

Chapter 1

INTRODUCTION

1.1. 2006 Census of Philippine Business and Industry - Overview

The 2006 Census of Philippine Business and Industry (CPBI) is a forerunner of the 2000 CPBI and a continuing activity of the National Statistics Office. It aims to collect information on the structure and trends of economic activities in the entire country for the year 2006. The 2006 CPBI will be conducted in 2007.

The 2006 Input-Output Survey of Philippine Business and Industry (IOSPBI) is a rider survey to this census undertaking. This survey will gather detailed information on revenue, costs and inventories for the construction of the inter-industry accounts or the input-output table (I-O). This is a useful tool for both government and private sector in analyzing inter-industry linkages and for other studies like forecasting and price-cost analysis.

1.2. Historical Background

The 2006 CPBI is the 14th in the series of economic censuses conducted in the Philippines. The 13 other economic censuses were conducted for reference years 1903, 1918, 1939, 1948, 1961, 1967, 1972, 1975, 1978, 1983, 1988, 1994 and 1999. Below are the highlights of these censuses.

- **1903 Industrial Census** – This Census, undertaken as part of the Census of Agriculture, Social and Industrial Statistics during the American occupation, covered manufacturing only. The results of this census were compiled by the United States Bureau of the Census, Washington D.C. and published in Volume IV – Agriculture, Social, and Industrial Statistics.
- **1918 Census** – The second census of establishments was undertaken by the Government of the Philippine Islands – Census Office. It covered schools and manufacturing establishments.
- **1939 Economic Census** – This was undertaken in accordance with Commonwealth Act 170. It was in this census that electrical machine equipment were used for the first time in the processing of collected data. Results were published in Volume IV of the 1939 Census Reports. It covered for the first time forestry, transportation, fisheries, mines and electric light and power.

The census of forestry covered all licensed and registered establishments engaged in forestry industry but excluded those engaged solely in the sale and distribution of forestry products. The enumeration was made almost entirely by field personnel of the Bureau of Forestry who obtained information through personal visits and interview with the owner or official of the forestry establishment.

The census of transportation covered all licensed and registered establishments engaged in transportation except those using solely animal drawn means of transportation like calesas, carromatas, etc. It was taken largely by mail.

The census of fisheries covered individuals, partnership, associations, corporation and government agencies engaged in fishing on a commercial scale.

The census of mines covered all mining establishments except those engaged in quarrying of stone, marble, sand and gravel.

The census of electric light and power covered 198 electric light and power companies in operation in 1938 under franchise from the Public Service Commission.

- **1948 Economic Census** – In addition to the five economic activities namely: forestry; transportation; mines; fisheries; and electric light and power covered in the 1939 Economic Census, the following were also included:

1. Commerce;
2. Private Schools and Hospitals
3. Professions.

- **1961 Economic Census** – This Census was by far the most ambitious of all the censuses of establishments ever taken. It covered eight (8) major economic activities, namely:

1. Forestry, Logging and Fishing;
2. Mining and Quarrying;
3. Manufacturing;
4. Construction;
5. Utilities (electric light and power, gas manufacturers and distribution, and water supply);
6. Commerce (wholesale and retail);
7. Transportation and Communications;
8. Services (business, personal and recreational).

Because it provided for comprehensive basic information on almost all sector of the economy, this census was chosen as the benchmark year for the first input-output table ever constructed for the Philippines.

- **1967 Economic Census** – It covered eight (8) major economic activities as that of the 1961 Census. The industrial classification adopted was the United Nations International Standard Industrial Classification (ISIC). As part of the information campaign of this Census, Presidential Proclamation No. 146 was issued declaring 1967 as the **Economic Census Year** for the *“preparation and systematic maintenance by all establishments.... Of their records... as of 1967 which the Bureau of the Census and Statistics purposes to collect in the early part of 1968.”*

- **1972 Census of Establishments** – Starting 1972, the census was renamed Census of Establishments. It has the same scope and coverage as the two previous censuses. It also adopted the U.N. International Standard Industrial Classification scheme.

- **1975 Census of Establishments** – The 1975 Census of Establishments was undertaken by the Authority of Commonwealth Act No. 591 and Presidential Decree No. 418, reconstituting the Bureau of the Census and Statistics as a new agency known as the

National Census and Statistics Office under the administrative supervision of the National Economic and Development Authority.

- **1978** Census of Establishments – This covered the same economic sectors as that of the 1975 census.
- **1983** Census of Establishments – The agriculture sector was dropped from the scope of the census and concentrated on the non-agricultural sectors.
- **1988** Census of Establishments – The agriculture sector was again included as among the sectors covered.
- **1994** Census of Establishments – This covered the same economic sectors as that of the 1988 Census.
- **2000** Census of Philippine Business and Industry – This is the first census that covered all fourteen (14) economic sectors in the entire country as stated in the 1994 PSIC. Starting year 2000, the title of the census undertaking was renamed as Census of Philippine Business and Industry (CPBI) with a reference year 1999.

The change in title, from Census of Establishments to Census of Philippine Business and Industry, was made *“in order to be more reflective of the data being produced from the said establishment inquiries.”* The modification of the title and methodology was approved in NSCB Resolution No.3 Series of 2000.

1.3. Legal Authority for 2006 CPBI

Like all censuses and surveys conducted by the National Statistics Office, the conduct of the 2006 CPBI and the rider survey are authorized by various legislative acts and presidential directives namely:



- **Commonwealth Act No. 591** approved on August 19, 1940 (An Act to Create the Bureau of the Census and Statistics, to Consolidate Statistical Activities of the Government Therein) which empowers the Bureau, among other things, to prepare for and undertake all censuses of population, agriculture, industry and commerce.



Section 3 of Commonwealth Act No. 591 states that:

“... Any person who fails or refuses to accomplish, mail or deliver such questionnaire or form received by him to the Bureau of the Census and Statistics... or any person who in accomplishing any such questionnaire or form, knowingly gives data or information which shall prove to be materially untrue in any particular, or in any person who signs such questionnaire or form after it has been accomplished in the knowledge that it is untrue in any particular shall upon conviction, be punished ...”

- **Presidential Decree No. 418** dated March 20, 1974 (Reconstituting the Bureau of the Census and Statistics as a new agency to be known as the National Census and Statistics

Office, under the administrative supervision of the National Economic and Development Authority).

➤ **Executive Order No. 121** dated August 4, 1987 (**Reorganization Act of the Philippine Statistical System**)

Renaming the National Census and Statistics Office (NCSO) to National Statistics Office (NSO) which shall be the major statistical agency responsible for generating general purpose statistics and undertaking such censuses and surveys as may be designated by the National Statistical Coordination Board.

➤ **Executive Order No. 352** dated July 1, 1996 (**Designation of Statistical Activities that will generate critical data for decision-making by the Government and the Private Sector**)

Approving the designated activities and statistics that have been designated by the National Statistical Coordination Board (NSCB) for adoption by the Government. Among others, the ASPBI is a designated statistical activity and the results generated from the survey are designated statistics.

➤ **Executive Order 5** dated July 29, 1998 (**Strengthening the National Statistics Office**)

Authorizes the Office to delegate more substantive and administrative functions to the field offices to transform them from a mere data collection arm to statistics-producing units. Refocus the functions of the central office units towards developmental planning, design and analysis of designated statistical activities as well as other surveys and statistical studies requested by government agencies and international organizations.



1.4. Confidentiality of Information



Section 4 of Commonwealth Act No. 591 states that:

“... Data furnished to the Bureau of the Census and Statistics will be kept **STRICTLY CONFIDENTIAL** and shall not be used as evidence in court for purposes of taxation, regulation or investigation; nor shall such data or information be divulged to any person except authorized employees of the Bureau of the Census and Statistics Office, nor shall data be published except in the form of summaries or statistical tables in which no reference to an individual, corporation, association, partnership, institution or business enterprise shall appear. Any person violating the provisions of this section shall upon conviction, be punished by fine of not more than six hundred pesos, or by imprisonment for not more than six months, or by both...”

1.5. Uses of the 2006 CPBI Data

The data collected from the CPBI will constitute bases upon which the government and the private sector can formulate policies and evolve economic development plans.

Specifically, the census results are used in:

1. constructing national and regional income accounts of the Philippine economy;
2. formulating and monitoring plans/policies in the attainment of national and regional economic goals;
3. determining and comparing regional economic structures and performances;
4. providing updates for the frame of establishments; and
5. conducting market research and feasibility studies.

1.6. CPBI Slogan and Logo

Providing Statistics for a Globally Competitive Economy - This is the challenging phrase of the 2006 CPBI slogan, which goes along with the CPBI logo.



The 2006 CPBI logo is the same design used in the 2000 CPBI and in previous annual surveys of 2002, 2003 and 2005. The logo, which is a stylistic representation of the Filipino flag, capsulizes the objectives of the 2006 CPBI.

The GOLDEN sun represents the vision of hope which reaches out like the sun's rays for the improvement of the quality of life of all Filipinos; the RED chart, the desired trend of the country's economic progress; the WHITE building, the business and industries that propel the growth of the economy; while the BLUE background symbolizes the cooperation between and among the data providers, data producers and data users.

1.7. Reference Period

All information collected in the 2006 CPBI refers to calendar year 2006. Employment data collected is, however, as of November 15, 2006. If the establishment uses fiscal year, this is acceptable provided previous year annual reports used the same period of reporting.

"For the commandment is a lamp and the teaching a light, and the reproofs of discipline are the way of life"

Chapter 2

2006 CPBI DESIGN

2.1. Scope and Coverage

The 2006 CPBI is a nationwide undertaking confined to the **formal sector** of the economy and as such excludes the “informal” sector. NSCB Resolution No 15, series of 2002 (Adoption of an Official Definition on the Informal Sector) provides an operational definition of the informal sector for statistical purposes :

*The **informal sector** shall refer to household unincorporated enterprises which consists of both informal own-account enterprises and enterprises of informal employers. Informal own-account enterprises are household unincorporated enterprises owned and operated by own-account workers, either alone or in partnership with members of the same or other households which may employ unpaid family workers as well as occasionally/seasonally hired workers but do not employ employees on a continuous basis.*

Enterprises of informal employers are household unincorporated enterprises owned and operated by own-account workers, either alone or in partnership with members of the same or other households which employ one or more employees on a continuous basis.

Particular cases that are excluded in the informal sector are the following:

1. Corporations
2. Quasi-corporations
3. **Units with 10 or more employees**
4. Corporate farms
5. Commercial livestock raising
6. Commercial fishing.

The **exclusions** in the operational definition of the informal sector are the units that will comprise the **formal sector** and will be qualified as follows. The formal sector will be composed of :

1. Corporations and partnerships
2. Cooperatives and foundations
3. Single proprietorships with employment of 10 or more
4. Single proprietorship with branches.

Hence, the 2006 CPBI covers only the following:

1. All establishments with **Average Total Employment (ATE) 10 or more**, and

2. All establishments with ATE less than 10, except those establishments with Legal Organization (**LO=1**, single proprietorship) and Economic Organization (**EO=1**, single establishment),

that are engaged in economic activities, classified according to the amended 1994 Philippine Standard Industrial Classification (PSIC), as listed in the Table 2.1.

Table 2.1. Coverage of the 2006 CPBI

1994 PSI	ECONOMIC ACTIVITY	COVERAGE
A	Agriculture, Hunting and Forestry	All establishments
B	Fishing	All establishments
C	Mining and Quarrying	All establishments
D	Manufacturing	All establishments
E	Electricity, Gas and Water Supply	All establishments
F	Construction	All establishments
G	Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	All establishments, except sari-sari stores with no regularly paid employee; and retail sale via stalls and markets (G52520)
H	Hotels and Restaurants	All establishments
I	Transport, Storage and Communications	All establishments, except operators of tricycles, pedicabs (I60930); operators of and Asian Utility Vehicles (AUVs) (I60920); and government postal (I64110) and government telegraphic offices; and booking offices of foreign
J	Financial Intermediation	All establishments, except Central Bank (J651)
K	Real Estate, Renting and Business Activities	All establishments, except those engaged in letting and operating real estate such as residential and non-residential buildings and land rentals (K70110).
M	Education	All establishments, except those engaged in public education (M80)
N	Health and Social Work	All establishments, except those engaged in public medical, dental and other health services (N8511)

Cont.

Table 2.1. Coverage of the 2006 CPBI (Conc.)

1994 PSI	ECONOMIC ACTIVITY	COVERAGE
O	Other Community, Social and Personal Service Activities	All establishments, except those activities of membership organizations, n.e.c. such as Activities of business and employers organizations (PSIC O911), Activities of trade unions (PSIC O912) & Activities of other membership organizations, n.e.c (PSIC O919).

Note: The following major divisions are excluded from the coverage of the census and all other establishment surveys of NSO: (P) - Private Households with Employed Persons, (Q) - Extra-Territorial Organizations and Bodies, and (L) - Public Administration and Defense; Compulsory Social Security.

2.1.1. Rationale for the Coverage of the Formal Sector

The decision to include only the formal sector in the 2006 CPBI coverage was based on the contribution of this group to the value added of the major sectors. The 2003 ASPBI results show that the formal sector's contribution by sector is at least 50 percent. In ten of the 14 major sectors, value added of the formal sector ranges from 80 to 100 percent of the major sector's total.

Another consideration was the quality of the census frame. The census frame is extracted from the List of Establishment (LE). The series of updating operations since 1999 focused more on the updating of the "formal sector". Budgetary constraint was the reason why coverage was limited to these economic units.

The absence of clear delineation between household operated activities and businesses is one of the problems encountered in the creation of the frame. Limiting the coverage of the LE to the formal sector clearly defines the units in the CPBI frame.

Table 2.2 shows the Value Added contribution of establishments with ATE less than 20 and ATE 20 and over by major sector.

Table 2.2. Value Added Contribution for ATE less than 20 and ATE 20 and over by Major Sector: 2003

Sector	Contribution to Value Added	
	ATE < 20*	ATE >= 20
Agriculture and Forestry	13.52	86.48
Fishing	17.90	82.10
Mining and Quarrying	-0.46	100.46
Manufacturing	5.83	94.17
Electricity, Gas and Water	0.81	99.19
Construction	22.81	77.19
Wholesale and Retail Trade	57.20	42.80

Cont.

Table 2.2. Value Added Contribution for ATE Less than 20 and ATE 20 and over by Major Sector: 2003 (Conc.)

Sector	Contribution to Value Added	
	ATE < 20*	ATE >= 20
Hotels and Restaurants	50.09	49.91
Transportation, Storage and Communication	3.54	96.46
Financial Intermediation	16.14	83.86
Real Estate, Renting and Business Activities	26.12	73.88
Education	12.59	87.41
Health and Social Work	33.56	66.44
Other Community, Social and Personal Services	17.66	82.34

Source: 2003 ASPBI

2.2. Unit of Enumeration

The statistical unit or unit of enumeration used in the CPBI is the **establishment**. An establishment is defined as:

"An economic unit under a single ownership or control, i.e., under a single legal entity, engaged in one or predominantly one kind of economic activity at a single fixed location."

Examples of establishments are stores, shops, factories, mining companies, construction companies, electric plants, transportation operators, radio stations, hotels, restaurants, banks, insurance companies, and real estate developers. Ambulant peddlers and hawkers are not considered establishments because they do not have fixed business locations. Refer to Table 2.3 for the different kinds of establishments.

In actual practice, however, there are difficulties in applying the ideal definition so the establishment is defined in operational terms to take into account the organization and record-keeping practices of certain sectors by making the single location and activity criteria more flexible. Thus, the operational definition of an establishment is as follows:

"the unit that is engaged in the production of the most homogeneous group of goods and services, usually at one location, but sometimes over a wider area, for which separate records are available that can provide data concerning the production of these goods and services and the materials, labor and physical resources used in this production."

The above definition is applicable for the following sectors: construction; transport, storage and communications; insurance; pre-need plan; real estate buying, developing, subdividing and selling; and investigation and security activities. It is then necessary to use the **kind-of-activity unit** for these sectors as this eliminates the single location restriction.

Table 2.3 Kind of Establishments

<i>Agricultural Establishment</i>	Farm, plantation, hacienda, or ranch company engaged in the production of agricultural crops, livestock, poultry and other animals including animal products; firm providing agricultural, animal & horticultural services
<i>Forestry Establishment</i>	Company engaged in logging operation; planting, replanting & conservation of forest; hunting, trapping & game propagation
<i>Fishing Establishment</i>	Firm or company engaged in ocean, coastal and inland fishing; fish farms, fishpond, fish pen; pearl farms and other fishery activities
<i>Mining Establishment</i>	Mining camp engaged in the exploration, extraction, dressing and beneficiating of minerals such as coal, ores, crude petroleum, and natural gas
<i>Quarrying Establishment</i>	Firm or company engaged in the extraction from the earth of building and monumental stone, clay, sand and gravel; guano gathering and salt evaporation
<i>Manufacturing Establishment</i>	Shop, factory, bakery, millwork, distillery, refinery, cannery, abattoir, brewery, foundry, tannery or plant engaged in manufacturing, processing, fabricating or finishing products, mechanically or manually, including the assembly of the component parts of manufactured products and the substantial alteration, reconstruction or repair of special type of goods
<i>Electricity Establishment</i>	Plant engaged in the generation, transmission and/or distribution of electric energy for sale to users, or one, which produces electricity for its parent enterprise
<i>Gas Establishment</i>	Plant engaged in the manufacture of gas, in gas works and the distribution of manufactured or natural gas through a system of mains to users
<i>Water Supply Establishment</i>	Water system/waterworks engaged in the collection, purification & distribution of water to users
<i>Construction Establishment</i>	General contractor engaged in the construction, repair or demolition of buildings, highways, airports and other structures; land leveling; earth moving and land reclamation; specialty contractor engaged in only specialized trade or craft like electrical installation, plumbing, painting, air conditioning, well drilling, installation of doors and windows and other work on component parts of the structure
<i>Wholesale Trade and Commission Trade Establishment</i>	Store, shop, office, bazaar, arcade or emporium engaged in the (a) resale (sale without transformation) of new and used goods (in bulk) to retailers, industrial/commercial/institutional/professional users, or to other wholesalers and (b) trading in behalf and on the account of others
<i>Retail Trade Establishment</i>	Store, shop, mart, bazaar, sari-sari store, pharmacy, supermarket, grocery, arcade or emporium engaged in the resale (sale without transformation) of new and used goods to the general public
<i>Department Store</i>	A store with sales area of at least 2,500 square meters, selling mainly non-food merchandise and at least five lines in different departments. They are usually arranged over several floors
<i>Grocery</i>	A marketplace where groceries are sold and food accounts for at least 50 percent of total retail sales. The store usually specialized in packaged groceries and sells goods on non-broken units. Similar establishment is the hypermart.
<i>Variety store</i>	Usually located on one floor and offering a limited assortment of fast-moving goods on a self-service basis
<i>Concession</i>	An arrangement by which a retailer places a selling unit within a larger store, e.g., a department store
<i>Convenience store</i>	A shop selling a wide range of goods with extended opening hours. Usually abbreviated to c-store. Example: 7-Eleven
<i>Pharmacy</i>	A specialist outlet retailing largely over-the-counter and prescription-only medicines, as well as a small selection of parapharmacy goods
<i>Supermarket</i>	A self-service store or market that sells food and drinks and sometime drugs, clothes, and other household products that are consumed regularly. A supermarket offers a great variety of products and selling at least 70 percent foodstuffs and everyday commodities. Similar establishment is the hypermart.

