

AI to disrupt workforces before benefits show — study

A NEW STUDY by the International Labour Organization (ILO) and the World Bank concluded that developing countries are likely to experience upheaval in the workforce before they reap economic benefits from generative artificial intelligence (AI).

In a study, “Disruption without dividend? How the digital divide and task differences split GenAI’s global impact,” the ILO said that differences in digital infrastructure and task composition shape how the risks and benefits of GenAI are distributed across countries.

“Exposure to GenAI is higher in advanced economies, particularly in clerical and professional occupations. Developing countries, while less exposed overall, face structural constraints that limit their ability to benefit from the technology,” the ILO said after a review of 135 countries.

The report highlighted the role of the digital divide, noting that many workers in vulnerable jobs are already online even in lower-income settings, which could accelerate job losses.

“These jobs often represent relatively higher-quality jobs in lower-income countries, including clerical and administrative positions that have historically offered a pathway to decent work, particularly for women and young workers. The concern is that AI-driven automation could close off these pathways,” the ILO said.

According to ILO, the study also noted that “many workers in roles with potential for productivity gains lack reliable internet access in lower-income settings, limiting their ability to benefit from GenAI.” — **Erika Mae P. Sinaking**

Airports, ports still expecting passenger surge during Easter

PASSENGER TRAFFIC is still expected to rise during the Easter travel season, with both ports and airports anticipating heavier volumes, the Philippine Ports Authority (PPA) said.

The PPA is projecting port passenger throughput of 2.46 million between Palm Sunday and Easter Sunday, up 2.07% from a year earlier.

According to the port regulator, passenger traffic is expected to increase at Batangas Port, Il-oilo River Wharf, Calapan Port, Jordan Port, and Breco Port.

The New NAIA Infra Corp. (NNIC), operator of the Ninoy Aquino International Airport (NAIA), said it is expecting 1.35 million passengers to travel during the week, against 1.33 million over the same period last year.

“NNIC said passenger demand remains strong, although the

increase is lower than earlier expected due to flight suspensions and operating restrictions affecting some Middle East services,” it said.

It said it deployed more personnel at check-in counters, immigration and security screening areas to help manage the expected passenger influx.

NNIC’s new terminal assignments took effect on March 29. Terminals 1 and 3 will serve international flights. Terminals 2, 4, and the proposed Terminal 5 are designated for domestic operations.

NNIC said traffic will peak during the week at 158,884 passengers, with passenger volume averaging 143,000 daily.

It said Terminal 3 is expected to handle 712,932 passengers during the period, followed by Terminal 2 with 346,342 and Terminal 1 with 293,990.

The Land Transportation Franchising and Regulatory Board (LTFRB) said it ordered all regional directors to conduct roadworthiness inspections at bus and other public utility vehicle terminals.

“This is a yearly exodus and we expect more people and motor vehicles again to be on the road on their way to the provinces for religious observances, vacations and other activities,” LTFRB Chairman Vigor D. Mendoza said in a statement.

Meanwhile, Metro Pacific Tollways Corp. (MPTC) said it is deploying additional personnel and providing round-the-clock basic mechanical services at all North Luzon Expressway (NLEX) and Subic-Clark-Tarlac Expressway (SCTEX) rest and refuel stations.

MPTC, the tollway arm of the Metro Pacific Investments Corp.

(MPIC), also said that roadworks, lane closures and maintenance activities are also suspended during the Holy Week.

MPTC, the country’s largest toll road developer and operator, manages major expressways including the NLEX, SCTEX, Manila-Cavite Expressway, Cavite-Laguna Expressway, Cebu-Cordova Link Expressway, and the NLEX Connector Road.

MPIC is one of three key Philippine units of Hong Kong-based First Pacific Co. Ltd., alongside Philex Mining Corp. and PLDT, Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., holds a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

GOCC subsidy bill falls 22.9% in 2025 as fiscal consolidation ramps up

By Justine Irish D. Tabile
Senior Reporter

SUBSIDIES provided to government-owned and -controlled corporations (GOCCs) fell 22.9% in 2025, the Bureau of the Treasury (BTr) said.

Budgetary support provided to state-run firms amounted to P106.92 billion in 2025, down from P138.763 billion a year earlier.

State-owned firms receive monthly subsidies from the national government to support their daily operations if their revenue is insufficient.

Social Watch Philippines Senior Budget Analyst Alce C. Quitalig said the lower subsidies released in 2025 reflect the government’s fiscal consolidation efforts.

“The current administration is clearly pursuing fiscal consolidation, reducing reliance on national government subsidies to GOCCs and signaling an expectation to the GOCCs to become more self-reliant in terms of generating their own revenue,” Mr. Quitalig said via Viber.

He said the subsidies released last year were the lowest since the P103 billion released in 2016.

Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp. (RCBC), said the government in 2025 shifted its focus to profitable GOCCs to reduce the budget deficit and national government borrowings.

In 2025, the National Irrigation Administration (NIA) topped the subsidy list with P47.239 billion or 44.2% of the total.

This was followed by the National Food Authority (NFA), which received P14.404 billion, and the Power Sector Assets and Liabilities Management Corp., with P8 billion.

