

# PHILIPPINES: INCOME FROM TOURISM GREW BY 10% IN 2011



The Philippines' tourism industry recorded a significant upsurge in income in the year 2011, according to data gathered by the National Statistical Coordination Board (NSCB). It was reported that a 10.2 percent increase was incurred that year from activities associated with the country's various tourism efforts.

Domingo Ramon C. Enerio, Undersecretary of the Philippine Department of Tourism, noted that there has been a marked influx of tourists in 2011. **The amount of both local and foreign travelers in the country has in fact notably increased, compared to the numbers in 2010 and the preceding years.** Usec. Enerio has also observed that recent developments in the country have given rise to overall economic advancement, including improvements in the business sector.

In support of Usec. Enerio's assertion, the NSCB affirmed that the total revenue gained from both local and foreign travelers in 2011 escalated to an amount of PhP 571.3 billion (EUR 10.8 billion) – an increase of a little over ten percent from the previous year. This amount was reportedly generated from several different tourism-related enterprises; the most significant of which was shopping, having contributed almost twenty-three percent (22.9%) of the total revenue.

Other significant avenues of tourist-related expenditures were made on lodging and accommodation, which comprised 11.2 percent of the total, as well as entertainment and recreation, which contributed 6.8 percent.

**The Philippine tourism industry had thus substantially contributed to the country's total gross domestic product in 2011, with a share of 5.9 percent.** This indicated a slight but noteworthy increase of 0.1 percent from the statistics gathered from the last decade.

Concurrently, the Philippine Tourism Satellite Account developed by the NSCB in conjunction with the Department of Tourism similarly observed an increase of disbursements made by local travelers. From PhP 783.4 billion (EUR 14.7 billion) in 2010 to PhP 995.7 billion (EUR 18.8 billion) in 2011, expenditures went up remarkably by a little over 27 percent. This report is also verified by the Interagency Committee on Tourism Statistics.

Based on the same research, a 13.9 percent increase of expenditures by non-residents or foreign tourists was also noted during that year. From PhP 109.2 billion (EUR 2 billion) in 2010, the amount went up to PhP 124.5 billion (EUR 2.3 billion) in 2011.

According to the data gathered from the PTSA, the bulk of tourism-related income was incurred from shopping: purchases made by both local vacationers and foreign visitors generated 28.5 percent of the tourism industry's returns in 2011. A large amount of expenditures were also made on food and beverages, comprising 25.6 percent of that year's total, as well as lodging and accommodation, which make up 24.5 percent.

Undersecretary Enerio purports that **a substantial portion of the tourism industry's boost in income can also be partially attributed to the various companies in the private sector**

**whose efforts have greatly encouraged travelling throughout the country.** This involves enterprises such as airlines and travel agencies.

The tourism sector has also prominently contributed to Philippine employment. It provided as much as 3.8 million job opportunities in the past year, which comprised 10.3 percent of the total employment offered by the many different industries in the country. This number increased slightly from the 3.7 million opportunities it provided in 2010, which made up 10.2 percent.

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