



SPECIAL RELEASE

GROSS REGIONAL DOMESTIC EXPENDITURE OF WESTERN VISAYAS: 2018-2019

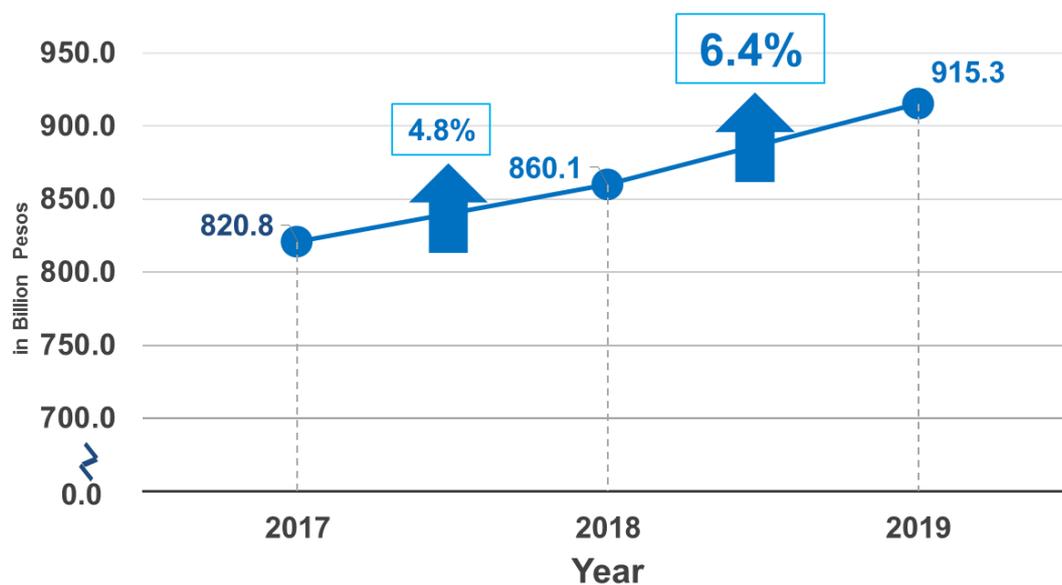
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Explanatory Notes

This special release presents the Gross Regional Domestic Expenditure (GRDE) of Western Visayas for the years 2018 to 2019. GRDE measures the economic performance of the region in terms of spending. It is the total expenditure of residents in our region plus their expenditures in other regions including the rest of the world. All growth rates and levels presented in this special release are at constant prices with 2018 as the base year.

Figure 1. Performance of the Economy, Western Visayas, 2017 to 2019
At Constant 2018 Prices, in Billion Pesos



The economy of Western Visayas grew by 6.4 percent in 2019

In 2019, the economy of Western Visayas accelerated by 6.4 percent, faster than the 4.8 percent growth posted in 2018. It recorded PhP 915.3 billion pesos in 2019, closing to one trillion. This is an increase of PhP 55.2 billion pesos from its 2018 level with 860.1 billion pesos. It is evident that the Western Visayas' economy expanded as shown in the consistent growth in the past three years.



Figure 2. Growth Rates by Expenditure Item: Western Visayas, at Constant 2018 Prices, in percent, 2018 to 2019



Gross Capital Formation had the fastest growth

Household final consumption expenditure recorded a 5.4 percent growth in 2019 while Government final consumption expenditure grew by 8.0 percent. Gross Capital Formation accelerated by 9.8 percent. Exports of goods and services to the rest of the world had a 4.4 percent growth. On the other hand, Import of goods and services from the rest of the world declined by 7.4 percent. Net exports of goods and services to the rest of the Philippines, which is exports minus import to the rest of the Philippines, grew by 8.1 percent.

Table 1. Share of Expenditure Items to the Regional Economy: Western Visayas, at Constant 2018 Prices, in percent, 2019

Expenditure Items	Percent Share
Household final consumption expenditure	90.0
Gross Capital Formation	18.7
Government final consumption expenditure	12.5
Exports to Rest of the World	7.7
Imports from Rest of the World	17.3
Net Exports to the Rest of the Philippines	-11.6

Household Final Consumption Expenditure is the main driver of the region's GRDE

In terms of the share of the expenditure items to the regional economy in 2019, Household Final Consumption Expenditure shared the largest at 90.0 percent. Gross Capital Formation followed with 18.7 percent share, Government Final Consumption Expenditure with 12.5 percent and Exports to the rest of the world contributed 7.7 percent. The share of 17.3 percent of Imports from the rest of the world and the negative share of 11.6 percent in Net Exports to the rest of the Philippines translates to a larger imports than exports.

