalizing the Philippine Business Registry (PBR) which utilizes an online integrated system connecting various concerned national government agencies (DTI, BIR, SEC, HDMF, SSS and Philhealth) in the registration of new businesses. The QC government was also the first LGU in the country to operationalize the PBR.
- Passage/Implementation of the following:
 - *Ordinance No. SP-2219, S-2013*, the QC Economic Development Incentives Code of 2013 to encourage and to accelerate Inflow of investments – the entry, expansion, modernization of the service and industry sectors in various areas of the city. It provided the creation of an Economic Development and Investment Board (EDIB), the policy making body tasked to promote, regulate and monitor investments in the city; and a Local Economic Investment Promotions Office (LEIPO) that shall serve as the implementing arm/Technical secretariat of the Board and coordinate the drafting of the QC Investment Priorities Plan and ensure compliance with the plan.
 - Ordinance adopting a Magna Carta for Micro Small Business Enterprises in QC (*Ordinance No. SP-2360, S-2014*) with the following development objectives:
 - Business environment (BE) – create an enabling business environment that is conducive to the establishment, innovation, development and sustainable growth of MSEs and entrepreneurship in the city;
 - Access to Financing (A2F) – enable MSEs and entrepreneurs to conveniently access appropriate and affordable financial services and assistance;
 - Access to Markets (A2M) - enable MSEs and entrepreneurs to maintain their current markets and penetrate new markets; and
 - Productivity and Efficiency (P & E) – enable MSEs and entrepreneurs to be innovation active and improve their capacities to develop, produce and deliver competitive products and services for the local, national and international markets.
 - Creation of the QC Small Business Development & Promotion Office (QC-SBDPO) – *Ordinance No. SP-2364, S-2014*) – QC-SBDPO was created to serve as implementing arm of

the Micro and Small Enterprises Development Council (MSED Council) and shall also function as the Technical Secretariat of the MSED Council.

City plus factors

The city continues to attract investors with its various plus factors, namely:

- *Expansive Land* – it has 160 sq. kilometer urban landscape spread over one-fourth of Metropolitan Manila.
- *Reasonably Priced Real Estate* – real estate land value and taxes are lower compared to other cities providing cost effective location.
- *Strategic Location* - It is in the heart of Metro Manila; it is accessible from the major highways and thoroughfares and mass transit system of Metro Manila
- *Young Manpower Pool* – about 1/3 of the city's population are less than 15 years old; strengthening this young population are the numerous colleges/universities and training centers which included the prestigious University of the Philippines, Ateneo de Manila, Miriam College, etc.
- *Large Consumer Market* – the city has the largest population in the country providing a big consumer market for investors.

Other factors that are continuously being improved/ maintained:

- Close private partnership with various Business sectors
- Various strategies/ programs undertaken by the city to include efficient assistance services (expeditious processing of business permits), good infrastructures, improved communication, stable policies and provision of various incentives.

The city also makes available the following national and local incentives which largely applied for firms that are registered with the Philippine Economic Zone Authority (PEZA), the Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and the Board of Investments (BOI).

National Incentives:

- 100% foreign equity in all investments except those reserved for Filipinos by mandate of the Philippine Constitution;
- Income Tax Holiday for six (6) years for pioneer firms and four (4) years to non-pioneer firms;
- Tax credit on raw materials, supplies and semi-manufactured products;
- Special Investors' Resident Visa;
- Employment of foreign nationals;
- Granting of Special Economic Zone status to tourism development zones and tourism estate and other incentives provided for under the Special Economic Zone Act of 1995 (RA 7916); and
- Private sector participation thru the Public-Private-Partnership (PPP) arrangement with the national implementing agencies and the local government units (LGUs).

Local Incentives:

- 10% discount on prompt annual payment of Business Taxes;
- 50% discount on business taxes to business enterprises with assistance of not more than P3M (Barangay Micro Business Enterprises – BMBEs Law: RA No. 9178)

4.4.3 Tourism

Tourism is an important sector for the Philippine economy. It is currently the largest and fastest growing industry in the world and has been utilized by countries and local governments as one of the foundation of economy. In the year 2017, the travel and tourism industry in the Philippines contributes almost eleven per cent (11%) to the Philippine Gross Domestic Product (GDP). The Department of Tourism (DOT) recorded 6.62 million tourists visiting the country in 2017, the highest recorded tourist arrival data. It posted an 11% growth from the 5.96 million visitors in 2016 in spite of the calamities that continue to hit the country. The strong performance of the industry imprinted significant milestones in the Philippine history which attributed to the intensified marketing campaigns. The influx of visitors during the Christmas holidays, the international media exposure of the country during major international events such as the papal visit of Pope Francis in January 2015, the country's hosting of tourism events, the Miss Universe pageant in January 2017 that help boost the country's tourism arrivals to the country.