Cont.

Table 2.3 Kinds of Establishments (Cont.)

<i>Sari-sari store</i>	A retailer (direct to consumer) of personal and/or household goods in quantity and volume generally smaller or in broken sizes as packed or packaged by the manufacturer; a piecemeal grocery
<i>Repair Service Establishment</i>	Shop specializing in the repair of consumer goods like footwear, luggage, handbags and gloves and other leather goods; electrical appliances, and equipment as television and radio receivers, refrigerators, washing machines, ironers, vacuum cleaners, toasters, motor vehicles including motorcycles; watch, clock and jewelry; bicycles; typewriters, cameras, binoculars, musical instruments, umbrellas, etc
<i>Food and Drinks Service Establishment</i>	Restaurant, bar, lounge, salon, parlor, kiosk, club, canteen, counter, carinderia, café, turo-turo or karihan engaged in the sale of prepared food and drinks generally for consumption within the premises
<i>Lodging and Rooming Service Establishment</i>	Hotel, motel, resort, inn, lodge, camp, dormitory or lodging house engaged in the provision of lodging facilities to the general public on lease, rental or fee basis
<i>Transport Establishment</i>	Bus line, air line, shipping line, agency, broker or transport operator engaged in providing (a) vehicles for the transport of passenger or freight through regularly scheduled operation, charter, rental or fee basis and (b) services incidental to transport such as maintenance and operation of piers, terminals, depots, pilotage, forwarding, packing and crating
<i>Storage and Warehousing Establishment</i>	Brokerage, agency or office engaged in the operation of storage facilities and warehouse for hire by the general public for storage of such items as farm products, food, furniture and other household goods, textiles and lumber
<i>Telecommunication Establishment</i>	Station, office or agency engaged in transmission of sound, images, data or other information via cables, broadcasting, relay or satellite
<i>Financial Establishment</i>	Bank, savings and loan association, credit institution, pawnshop, financial institution, trust company, investment company, pawn broker, or institution engaged in accepting of deposits, granting loans and the investment of money; dealer, broker or office engaged in investment research and counseling, check cashing, stock quotation, foreign exchange dealing and other financial services
<i>Insurance, Pre-Need Plan Companies and Pension Funding Establishment</i>	Life insurance companies; non-life insurance for fire, marine, accident, health, title, financial obligation, casualty, fidelity and surety; agents and brokers servicing insurance carriers, consultant for policyholders; fund managers
<i>Real Estate Establishment</i>	Realtor; developer; agency; broker; lessors or companies engaged in the operating, developing, subdividing, buying and selling of real estate including cemetery lots; columbarium
<i>Business Service Establishment</i>	Office, agency or firm engaged in (a) rental and leasing of machinery and equipment, audio-video machines, tapes and records, sports and recreational equipment; (b) computer-related activities; (c) legal, accounting, bookkeeping, research and development, advertising and other technical services; (d) cleaning of offices, shops and factories; (e) photographic activities; (f) basic and general research in the biological, physical and social sciences ; and (g) transcription activities (medical, legal)

Cont.

Table 2.3 Kinds of Establishments (Conc.)

<i>Call Centers</i>	Establishments engaged in client relations and client service related technical intermediary services for the account of others. Call centers are classified into: <ul style="list-style-type: none">• Inbound call centers – those dealing with answering calls from clients by using automatic call distribution; computer telephone integration or interactive voice response systems; receiving orders, providing product information; as well as attending to client's complaints• Outbound call center – those dealing with sale and marketing activities directed towards clients; market research; direct marketing and address verification
<i>Sanitary Service Establishment</i>	Company engaged in the collection and disposal of garbage, sewage and human waste
<i>Social Service Establishment</i>	School, college, university or seminary offering educational services; a clinic, hospital, sanitarium, nursing home or a similar institution offering medical, dental and other health and veterinary services; a home orphanage, society, center, or agency engaged in providing social welfare services
<i>Recreational and Cultural Service Establishment</i>	Motion picture producer, booking agency, movie house, theater, radio and television station and studio, stage and opera company, band, orchestra, ticket agency, library, museum, dance hall, bowling alley, park, beach, swimming pool, sports club, gallery, skating rink, race track or golf course engaged in providing entertainment, amusement, and recreational services
<i>Personal Service Establishment</i>	A laundry shop, barber shop, massage clinic, beauty parlor, funeral parlor, fortune telling shop and such engaged in rendering various specialized service to the general public

2.3. Classification of Establishment

An establishment is categorized by its **economic organization (EO)**, **legal organization (LO)**, **industrial classification**, **employment size**, and **geographic location**.

2.3.1. Economic Organization

Economic Organization relates to the organizational structure or role of the establishment in the organization. The following are the types of economic organization (**EO**):

1. Single establishment (EO=1)
2. Branch only (EO=2)
3. Establishment and main office (EO=3)
4. Main office only (EO=4)
5. Ancillary unit other than Main Office (EO=5).

Refer to Chapter 5 Section 5.3 for the definitions of these types off EO.

For the following sectors listed, their branches (EO=2) do not strictly meet the criteria for defining an establishment:

1. Construction (PSIC F)
2. Transport, Storage and Communications (PSIC I)
3. Banking institutions (PSIC J65)
4. Insurance (PSIC J6701 and J6703)

5. Pension funding/Fund management (PSIC J6702)
6. Pre-need plan activities (PSIC J6814)
7. Activities auxiliary to insurance (PSIC J682) – Examples: activities of insurance brokers and agents.
8. Real estate buying, developing, subdividing and selling (PSIC K7012)
9. Investigation and security activities (PSIC K7492).

2.3.2. Legal Organization

The Legal Organization (LO) provides the legal basis for ownership of the establishment. The following are the types of **LO**:

1. Single Proprietorship (LO = 1)
2. Partnership (LO = 2)
3. Government Corporation (LO = 3)
4. Private Corporation (LO = 4)
5. Cooperative (LO = 5)
6. Others (LO = 6).

Refer to Chapter 5 Section 5.3 for the definition of these types of LO.

2.3.3. Industrial Classification

The industrial classification of an economic unit is determined by the activity from which it derives its major income or revenue. The amended **1994 Philippine Standard Industrial Classification (PSIC)** is presently utilized to classify economic units according to their economic activities.

The amended 1994 PSIC consists of an alpha character and 5 numeric digits. The alpha character, which represents the **major division**, is denoted by the characters A to Q. The first two numeric digits represent the **division**; the first three numeric digits, the **group**; the first four digits, the **class**; and the 5 digits, the **sub-class**.

Example: C – Mining and Quarrying
10 – Metallic ore mining
109 - Metallic ore mining, n.e.c.
1091 – Iron ore mining
10910 – Iron ore mining

2.3.4. Size of Establishment

The size of an establishment is determined by its average total employment (ATE). The following are the employment size classification used in establishment census/survey:

ATE Code	Average Total Employment
0	1 - 4
1	5 – 9
2	10 – 19
3	20 – 49
4	50 – 99
5	100 – 199
6	200 – 499
7	500 – 999
8	1000 – 1999
9	2000 & over

2.3.5. Geographic Classification

Establishments are also classified by geographic area using the Philippine Standard Geographic Code (PSGC). The PSGC contains the latest updates on the number of regions, provinces, cities, municipalities and barangays in the Philippines. It consists of the 17 administrative regions as approved under **Executive Order No. 36** dated 19 September 2001 (*Providing for the Reorganization of the Administrative regions in Mindanao ...*) and **Executive Order No. 103** dated 17 May 2002 (*Dividing Region IV into Region IV-A and Region IV-B, transferring the province of Aurora to Region III.*)

The geographic codes used in the census is in accordance with PSGC as of December 2006 which contains the latest updates on the official number of regions, provinces, cities and municipalities in the country.

2.4. Frame

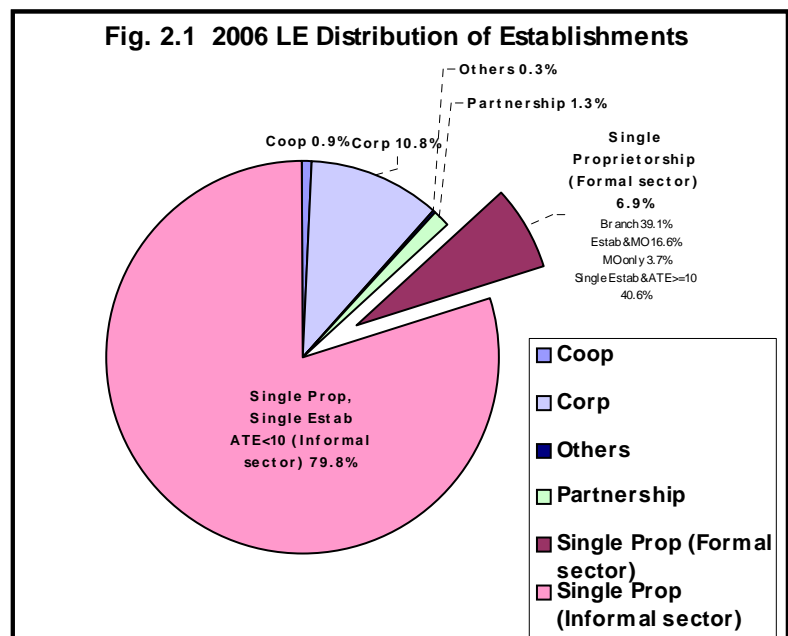
Ideally, a comprehensive updating of the frame should precede the census. However, due to financial resource constraints, no such extensive updating was done for the 2006 List of Establishments (LE) which is the frame of the 2006 CPBI.

Instead, the 2006 LE is the combined result of the following:

1. 2004 Updating of the List of Establishments conducted in the National Capital Region and in selected urban barangays in cities/provincial capitals/first class municipalities (2004 ULE areas) during the period from September 2004 to May 2005;
2. 2005 ULE in rural barangays in provincial capitals/cities/municipalities of selected provinces (2005 ULE areas) conducted from September to December 2005. The selected provinces are the provinces in Regions 3 and 4, provinces where the NSO Regional Office is located, and provinces with the highest count of establishments in rural barangays of provincial capitals/cities/municipalities. It also covered growth areas in selected provinces.
3. Supplemental lists which captured business births and updates to the ULE areas merged lists from the following sources:
 - Securities and Exchange Commission (SEC) – Top 1000 Corporations 2005

- Philippine Export Zone Authority (PEZA) 2006
- Business Worlds Top 1000 Corporations 2005
- NSO List of Importers and Exporters 2005
- Industry Associations (e.g. Philippine Electronics and Telecommunication Federation, SEIPI, Philippine Retailers Association, Private Universities and Colleges, Coco UCAP, etc.)
- Survey feedbacks from the 2006 Monthly Integrated Survey of Selected Industries (MISSI), 2006 Quarterly Survey of Philippine Business and Industry (QSPBI) and the 2005 ASPBI .

The survey population for the census consists of all establishments listed in the 2006 List of Establishments (LE). An initial estimate from the 2006 LE shows that there are about 783,030 establishments in operation in the country for the year. Distribution of these establishments, as shown in the Figure 2.1, reveals that 622,488 establishments (79.8%) are classified in the informal sector.



2.5. Sampling Design

The 2006 CPBI uses stratified systematic sampling with five-digit PSIC or groups of five-digit PSIC and/or four-digit PSIC or groups of four-digit PSIC serving as industry strata and the employment size (ATE) as the second stratification variable.

The sampling design for the 2006 CPBI includes the following:

- Determination of geographic domain
- Determination of industry domain
- Determination of employment strata
- Determination of sample size
- Accuracy of estimates required
- Sample allocation and sample selection.

2.5.1. Sampling Units

For purposes of sampling, the sampling units included for the major sectors listed below are establishments with the following EO codes: Single establishment (**EO=1**); Branch only (**EO=2**); and Establishment and main office (**EO=3**).

Amended 1994 PSIC	Sector Description
A	Agriculture, Hunting and Forestry
B	Fishing
C	Mining and Quarrying
D	Manufacturing
E	Electricity, Gas and Water; except E401 and E410 (Water Districts) with LO=5
G	Wholesale and Retail Trade; and Repair Services
H	Hotels and Restaurants
J	Financial Intermediation (except J659; J6701, J6702 & J6703; J6814, J682)
K	Real Estate, Renting and Business Services (except K7012, K7492)
M	Education
N	Health and Social Work
O	Other community, Social and Personal Service Activities.

That is, the sample population for the industry sectors described above do **not** include establishments that are classified as main office (EO = 4) and ancillary units other than main office (EO = 5).

However, the sampling units for the other industry sectors and selected industries listed below are establishments with EO= 1, 3 and 4: (**kind-of-activity** units.). The branches (EO=2) do not strictly meet the criteria for defining an establishment:

1994 PSIC	Sector Description
E401 E410	Generation, collection and distribution of electricity (Electric Cooperatives with LO = 5) Collection, purification and distribution of water (Water Districts with LO=5)
F	Construction
I	Transport, Storage and Communications
J659 J6701 J6702 J6703 J6814 J682	Other monetary intermediation Life Insurance Pension funding/fund management Non-life insurance Pre-need plan activities Activities auxiliary to insurance and pension funding
K7012 K7492	Real Estate Buying, developing, subdividing and selling Investigation and security activities

2.5.2. Sampling Domain

2.5.2.1. Geographic Domain

For establishments with ATE 20 and over, the geographic domains are the provinces, independent component cities, chartered cities and highly urbanized cities and municipalities in NCR. (*As of the end of December 2006, there were 81 provinces in the country.*) Hence, the samples of the census for establishments with ATE 20 and over shall provide estimates at these geographic levels. The geographic domains for establishments with ATE less than 20 are the regions. *Refer to Table 2.4 for the geographic domains.*

The geographic (physical) locations of the establishments were classified in accordance with the Philippine Standard Geographic Code (PSGC) containing the latest updates on the official number of regions, provinces, cities and municipalities in the country. Geographic codes used for the census is as of December 2006.

Table 2.4. List of Geographic Domains (Region with Provincial/City Composition)

REGION	PROVINCE	CITY / MUNICIPALITY
National Capital Region (NCR)		City of Manila ^{a/ b/} Quezon City ^{a/ b/} Mandaluyong City ^{a/ b/} Marikina City ^{a/ b/} Pasig City ^{a/ b/} San Juan Caloocan City ^{a/ b/} Malabon City ^{a/ b/} Navotas Valenzuela City ^{a/ b/} Makati City ^{a/ b/} Pateros Taguig City ^{a/ b/} Parañaque City ^{a/ b/} Las Piñas City ^{a/ b/} Muntinlupa City ^{a/ b/} Pasay City ^{a/ b/}
Cordillera Administrative Region (CAR)	Abra, Apayao, Benguet (except Baguio City), Ifugao, Kalinga, Mountain Province	Baguio City ^{a/ b/}
Region I – Ilocos	Ilocos Norte, Ilocos Sur, La Union, Pangasinan	
Region II – Cagayan Valley	Batanes, Cagayan, Isabela(excluding Santiago City), Nueva Vizcaya, Quirino	Santiago City (Isabela) ^{c/}
Region III – Central Luzon	Aurora, Bataan, Bulacan (excluding San Jose del Monte City), Nueva Ecija, Pampanga (excluding Angeles City), Tarlac, Zambales (excluding Olongapo City)	San Jose del Monte City ^{b/} Angeles City ^{a/} Olongapo City ^{a/}

Cont.

Table 2.4. List of Geographic Domain (Region with Provincial/City Composition) - (Conc.)

REGION	PROVINCE	CITY / MUNICIPALITY
Region IV-A – CALABARZON	Cavite , Laguna, Batangas, Rizal (excluding Antipolo City), Quezon (excluding Lucena City)	Antipolo City ^{b/} Lucena City ^{a/}
Region IV-B – MIMAROPA	Oriental Mindoro, Occidental Mindoro, Romblon, Marinduque, Palawan	
Region V – Bicol	Albay, Camarines Norte, Camarines Sur (excluding Naga City), Catanduanes, Masbate, Sorsogon	Naga City ^{c/}
Region VI – Western Visayas	Aklan, Antique, Capiz, Guimaras, Iloilo (excluding Iloilo City), Negros Occidental(excluding Bacolod City)	Bacolod City ^{a/ b/} Iloilo City ^{a/ b/}
Region VII – Central Visayas	Bohol, Cebu(excluding Cebu City and Mandaue City), Negros Oriental, Siquijor	Cebu City ^{a/ b/} Mandaue City ^{a/}
Region VIII – Eastern Visayas	Biliran, Leyte (excluding Ormoc City), Southern Leyte, Eastern Samar, Northern Samar, Western Samar	Ormoc City ^{c/}
Region IX – Zamboanga Peninsula	Zamboanga del Norte, Zamboanga del Sur (excluding Zamboanga City), Zamboanga Sibugay	Isabela City (Basilan) Zamboanga City ^{a/ b/}
Region X– Northern Mindanao	Bukidnon, Camiguin, Lanao del Norte(excluding Iligan City), Misamis Occidental, Misamis Oriental(excluding Cagayan de Oro City)	Cagayan de Oro City ^{a/ b/} Iligan City ^{a/}
Region XI – Davao Region	Compostela Valley, Davao del Norte, Davao del Sur (excluding Davao City), Davao Oriental	Davao City ^{a/ b/}
Region XII – SOCCSKSARGEN	North Cotabato, Sarangani, South Cotabato (excluding General Santos City), Sultan Kudarat	Cotabato City ^{c/} General Santos City ^{a/}
Autonomous Region in Muslim Mindanao	Lanao del Sur ,Maguindanao (excluding Cotabato City), Shariff Kabunsuan*, Sulu, Tawi-Tawi, Basilan (excluding Isabela City),	
Caraga	Agusan del Sur, Agusan del Norte (excluding Butuan City), Dinagat Island**, Surigao del Sur, Surigao del Norte,	Butuan City ^{a/}

Notes:

* Created as the 6th province in ARMM pursuant to Muslim Mindanao Autonomy Act 201 dated October 28, 2006

** Created as the 5th province in Caraga on December 2, 2006 pursuant to R.A. 9355.

a/ Highly Urbanized City

b/ Chartered City

c/ Independent Component City (ICC)

2.5.2.2. Industry Domain

For establishments with ATE 20 and over, there are **1,034** industry sub-sectors (5-digit 1994 PSIC) which constitute the *industry strata* or ***industry domains***. Hence, the samples for the census shall also provide estimates by industry strata.

