

Service sectors perform strongly

COMMUNITY, business and social services performed better in 2018 with robust expansion observed in almost all subsectors.

The sector's gross value added (GVA) to the economy grew by 7.7% to P966.03 billion in 2018, Philippine Statistics Authority data showed. This was faster than the 6.4% posted in the previous year, which in turn was slower than the 7.5% reading in 2016.

Buoying growth in the sector is education, whose output rose by 12.9% to P412.6 billion, the fastest growth seen among subsectors last year. The subsector accounted for more than 40% of total sector output.

Sewage and refuse disposal, sanitation and similar activities came in next, expanding by 5.2% to P3.46 billion.

Recreational, cultural and sporting activities also saw its growth pick up to 3.9% in 2018 from 2017's flat 0.1% growth. Its GVA amounted to P188.36 billion last year.

On the other hand, the growth in the hotels and restaurants subsector slowed to 5.1% in 2018 from an 8.6% increment in 2017. Output from this subsector was valued at P166.16 billion.

Output growth from health and social work logged a slower pace at 3.4% (P148.11 billion) from the 2017's 8.2%. Other services (P47.34 billion) likewise slowed to 4.6% from 5.6%.

A total of 88 community, business and social services firms made it to this year's *Top 1000 Corporations in the Philippines*, posting a total of P778.79 billion in gross revenues, up 8% from P721.06 billion the previous year.



PHILSTAR

Homegrown Jollibee Foods Corp. (No. 27) was the highest grosser among corporations belonging to the sector, reporting P71.01 billion in gross revenue in 2018. This was 11.1% higher than a year earlier.

Rival Golden Arches Development Corp., operator of McDonald's restaurants, followed with P27.43 billion, up by 10.8%.

Companies under gambling and betting activities reported a gross revenue of P92.47 billion in 2018, 10.2% more than the previous year's earnings. Despite the double-digit growth, this was slower compared to its 12.5% growth in 2017.

Bloomberry Resorts and Hotels, Inc., the owner and operator of Solaire Resort & Casino, leads the pack with P34.42-billion gross revenue in 2018. This was 16% more than its P29.67 billion in 2017. Meanwhile, City of Dreams Manila operator Melco Resorts Leisure (PHP) Corp. (No. 76) and Resorts World Manila operator Travellers International Hotel Group, Inc. (No. 117) posted P32.65 billion (down 0.8%) and P22.16 billion (up 18.6%), respectively.

Sureste Properties, Inc. (No. 514), the operator of hotel and non-gaming segments at Solaire, posted a P5.27 billion in gross revenue, down 74.6%. Makati Shangri-La Hotel & Resort, Inc. (No. 665) followed suit with a P3.79 billion top line, 15.1% less than its 2017 earnings.

Companies providing administrative and support services also performed well in 2018, with their combined gross revenue higher by 7.1% to P355.75 billion, Accenture, Inc. (No. 38), remains the country's top-grossing business process outsourcing firm followed by Concentrix CVG Philippines, Inc. (No. 69). The former saw its gross revenue climb by 13.6% to P54.37 billion while the latter raked in P34.73 billion, a 2% decline. — **Marissa Mae M. Ramos**

SECTOR AT A GLANCE

YEAR	GROSS REVENUE % change	NET SALES % change	NET INCOME P billion	TOTAL ASSETS % change	TOTAL LIABILITIES % change	STOCK-HOLDERS' EQUITY % change	RETURN ON EQUITY	RETURN ON SALES	DEBT-TO-EQUITY RATIO
2014	11.9	12.9	61.80	14	22.3	9.8	0.2	0.1	0.6
2015	15.0	12.5	47.13	4.9	7.0	3.5	0.1	0.1	0.7
2016	12.8	13.6	67.54	9.1	11.9	7.3	0.2	0.1	0.7
2017	13.7	12.1	91.09	6.2	7.6	5.4	0.2	0.1	0.6
2018	8.0	10.1	86.66	23.0	25.8	21.2	0.1	0.1	0.7

Source: Financial statements from the SEC and companies included in the Top 1000

GROSS VALUE ADDED

Community, Business and Social Services
Growth in Percent (at constant 2000 prices)