Table ED-22: Distribution of Tourist Arrivals by Type of Tourist, NCR and Philippines: 2009-2018

YEAR	NCR			PHILIPPINES			GROWTH RATE
	Foreign	Domestic	Total	Foreign	Domestic	Total	
2009	1,205,127	702,689	1,907,816	2,756,581	260,518	3,017,099	
2010	1,480,871	815,604	2,296,475	3,239,960	280,511	3,520,471	16.68
2011	1,729,862	997,595	2,727,457	3,667,089	259,544	3,926,633	11.54
2012	1,533,450	909,212	2,442,662	4,019,167	253,644	4,272,811	8.82
2013	1,751,191	854,515	2,605,706	4,435,205	246,102	4,681,307	9.56
2014	1,122,860	748,379	1,871,239	4,582,072	251,296	4,833,368	3.25
2015	848,320	568,755	1,417,075	5,099,745	260,937	5,360,682	10.91
2016	245,138	249,545	494,683	5,719,356	247,649	5,967,005	11.31
2017	324,746	382,061	716,807	6,418,343	202,565	6,620,908	10.95
2018				6,984,808	142,870	7,127,678	7.65

Source: Department of Tourism (DOT)

In 2017, a total of 1.60 million South Koreans visited the Philippines. It is followed by China, USA, Japan, Australia, Taiwan, Canada, United Kingdom, Singapore & Malaysia which grew in number compared to previous years. In 2017, the country attracted 6,620,908 visitors and in 2018, the country welcomed a total of 7,127,768 arrivals, which hit the Seven Million mark. It had shown that during the last 5 years (2015-2018) South Korea has been the largest source of visitors to the Philippines.

The purposes of tourist visits were the following: to spend holidays, to visit friends and relatives, for official/business trips, for educational/studies, religious and civic missions, for convention, for incentives, for health/medical treatment/consultation, for shopping and others.

Quezon City as compared to its other major neighboring cities in the NCR gets only a limited share of the region's tourist market due to its distance to entry points (airport and seaport), and existence of only few accommodation facilities, most importantly internationally managed hotels. The construction of a Convention Center within the Quezon City Hall Compound this year will be of great benefit for those who come to the city to host various national/international summits, conferences, conventions and all kinds of events that require large sitting capacity.

Quezon City has 42 registered hotels (*with estimated 4,680 hotel rooms*) mostly in the standard & economy classification. It has five (5) existing resorts, 79 apartelles, 4 inns and 3 pension houses. In spite the big number of hotels, only thirteen (13) are accredited with the

(DOT) namely: *Crown Plaza Galleria Manila, Novotel Manila, Seda Vertis North, Eastwood Richmond Hotel, Luxent Hotel, B Hotel – Quezon City, Hotel 99 Inc. – Cubao, Hotel Icon Timog, Madison 101 Hotel & Tower, Microtel by Wyndham Acropolis, Microtel by Wyndham UP Techno Hub, Oracle Hotel and Residences, and Soleste Suites.*

Table ED- 23 Number of Hotels by Classification, Quezon City: 2018

CLASSIFICATION	QUEZON CITY
De Luxe	3
1 st Class	2
Standard	14
Economy	23
Total	42

Source: For NCR & Philippines – DOT; For Quezon City – Tourism Department

Based on the Tourism Research and Statistics Division, Office of the Tourism Planning Research and Information Management, Department of Tourism, the average length of stay of guests of accredited hotels in 2017 is 3.45 and an occupancy rate of 64.72% while the non-accredited hotels in Metro Manila was 6.99 nights and occupancy rates of 64.51%. The overall average occupancy rate of hotels in Metro Manila for 2017 was also placed at 64.72%, a little bit lower compared to year 2016 which is 66.77%.

The Local Tourism Development Plan aims to transform the city into a “premier urban destination and the showcase of sustainable urban tourism development in the Philippines”. It identified tourism districts for development and promotion. These are areas with inherent advantages and unique character which have become known for and particularly possessing potentials of attracting tourists/visitors. Urban design, structural and aesthetics enhancement specific to these areas shall be adopted to turn these areas into attractive and viable tourist attractions. The nine (9) identified tourism district areas cited in Development Plan are as follows: the *Civic Center District*, the *Lifestyle District*, the *Eastwood City Cyberpark*, the *Knowledge Community District*, the *Cubao Growth Center District*, the *Quezon City China Town*, the *La Loma District*, the *Sergeant Esguerra Avenue District*, and the *Maginhawa Art and Food District*. Out of this, only three (3) was declared thru Ordinance No. SP-2439, s—2015 the Maginhawa Arts and Food Hub, Quezon City Chinatown at Banawe Street (thru Ordinance No SP-2453 s-2015) and Cubao Growth Center (Araneta Center (thru Ordinance No. 2796, s-2018). There is a need to pursue the declaration of the other six (6) tourism Districts.