For ATE less than 20, the **226** industry sub-sectors or groups of sub-sectors (4-digit/5-digit 1994 PSIC) constitute the industry strata. Bases for groupings were as follows: similarity of industries and number of establishments in the 5-digit and 4-digit PSIC classification.

The table below presents the distribution of industry strata by sector by ATE size group.

Table 2.5. Distribution of Industry Strata by Sector for ATE 20 and over and ATE less than 20: 2006 CPBI

Sector	ATE 20 and over (5-digit PSIC)	ATE less than 20
A	114	12
B	20	6
C	26	8
D	441	37
E	4	4
F	15	6
G	166	72
H	12	3
I	53	15
J	39	12
K	73	30
M	11	6
N	18	4
O	42	11
Total	1,034	226

Refer to Appendix 1 for the list of industry domains (*industry strata*) by sector for ATE less than 20.

2.5.2.3. Employment Stratum

For the 2006 CPBI, the ATE sizes were either combined or taken as a group to comprise the ***employment stratum*** and were limited to only four (4) or five (5) strata, depending on the sector. The basic consideration for grouping was the concentration of establishments in the ATE sizes.

Within the industry domains for each sector, the establishments are grouped according to the following employment stratum:

Sector	Employment Stratum
A, B, C, D, E, F, H, I, J, K, M, N, & O	ATE 1 – 9 (size 0 & 1)
	ATE 10 – 19 (size 2)
	ATE 20 – 99 (size 3 & 4)
	ATE 100 & over (size 5 to 9)
G	ATE 1 – 9 (size 0 & 1)
	ATE 10 – 19 (size 2)
	ATE 20 – 49 (size 3)
	ATE 50 & over (size 4 to 9)

Specified employment sizes were combined to form an employment stratum, that is, employment stratum ATE 20-99 consists of employment sizes 3 and 4 (ATE 20-49 and ATE 50-99).

Considering also the concentration of the number of establishments in ATE less than 20, two separate strata were formed: ATE 1-9 and ATE 10-19. In terms of revenue contribution (2003 ASPBI), most sectors with ATE less than 20 shared from 1% to less than 20% of total revenue, except for hotels and restaurants (49%), wholesale and retail trade (49%), real estate, renting and business services (33%), and health and social work (34%). The presence of many active players with smaller employment sizes in these sectors contributed to the high contribution of small establishments to total revenue.

2.5.3. Sample Size

The 2007 budget ceiling for the 2006 CPBI and the timeliness of retrieval of the questionnaires/ release of final results are the primary considerations why the number of samples should be kept to a minimum. Given the importance of the results of the Census as a benchmark, the sample size have to be at a manageable level without compromising the reliability and accuracy of the census returns at a shorter processing time before results become available, amidst the scarce manpower and financial resources. Other considerations include: the acceptable sampling error and the level of disaggregation of the estimates with due concern for confidentiality of submitted reports by respondents.

The employment strata in ATE 20 and over, whose establishments are considered as 'large' units, comprised the **certainty strata**, except for selected industries in Sectors A, D, and G. where the certainty stratum is ATE 100 and over. The stratum ATE 20 to 99 for selected industries in Sectors A & D (Agriculture and Manufacturing, respectively) and stratum ATE 20 to 49 for selected industries in Sector G (Wholesale and Retail Trade) are a **non-certainty strata**. The certainty strata for selected industries in Sector G (Wholesale and Retail Trade) are ATE 50 to 99 and ATE 100 and over.

A certainty stratum is defined as the employment stratum whose sampling ratio is 100 percent. In this stratum, all establishments are taken as certainty samples, i.e. the selection probability is 1 and the sampling weight is 1. On the other hand, a non-certainty stratum is the employment stratum where only sample establishments are taken.

For all sectors (except sectors B, C, E, and F), the employment strata in ATE less than 20 are considered as non-certainty strata.

The following sectors are, however, taken on a 100 percent basis regardless of employment stratum because of the relatively small number of their population.

B - Fishing

C - Mining and Quarrying

E - Electricity, Gas and Water

F – Construction

The certainty and non-certainty strata for the major sectors are listed in Appendix 2.

2.5.3.1. Sample Size for ATE less than 20

The sample size for ATE less than 20 is determined by applying the specified sampling rates for each employment stratum (that is, separately for strata ATE 1-9 and ATE 10 -19) of the industry domain (3/4/5-digit PSIC) at the national level .

The total sample size for establishments with ATE less than 20 is **30,956**. This is obtained by applying the specific sampling rates for the i^{th} employment stratum in the h^{th} industry stratum at the national level and then allocating to geographic domain.

2.5.3.2. Sample Size for ATE 20 and over

For ATE 20 and over, 100% sampling rate is applied to all sectors, except selected 5-digit industries in Sectors A, D and G. The aggregate sample size for ATE 20 and over in all sectors is **23,832** establishments.

Thus, the total number of samples for the 2006 CPBI is about **54,788**.

Appendix 3 presents the sampling rates by sector, by employment stratum, and selected 3/4/5 digit industries.

2.5.4. Sample Allocation

Sample Allocation for ATE less than 20 (Strata ATE 1-9 and and ATE 10-19)

Proportional allocation is used in allocating the number of samples for ATE less than 20 by industry domain and employment stratum to the regions. Basis of allocation is the number of establishments (N) in the region by industry domain and by employment stratum.

Minimum sample size is set to 3 establishments per cell (region, industry domain and employment stratum). However, when the total number of establishments (N) in the cell is equal to or less than the set minimum sample size, all establishments in that cell are taken as samples.

The number of samples for each of the industry domain at the national level is allocated by region. The formula used is,

$$n_{shr} = \left(\frac{N_{shr}}{N_{sh}} \right) * n_{sh}$$

where:

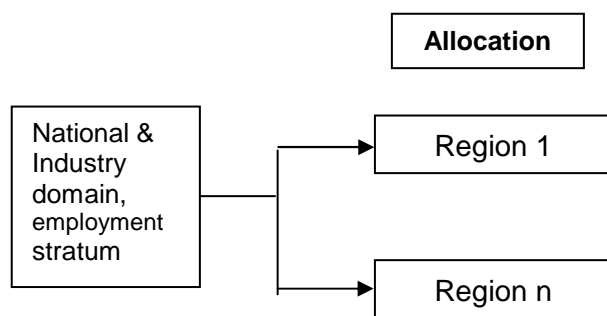
N_{shr} = total number of establishments in the h^{th} industry domain of sector s in the r^{th} region

N_{sh} = total number of establishments in the h^{th} industry domain of sector s

n_{sh} = number of sample establishments in the h^{th} industry domain of sector s

n_{shr} = number of sample establishments in the h^{th} industry domain of sector s in the r^{th} region

**Figure 2.2. SAMPLE ALLOCATION DIAGRAM FOR ATE LESS THAN 20
(Strata ATE 1-9 and ATE 10-19)**



Sample Allocation for ATE 20 and over (Strata ATE 20-99 for Sectors A & D and ATE 20-49 for Sector G)

Similar procedure of proportional allocation is used in allocating the number of samples in the selected industry domain with less than 100% sampling rates for a particular employment stratum in ATE 20 and over. The computed sample size for the particular employment stratum of these selected industries were allocated by province/independent city/highly urbanized city/chartered city/ municipality in NCR. Basis of allocation is also the number of establishments (N) in the province within the employment stratum.

For these cases, minimum sample size is also set to 3 establishments per cell (province, 5-digit industry domain and ATE stratum).

2.5.5. Sample Selection

For all sectors, sample establishments in the sampling strata of ATE less than 20 are selected using systematic sampling by region, industry stratum and employment stratum. The establishments are sorted from largest actual employment to smallest actual employment or vice versa by region, industry and employment stratum.

For Sectors A and D (Agriculture and Manufacturing, respectively), sample establishments in the sampling strata of ATE 20 to 99 are selected using systematic sampling by province/city/ municipality in NCR. Likewise, selection of sample establishments in sampling strata of ATE 20 to 49 for Sector G uses systematic sampling by province/city/ municipality in NCR.

Systematic sampling is chosen so that the sample values are spread out, resulting from having representative samples for each ATE size in the employment stratum. Likewise, this mode of sampling will somehow provide implicit stratification of ATE by employment size group, thus avoiding all sample establishments with low ATE values or high ATE values.

A special program designed by the Information Resources Department will be used to draw the samples.

2.6. The 2006 CPBI Questionnaires

For the main 2006 CPBI, four (4) types of questionnaires will be used. The four types of questionnaires, designed after taking into consideration the requirements of the main users, are as follows:

Form Type	Sector	Spot Color
CPBI Form No. 1	Agriculture, Forestry and Fishing	green
CPBI Form No. 2	Mining and Quarrying, Manufacturing, Electricity, Gas and Water	yellow
CPBI Form No. 3	Construction	orange
CPBI Form No. 4	Business and Services	blue

The data items included in the CPBI questionnaires are listed in the table below.

Table 2.6. List of Data Items in the 2006 CPBI Questionnaire

ITEM NO.	DESCRIPTION
(Cover Page)	Name and Address of the establishment and its reporting unit
	Control Panel for Establishment Characteristics <i>(For NSO Use Only)</i>
1	Economic Activity or Business in 2006
2	Year Started Operation
3	Legal Organization in 2006

Cont.

Table 2.6. List of Data Items in the 2006 CPBI Questionnaire (Conc.)

ITEM NO.	DESCRIPTION
4	Economic Organization in 2006
	Name and Address of Main Office and Contact Person in Main Office
5	Number of Paid Employees as of 15 November 2006
6	Number of Unpaid Workers as of 15 November 2006
7	Total Employment as of 15 November 2006
8	Number of Production/Construction Workers as of 15 November 2006
9	Total Hours Worked by Production/Construction Workers in 2006
10	Gross Salaries and Wages Paid in 2006
11	Total Employer's Contributions to SSS/GSIS etc. paid in 2006
12	Total Revenue in 2006
13	Subsidies Received in 2006
14	Total Costs Incurred in 2006
15	Capital Expenditures, Sale of Fixed Assets in 2006, including Losses and Damages
16	Capital Expenditures for All Fixed Assets by Mode of Acquisition in 2006
17	Capital Expenditures for Intangible Assets in 2006
18	Book Value of Fixed Assets as of 31 December 2006
19	Total Value of Intangible Assets as of 31 December 2006
20	Average Capacity Utilization Rate in 2006 (only in CPBI Form No. 2)
21	Inventories in 2006
22	Remarks
23	List of Branches, Divisions, Plants Owned and Controlled
	Certification
	Contact Person
	<i>Processing Information (DO NOT FILL portion)</i>

2.7. Other Forms

The 2006 CPBI uses other forms – the address stub, control lists and other administrative forms.

2.7.1. Address Stub

The address stub shall contain the **business name**, **address**, and in some cases, the **address of the reporting unit**, as well as other information about the establishment, represented by the following codes:

- * establishment control number (ECN)
- * economic activity (IND)

- * province-municipality/city (PROV-MUN)
- * barangay (BGY)
- * employment size (SZ)
- * legal organization (LO)
- * economic organization (EO).

It will also contain the name and address of reporting unit if different from that of the sample establishment, the 2006 CPBI form type (FT no.), and an indicator for sample type (ST). There are four types of ST indicator, as follows:

- L-I : large sample of CPBI and IOSPBI (ATE 20 and over)
- S-I : small sample of CPBI and IOSPBI (ATE less than 20)
- L : large sample of CPBI only
- S : small sample of CPBI only.

All provinces will be provided with the address stubs of the sample establishments for pasting to the appropriate questionnaire type. Two copies of the address stub will be provided for establishments with ATE 20 and over, while only one copy will be provided for those with ATE less than 20.

An example of an address stub is shown here.

						FT ↓	ST ↓
THE OWNER/MANAGER						FT4	[L - I]
JOLLIBEE SM SOUTHMALL I							
ALABANG ZAPOTE RD SM SOUTHMALL UGF							
ALMANZA UNO							
LAS PINAS CITY, METRO MANILA							
 c/o							
JOLLIBEE FOODS CORPORATION							
EMERALD AVE ORTIGAS CTR JOLLIBEE PLAZA 5/F							
SAN ANTONIO							
PASIG CITY, METRO MANILA							
760100421896H9	H55210	76	01	001	4	4	2

↑
ECN

↑
IND

↑
PROV-MUN

↑
BGY

↑
SZ

↑
LO

↑
EO

Refer to Chapter 4 Section 4.1 for instructions on addressing the questionnaires using the address stubs.

2.7.2. Control List

The **control list** is a tool for keeping track of the questionnaires and for recording important information about the sample establishments. It will also provide useful information on the various phases of the operation and for frame updating for future establishment surveys.

The control list to be used in the 2006 CPBI is in electronic form, and is a component of the Monitoring and Tracking System (MTS). A separate manual is available for the MTS.

The control list classifies sample establishments as follows:

1. "ORIGINAL SAMPLE" - Establishments are selected as samples for a province. The questionnaire for these establishments are to be distributed and collected in the same province.
2. "C/O TO" - Establishments are selected as samples in the province but the questionnaires are to be distributed and collected in other provinces within or outside the region.
3. "C/O FROM" – Establishments which are samples of other provinces but questionnaires are to be distributed and collected in the province.

The establishments listed under "ORIGINAL SAMPLE" and "C/O TO" constitute the province's **total samples** while establishments under "ORIGINAL SAMPLE" and "C/O FROM" portion comprise the province's **total workload**.

The field offices will be provided with an electronic file copy of the control list during the training.

2.7.3. Other Administrative Forms

Several administrative forms are to be utilized for the proper and orderly control, monitoring and documentation purposes of the census operation. The forms are listed in the table below:

Table 2.7. List of 2006 CPBI Administrative Forms

Form No.	Description of Form
ITSD – ADM Form 1	General Transmittal Form
(MTS generated)	Transmittal Form of Questionnaire
ITSD -ADM Form 2	Problem Referral Slip
Checklist of Sample Establishments	Two types of CheckList will be provided to the provinces to facilitate addressing of the questionnaires. These are the following: Checklist 1 - for list of CPBI samples (sorted by sector, by municipality and by alpha) and Check List 2 – for list of IOSPBI samples (sorted by sector, by municipality and by alpha).
2006 CPBI Cover Letter	} One copy of each of these forms is to be included in the census questionnaires for distribution to respondents.
2006 CPBI - IOSPBI Primer	

Cont.

Table 2.7. List of 2006 CPBI Administrative Forms *(Conc.)*

ULE Form 3	2007 Establishment Inquiry Form – <i>Refer to Chapter 4 Section 4.8.7 for instructions when to accomplish the form.</i>
<i>(MTS generated)</i>	Provincial Bi-Monthly Progress Report (electronically generated)
ITSD -ADM Form 3 – 3a	<p>Narrative Report of Operation (including financial report) – The Narrative Report (Form 3) is to be submitted by the PSOs (in advance) at the end of the census operation, while the Financial Report (Form 3a) is to be submitted later. It is important that these two reports are to be submitted directly to ITSD-Office of the Director.</p> <p>The narrative report (Form 3) should include the following aspects: trainings (all levels), distribution and collection of questionnaires, editing, transmittal of questionnaires, progress reports generation, problems encountered and solutions, and other matters.</p> <p>The financial report (Form 3a) should include information on the actual fund remitted to the province and actual expenses incurred by type.</p> <p>The RDs will also have to prepare and submit consolidated regional reports of Forms 3 and 3a.</p>

The Monitoring and Tracking System Manual (MTS) discusses in detail the transmittal form and progress reports that are to be generated.

Refer to Appendices 4 to 7 for copies of ITSD – ADM Forms 1, 2, 3 and 3a.

Vision is the art of seeing things that are not yet visible.

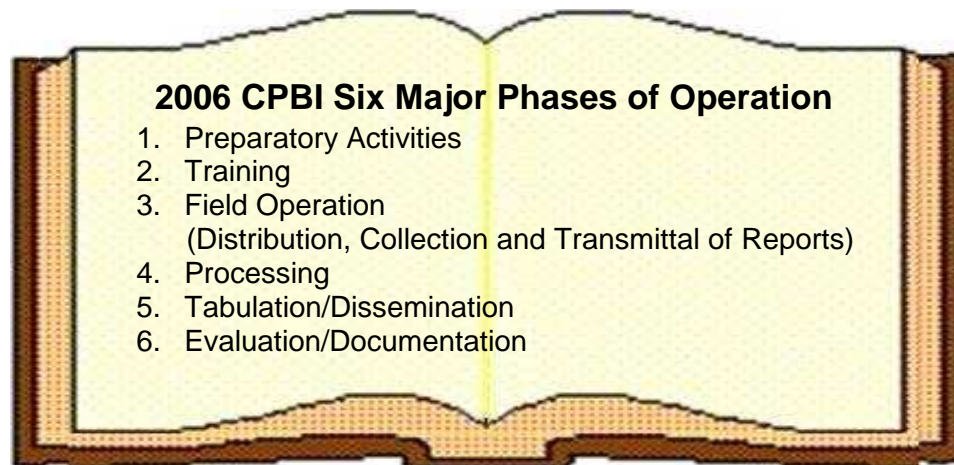
Chapter 3

OVERVIEW OF CPBI/IOSPBI OPERATION AND ORGANIZATION

3.1. Phases of Operation

In any NSO census/survey operation, various phases of activities have to be undertaken starting from planning to documentation of entire census/survey operation to complete the economic data gathering process.