Other GOCCs on the subsidy list were the Philippine Crop Insurance Corp. (P5.85 billion), the Philippine Retirement Authority (P4.433 billion), the Philippine Food and Drug Administration (P3.765 billion), the Philippine Heart Center (P2.409 billion), and the Philippine Rubber Research Institute (P2.112 billion).

Government financial institutions (GFIs) received the fewest subsidies, with the Land Bank of the Philippines receiving P7 million for 2025.

Mr. Quitalig said the lower subsidies to GFIs could be a by-product of GOCC reclassification.

“The government reclassified certain GOCCs, shifting some from the category of GFIs to other GOCCs, and vice versa,” he said, citing the reclassification of the Philippine Crop Insurance Corp. from the GFI category to the other GOCC category in 2024.

“Indeed, Social Housing Finance Corp., Credit Information Corp., Philippine Deposit Insurance Corp., and National Home Mortgage Finance Corp. received no subsidies in 2025, highlighting uneven treatment across institutions,” he added, noting that the four agencies are GFIs.

The other agencies that received minimal subsidies were the Tourism Infrastructure and Enterprise Zone Authority, which received P22 million, and the Philippine Health Insurance Corp. (PhilHealth), which received P27 million.

According to Mr. Quitalig, subsidies for PhilHealth have been on the decline since 2023 from over P80 billion annually.

In 2023, subsidies to PhilHealth totaled P50.7 billion. This fell to P9.6 billion in 2024.

The other GOCCs that received less than P100 million in subsidies in 2025 were the Zamboanga City Special Economic Zone Authority (P47 million), the Philippine Center for Economic Development (P59 million), the Philippine Tax Academy (P60 million), and the Southern Philippines Development Authority (P84 million).

Mr. Quitalig said steep cuts were made in the housing and irrigation GOCCs, with the National Housing Authority (NHA) receiving P1.4 billion in 2025, down from P5 billion in 2024,

the NIA receiving P47 billion against P71 billion previously, and the Pampansang Pabahay Para sa Pilipino Program, which received P758 million, down from P1.1 billion.

“These reductions raise a critical question: What does this shift mean for nonfinancial GOCCs tasked with essential services and for citizens who depend on them?” he said.

“These nonfinancial GOCCs with social functions face operational strain and tighter budgets, which may constrain their ability to deliver essential services,” he added.

At first glance, he said that the 2025 subsidy report shows a smoothed-out monthly distribution.

“Some subsidy releases remain uneven, notably for NIA, NHA, and PhilHealth,” he said.

Banana,
from S1/1

Mr. Laurel earlier told reporters that the country’s banana sector can leverage their geographic proximity advantage over South American suppliers to redirect shipments to traditional East Asian markets like Japan.

“The main factor that could affect banana exports is freight costs. Because Japan is relatively close, we may have a slight advantage over South American suppliers,”

he said on the sidelines of a Senate hearing last week.

Mr. Laurel said that, despite lower tariffs for South American suppliers, the Philippines maintains a competitive edge in banana exports due to shorter shipping distances and lower freight costs.

Japan is the country’s biggest market for fresh bananas, with exports valued at \$920.49 million in 2025. It is also the Philippines’ second-biggest market for fresh pineapple in East Asia, with shipments at \$174 million.

Holy Week,
from S1/1

“Fuel prices have just started moving, and most Filipinos have already made their bookings,” Alfred Lay, director for hotels, tourism and leisure at Leechiu Property Consultants, said in a Viber message. “Holy Week travel is just too deeply ingrained in our culture to cancel lightly.”

The bigger concern is how long higher costs will persist if geopolitical risks remain unresolved, Mr. Lay said.

TIGHTER BUDGETS, SHORTER TRIPS

The peso weakened to a record low of P60.55 against the dollar on March 27, reflecting the currency’s sensitivity to oil price shocks. Fuel prices in Metro Manila continued to surge last week, with diesel reaching as much as P144.20 a liter and gasoline P102.50 a liter. Kerosene prices have risen to about P166 a liter.

Those increases have filtered through the transport sector. Jet fuel prices rose 12.6% week on week to \$197 per barrel as of March 29 and surged 118.8% from a year earlier, according to the International Air Transport Association.

Airfares are poised to rise further after the Civil Aeronautics Board raised the passenger fuel surcharge to Level 8 for April, the highest in almost two years. At that level, airlines may charge fuel surcharges ranging from P253 to P787 for domestic flights. International flights from the Philippines may carry surcharges of P835.05 to P6,208.98, depending on distance.

“Even if the Middle East situation is resolved tomorrow, it would still take months for fuel costs to come down meaningfully — and the airline industry doesn’t just flip a switch,” Mr. Lay said.

Higher fuel prices are also weighing on land transport. NLEX Corp., a unit of Metro Pacific Tollways Corp., projects a 1% decline in traffic volume this year due to elevated fuel prices.

The Parañaque Integrated Terminal Exchange last week warned of possible bus

shortages as some operators limit trips to reduce fuel consumption.