Tourism is considered a powerful growth engine in economic development. It produces huge exchange movements and accommodates big investments. The city capitalizes on the following tourism marketing points/assets:

QC as a Wellness Center

Quezon City is the only city in the Philippines with a large number of internationally renowned specialty hospitals that can form the base of a thriving health and wellness industry. It has the most number of hospitals, with the biggest bed capacity in the country. Its bed to population ratio is 1:287 is above the required standard of 1:500. As of 2018, there are now seventy one (71) hospitals in the city (17 government; 54 private) including the internationally known St. Luke’s Medical Center (a 644-bed, international-standard hospital facility), Philippine Heart Center (well equipped, specialty hospital in cardiovascular), National Kidney and Transplant Institute (premier, ISO-certified facility for renal disease and organ transplant), Lung Center (specialty hospital for pulmonary diseases) and the Philippine Orthopedic Hospital. The

city is also a pioneer in the stem cell therapy, the famous upscale medical treatment which is available at NKTi and St. Luke's Hospital. It has the abundance of wellness and physical fitness centers, diagnostic, dental health and beauty clinics, rehabilitation centers, nursing homes, health spas, and alternative healing centers.

Other hospital facilities in the city: the Providence Hospital at West Triangle, Commonwealth Hospital and Medical Center at the Neopolitan Business Park, the Metro North Medical Center at Mindanao Avenue, the World Citi at Aurora Boulevard and the newly improved Fe del Mundo Medical Center at Banawe Street. Such development stimulates growth of medical tourism in the city. Not only do these medical institutions provide a ready place to get good medical care but they serve as grounds/site for new learnings/trainings or venue for summits, or seminars in the medical field. Though the number of medical/hospital facilities has increased, the quality of services however still needs to be greatly improved to face challenge in the global competition.

Quezon City as ICT Capital

The ICT, with all its power to provide virtual travel experience and on-line impersonal communication for the "Global Villagers", provides tourism in person-to-world experience, a window-shop to the world. Information Communication Technology (ICT) empowers tourism, with the developed e-commerce system already taking over the entire country. Tourism finds an effective marketing ally in ICT.

Business Process Outsourcing (BPO), continues to be one of the major economic drivers of the country, in the NCR and in the city contributing greatly to Gross Domestic Product and generation of employment. As of 2018 data, there are a total of 560 IT Parks and Center/Buildings operating in the country and registered with the Philippine Economic Zone Authority (PEZA). Majority or 313 of these firms are in the NCR. Makati has the most number of IT Parks /Buildings (with 71); followed by Quezon City (with 56), and Pasig City (with 50). There are other more strong competition arising in this industry from other cities in the region such as Taguig (Global City), Mandaluyong, Pasay etc. .

Quezon City also, ranked number one in terms of declared area with the PEZA devoted to IT operations with 202.8 hectares. The city's biggest IT Parks are: the Eastwood City Cyberpark (The first IT Park in the country), UP Science and Technology Park (North)/Ayala TechnoHub, Eton Centris, Araneta Cyberpark and the Vertis North Ayala Park. Many IT developments have also been integrated in the various mall complexes.

With the continuous growth of the IT industry in the city, employment is projected to increase this year and the succeeding years. The most recent employment data gathered from the different IT-related enterprises in Quezon City as of 2015 reached to a total of 372,000 persons employed.

Recognizing the economic contributions of the Contact Center and Business Process Industry, the QC-Information and Communication Technology-Global Service Outsourcing (QC-ICT/GSO) Task Force was created to promote global services (outsourcing) industry to generate investments and employment in the city. And as support to the industry, the city provides talent development interventions to provide locators with the required competent workforce (formulated with industry partners, other stakeholders and the Kor-Phil IT Training Center).