The 2006 CPBI operation consists of the six (6) major phases, as follows:



The timetable of activities for the 2006 CPBI is presented in the following table.

**Table 3.1. Timetable of Activities for
2006 Census of Philippine Business and Industry (CPBI)**

Project/Program/Activity	Timetable		Responsible Unit
	Beginning	Ending	
1. PREPARATORY ACTIVITIES	1-Sep-06	28-Feb-08	
1.1 Organization of Committees/Working Groups	1-Sep-06	30-Sep-06	ITSD
1.2 Budget preparation and logistics	1-Apr-06	30-Mar-07	WG Logistics
1.3 Questionnaire design	1-Sept-06	28-Feb-07	WG Quest. Design
1.4 Preparation of sampling design	4-Sep-06	30-Mar-07	WG Sampling Design
1.5 Frame updating and sample selection	20-Jan-06	29-Dec-07	Working Groups, SSOD, ITSD-SMDs
1.6 Computer systems design and program development	1-Jun-06	30-Nov-07	IRD, Working Groups
1.7 Designing, generation and verification of address stubs, control lists and distribution tables	1-Dec-06	4-May-07	SSOD, ITSD-SMDs
1.8 Publicity Campaign	1 Dec -06	29-Dec-07	WG Training
1.9 Printing of Questionnaires	15-Nov-06	30-May-07	WG Logistics, GAD-ASD
1.10 Preparation of Field Operations and Editing Manual	1-Dec-06	14-Mar-07	WG Quest. Design
1.11 Printing of manuals	15-Mar-07	13-Apr-07	WG Logistics
1.12 Shipment of Field Operations Manuals and Questionnaires	20-Apr-07	30-May-07	WG Logistics

1.13	Recruitment of Statistical Researchers, Manual Processors and Data Encoders	15-Mar-07	28-Dec-07	FO, IRD
------	---	-----------	-----------	---------

Cont.

Table 3.1. Timetable of Activities (Conc.)
2006 Census of Philippine Business and Industry (CPBI)

Project/Program/Activity		Timetable		Responsible Unit
		Beginning	Ending	
2. TRAINING		26-Feb-07	4-Sep-07	
2.1	Facilitators Course	Feb 26-27 & Mar 1, 2007		WG Training
2.2	Training on Field operation and Field Editing	8-Mar-07	27-Apr-07	
a.	Task Force training	March 8-10, 13-14, 2007		WG Training
b.	Second Level	10-Apr-07	13-Apr-07	Selected Task Force Participants/FO (PSOs, Reg'l and Prov'l Stat.)
c.	Third Level	16-Apr-07	27-Apr-07	
1.	NCR	16-Apr-07	20-Apr-07	2nd Level Participants/FO (Prov'l Staff, DSOs, SCOs, SRs)
2.	Other Provinces	23-Apr-07	27-Apr-07	2nd Level Participants/FO (Prov'l Staff, DSOs, SCOs, SRs)
2.3	CO Data Entry Training	3-Jan-07	4-Sep-07	WG Machine Processing
1)	For SMDs/FOMS	3-Sep-07	4-Sep-07	IRD-FOMS
2)	For hired data encoders	3-Jan-07	4-Jan-07	IRD-FOMS
3. FIELD OPERATIONS		7-May-07	9-Nov-07	
3.1	Addressing of questionnaires	30 April -07	4 May -07	FO
3.2	Distribution of questionnaires	7-May-07	2-Jun-07	FO
3.3	Collection and Field editing/verification of questionnaires	1-Jun-07	29-Sept-07	FO
3.4	Spotchecking	9-Jul-07	20-Jul-07	ITSD
3.5	Submission of field edited questionnaires	22-Jun-07	9-Nov-07	FO
4. CENTRAL OFFICE PROCESSING		25-Jun-07	27-Nov-09	
4.1	Receipt and Control	25-Jun-07	16-Nov-07	ITSD-RCU
4.2	Manual Processing including imputation	2-Jul-07	14-Dec-07	ITSD-SMDs
4.3	Machine Processing including data entry and validation	5-Sep-07	27-Nov-09	ITSD-SMDs, IRD-FOMS
5. TABULATION		2-Nov-08	31-Oct-09	
5.1	Preliminary tabulation (Sectoral & National/Regional/Provincial/City)	1-Jul-08	31-Mar-09	ITSD-SMDs, IRD
5.2	Analysis of preliminary tables and preparation of Special Release	2-Oct-08	30-Apr-09	ITSD-SMDs
5.3	Final tabulation (Sectoral & National)	2-Oct-08	29-Nov-09	ITSD-SMDs, IRD
5.4	Analysis of final tables and preparation on Special release	2-Jan-09	29-Dec-09	ITSD-SMDs
6. DATA DISSEMINATION AND PUBLICATION		15-Nov-08	31-Oct-10	
6.1	Dissemination of 2006 CPBI preliminary results	15-Nov-08	15-Feb-09	WG Training
6.2	Dissemination of 2006 CPBI Final Results	1-Apr-09	29-Oct-09	WG Training
6.3	Preparation of manuscripts for publication	1-Apr-09	31-Mar-10	ITSD-SMDs
6.4	Publication	1-Jul-09	31-Oct-10	ITSD-SMDs
6.5	Preparation of Public Use Files (PUF)	1-Jan-10	30-Jun-10	IRD
7. DOCUMENTATION				
7.1	Preparation of Procedural History	2-Jan-07	29-Dec-09	All CPBI-Working Groups

3.1.1. Preparatory Activities

NSO officials, subject matter statisticians and selected IRD staff undertook the planning activities for the 2006 CPBI with the organization of the Steering Committee, technical committees and working groups under Designation Order No. 2006-168 dated October 2, 2006. These activities include the following: frame preparation, questionnaire design and content, clearance process, manual preparation, processing plan, publicity and training plans, budgeting, frame updating, sample design and selection, preparation of edit specifications, preparation of tabulation formats and table specifications, computer system design and program development, publicity campaign, addressing of questionnaires, printing of census forms and manuals, preparation for shipment of census materials and other related activities, recruitment of statistical researchers, etc.

Refer to Appendix 8 for the terms of reference of the technical committee and working groups.

3.1.1.1 NSCB Clearance Process

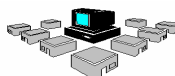
The types of census and survey questionnaires/forms used in the 2006 CPBI and IOSPBI were granted clearance numbers and expiry date on June 30, 2008 by the National Statistical Coordination Board (NSCB). The clearance numbers and expiration date are located on the upper right corner of the cover page of the questionnaires.

The table below lists the types of CPBI/IOSPBI questionnaires and their corresponding questionnaire and clearance numbers.

Questionnaire No.	Description	1994 PSIC	Clearance No.
CPBI Form No. 1	Agriculture, Forestry and Fishing	A & B	NSO-0704-01
CPBI Form No. 2	Mining and Quarrying / Manufacturing / Electricity, Gas and Water	C, D & E	NSO-0704-02
CPBI Form No. 3	Construction	F	NSO-0704-03
CPBI Form No. 4	Business and Services	G, H, I, J, K, M, N & O	NSO-0704-04
IOSPBI Form No. 1	Agriculture, Forestry and Fishing	A & B	NSO-0705-01
IOSPBI Form No. 2	Mining and Quarrying / Manufacturing / Electricity, Gas and Water	C, D & E	NSO-0705-02
IOSPBI Form No. 3	Construction	F	NSO-0705-03
IOSPBI Form No. 4	Business and Services	G, H, I, J, K, M, N & O	NSO-0705-04

The printing company who was contracted by NSO will ship the census questionnaires directly to the field offices.

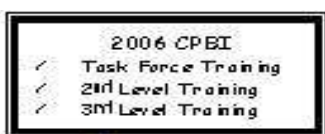
3.1.2. Systems Design and Development



This phase is a part of the preparatory activities of the census operation and is mainly the responsibility of the Information Technology Systems and Research Division (ITSRD) of the Information and Resources Department (IRD) in consultation with ITSD subject matter divisions. The systems design and development phase includes the following activities:

- Enhancement of ITSD-Monitoring Tracking System (ITSD-MTS) for electronic control list and progress reports, including the generation of distribution list of samples.
- Development of main 2006 CPBI system for data entry, merging, validation checks, completeness check, summary file report (SFR) and for generation of statistical tables as well as preparation of user's manual.

3.1.3. Training



Before the start of training for field operation, the Facilitators Course was conducted to enhance the training skills of ITSD-CO

personnel and selected field office staff involved in the entire census undertaking. Training for the 2006 CPBI field operations and processing will be done in two phases: Phase I training for field operations and field editing, and Phase II training for machine processing.

A briefing was given to Regional Directors and Provincial Statistics Officers/OIC-PSOs on the conduct of the 2006 CPBI and IOSPBI during the National Planning Workshop in Butuan City on February 26, 2007.

3.1.3.1 Phase I training for Field Operations and Field Editing

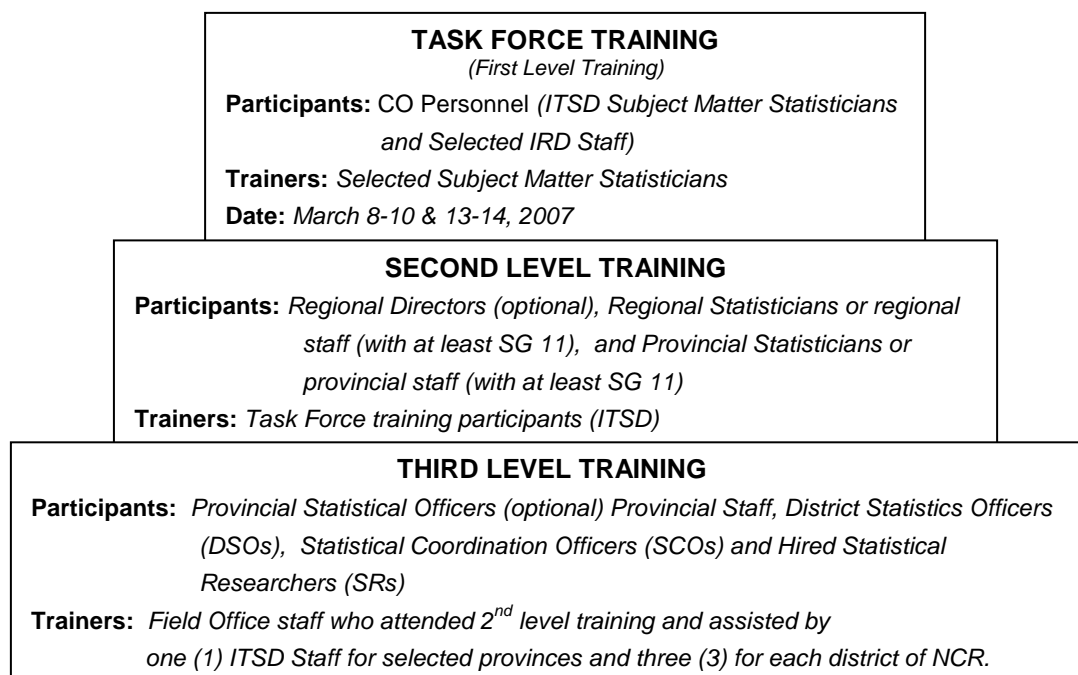
This census undertaking has three levels of training to be attended by selected Central and Field Office personnel, as follows:

- **Task Force Training** - Field operation procedures, technical and administrative aspects of 2006 CPBI are discussed extensively in this first level training. This training will be conducted at the Central Office and will be participated by ITSD subject matter statisticians and selected IRD staff who will serve as trainers for the 2nd and 3rd level trainings for a duration of 5 days.
- **Second Level Training** - This will be conducted in all Regional Offices, except NCR, for a duration of 4 days. Regional Statisticians and regional statistical staff (with at least SG 11) responsible for establishment surveys and Provincial Statisticians or provincial statistical staff (with at least SG 11) are participants to this training.

The first two days of training will focus on the entire CPBI operations. On the third day the operation for the rider survey (IOSPBI) will be tackled, while the Monitoring Tracking System (ITSD-MTS) will be taken up on the fourth day. The trainers are selected Task Force training participants (ITSD) who were trained in the Central Office.

- **Third Level Training** - This will be conducted in all provinces and the six (6) districts of NCR for a duration of 5 days. Participants to this training are the provincial statistical staff, district statistics officers (DSOs), statistical coordination officers (SCOs) and hired statistical researchers (SRs). One (1) ITSD staff who attended the task force training will be assigned to assist the 3rd level trainers in selected provinces. However, three (3) ITSD staff who attended the task force training will be assigned as trainers in each of the six districts of NCR.

Fig. 3.1 Pyramidal Organization of 2006 CPBI Field Operations Training



3.1.3.2 Phase II Training for Machine Processing

There will be a centralized machine processing of all collected, edited and verified accomplished CPBI and IOSPBI questionnaires at Central Office-ITSD. To expedite and facilitate the machine processing, two levels of data entry training will be conducted by the Central Office for FOMS staff and hired data encoders.

3.1.4. Addressing and Distribution of questionnaires

Addressing of census questionnaires will be done by the staff of the provincial office.



Personal delivery of CPBI and IOSPBI questionnaires will be done simultaneously by NSO field staff/statistical researchers to the sample establishments located in all provinces and cities nationwide.

Two (2) copies of CPBI questionnaires and one (1) copy for IOSPBI will be provided to sample establishments with ATE 20 and over. For establishments with ATE less than 20, only one copy of the census questionnaire will be given.

3.1.5. Collection of accomplished questionnaires

Collection of the accomplished CPBI and IOSPBI questionnaires shall commence within one (1) month after distribution. Field operation for all censuses shall be completed according to the dates indicated in the timetable of activities and according to the deadline set for each province.

Note: All attachments (*i.e. financial statements, certification, etc.*) provided by the sample establishments should be stapled with the questionnaires.

3.1.6. Receipt and Control of 2006 CPBI Census Forms/Questionnaires

Accomplished questionnaires received by the provincial office are recorded and controlled by the staff of the Receipt and Control Unit (RCU) of the provincial office using the ITSD-Monitoring Tracking System (MTS). The updated MTS Data Files will be transmitted to ITSD-RCU and cc: Regional Directors (RDs) to monitor the smooth flow and progress of distribution/collection of questionnaires according to dates indicated in the timetable of activities.

Questionnaires for new referrals to any province within the region are to be forwarded directly to the Regional Director for transmittal to the receiving province. All referrals outside the region are to be transmitted directly to ITSD-Office of the Director.

3.1.7. Processing

Processing of the CPBI data involves manual processing of the census questionnaires and machine processing of the census data using microcomputers.

Manual processing involves field editing of the accomplished CPBI questionnaires upon collection by DSOs/SCOs/statistical staff and hired statistical researchers, and manual editing to be done by the provincial statisticians and DSOs/SCOs following the editing instructions in Chapter 5 of this manual.

Verification of the edited questionnaires will be done by the staff of ITSD subject matter divisions (ISD and BSSD). Machine processing will be done by both the staff of ITSD subject matter divisions and IRD. Data entry of the edited accomplished census questionnaires will be encoded by trained FOMS staff and hired data encoders.

Machine processing includes data entry, validation and encoding of updates, and generation of completeness check, summary file report and generation of tables. Prior to data entry, questionnaires shall be folioed by sector and province and by ATE Size stratum (*Note: Folioing instructions will be included in the Machine Processing Manual*). All phases of machine processing, except data entry, will be done by the ITSD-SMD statisticians at the Central Office.

Preliminary and final tables produced from census results will be tabulated at sectoral and national level.

In this census undertaking, the Central Office will be conducting closed supervision of collection and field editing of all collected questionnaires to ensure the accuracy, completeness of the report.

3.1.8. Transmittal of Accomplished Field-Edited Questionnaires and MTS Data Files

After the CPBI/IOSPBI accomplished questionnaires have been manually edited by the provincial staff, these are transmitted immediately to ITSD-Office of the Director (cc: Regional Director) every 15th and 30th day of each month starting June 15, 2007 to October 2007. The

questionnaires should be bundled by type of questionnaire (i.e. CPBI, IOSPBI rider) and by sector.

Unaccomplished questionnaires due to closures/ moved out/ out-of-scope/ duplicate/ refusal/ cannot be located (CBL) establishments/ referrals outside the region/ consolidated reports and others should also be transmitted by the Provincial Office (PO) to ITSD-Office of the Director. *Refer to Table 3.1 (Timetable of Activities).*

The transmittal of all questionnaires should be accompanied by a printed MTS-generated Transmittal List (MTS-census/survey-TLppnnn.txt). Updated electronic copy of compressed MTS Data Files should also be sent using the same frequency. *Refer to Chapter 4 of MTS Manual for detailed instructions.*

Note: For those provinces without email facility or have problems submitting thru email, submission to ITSD-Office of the Director of the compressed MTS Data Files stored in diskette should be done in the same frequency.

3.1.9. Tabulation and Dissemination

The subject matter divisions (BSSD and ISD) of ITSD shall be responsible for the generation of the preliminary and final tables of the 2006 CPBI by sector and employment stratum at the national and regional levels, including the preparation of Special Releases and manuscripts of final census results for publication.

In this census, the ITSD in coordination with IRD will prepare Public Use Files (PUF) containing data files and data dictionary, overview of the census and software where public or end users can generate tables on their own format or specifications. These data files will be generated to meet demands of users who want to have an extensive use of the data set.



3.1.10. Evaluation/Documentation

The ITSD staff will document the entire 2006 CPBI operation in terms of methods and procedures used and prepare a documentation report "Administrative and Procedural Report of the 2006 CPBI". This report aims to provide a permanent record of the activities undertaken, statistical and administrative procedures employed, problems encountered, and solutions recommended during the different stages of the census operations. This procedural history will be used as basis to improve methodology and procedures, and will also be useful to researchers interested in census operation.

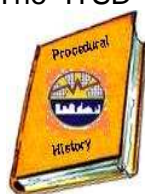


Figure 3.2 presents the flow of operation of the 2006 CPBI.