The oil shock, which has strengthened the dollar, is driving higher costs across airfares, accommodation, fuel surcharges and food, said Jonathan L. Ravelas, a senior adviser at Reyes Tacandong & Co.

“For ordinary Filipinos, that means tighter budgets or shorter trips, even for nearby destinations,” he said in a Viber message.

Those pressures are already reshaping spending behavior. Room upgrades, tour packages and higher-end dining are among the first casualties as travelers pare back, Mr. Lay said.

Hotels are responding selectively. Joey Roi H. Bondoc, director and head of research at Colliers Philippines, said some local hotels have offered discounts of up to 50% to attract guests.

“Previously, if Holy Week was easily a peak period, we might not see that at least this year given increasing gas prices,” he said by telephone.

Travelers are being urged to plan carefully. “Plan early, lock in promos, and be flexible,” Mr. Ravelas said.

“Travelers shouldn’t expect relief just because the news cycle moves on,” Mr. Lay said. “Layer in the peso weakness and broader inflation, and I’d say operators should be planning for a budget-conscious traveler well into the rest of the year.”

For some, that adjustment is already under way. Arthur H. Bo, a 25-year-old marketing professional based in Manila, opted to spend Holy Week in Pampanga instead of flying to Cebu.

Traveling by land is cheaper, he said. Mr. Bo chose to stay in an Airbnb rather than a hotel and plans to curb food spending by bringing packed meals or eating at fastfood chains.

Two weeks before the trip, he scaled it back to an overnight stay from the three days he had originally planned.

“Usually, when I travel, I have wiggle room to spend,” he told *BusinessWorld* by telephone. “But since the crisis happened, I’ve been forced to be mindful of my budget.”

DigiPlus teams up with Manny Pacquiao to expand digital push

Pacquiao-branded games roll out on BingoPlus, ArenaPlus, GameZone

DigiPlus Interactive Corp. has partnered with boxing legend Manny Pacquiao in a bid to widen its reach in the Philippines’ digital entertainment market.

The collaboration, unveiled on March 25 in Bonifacio Global City, Taguig, centers on nine Pacquiao-themed titles developed for Filipino players, along with brand endorsements, tournament activations and payment integration through Pacquiao-chaired fintech platform MannyPay.

DigiPlus Chairman Eusebio H. Tanco frames the collaboration as a content-led effort that draws from Mr. Pacquiao’s career and public image.

“As the digital entertainment scene in the Philippines continues to evolve, our audience is seeking more than just games. They want authentic, narrative-driven experiences,” Mr. Tanco told the media.

At the core of the rollout is a lineup of titles that includes “Super Ace Pacquiao,” “Pacman’s Color Game,” “Wild Bounty Pacquiao,” “Pacquiao Fortune,” “Gates of Manny Super PacMan,” and “Fortune Gems Pacquiao.” Additional releases scheduled for the year include “Boxing King Pacquiao,” “Pacman’s Bingo Boom,” and “Manny Punch.” These games can be accessed at BingoPlus, ArenaPlus, and GameZone apps.

The company said the games draw from popular mechanics in the local market and were designed to reflect the achievements and fighting style of the boxing icon.

Beyond game titles, ArenaPlus will sponsor Mr. Pacquiao in his upcoming fights, while GameZone will anchor campaigns on competitive table game tournaments featuring Filipino card games such as Tongits and Pusoy.

Rafael Jasper S. Vicencio, president of AB Leisure Exponent,



(From 2nd from left) Boxing icon Manny Pacquiao and DigiPlus Chairman Eusebio H. Tanco exchange tokens of partnership, with MannyPay President and CEO Marc Bundalian (left), and AB Leisure Exponent and Total Gamezone Xtreme President Rafael Jasper S. Vicencio (right).

Inc. and Total Gamezone Xtreme, Inc., described the partnership as a milestone for the company’s growth.

“Manny Pacquiao is a global icon. Having a legend like him in our corner is a big boost for our brands,” Mr. Vicencio said. “Whether it’s to our games or supporting Manny in upcoming fights, our goal is to deliver to the local community, uplifting the local community and championing the spirit of the winner.”

On the other hand, DigiPlus will integrate MannyPay across all their gaming services. The payment service will enable users to transfer and manage funds within the ecosystem.

Marc Bundalian, chief executive officer of 7th Pillar Integration Systems Corp., said the deal will show the dedication of MannyPay to deliver fast and continuous service for Filipinos.

“Our partnership may [show] a kind of integration that is seamless. Players get safety settlements

moving from playing to managing funds instantly. We target 99.5% uptime, 24/7,” Mr. Bundalian said.

According to Mr. Pacquiao, his partnership with DigiPlus carries personal meaning as he expands his work beyond boxing into business and financial services.

“I come from humble beginnings. I know what it feels like to struggle, to hope, and to work hard for a better life. That is why every partnership I enter into is something I dig personally. I always ask myself, and that is why this partnership is very important to me,” he explained.

He added that the initiative ties his platform more closely to Filipino audience.

“Together, we are not just building business, we are building opportunities for Filipinos to have better access, better experience, and a better future. As your ambassador, I commit to supporting this vision. I commit to presenting not just the brand but the purpose behind it,” Mr. Pacquiao said.