Quezon City as Shopping Mecca of the Country

Quezon City can be called the shopping mecca of the country due to the existing big shopping malls/complexes sitting center stage in practically every dense community cluster. Among these are five (5) giant SM Malls, Robinson Malls, Ever Gotesco Mall, Gateway, the giant Trinoma Shopping Complex, the Eastwood City Mall, Eton Centris Mall, the Ayala Fairview Terraces Mall, the Walter Mart and the newly developed UP Town Center. All these shopping Centers are of international standards and fit for tourist visitors. Inside these malls are excellent recreational and entertainment facilities such as amusement centers, physical fitness centers, modern cinemas and restaurants (from fine dining to fast food which fits the tourists' pleasure).

The city is also home to other tourism facilities and activities that would also attract tourists:

Table ED-24: Famous Significant Historical Sites/ Landmarks in the City

HISTORICAL SITES	LOCATION
Quezon Memorial Shrine	QMC, Elliptical Road, Bgy. Central
Pugad Lawin Shrine	Bgy. Bahay Toro
Mabuhay Rotunda	Quezon Ave. corner E, Rodriguez Ave.
Batasan Pambansa	Batasan Road
Tandang Sora Shrine	Banlat Road, Bgy. Pasong Tamo
La Mesa Dam	Lagro
Bantayog ng mga Bayani	Along EDSA, Quezon Avenue
Camp Aguinaldo	EDSA
Camp Crame	EDSA
People Power Monument	EDSA, Bgy. Ugong Norte
Gen. Lawton Monument	Bgy. Bagong Silangan
Balintawak Monument	EDSA, Bgy. Balingasa
EDSA Shrine	EDSA, Bgy. Ugong Norte
San Pedro Bautista Church	Bgy. Damayan
Himlayan Pilipino	Bgy. Pasong Tamo
Pres. Quezon Heritage House	QMC, Elliptical Road, Bgy. Central
Sto. Domingo Church	Quezon Avenue, Bgy. Sto. Domingo
Iglesia ni Cristo Central Complex	Commonwealth Avenue, New Era
Araneta Coliseum	Cubao, Bgy. Socorro
Philippine Nuclear Research Institute	Commonwealth Avenue, Bgy. Culiati
La Loma Cockpit	Bgy. N.S. Amoranto
Quezon City Hall	Elliptical Road, Bgy. Central
Pres. Aquino Heritage House	QC Circle
Ninoy Aquino Monument	Quezon Avenue corner West Avenue

Festivals/Events

The city also hosts different festivals and activities where local and foreign visitors are gaining interest. These events are cited in the succeeding table:

Table ED -25 Important Events/Festivals in Quezon City

ACTIVITY	EVENT
Tandang Sora Birth Anniversary	January 6
Chinese New Year	February 1 st week
Anniversary of People Power (EDSA 1&2)	February 25
Flag Day	March
Santacruzán / Flores de Mayo	May
Lechon Festival	3 rd Sunday May
Independence Day	June 12
Birthday of Dr. Jose Rizal	June 19
Death Anniversary of Pres. Manuel L. Quezon	August 1
Birth Anniversary of Pres. Manuel L. Quezon	August 19
Death Anniversary of Pres. Benigno Aquino	August 21
Cry of Pugad Lawin	August 23
Alay Lakad	September (2 nd Sunday)
Feast of La Naval	October 8
Quezon City Foundation Day	October 12
Birth Anniversary of Andres Bonifacio	November 30
Battle of San Mateo	December 19
Death Anniversary of Jose Rizal	December 30

Sister-city Agreements

Tourists and potential investors are also expected to visit the city as a result of sister-city agreements forged by city officials. The city has entered tie ups with sister cities within and outside the country that promotes socio-economic and cultural exchange activities. The city however is encourage to engage more ties with highly urbanized or more industrialized cites in other countries to learn and gain advantage from the agreement.

The existing sister cities of Quezon City are as follows:

CITIES IN OTHER COUNTRIES	LOCAL CITIES
Salt Lake City, Utah, USA	Pura, Tarlak
Maui, Hawaii, USA	Wao, Lanao Del Sur
Chiba City, Japan (Miyagi)	Cotabato City
Taipei City, Taiwan	General Santos City
Daly City, California, USA	Banaybay, Davao Oriental
Agana, Guam, USA	Puerto Princesa, Palawan
Fort Walton Beach, Florida, USA	La Trinidad, Benguet
Kenosha City, Wisconsin, USA	Sagada, Mountain Province
New Westminster, British Columbia, Canada	Iloilo City
Shenyang City, People's Republic of China	Baler, Aurora
Republic of the Union of Myanmar, Yangon Region	Roxas City, Capiz

The three (3) embassies in Quezon City: the Embassy of Columbia in Araneta Center, Cubao, the Embassy of Guatemala in Barangay Blue Ridge and the Embassy of Cyprus in Barangay South Triangle.