3.2. ITSD Organizational Set-up

While the 2006 CPBI Steering Committee provides the overall direction for the 2006 CPBI operations, the plans and implementation are undertaken by the different technical committees and working groups. These various committees and working groups complement the NSO organizational structure, *as shown in Appendix 9.*

3.2.1. ITSD Central Office

The ITSD is responsible for the overall conduct of the 2006 CPBI. The ITSD subject matter divisions - Business and Services Statistics Division (BSSD), Industry Statistics Division (ISD), Statistical Sampling and Operations Division (SSOD), and Economic Indices and Indicators Division (EIID) - in cooperation with the staff of Information and Resources Department (IRD) undertook the preparatory activities for this 2006 CPBI undertaking.

ITSD organizational structure is shown in Appendix 10.

3.2.2. All Regional and Provincial Offices

The regional and provincial offices shall be responsible for the 2006 CPBI field operation activities.

For the 2006 CPBI field operation, the regional groupings of provinces/cities for purposes of administrative supervision shall follow the list shown in Chapter 2 Table 2.4, except for Regions 9, 12 and ARMM. The entire province of Basilan and Isabela City shall fall under the administrative supervision of the Regional Director (RD) of Region IX. Likewise, the entire province of Maguindanao and Cotabato City shall fall under the administrative supervision of the RD of ARMM.

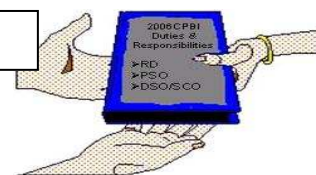
3.3. Duties and Responsibilities of Field Staff

Regional Director

- Attend 2nd Level Training for Field Operation at designated training center with the regional/provincial statisticians.
- Ensure the smooth conduct of the 3rd Level Training in the entire region
- Coordinate and supervise the conduct of census operation and manual processing of census forms in the entire region.
- Monitor the conduct of the census operation in all provinces of the region.

Provincial Statistics Officer

- Attend the 3rd Level Training for Field Operation for the provincial statistical staff.



- Ensure the successful conduct of the census operation, (i.e. high response rate of collection and quality processing of questionnaires) in accordance with the census requirements and timetable set by 2006 CPBI Technical Committee.
- Ensure the prompt submission of the following reports and MTS Data Files to ITSD-RCU/Office of the Director, copy furnished the RD:
 - (1) MTS data files to be sent every 15th and 30th day of each month starting June 15, 2007 to October 2007.
 - (2) Narrative Report (including financial report) of Census Field Operation using *ITSD-ASD Form 3 and 3a* at the end of the census operation.

Provincial Statisticians/DSOs/SCOs/Other statistical Staff

- Attend 3rd Level Training for Field Operation at the designated training center.
- Address the census questionnaires by type.
- Distribute and collect census questionnaires according to timetable. Ensure that high response rate of collection is achieved.
- Ensure confidentiality of data collected.
- Field edit/verify all collected accomplished questionnaires and submit these to the PSO on a weekly basis.
- Ensure that information related to the distribution and collection of CPBI/IOSPBI questionnaires are reflected in the “DO NOT FILL” portion found on the last page of the questionnaire, i.e. name, dates.

<p><i>“Blessed is the man who remains steadfast under trial, for when he has stood the test he will receive the crown of life, which God has promised to those who love him.”</i></p>

Chapter 4

FIELD OPERATION INSTRUCTIONS

This chapter outlines the specific instructions for each of the different phases of the 2006 CPBI field operation.

4.1. Preparatory Activities

Shipment of Census Materials/Forms from Central Office to Field Offices

Manuals, address stubs, MTS installer in CD, systems updates (if any), census database in CD, printed copy of control lists and other forms will be sent to the PSOs by the ITSD (CO) following the standard operating procedures for shipment.

Receipt and Verification of Questionnaires/Control Lists/Address Stubs and Installation of ITSD-MTS in the Provincial Offices

1. Upon receipt of materials/forms, immediately check the contents of the boxes/packages against ITSD-ADM Form 1 (General Transmittal Form). Any discrepancy in the shipment must be indicated in "REMARKS" portion of the transmittal form.
2. Acknowledge receipt by sending 1 copy of ITSD_ADM Form 1 back to ITSD (CO)
3. Check the control list (printed copy) against the address stubs by ensuring that all sample establishments listed in the "ORIGINAL SAMPLE" and "C/O FROM" portions of the control list have corresponding address stubs.
4. Install to MTS-PO the database sent by ITSD (CO).
5. Generate/update/print/distribute DO control lists (together with the corresponding census questionnaires and address stubs) to District Offices (DOs).

Addressing of Census Questionnaires

6. Before pasting the address stubs on the questionnaires, **check that the pages of the questionnaires are complete and in proper sequence, and the prints are readable.** Note that the census questionnaires will be shipped directly by the printing company to the provincial offices, and there may be no quality checks done on the printed questionnaires. Questionnaires that have missing pages or have other printing flaws should be shipped back to ITSD-Office of the Director.

For contingency purposes, provincial offices will be provided with sufficient blank questionnaires (about 15% of workload) and address stubs.

7. Attach/paste the address stubs to the appropriate questionnaire type. Ensure that two (2) copies of addressed questionnaires will be available for distribution to sample establishments with ATE 20 and over and found to be in the control list. Otherwise, only one copy will be

provided. Refer to the Checklists provided to facilitate addressing of the questionnaires. These are: **Checklist 1**- for list of CPBI samples (sorted by sector, municipality and alpha) and **Check List 2** – for list of IOSPBI samples (sorted by sector, by municipality and by alpha).

8. Attach one copy of the **cover letter** to the addressed questionnaires and also insert one copy of the **2006 CPBI–IOSPBI primer**.
9. In case there is an establishment with address stub/s but its name is not included in the control list, include this as additional sample. Enter the name, address and other characteristics of the establishment (as appearing in the address stub) in the control list and adjust workload accordingly.

4.2. Distribution of Questionnaires

1. After addressing the census questionnaires, the field staff should deliver them personally to the sample establishments and enter the information “*distributed by and date of distribution*” in the Box **Do Not Fill** found at the last page of the questionnaire. Be sure that the field staff brings sufficient copies of all types of blank questionnaires.
2. Whenever possible, interview the respondent on the spot or request the respondent to immediately accomplish the questionnaire.
3. The field staff should ascertain during this phase if the establishment visited is the reporting unit. If not, this is a case of new referral. *Refer to Section 4.8.*
4. The field staff should also request the establishments to provide copies of their financial statements and the corresponding notes (income statement and balance sheet) when he/she returns to collect the accomplished questionnaires.
5. Inform respondent of the date that the accomplished questionnaires will be collected.
6. In case the addressed questionnaire does not correspond to the economic activity of the establishment, the field staff should provide the respondent with the correct type of questionnaire.
7. For establishment that changed sector (major industry division), the field staff should provide the respondent with the correct type of questionnaires for CPBI and IOSPBI if such establishment belongs to the **certainty** stratum.
8. If the establishment is under new management, with a new name, ascertained to be in operation in 2006, and falling under the certainty stratum of the sector, provide the respondent with the new type of addressed questionnaires. Indicate in the original questionnaire the new name of the establishment for proper updating at ITSD. *The original questionnaire should also be transmitted back to ITSD-OD.*
9. Provide two (2) copies of the appropriate addressed questionnaires to establishments with ATE under the certainty stratum and which are found to be in operation in 2006 but not included in the control list.

These establishments might have been missed in the listing of establishments. Take particular attention to areas such as the export processing zones, industrial parks and other economic zones where these establishments tend to cluster.

4.3. Collection of Questionnaires

1. To achieve a high response rate, exhaust all possible means to collect all accomplished questionnaires on or before the deadline set for the province.
2. Upon collection of the accomplished questionnaire, enter the information “*collected by and actual receipt date*” on the Box **DO Not Fill** found at the last page of the questionnaire.
3. Review the accomplished questionnaire for completeness and consistency of entries to avoid revisits or callbacks. *You may make corrections on the spot or secure the needed information from the respondent before leaving the establishment.* Never leave the establishment until all items have been verified.
4. Make sure the establishment has also provided copies of the financial statements (FS) as these facilitate processing of the accomplished questionnaire. However, the financial statements shall not be used solely as an alternative source to the accomplished questionnaire because these do not provide the required details for data on employment, hours worked, compensation, fixed assets, and capital expenditures. The establishment shall still be required to accomplish the questionnaire. In cases where the respondent refuses to accomplish the questionnaire and insists in just providing **FS**, the field staff should as well accept the financial statements.
5. In cases where inconsistencies or unanswered questions cannot be resolved immediately, collect the questionnaire but leave a problem slip (ITSD–ADM FORM 2) with the establishment. *The problem slip should state the data item/s, which need to be verified, and the problem/s associated with it.* Set a date when the problem slip will be collected and report the problem to the DSO or PSO immediately.
6. Even after the lapse of the provincial deadline for collection, efforts must still be exerted to collect the accomplished questionnaires of the non-responding establishments for inclusion in the final tables.

4.4. Receipt and Control of Questionnaires

1. The DSO should record in the Control List of samples the following information for all sample establishments:
 - Distribution date of questionnaire to sample establishment
 - Receipt date of collected questionnaire from the sample establishment
 - Status of the establishment (ex: referred to MO with complete address of main office, closed since (year), callback, refusal, moved out-address unknown, etc.).

The Control List is to be submitted to the PSO every week starting June 15, 2007.

2. All recorded information in the Control List must be encoded in the MTS by the PSO staff, after which the Control List is then returned to the DSO.
3. Questionnaires for referrals to any province within the region are to be forwarded directly to the RD (cc: ITSD-OD), who in turn will transmit the questionnaires to the concerned province. *Refer to Section 4.8.*

4.5. Field Editing of Accomplished Questionnaires

1. All accomplished questionnaires collected from the establishments should be field edited for completeness, consistency and reasonableness of entries. Any missing data or inconsistencies of entries can be corrected while still within the premises of the establishment.
2. Ensure that information for the **Contact Person** is completely filled up.
3. If the establishment is a main office (with EO codes 3 or 4), verify if the report is consolidated, that is, it includes the reports of the branches listed in Item 23 of the questionnaire. If so, ask for the separate report of the said establishment if its sampling unit (refer to Chapter 2) is EO codes 1, 2 or 3. If actual data is not available, ask for the best estimates. Be sure to indicate such information/any other information in the **Remarks** portion (Item 22) of the questionnaire.
4. Provincial statisticians/DSOs/SCOs should edit/verify the accomplished questionnaires, following the editing instructions in Chapter 5 of this manual.

4.6 Transmittal of Questionnaires to ITSD-Office of the Director (Central Office)

1. All questionnaires (field edited accomplished questionnaires and returned questionnaires of closed/moved out/out of scope/CBL establishments and referrals outside the region) must be bundled by questionnaire type and by **sector**. Sector refers to the **major industry division** as presented in Chapter 2 Table 2.1 of this manual. For sample establishments that shifted its activity to another sector, the new type of questionnaires should be bundled in their original sector.
2. The Provincial Statistics Officer (PSO) should transmit all questionnaires together with the printed MTS generated Transmittal List (MTS-Census/Survey-TLppnnn.txt) to ITSD-Office of the Director (cc: RD) every 15th and 30th day of each month starting June 15, 2007 until the end of October 2007.
4. Generate/print five (5) copies of the MTS-Census/Survey-TLppnnn.txt (Transmittal List): one copy to be retained by the PSO, one copy for the RD, and 3 copies to accompany the shipment - 1 for ITSD-Office of the Director, 1 for concerned division/section and the other to be returned to PSO to acknowledge receipt of shipment.
5. All bundles comprising a single transmittal must be shipped together as one box/package and addressed to:

Administrator Carmelita N. Ericta
National Statistics Office
R. Magsaysay Blvd., Sta. Mesa
Manila

Attn: Estela T. de Guzman
ITSD Director
Contents: **2006 CPBI/IOSPBI**

If multiple boxes are used, use the number system as “1 box of 3, 2 box of 3, 3 box of 3”.

5. Prepare four (4) copies of transmittal form (ITSD-ADM Form 1) for each package: one copy to be retained by the PSO, and 3 copies to accompany the shipment - 1 for Shipping Unit of Central Office, 2 for ITSD-Office of the Director who will return the other copy to PSO to acknowledge receipt of shipment.

In cases when the establishments send the questionnaires directly to Central Office, the RDs/PSOs will be informed accordingly.

4.7. Transmittal of Electronic Control Lists/ Progress Reports and Updated MTS Data Files to ITSD-RCU

1. The PSO should also transmit updated MTS data files to ITSD-RCU (cc: RD), every 15th and 30th day of each month starting June 15, 2007 until the end of October 2007, simultaneous with the transmittal of questionnaires. Those provinces without email facility or have problems submitting thru email should submit copy of the updated MTS data files in CD/diskette thru fastest means in the same frequency. Should there be no updates for a particular reference period, the PSO is still required to submit the data files to ITSD-OD (cc:RD). The PSO need not submit a printed copy of the progress reports to ITSD-DO.
2. Be sure to log the date of transmittal of questionnaires to ITSD-Office of the Director (CO) to MTS data files.

4.8. Instructions for Special Cases of Establishments' Questionnaires

In the field operation of the 2006 CPBI, special cases of establishments' questionnaires need to be given preferential treatment in distribution, collection and processing. The special cases referred to are:

- referral establishments
- consolidated reports of establishments
- under new management
- closed or stopped operation
- moved out or transferred/cannot be located (CBL)

Specific instructions to handle these special cases are discussed in the succeeding sub-section.

4.8.1. “Referral” Establishments

Referral establishments are of two (2) types: Identified and New. The questionnaires of these referral establishments are to be distributed and collected in the addresses of their reporting unit. **Identified referrals** are the establishments listed in the “C/O FROM” and “C/O TO” portion of the Control List of Samples. **New referrals** are establishments which are not included in the *identified referrals*, but are made known as referrals during the 2006 CPBI field operation. Included also as **new referrals** are partially accomplished questionnaires for which the items with missing data are to be collected outside the location in the address stub, e.g. main office.

Identified Referrals

- a. Questionnaires of sample establishments classified under **C/O FROM** in the Control List are to be distributed, collected and edited in the same manner as the original samples for the province.
- b. The edited accomplished questionnaires should be transmitted directly to ITSD-Office of the Director (CO), which will be responsible for encoding the data items.

New Referrals

- a. Ask for a certification (duly signed by the respondent) from the establishment to include information on the name and address, including telephone number of the new contact person. Attach this certification to the questionnaire for transmittal.
- b. For referrals to any province within the region, the questionnaires should be transmitted directly to the RD (cc: ITSD-OD), who in turn will transmit the questionnaires to the concerned province.
- c. For referrals outside the region, the questionnaires should be transmitted directly to ITSD-Office of the Director (transmittal letter cc: RD), which in turn forwards the questionnaires to the concerned province.
- d. The receiving province should distribute, collect and edit the questionnaires as a **C/O FROM** sample establishments. The edited questionnaires should then be transmitted directly to ITSD-Office of the Director (transmittal letter cc:RD).

4.8.2. Consolidated Reports

- a. Consolidated reports submitted by an establishment which contains data for several branches located in different area should indicate the name, address, employment, ECN (possible only if branches or plants are located within the province) of all establishments included in the consolidated report.
- b. Sample establishments which reported that data for their plants/branches are consolidated with another establishment located elsewhere, indicate in the original questionnaire the name and address of the establishment (including the ECN if possible) of the reporting unit (which prepares the consolidated report). *The original questionnaire is also transmitted back to ITSD-OD.*

4.8.3. Under New Management

- a. When a sample establishment is found to be under new management, (if possible) ask the respondent to fill up the questionnaire if data are still available. If the name of the establishment has changed, be sure to provide the respondent with a new type of addressed questionnaire. Note: Indicate the new name of the establishment in the original questionnaire as this will also be forwarded to ITSD for updating.

4.8.4. Closed or Stopped Operation/Temporarily Closed Establishments

- a. For an establishment not in operation at the time of visit, ask from neighbors when the establishment stopped operation:
 - if prior to 2006, record in the control list the year when the establishment stopped its operation
 - if sometime in 2006, exhaust all means to get the required information. *Report of the establishment is still to be included in the tabulation.*
- b. Record in the **Remarks** portion of the control list and of the questionnaire the month/year these establishments stopped operation. *Information will be used for updating the Maintenance of List of Establishments (MLE) in the next survey round.*

4.8.5. Establishments which Moved Out or Transferred

- a. Verify the exact location where the establishment transferred. New location may either be within or outside the province:
 - If located within the province, correct the address indicated in the address stub of the questionnaire. Distribute the questionnaire at the new address of the establishment.
 - If located outside the province, follow instructions provided for “new referral establishments”.

4.8.6. Cannot be Located (CBL) Establishments

- a. Exhaust all means to get information about the CBL establishments.
- b. Record in the Remarks portion of the control list these information. The staff providing the information should also enter his name and signature.

4.8.7. New or different establishment is found in the Address of the CPBI Sample

If, at the time of visit, a new or different establishment is occupying the location of the 2006 CPBI sample establishment that had closed or stopped operation/ moved out/transferred/CBL, do the following:

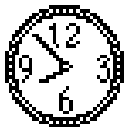



- a. Ascertain the establishment's operation in 2006, the activity it is engaged in, and the actual total employment as of November 15, 2006.

- b. If the establishment has an ATE under the certainty stratum and started operation in 2006, provide two (2) copies of the appropriate CPBI questionnaire.
- c. If the establishment has an ATE under the certainty stratum but started operation in 2007, interview the establishment to get information for the LE using the 2007 Establishment Inquiry Form. *Refer to Appendix _.*
- d. If the establishment has an ATE under the non-certainty stratum, interview the establishment to get information for the LE using the 2007 Establishment Inquiry Form.

For cases c and d, attach the accomplished 2007 Establishment Inquiry Form to the questionnaire of the original CPBI sample.

4.9. Qualities of an Effective NSO Field Staff



1. *Intelligence.* Conducting a census does not require extraordinary intelligence. But it demands an ability to understand the basic concepts used in the census and follow simple instructions. It also requires talent for sizing up people and situations. The staff must also be able to use the right approaches when asking probing questions.
2. *Punctuality.* It is important that once an appointment with the respondent is set, the staff must make it a habit to be punctual. It is a must that the staff should be punctual not only during the training sessions, but should also observe this punctuality during actual census field work. He/she must be a time-oriented person and always remember that time is gold.
 