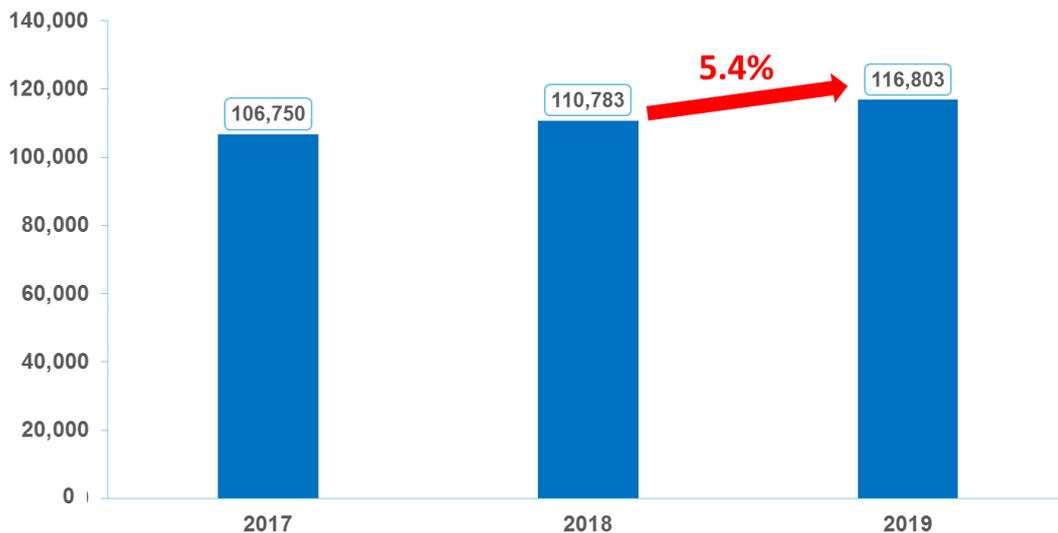
Table 2. Contribution to Growth, by Expenditure Item: Western Visayas, at Constant 2018 Prices, in percentage points, 2018 to 2019

Expenditure Items	Contribution to Growth
Household final consumption expenditure	4.9
Gross Capital Formation	1.8
Government final consumption expenditure	1.0
Net Exports	-1.3

Household spending is the greatest contributor to the region's growth in 2019

Of the 6.4 percent regional growth in 2019 by expenditure item, Household Final Consumption Expenditure with 4.9 percentage points contributed the largest. Gross Capital Formation contributed 1.8 percentage points and Government Final Consumption Expenditure, 1.0 percentage point. Meanwhile, total Net Exports pulled down the region's economy by 1.3 percentage points.

Figure 2. Per Capita GRDP/GRDE: Western Visayas, at Constant 2018 Prices, in Pesos, 2017 to 2019



Per Capita GRDE of the region increased by 5.4 percent

The Per Capita GRDP/GRDE is derived by dividing the region's economy of 915.3 billion over the region's total population in 2019. The estimated contribution of each individual in Western Visayas stood at 116,803 pesos, which is higher by about 6,000 pesos from the 110,783 pesos in 2018. This translated by an increase of 5.4 percent in 2019.

TECHNICAL NOTES

The Gross Regional Domestic Expenditure (GRDE) is intended to complement the current series of the Gross Regional Domestic Product (GRDP), which is being published by the Macroeconomic Accounts Service (MAS) of the Philippine Statistics Authority (PSA). GRDE is defined as the expenditure of residents of the region in the domestic territory plus their expenditures in other regions including the rest of the world.

- Household Final Consumption Expenditure (HFCE) covers both individual and institutional households, as well as non-profit institutions serving households (NPISH).
- Government Final Consumption Expenditures (GFCE) is the summation of the Gross Value Added (GVA) of Public Administration (PAD) by region, which is estimated for the GRDP and the intermediate consumption of the government, which is estimated for the GRDE, including the government expenditures for individual services (i.e. public health, public education and social welfare).
- Gross Capital Formation is composed of five sub-items construction, durable equipment, breeding stocks and orchard development, intellectual property products, and changes in inventories.
- In the absence of data on regional trade flow, net export is derived as a residual item. Hence, net export refers to the combined effect of the income flows between regions, the commodity flows between regions and the rest of the world.



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