3. *Integrity and Honesty.* The integrity of the data collected depends largely on the integrity and honesty of the staff conducting the census. Simply stated, the staff must never fabricate responses. He/she should be able to carry out his/her work as expected. The accuracy and quality of data gathered should always be the top priority in this census undertaking. Data collected is more precious than a diamond because it is the key for government and private sectors to formulate better plans towards national economic development.
 
4. *Teamwork skills.* The staff must be able to display good teamwork skills and willingness to improve performance. He/she should not hesitate to approach and ask the census supervisor or NSO regular field staff in case of doubt, or query regarding census concept and any problems arise during distribution and collection of questionnaires. These qualities should always be applied among the statistical researchers and census supervisors to facilitate the census undertaking.
 
5. *Pleasant appearance.* In appearance and manner, the staff must be one who inspires confidence and professionalism. Remember, first impressions are important because the respondent will cooperate mainly on the basis on the NSO staff's approach. He/she should sound enthusiastic and interesting in order to stimulate the respondent.
6. *Recording ability.* The census staff handwriting must always be clear and legible because the quality of data collected depends on the information reported in the
 

questionnaires. Neat and legible entries facilitate the encoding of data and also save time in both manual and manual processing of all accomplished questionnaires.

7. **Professional ethics.** The role of NSO field staff is that of a professional researcher. He/she should maintain the confidentiality of information collected and the integrity of the NSO as well. In no way should he/she engage the respondent in any unprofessional relationship. All personal and professional information about the respondent should be confidential in nature, as well.



8. **Patience and persuasion.** Patience is a virtue. This means that impatience should never be shown, as when waiting to be entertained by the respondent, when following up reports, or when encountering downright refusals. Persuasion is a skill acquired when the staff is able to select the appropriate approach for handling any type of respondent and make them cooperate with the census undertaking.



Note: The same qualities shall also apply to the 2006 CPBI trainers and participants.

4.10. Tips on How to Approach the Respondents of Sample Establishments

1. **Be presentable.** Make a good impression by dressing up properly and neatly. Some people judge others by what they wear and may not open the door for someone who appears messy or untidy.
2. **Be polite.** Different people will react to you differently. However, you must always try to smile. Be prepared for all types of questions and give honest answers.
3. **Introduce yourself and the 2006 CPBI.** Your introduction is important. You may say :
"Good morning/afternoon Sir/Ma'am. I am (Your Name), Statistical researcher of the National Statistics Office. Here is my identification card. We are currently conducting the 2006 CPBI nationwide and your company is selected as one of our samples. I would greatly appreciate if you could cooperate with me in accomplishing this census questionnaire. Please be assured that the data/information you will provide will be kept strictly confidential."



4. **Explain the importance and objectives of the Census Undertaking.** It is necessary to explain the objectives of the census to gain cooperation from the person. Explain to him/her that the results of the census will be used by planners in the government and private sectors, businessmen, researchers and other data users.



5. **Do not settle for an unsatisfactory answer.** Sometimes, establishment's report may be unclear or doubtful and needs further verification. Clarify all the answers. Try to ask some probing questions to arrive at a correct data/information. Make sure the supplied data are understandable, complete and consistent.



6. **Thank the respondent for his/her cooperation.** Always try to leave the respondent a good feeling for the census. Thus, after a visit/interview, express your appreciation for the respondent's cooperation in this undertaking. You may say, "Thank you very much for sharing your precious time in accomplishing this census questionnaire."

4.11. How to Handle 'Special' Types of Respondents

During distribution and collection of census questionnaires, different types of respondents may be encountered by the field personnel. The cooperative type is the most commonly encountered and easy to handle. There are, however, 'special' types of respondents that require special attention or treatment in order to get their cooperation. These include the following:

1. Gossip type – This type of respondent is very conversationalist or talkative. He loves to talk and talk about so many things. To a certain extent, the field staff can ride on with the talkative respondent to avoid him/her from being offended. Then slowly divert his/her attention to the purpose of the appointment (the census undertaking). Never get involved in any argument. As a general rule, always say "No comments" to gossips.



2. Busy type – This type of individual doesn't like to be disturbed because he/she has much work to do. One way to capture his/her attention is by leaving an appointment slip and set a date/time for revisit. The field staff should always be punctual. He must be patient to explain the purpose of the survey and present the authority and confidentiality clause stated in the questionnaire.



3. Hostile/uncooperative type – In some occasions, a respondent may refuse to accept the questionnaire. The field staff should be patient. He should explain the purpose of the census and the benefits to be gained from the results of the undertaking. He may ask the help of the barangay captain or other local officials or a friend of the respondent.



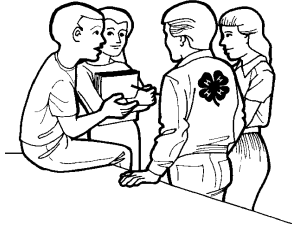
4. Suspicious type – Usually, this type of respondent comes from an establishment who does not trust other people. The field staff should always be presentable. He should introduce himself/herself properly (with the proper ID) to the respondent in order to earn his/her trust. He should emphasize the importance and legality of the activity and assure the confidentiality of data/information gathered. He may cite an incident when a case was filed against a company for refusing to accomplish the questionnaire.



5. Nervous type – This respondent is one who is afraid to give/divulge any information regarding their operational activities especially on financial matters. The field staff should exert effort to persuade the respondent to cooperate with the census undertaking by explaining briefly its objectives and by giving him the assurance of confidentiality of information as provided in **CA 591**.



6. Kibitzers or onlookers – These persons may be in the company premises but they are only observers and not the right resource persons who can provide the needed data.



They may give information not related to the census undertaking and cause the delay for collection. They usually join the conversation with the field staff and the right resource person from the establishment. The field staff should not mind the onlookers but focus on the respondent. He should be very careful and make sure to deal with the right person (preferably the accountant) from the establishment.

Note: The field staff may use other strategies, which he/she thinks more appropriate or effective to gain the cooperation and support of the respondents.

Give teaching to a wise man, and he will become wiser; give training to an upright man, and his learning will be increased.

Chapter 5

EDITING INSTRUCTIONS FOR CPBI

Editing is a quality control tool used to check for completeness, consistency and reasonableness of data.

Included in this chapter are general and specific instructions for editing the CPBI questionnaires, definition of terms in the specific items, comparative data items in CPBI questionnaires vis-a-vis the financial statements.

5.1. General Edit Instructions

1. Check that all pages of the questionnaire are complete and in the proper sequence. Staple all attachments (i.e. financial statements, certification, etc.) to the questionnaire. Write the name of the establishment (using pen) on the first page of the corresponding financial statements.
2. Check the kind of activity or business (Item 1) or revenue (Item 12) to determine whether the questionnaire is appropriate for the establishment. If not, recontact the establishment and provide appropriate questionnaire together with the previously accomplished one.
3. Use pencil in editing. Write legibly, preferably in print style.
4. Line out entries written in words representing numerals and enter the corresponding numeric figures.
5. Do not erase or obliterate illegible entries supplied by the respondents. If there are changes or corrections, line out the original entry and write the correction on the space nearest it. If corrections are provided in the questionnaire, indicate the source/s, e.g. field verification, financial statements, to facilitate processing at the Central Office.
6. Likewise, indicate the source/s for data provided to a particular item, which was previously an item non-response.
7. Read all entries in attachments or “**Remarks**” portion, as these will provide information on the operational status of the establishment.
8. Line out centavo figures. Do not round-off figures.
9. After editing the questionnaire, enter the codes in the cells of the control panel found in the lower portion of the cover page of the questionnaire. Refer to Section 5.5 for the coding scheme.
10. Then, the editor should print and sign his name (using pen) and enter the date on the “**Field edited by**” portion found on the last page of the questionnaire.

5.2. Instructions for Completeness Check

1. For items with pre-coded entries (i.e. EO, LO, Capacity Utilization), be sure that only one (1) box is marked.
2. The following items should always be non-zero if the establishment is in operation during the year 2006:

- Employment
(if operational as of Nov 15)
- Revenue
- Cost
- Indirect taxes

Exhaust all means to collect data for items that require non-zero entries. Blank or zero entries for these items should be properly explained in the **Remarks** portion.

5.3. Specific Instructions for Items

Note: **Non-zero entry**, as used in the CPBI, shall refer to any value greater than zero. **Zero entry** means zero (0), which is different from Blank (no entry).

Item 1 - Economic Activity or Business in 2006

Economic activity or business refers to the activity of the establishment that contributes the biggest or major portion of the gross income or revenue.

1. See to it that the **main activity** and **secondary/other activities** are sufficiently described to allow coding at 5-digit level (1994 PSIC). This shall be used to update the LE for the next survey round and for consistency checking of the type of revenue reported in item 12.
2. If there are two or more activities reported, verify which activity contributes the biggest portion of the gross income or revenue to identify its main activity. If the activities are of the same level of revenue, verify from the establishment their preferred industry classification. Otherwise, the activity which corresponds to the IND code in the address stub shall prevail.
3. Box for modified ISIC code is to be filled-in at the Central Office. The modified ISIC code **should** correspond to the IND (PSIC) code entered in the Control Panel found in the front page of the questionnaire. Instructions for filling-in the IND cells are found in Chapter 5 sec 5.5.

The *ISIC (International Standard Industrial Classification) Revision 4* was adopted by the UN Statistical Commission on March 6, 2006. The modified ISIC Rev 4 is combined with the ACIC (ASEAN Common Industrial Classification). Thus, tabulation of the CPBI data at the ACIC level is possible to meet ASEAN requirements.

Item 2 – Year Started Operation

1. This item should have an entry. Otherwise, verify from the establishment.

Item 3 - Legal Organization

***Legal organization (LO)** provides the legal basis for ownership of the establishment. The types of legal organization are single proprietorship, partnership, government corporation, private corporation, cooperative, and others such as private associations, foundations, non-government organizations (NGOs), etc.*

1. If not a single box is marked or more than one box is marked, verify from the establishment. Otherwise, refer to the name, address and LO code in the address stub, and mark the appropriate box following the guidelines below:

- Box 1 (Single Proprietorship) - This refers to a business establishment organized, owned, and managed by one person, who alone assumes the risk of the business enterprise. The establishment name is that of a person, or it has words such as **Owner, Proprietor** or **Operator**.
- Box 2 (Partnership) - This refers to an association of two or more individuals for the conduct of a business enterprise based upon an agreement or contract between or among them to contribute money, property or industry into a common fund with the intention of dividing profits among themselves. The establishment name includes words such as **Owners, Partners, Limited** or **LTD.**, **Associates** or **ASSOCS**.
- Box 3 (Government Corporation) - This is a private corporation organized for private aim, benefit or purpose and owned and controlled by the government. The establishment name includes words such as **Corporation** or **CORP.**, **INCORPORATED** or **INC**.
- Box 4 (Private Corporation) - This is a corporation organized by private persons. The establishment name includes words such as *Corporation* or *Corp.*, *Incorporated* or *Inc*.
- Box 5 (Cooperative) - The establishment name includes words such as **Cooperative** or **COOP**.
- Box 6 (Others) include private associations, foundations, NGOs, or other forms of legal organizations not classified in any of the above. If the entry in this box is specified, verify if it can be classified in any of Boxes 1 to 5. If so, mark the appropriate box.

Item 4 - Economic Organization

***Economic organization** relates to the organizational structure or role of the establishment in the organization. An establishment may be classified according to its economic organization as follows:*

- *Single establishment (EO=1) is an establishment which has neither branch nor main office.*
- *Branch only (EO=2) is an establishment which has a separate main office located elsewhere.*
- *Establishment and main office (EO=3), both located in the same address and with branch/es elsewhere.*
- *Main office only (EO=4) is the unit which controls, supervises and directs one or more establishments of an enterprise.*

- *Ancillary unit other than Main Office (EO=5) is the unit that operates primarily or exclusively for a related establishment or group of related establishments or its parent establishment and provides goods or services that support but do not become part of the output of those establishments. Examples: warehouse of plants or wholesale establishments, repair shops or garage or terminals of transport establishments.*

1. If more than one box or none is marked, refer to EO code in the address stub.
2. If Box 2 (Branch only) is marked, be sure that the lines for **Name of Main Office, Address of Main Office** and **Contact Person in Main Office** have entries. If the indicated address of the main office is outside the Philippines, the establishment should be treated as a single establishment. Thus, Box 1 should be marked.
3. If Box 3 (Establishment and Main Office) or Box 4 (Main Office only) is marked, there should be entry/ies in **Item 23** (Branches, Divisions, Plants owned or controlled).
4. If Box 4 (Main Office only) is marked, verify that the sample establishment belongs to any of the following sectors to be considered as a valid sample:
 - Electricity Gas and Water (E)
 - Construction (F)
 - Transport, Storage and Communication (I)
 - Financial Intermediation (J)
 - Real Estate, Renting and Business Activities (K).
5. If Box 5 (Ancillary Unit) is marked, be sure that the lines for **Name of Main Office, Address of Main Office** and **Contact Person in Main Office** have entries. If the given address of the main office is anywhere in the country, verify from the establishment. If verified to be so, treat the sample establishment as **out-of-scope** for the survey. However, if the given address of the main office is outside the country, verify from the establishment. If verified to be so, this should be treated as a single establishment. Thus, Box 1 should be marked.
6. If Box 2 (Branch only) is marked,

Items 5, 6 and 7 - Employment

***Total employment** includes all paid employees and unpaid workers who worked in or for the establishment*

***Paid employees** are all full-time and part-time employees working in or for the establishment and receiving regular pay, as well as those working away from the establishment and paid by and under the control of the establishment. Also included are the following:*

- *Employees on sick or maternity leave*
- *Employees on paid vacation or holiday*
- *Employees on strike*
- *Directors of corporations working for pay*
- *Executives/managers and other officers of the same category*
- *Working owners receiving regular pay*
- *Apprentices and learners receiving regular pay*

- *Workers receiving compensation on sharing basis*
- *Persons hired only during peak seasons like planting harvesting, and the like (applicable to Sectors A & B)*
- *Any other employees receiving regular pay*

Excluded are:

- *Directors paid solely for their attendance at meetings of board of directors*
- *Consultants*
- *Workers on indefinite leave*
- *Working owners who do not receive regular pay*
- *Homeworkers*
- *Workers receiving commissions only.*

Unpaid workers include working owners who do not receive regular pay, apprentices and learners without regular pay, and persons working for at least 1/3 of the working time normal to the establishment without regular pay. Excluded are silent or inactive business partners.

Reference period for Employment is as of November 15, 2006. This makes it easier for the establishment to provide data on the number of workers at a specific period. A more accurate point estimate of employment can then be obtained using this reference period.

1. Do not accept zero entry in item 5 (Paid Employees) if LO = 3 or 4 (Govt or Private Corp).
2. Accept zero for Paid Employees if entries in Item 6 (Unpaid Workers) are non-zero and LO is 1 or 2 (Single Proprietorship or Partnership).
3. Check that entries in **Item 7**(Total Employment) are equal to the sum of **Item 5** (Paid Employees) and **Item 6** (Unpaid Workers)
4. If Box 5 (Cooperative) of Item 3 is marked and total employment is more than 20, verify from the establishment the composition of such employment. *There is a possibility that members of the coop are included in the count.*
5. If entries reported in Line c (Total Employment) of Item 7 is unusually high or very low compared to the equivalent size code (SZ) indicated in the address stub, verify from the establishment for possible reasons for such deviations.

Items 8 and 9 – Production/Construction Workers and Hours Worked

***Production/construction workers** are workers directly engaged in the production/construction process, including working foremen. The number reported is included in Item 7.*

***Number of hours worked** by production/construction workers refer to the number of hours actually spent by production/construction workers at work, including waiting time and overtime. Excluded is the time for paid sick leave and paid vacation leave.*

1. This item should have non-zero entries for establishments classified in any of Sectors C, D, E, and F (Mining & Quarrying, Manufacturing, EGW and Construction).
2. Accept zero only if there is a non-zero entry in **Item 14d.1** (Contract and commission work done by others).
3. If there are non-zero entries for Production/Construction Workers there should be corresponding non-zero entries for Hours Worked.
4. The number of production workers is always less than or equal to the number of Paid Employees in **Item 5**.
5. Compute for the average number of hours worked per day and check for reasonableness of entries using the formula below:

<p>Ave. Number of Hours Worked per day = $\frac{\text{Total Number of Hours Worked}}{(\text{Number of Production Workers} * 26 * 12)}$</p>

Acceptable figures are from 6 to 14 hours per day, except for Sector C (Mining and Quarrying) which may range from 3 to 13 hours per day.

Items 10 and 11 - Compensation

***Compensation** is the sum of gross salaries and wages and employer's contribution to SSS/GSIS, etc.*

***Gross salaries and wages** refer to payments in cash or in kind prior to any deductions for employee's contributions to SSS/GSIS, withholding tax, etc. It includes the following:*

- *Total basic pay*
- *Overtime pay (payment given for extra hours worked)*
- *Vacation, sick and maternity leave pay*
- *Bonuses*
- *Food, housing and cost of living allowances*
- *Commissions paid for salaried employees*
- *Commutable transportation and representation allowances*
- *Separation, retirement/terminal pay; gratuities, etc.*
- *Share of harvest given to employees as salaries and wages valued at net cost (applicable to Sectors A & B)*

Excluded are:

- *Cost of uniform/working clothes*
- *Reimbursable transportation and representation allowances*

***Employer's contributions to SSS/GSIS, etc.** include contributions to Employees Compensation Commission (ECC), PhilHealth and PAG-IBIG, SSS/GSIS, etc.*

1. This item should have non-zero entries if there are non-zero entries for Paid Employees in **Item 5**. This also means that zero is acceptable only if Unpaid Workers are reported in Item 6 and Item 5 has zero entry.

2. If there are non-zero entries for Salaries and Wages, there should be corresponding non-zero entries for Employer's Contribution. Entries for Employer's Contribution should be less than Salaries and Wages.
3. Compute for the average monthly salaries and wages of paid employees and check for reasonableness of entries using the formula below:

$\text{Average monthly salaries and wages} = \frac{\text{Gross salaries and wages}}{\text{Total number of paid employees} \times 12}$

Item 12 – Total Revenue

*Revenue refers to cash received and receivables for products/by-products sold and services rendered. Valuation of products/by-products sold is in **producer price** (ex-establishment) net of discounts and allowances, while services rendered is also in **producer price**.*

***Producer price** is the amount receivable by the producer from the purchaser for a unit of a product (good or service produced) as output, minus any VAT or similar deductible tax, invoiced to the purchaser. It excludes any transport charges invoiced separately by the producer.*

0 Included in revenue are the following:

- *Goods transferred and services rendered to other establishments belonging to the same enterprise as the establishment which should be treated as sales and valued as if sold to a customer or valued at cost.*
- *Revenue from products made elsewhere for this establishment on a contractual basis from materials supplied by this establishment.*
- *Value of products sold to domestic market, transferred to other plants or establishments belonging to the same enterprise, directly exported and sold to exporters.*

***Value of products sold to domestic market** includes sales of products of this establishment to another establishment (producer, wholesaler, retailer, etc) of a different enterprise.*

***Interplant transfers** include shipments to other domestic plants or establishments belonging to the same enterprise as this establishment. These should be valued as though sold.*

***Direct exports** refer to products shipped directly by this establishment outside the country during the year.*

Specific Edit Instructions by Questionnaire Type

CPBI Form 1 – Agriculture & Forestry and Fishing (Sectors A and B)

Sources of Main Revenue by Sector

<i>A – Agriculture and Forestry</i>	<p><i>Agricultural crops & by-products sold, including ornamental plants, flowers for sale, seeds and seedlings (A01)</i></p> <p><i>Livestock & poultry products & by-products sold (A02)</i></p> <p><i>Agricultural services (A03) such as operation of irrigation system; chemical weed control; pest and disease control services; stud and artificial insemination services; planting, harvesting, threshing, shelling & drying of agricultural products; animal propagation, growth & related services; rental/lease of agricultural land/machinery and equipment (with operator); plowing, seeding, weeding & similar services; farm management services; fertilizer application; sex determination & poultry services; agricultural research</i></p> <p><i>Log, forestry and other logging products sold (A05 except A0509)</i></p> <p><i>Forestry and logging services (A0509)</i></p>
<i>B - Fishing</i>	<p><i>Fishery products/harvests sold from commercial fishing & aquafarm operations (B06, except B068)</i></p> <p><i>Fishery services such as towing of fishing boats; rental of aquafarm, fishing boats, ad other fishing equipment and machinery with operator (B068)</i></p>

Line a. Value of products/by products sold

Value of products/by products sold include products and by products sold to domestic market, other than interplant transfers (line a.1), interplant transfers (line a.2), direct exports (line a.3) and value of products sold to exporters (line a.4).

- There should be non-zero entries in any of line **a.1** (value of products sold), line **a.2** (interplant transfers), line **a.3** (direct exports) and line **a.4** (value of products sold to exporters) for establishments engaged in the following:
 - growing of crops (A01)
 - farming of animals (A02)
 - forestry and logging (A05) except forestry and logging services (A0509)
 - fishing (B06) except service activities incidental to fishing (B068).

Line b. Value of agricultural, forestry and fishery services rendered

Included are operation of irrigation system; chemical weed control, pest and disease control; stud and artificial insemination; planting, harvesting, threshing, shelling and drying of agricultural products; farm management; sex determination; egg hatching; rental of fishing boat, agricultural/forestry/fishing

*machinery and equipment **with operator**; towing of fishing boats; drydocking; fish scaling/weighing; firewood cutting; and other similar services.*

- This line should have non-zero entry for establishments engaged in the following:
 - agricultural and animal husbandry service activities except veterinary activities (A03)
 - forestry and logging services, specifically chainsaw and firewood cutting (A0509)
 - service activities incidental to fishing (PSIC B068).

Line c. Value of industrial services done for others

Industrial services done for others include commission and contract work done for others (line c.1) and other industrial services done for others such as industrial repair, maintenance and installation work (line c.2).

- Non-zero entry in this line is acceptable.

Line d. Value of non-industrial services done for others

Included in non-industrial services done for others are the following:

- *Rent income from land*
- *Rental income from building and structures*
- *Other rental income (Included are rental of machinery, transport equipment, fishing boat, etc., **without operator**)*
- *Other non-industrial services not included above (Included are income from storage and warehousing; income from freight, research, consultancy, and other professional and business services; management fees; subscriptions and membership fees; delivery charges separately invoiced to customers. Excluded are payments received under hire purchase arrangements.)*

Line **d.3** should have non-zero entry for establishments engaged in rental of machinery and transport equipment, fishing boat, etc. without operator.

**CPBI Form 2 – Mining and Quarrying, Manufacturing, and Electricity, Gas and Water
(Sectors C, D and E)**

Sources of Main Revenue by Sector

<i>C - Mining and Quarrying</i>	<i>Value of products/ by-products sold</i>
<i>D - Manufacturing</i>	<i>Value of products/ by-products sold</i>
<i>E - Electricity, Gas and Water</i>	<i>Electric energy sold, Water sold, Steam sold</i>

Line a. Value of products/by products sold

1. Line **a** should have non-zero entry in any of the lines **a.1** to **a.4** if the establishment is engaged in mining and quarrying (Sector C) and manufacturing (Sector D) and if lines **e.1** and **e.2** in line **e** (value of industrial services done for others) have zero entries.
2. If there are non-zero entries in any of lines **a.1** to **a.4**, there should be a non-zero entry in Item **14.a** (Raw materials, other materials and supplies purchased) or Item **21.d** (Inventory of raw materials and supplies as of 1 January 2006).

Line b. Value of Electricity sold

- This line should have a non-zero entry if the establishment is engaged in the generation, collection and distribution of electricity (PSIC E401).

Line c. Value of steam sold

- This line should have a non-zero entry if the establishment is engaged in the production, collection, and distribution of steam and hot water for heating, power and other purposes; operation of geothermal and nuclear power plants (PSIC E403).

Line d. Value of water sold

- This line should have a non-zero entry if the establishment is engaged in the collection, purification and distribution of water (PSIC E410).

Line e. Value of industrial services done for others

1. For Sector C and D, zero entry is not acceptable in any of lines **e.1** or **e.2** if all lines **a.1** to **a.4** have zero entries.
2. Line **e.1** (contract and commission work done for others) should have non-zero entry for establishments engaged in the following:
 - oil and gas extraction activities on contract basis (PSIC C1192)
 - oil and gas exploration on contract basis (PSIC C1193).

Line f. Value of non-industrial services done for others

- Non-zero entry is acceptable in any of lines **f.1** to **f.4** even if any of lines **a**, **b**, **c** and **d** has non-zero entry.

CPBI Form 3 – Construction (Sector F)
--

Sources of Revenue by Sector

F - Construction

Value of domestic construction put in place such as residential and non-residential buildings, general engineering, special trade

Line a. Value of domestic construction put in place

*Value of domestic construction put in place refers to the value of construction work done during the year **in the country** or that portion of the contract value which was done in 2006. **Excluded** are construction work done for the production of fixed assets on own account.*

- This line should have non-zero entry if the establishment is engaged in the following:
 - residential building construction (PSIC F45201)
 - non-residential building construction (PSIC F45202)
 - general engineering construction (PSIC F45203)
 - building installation or parts thereof (PSIC F453)
 - building completion (PSIC F454).

Line b. Net income from construction activities earned abroad

Net income from construction activities earned abroad refers to the value, cash and receivables, of construction put in place abroad less total cost incurred.

- Non-zero entry is acceptable even if line **a** has non-zero entry.

Line c. Value of products manufactured

An example of products manufactured by construction companies is hollow blocks.

- Non-zero entry is acceptable.

Line d. Value of industrial services done for others

- Line **d** should have non-zero entry in any of lines **d.1** or **d.2** if the establishment is engaged in site preparation (PSIC F451) or renting of construction or demolition equipment with operator (PSIC 455).

Line e. Value of non-industrial services done for others

- Non-zero entry is acceptable in any of lines **e.1** to **e.4** even if line **a** has non-zero entry.

CPBI Form 4 – Business and Services (Sectors G, I, J, K, H, M, N and O)
--

Sources of Revenue by Sector

<i>G – Wholesale and Retail trade; Repair of Motor Vehicles, Personal & household goods</i>	<i>Wholesale trade of goods (G512-519)</i> <i>Retail trade of goods such as food items, motor vehicles, motorcycle & parts, automotive fuels, etc. (G52)</i> <i>Sale of motor vehicles, parts and accessories (G501, G503)</i> <i>Sale of motorcycle and parts (G50401)</i> <i>Repair and maintenance of motor vehicles, motorcycle & parts, personal & household goods (G502, G50402, G526)</i> <i>Commissions and fees (G511)</i>
<i>H - Hotels and Restaurants</i>	<i>Hotels, motels & other lodging services (H551)</i> <i>Catering, food charges and other service charges (H552)</i>
<i>I - Transport, Storage & Communications</i>	<i>Land, water and air transport services (I60, I61 and I62)</i> <i>Supporting and auxiliary transport services (I63)</i> <i>Postal and communication services (I64)</i>
<i>J - Financial Intermediation</i>	<i>Net premiums earned for life insurance (J6701), non-life-insurance (J6703), pre-need plan activities (J6814)</i> <i>Service charges for banking institutions (J65) and non-bank financial institutions (J66)</i> <i>Interest income on deposits, loans, financing, bonds, foreign exchange and trading gains for banks and other monetary institutions (J65), non-bank financial institutions (J66), administration of financial markets (J6811), security dealing activities (J6812), and foreign exchange dealing (J6813)</i> <i>Commissions & fees for insurance agents and brokers (J682), security dealing (J6812), activities auxiliary to financial intermediation (J6819)</i>
<i>K - Real Estate, Renting & Business Activities</i>	<i>Contract price of real estate sold for real estate buying, developing, subdividing and selling (K7012)</i> <i>Commissions and fees for real estate agents, brokers, managers and appraisers (K702)</i> <i>Rental income for machinery and equipment without operator, personal and household goods (K71)</i> <i>Service income for Other business activities such Computer & related activities (K72), Research & development (K73), and Miscellaneous business activities (K74)</i>
<i>M - Education</i>	<i>Tuition, matriculation and other school fees for private education (M81)</i>
<i>N - Health and Social Work</i>	<i>Medical, dental and other health services (N851)</i> <i>Veterinary activities (N852)</i> <i>Other social and related community services (N853)</i>
<i>O - Other Community, Social and Personal Service Activities</i>	<i>Service income for Sewage and refuse disposal sanitation (O90), Recreational, cultural and sporting activities (O92), and Other service activities (O93)</i>

Line a. Revenue from main activity

1. This line should have non-zero entry if any or all of lines **b** to **j** have zero entries for establishments engaged in the following:
 - maintenance & repair of motor vehicles (PSIC G502);
motorcycles & parts (PSIC G50402);
personal & household goods (PSIC G526)
 - hotels & restaurants (Sector H)
 - transport, storage and communication (Sector I)
 - insurance and pension (PSIC J6701 and J6703)
 - foreign exchange dealing (PSIC J6813)
 - pre-need plan activities (PSIC J6814)
 - other business activities (PSIC K72 to 74)
 - education, health & social work services (Sectors M & N)
 - other community, social and personal services (Sector O).
2. If there is a non-zero entry in this line, type of main revenue should be specified and there should be non-zero entry/ies in line **a.1** (revenue from transactions within the country) and/or line **a.2** (revenue from transactions outside the country).

Line b. Value of goods for resale

*Value of goods for resale refers to receipts from goods sold in the same condition as purchased (sales of goods); goods transferred to other establishments of the same enterprise. **Included** are delivery charges not separately invoiced to customers; installment payments for the year for long term contracts; export sales (f.o.b.). **Excluded** are sales taxes, value added taxes, excises and duties received on behalf of the government; sales of fixed tangible assets; export freight charges; delivery charges separately invoiced to customers.*

Value of goods for resale may be classified as sold to domestic market (line b.1), direct exports (line b.2) and sold to exporters (line b.3).

1. Line **b** should have non-zero entry in any of lines **b.1** to **b.3** for wholesale and retail trade establishments (Sector G), except for the following establishments:
 - wholesale on a fee or contract basis (PSIC G511)
 - maintenance & repair of
 - motor vehicles (PSIC G502)
 - motorcycles & parts (PSIC G50402)
 - personal & household goods (PSIC G526).
2. For other sectors, non-zero entry is also acceptable if any of lines **a**, **c** and **d** has non-zero entry.

3. For wholesale and retail trade establishments, (sector G **except** PSIC G511, G502, G50402 & G526), compute the trade margin ratio (TMR) using the formula:

$\text{Trade Margin Ratio \% (TMR)} = \left[\frac{\text{Sales of goods}}{\text{Goods purchased for resale} + (1 \text{ Jan 2006} - 31 \text{ Dec 2006}) \text{ Inv. of goods for resale}} - 1 \right] \times 100$
--

Note: The denominator in the above formula is equal to 'Cost of goods sold'.

Check for acceptability of TMR by referring to Appendix 12 for acceptable TMRs by industry groups.

Line c. Interest income

Interest income includes interest on finance leases; earnings on discounted bills; interest from deposits in banks and other financial institutions; interest/discounts on loans, deposits, financing, bonds, money market; etc.

1. This line should have non-zero entry for establishments engaged in the following:

- other monetary intermediation (bank – PSIC J659)
- non-bank financial intermediation (PSIC J66)
- administration of financial markets (PSIC J6811)
- security dealing activities (PSIC J6812).

2. For other sectors, zero entry is acceptable.

Line d. Value of real estate sold

Value of real estate sold refers to real estate sales for residential and non-residential, memorial lots and columbarium vaults, whether in cash or installment.

- This line should have non-zero entry for establishments engaged in real estate buying, developing, subdividing and selling (PSIC K7012).

Line e. Value of industrial services done for others

- Zero entry is acceptable.

Line f. Value of non-industrial services done for others

Included in non-industrial services done for others are the following:

- *Rent income from land*
- *Rental income from building and structures*
- *Other rental income (Included are income from renting of machinery and equipment without operator, and personal and household goods)*

- *Other non-industrial services done for others (Included are income from freight, research, consultancy, and other professional and business services; etc.)*

1. Line **f.3** should have non-zero entry for establishments engaged in renting of machinery and equipment without operator, personal and household goods (PSIC K71).
2. For other sectors, zero entry is acceptable in all lines **f.1** to **f.4**.

Line h. Commissions and fees earned

Commissions and fees earned include commission income; income earned from wholesale on a fee or contract basis; income earned through agents and brokers; income earned from real estate activities on a fee or contract basis.

1. This line should have non-zero entry for establishments engaged in the following:
 - wholesale on a fee or contract basis (PSIC G511)
 - insurance agents and brokers (PSIC J682)
 - security dealing (PSIC J6812)
 - activities auxiliary to financial intermediation (PSIC J6819)
 - real estate agents, brokers, managers and appraisers (PSIC K702).
2. For other sectors, zero entry is acceptable.

Line i. Service Charges

1. This line should have non-zero entry for establishments engaged in the following:
 - banking institutions (PSIC J65)
 - non-bank financial institutions (PSIC J66).
2. For other sectors, zero entry is acceptable.

<i>Common Edit Instructions for all Questionnaire Types (Item 12 – Revenue)</i>
--

Summary of Line Numbers of Common Items by Questionnaire Type

Item 12 - Revenue	Line Number			
	CPBI Form 1 (Sectors A & B)	CPBI FORM 2 (Sectors C to E)	CPBI FORM 3 (Sector F)	CPBI FORM 4 (Sectors G to O)
Value of goods for resale	Line e	Line g	Line f	Line b
Interest income	Line f	Line h	Line g	Line c
Dividend income	Line g	Line i	Line h	Line g
Commissions and fees earned	Line h	Line j	Line i	Line h
Other income	Line i	Line k	Line j	Line j
Total revenue	Line j	Line l	Line k	Line k

Value of goods for resale (Sectors A to O)

Value of goods for resale refers to receipts from goods sold in the same condition as purchased.

- Zero entry is acceptable for all sectors (**except** Sector G - Wholesale and Retail Trade) and the following establishments in Wholesale and Retail trade:
 - wholesale on a fee or contract basis (PSIC G511)
 - maintenance & repair of
 - motor vehicles (PSIC G502)
 - motorcycles & parts (PSIC G50402)
 - personal & household goods (PSIC G526).

Interest income (Sectors A to O)

Interest income includes interest on finance leases; earnings on discounted bills; interest from deposits in banks and other financial institutions; interest/discounts on loans, deposits, financing, bonds, money market; etc.

- Zero entry is acceptable except for establishments engaged in the following:
 - other monetary intermediation (bank – PSIC J659)
 - non-bank financial intermediation (PSIC J66)
 - administration of financial markets (PSIC J6811)
 - security dealing activities (PSIC J6812).

Dividend income (Sectors A to O)

- Zero entry in this line is acceptable.

Commissions and fees earned (Sectors A to O)

Commissions and fees earned include commission income; income earned from wholesale on a fee or contract basis; income earned through agents and brokers; income earned from real estate activities on a fee or contract basis.

- Zero entry is acceptable except for establishments engaged in the following:
 - wholesale on a fee or contract basis (PSIC G511)
 - insurance agents and brokers (PSIC J682)
 - security dealing (PSIC J6812)
 - activities auxiliary to financial intermediation (PSIC J6819)
 - real estate agents, brokers, managers and appraisers (PSIC K702).

Other income (Sectors A to O)

Other income includes service charges, royalties, franchises, foreign exchange gains, etc.

- Non-zero entry is acceptable if any of the previous lines has non-zero entry. The nature and amount of the single largest item should be specified in the line provided. If the specified item in the line provided can be classified in any of the previous lines, transfer the entry to the appropriate line.

Item 13 – Subsidies

*Subsidies refer to special grants in the form of financial assistance or tax exemption or tax privilege received from the government to aid and develop an industry. **Included** are tax credit, tax and duty exemptions; price support and price discount; interest rate subsidy.*

- Zero entry is acceptable.

Item 14 - Total Cost incurred in 2006

*Cost refers to all expenses incurred during the year whether paid or payable. Valuation of goods and services should be in **purchaser price**. **Included** are goods received from and services rendered by other establishments belonging to the same enterprise as this establishment. These should be valued as though purchased. **Excluded** are salaries and wages, and employer's contribution because these are reported in Items 10 & 11.*

***Purchaser price** is the amount paid by the purchaser, excluding any VAT or similar deductible tax, in order to take delivery of a unit of a good or service. It includes any transport charges paid separately by the purchaser to take delivery at the required time and place.*

Specific Edit Instructions by Questionnaire Type

CPBI Form 1 - Agriculture, Forestry and Fishing (Sectors A and B)
--

Line a. Materials and supplies purchased

Major Materials and Supplies Used by Sector:

<i>A – Agriculture and Forestry</i>	<i>Seeds or seedlings(A01) , young animals and fowls (A02), pesticides, fertilizers, soil dressing, veterinary supplies, feeds and rice bran</i>
<i>B - Fishing</i>	<i>Fry/fingerlings, non-durable fishing gears, feed, nets, ropes, twines and ice/icegel (B06)</i>

Other materials and supplies: office supplies and materials; spare parts and non-durable tools, uniforms/working clothes, containers and packing materials

1. This line should have non-zero entry.
2. However, zero entry is acceptable for establishments engaged in contract growing of animals (PSIC A03720).

Line b. Fuels, lubricants, oils and greases purchased

- This line should have non-zero entry **if** any one of lines **d**, **e** and **f** (book value of fishing boat/craft/vessel, transport equipment; and machinery and equipment) in Item **18** has a non-zero entry and **vice versa**.

Line d. Cost of agricultural, forestry and fishery services done by others

This item includes the cost of services done by others like irrigation, planting, harvesting, threshing, chemical weed control, pest and disease control services, fertilizer application, sex determination, fish scaling, drydocking, firewood cutting, and rental expenses for fishing boat/craft/vessel, aquafarm; etc.

1. This line should have a non-zero entry if item **18.a** (Book value of land/aquafarm) is zero for establishment engaged in the prawn culture (PSIC B063); and operation of fish farms and nurseries (PSIC B064) and **vice versa**.
2. This line should have a non-zero entry if item **18.d** (Book value of fishing boat/craft/vessel) is zero for establishment engaged in ocean and coastal fishing (PSIC B061); and inland fishing B062) and **vice versa**.

Line e. Cost of industrial services done by others

Industrial services done by others include contract and commission work done by others; industrial repair; and maintenance and installation work.

- Non-zero entry is acceptable.

Line f. Cost of non-industrial services done by others

Non-industrial services done by others include rent expense for land; rental expense for buildings and structures, machinery and transport equipment; bank charges excluding interest; insurance expense; communication expense; professional, business and other service fees; transportation, representation and entertainment expenses; storage and warehousing fees; stevedoring, forwarding and other freight charges.

1. There should be a non-zero entry in line **f.1** (rent expense for land) if item **18.a** (book value of land/aquafarm) is zero and if there is a non-zero entry in item **18.b** (book value of buildings, other structures and land improvements) and **vice versa**.

2. There should be a non-zero entry in line **f.2** (*rental expense for buildings and structures*) if item **18.b** (*book value of buildings, other structures and land improvements*) is zero and **vice versa**.
3. There should be a non-zero entry in line **f.3** (*other rental expenses*) if both lines **e** and **f** (*book value of transport equipment; and machinery and equipment*) of item **18** are zero and **vice versa**.

Line g. Goods purchased for resale

Goods purchased for resale refer to the acquisition cost of goods purchased for resale without transformation of processing.

- This line should have non-zero entry if item **12.e** (*Value of goods for resale*) has a non-zero entry and item **21.c** (*Inventory of Goods for resale as of 1 Jan 2006*) is zero and **vice versa**.

Line h. Interest expense

Interest expense refers to interest paid for loans obtained from banks and other financial institutions. Included are interest in respect of finance leases and interest equivalent such as hedging cost. Excluded are bank charges other than interest.

- Non-zero entry is acceptable.

**CPBI Form 2 – Mining and Quarrying, Manufacturing, Electricity, Gas and Water
(Sectors C, D and E)**

Line a. Raw materials, other materials and supplies purchased

Raw Materials and Supplies Used by Sector:

<i>C – Mining & Quarrying</i>	<i>Blasting materials; various materials and supplies; etc.</i>
<i>D - Manufacturing</i>	<i>Raw materials and fuels that enter into the product; etc.</i>
<i>E – Electricity, Gas and Water</i>	<i>Chlorine, hardware materials, electric cables and wires, electric posts (if considered as materials); etc.</i>

Other materials and supplies: *office supplies and materials; spare parts and non-durable tools, uniforms/working clothes; containers and packing materials*

- Zero entry is acceptable only if item **12 e.1** (*contract and commission work for others*) or item **21.d col. 1** (*Inventory of raw materials and supplies as of 1 January 2006*) has a non-zero entry.

Line b. Fuels, lubricants, oils and greases purchased

- This line should have non-zero entry if any one of lines c (*book value of transport equipment*) and d (*book value of machinery and equipment*) in Item **18** has a non-zero entry.

Line d. Cost of industrial services done by others

- There should be non-zero entry in line d.1 (contract and commission work done by others) if all lines in Item 8 (Production workers) have zero entries.

Line e. Cost of non-industrial services done by others

1. There should be a non-zero entry in line e.1 (*rent expense for land*) if item **18.a** (*book value of land*) is zero and if there is a non-zero entry in item **18.b** (*book value of buildings, other structures and land improvements*).
2. There should be a non-zero entry in line e.2 (*rental expense for buildings and structures*) if item **18.b** (*book value of buildings, other structures and land improvements*) is zero.
3. There should be a non-zero entry in line e.3 (*other rental expense*) if both lines c and d (*book value transport equipment; and machinery and equipment*) of item **18** are zero.

Line f. Goods purchased for resale

This line should have a non-zero entry if item **12.g** (*Value of goods for resale*) is non-zero and item **21.c** (*Inventory of Goods for resale as of 1 Jan 2006*) is zero.

Line g. Interest expenses

Non-zero entry is acceptable.

CPBI Form 3 – Construction (Sector F)
--

Line a. Materials and supplies purchased

Major Materials and Supplies Used by Sector:

F – Construction

Lumber and other wood products; cement; sand and gravel; steel; paint; hardware and other construction materials and supplies

Other materials and supplies: *office supplies and materials; spare parts and non-durable tools, uniforms/working clothes, containers and packing materials*

- Zero entry is acceptable only **if** there are non-zero entries in line **d.1** (Contract and commission work done by others) or item **21.d col. 1** (*Inventory of materials and supplies as of 1 Jan 2006*).

Line b. Fuels, lubricants, oils and greases purchased

- This line should have non-zero entry **if** any one of lines **c** and **d** (*book value of transport equipment; and machinery and equipment*) in Item **18** has a non-zero entry.

Line d. Cost of industrial services done by others

1. There should be non-zero entry in line **d.1** (contract and commission work done by others) **if** line **a** (*materials & supplies purchased*) and Item **21.d col 1** (*Inventory of materials as of Jan 1, 2006*) are zero.
2. However, non-zero entries in both lines **a** and **d.1** are acceptable.

Line e. Cost of non-industrial services done by others

1. There should be a non-zero entry in line **e.1** (*rent expense for land*) if Item **18.a** (*book value of land*) is zero and if there is a non-zero entry in Item **18.b** (*book value of buildings, other structures and land improvements*). However, *non-zero* entry in line **e.1** is acceptable if both Item 18 lines **a** and **b** have entries.
2. There should be a non-zero entry in line **e.2** (*rental expense for buildings and structures*) if item **18.b** (*book value of buildings, other structures and land improvements*) is zero.
3. There should be a non-zero entry in line **e.3** (*other rental expense*) if both lines **c** and **d** (*book value of transport equipment; and machinery and equipment*) in item **18** are zero.

Line f. Goods purchased for resale

- This line should have non-zero entry if item **12.f** (*Value of goods for resale*) is non-zero and item **21.c** (*Inventory of Goods for resale as of 1 Jan 2006*) is zero.

Line g. Interest expenses

Non-zero entry is acceptable.

CPBI Form 4 – Business and Services (Sectors G, H, I, J, K, M, N and O)
--

Line a. Materials and supplies purchased

Major Materials and Supplies Used by Sector:

<i>G – Wholesale & Retail trade; Repair of Motor Vehicles, Personal & household goods</i>	<i>Cash register papers and ribbons; price tags</i>
<i>H – Hotels and Restaurants</i>	<i>Food and food ingredients, drinks and other restaurant supplies, linens</i>
<i>I – Transport, Storage & Communication</i>	<i>spare parts and non-durable tools; tires</i>
<i>J – Financial Intermediation</i>	<i>Computer ribbons, continuous forms, ATM cards, and other forms</i>
<i>K – Real Estate Renting & Business Services</i>	<i>Art paints, engineering and architectural supplies</i>
M - Education	<i>Books, instructional and academic materials and supplies such as chalk, class records, board markers</i>
<i>N – Health and Social Work</i>	<i>Medical, surgical and dental supplies and materials; subsistence supplies for patients; linens; food and food ingredients</i>
<i>O – Other Community, social and Personal Service Activities</i>	<i>Motion picture films/tapes, beauty parlor and barber shop supplies; funeral parlor supplies</i>

Other materials and supplies: *office supplies and materials; spare parts and non-durable tools, ice, uniforms/working clothes, wrapping and packing materials*

- This line should have non-zero entry for establishments engaged in the following:

- repair services of motor vehicles (PSIC G502)
- repair of motorcycles & parts (PSIC G50402)
- repair of personal & household goods (PSIC G526)
- hotels & restaurants (Sector H)
- transport, storage and communication (Sector I)
- other business activities (PSIC K72 to74)
- education, health & social work services (Sectors M and N)
- other community, social & personal services (Sector O).

Line b. Goods purchased for resale

1. This line should have non-zero entry for wholesale and retail trade establishments (PSIC G except those listed in #2 below).
2. Accept zero only for establishments engaged in the following:
 - wholesale on a fee or contract basis (PSIC G511)

- maintenance & repair of
 - motor vehicles (PSIC G502)
 - motorcycles & parts (PSIC G50402)
 - personal & household goods (PSIC G526)
3. For the other sectors, this line should have non-zero entry if item **12.b** (*Value of Goods for Resale*) is non-zero and item **21.a** (*Inventory of Goods for resale as of 1 Jan 2006*) is zero.

Line c. Real Estate purchased for Sale

Real estate for sale includes the development cost of real estate purchased.

1. This line should have non-zero entry for establishments engaged in real estate, buying, developing, subdividing and selling (PSIC K7012).
2. For the other sectors, zero entry is acceptable.

Line d. Fuels, lubricants, oils and greases purchased

1. This line should have a non-zero entry for establishments engaged in the following:
 - Land transport (PSIC I60)
 - Water transport (PSIC I61)
 - Air transport (PSIC I62)
2. This line should have non-zero entry **if** any one of lines **c** and **d** (*book value of transport equipment; and machinery and equipment*) in Item **18** has a non-zero entry.

Line f. Cost of industrial services done by others

- Non-zero entry is acceptable.

Line g. Cost of non-industrial services done by others

1. There should be a non-zero entry in line **g.1** (*rent expense for land*) if item **18.a** (*book value of land*) is zero and there is a non-zero entry in item **18.b** (*book value of buildings, other structures and land improvements*).
2. There should be a non-zero entry in line **g.2** (*rental expense for buildings and structures*) if item **18.b** (*book value of buildings, other structures and land improvements*) is zero.
3. There should be a non-zero entry in line **g.3** (*other rental expense*) if both lines **c** and **d** (*book value transport equipment; and machinery and equipment*) of item **18** are zero.
4. There should be non-zero entry in line **g.4** (*other non-industrial services*) for establishments engaged in the following:

- Other monetary intermediation (bank - PSIC J659) – specific item referred to is ‘*other bank charges*’
- Insurance & pension funding (PSIC J67) }
- Pre-need plan activities (PSIC J6814) } – specific item referred to is ‘*claims & other benefits*’.

Line h. Interest expense

1. Zero-entry is acceptable except for establishments engaged in the following activities:
 - Other monetary intermediation (bank - PSIC J659)
 - non-bank financial intermediation (PSIC J669)
 - administration of financial markets (PSIC J6811)
 - security dealing activities (PSIC J6812)
 - foreign exchange dealing ((PSIC J6813)
2. Non-zero entry is also acceptable for establishments classified in sectors or industries other than those listed above.

Common Edit Instructions for all Questionnaire Types

Summary of Line Numbers of Common Items by Questionnaire Type

Item 14 - Cost	Line Number			
	CPBI Form 1 (Sectors A & B)	CPBI Form (Sectors C to E)	CPBI Form 3 (Sector F)	CPBI Form 4 (Sectors G to O)
Electricity and water purchased	Line c	Line c	Line c	Line e
Indirect taxes	Line i	Line h	Line h	Line i
Computer and software expense	Line j	Line i	Line i	Line j
Research and experimental development	Line k	Line j	Line j	Line k
Bad and doubtful debts	Line l	Line k	Line k	Line l
Depreciation of Fixed assets in 2006	Line m	Line l	Line l	Line m
Other cost	Line n	Line m	Line m	Line n

Electricity and water purchased

- This line should have non-zero entry.

Indirect taxes

Indirect taxes are taxes incidental to the production or sale of goods and services chargeable as expenses. Included are net value added tax, import duties, business licenses, BIR stamps, franchise tax and real estate tax; and other local taxes. Excluded are income taxes.

- This line should have a non-zero entry.

Computer and software expense

*This item includes installation costs paid to external providers and purchased costs but excluding computer software capitalized. Computer software expenses (**not capitalized**) to be reported in this line are those which the establishment has considered as expenses for the year, though the software may have a useful life of more than one year. **Computer software capitalized** is treated as Capital Expenditures for Intangible Assets (to be reported in Item 17).*

- Non-zero entry is acceptable.

Research and experimental development

Research and experimental development refers to the amount spent on any systematic and creative work undertaken for the purpose of discovering or developing new products, including improved versions or qualities of existing products or more efficient processes of production.

- Non-zero entry is acceptable.

Bad and doubtful debts

- Non-zero entry is acceptable.

Depreciation of fixed assets in 2006

1. This line should have non-zero entry if any lines of item **18** (*Book Value of Fixed Assets*), except book value of land, have a non-zero entry and entry in Certification portion indicates operation since Jan 1, 2006, and **vice versa**.
2. Generally, non-zero entry in this line should **not** be greater than total book value **less** book value of land, except for fixed assets that are nearing full depreciation. Otherwise, verify from the establishment.

Other Cost

*Other cost includes royalties, foreign exchange losses, transmission and distribution cost of electricity (for Electric power plants), and all other costs not included elsewhere. **Excluded** are salaries and wages; SSS/GSIS and ECC contributions; damages and losses; amortization; sales tax and excise duties payable to the government; income tax and other direct tax;; etc.*

1. Zero entry is acceptable.
2. However, should there be a non-zero entry in this line, the nature and amount of the single largest item should be specified in the line after "**Total Cost**". If this specified item can be classified in any of the lines appropriate in item 14, transfer the entry to that particular line.
3. Ensure that the items for exclusion (e.g. salaries & wages, income tax, amortization, etc) are **excluded**.

Item 15 – Capital Expenditures and Sale of Fixed Assets including Losses and Damages in 2006

Fixed Assets refer to physical assets (tangible) acquired and for use of this establishment and expected to have a productive life of more than one year. Fixed assets received from other establishments belonging to the same enterprise should be included as this establishment should be valued as though purchased. Delivery charges and installation costs, taxes and other necessary fees (import duties, registration fees, etc.) are likewise included. Excluded are financing costs incurred by the establishment.

Capital Expenditures of fixed assets refer to the full value of fixed assets **acquired** in 2006 whether or not full payments have been made

Sale of fixed assets refer to the actual amount received/realized (not book value) from the sale of fixed assets during the year including the value of fixed assets transferred to other establishments of the same enterprise.

Losses and Damages refer to the decrease in the value of fixed asset due to theft, major catastrophe and other accidental destruction.

Type of Fixed Assets

Land refers to agricultural and non-agricultural land used in the operation of the business.

Aqua farm refer to any piece or pieces of land or body of water used wholly or partly for aquaculture. Examples are fish, mollusks and other crustacean and seaweeds farm.

Buildings, other structures and land improvements - These also include leasehold improvements and major renovations or enlargements.

Cultivated assets (for Agriculture) - These include livestock for breeding stocks, layers, dairy and working animals, vineyards, orchards and other plantation of trees yielding repeat products and standing timber and permanent crops.

Fishing boat/craft/vessel (for Fishing) - These include processing plants within the vessel.

Subsoil Assets (for Mining) - *These include coal, oil and natural gas reserves and metallic/non-metallic mineral reserves.*

Transport equipment - *These include aircrafts, ships/vessels trains, buses, cars , delivery trucks and other transport equipment.*

ICT machinery and equipment - *These include computer and peripherals, telecommunications equipment and apparatus.*

Other machinery and equipment - *These include furniture and fixtures, electronic machinery and equipment, other than telecommunications, power plants (for electric power plants), irrigation machinery and equipment (for Agriculture) and durable fishing gear/nets (for Fishing).*

- Zero entry is acceptable in any or all lines of this item.

Item 16 - Capital Expenditures for All Fixed Assets by mode of acquisition in 2006

New fixed assets refer to brand new fixed assets acquired during the year, including directly/newly imported fixed assets. **Directly/newly imported fixed assets** are considered new whether or not they were used before they were imported.

Major alterations and improvements refer to the activities which increase the performance or capacity of existing fixed assets or significantly extend their previously expected service lines.

Used fixed assets refer to those that have been previously used within the country.

Fixed assets produced on own account refer to the physical assets produced by establishment for its own use. It should be valued as the cost of all work put in place including overhead cost.

- Check that the total entry in this item is equal to the entry in line **h** (*Total*) of Item 15 for Sectors A and B, line **g** for Sectors C, D, E and line **f** for Sectors F, G, H, I, J, K, M, N and O.

Item 17 - Capital Expenditures for Intangible Assets in 2006

Intangible assets include computer software and databases, goodwill, [patents](#), [trademarks](#), franchises, licenses, processes, [copyrights](#) and concessions or exclusive rights to exploit mineral deposits; entertainment, literary or artistic originals.

- Zero entry is acceptable.

Item 18 - Book Value of Fixed Assets as of 31 December 2006

Book value refers to the initial or acquisition cost of fixed assets less accumulated depreciation charges. Capital expenditures for 2006 are included in Book Value as of December 31.

Specific Edit Instructions by Questionnaire Type

CPBI Form No. 1 Agriculture, Forestry and Fishing (Sectors A and B)

Line a. Land/Aqua Farm

1. This line should have a non-zero entry if the establishments is engaged in growing of crops (PSIC A01) and farming of animals (PSIC A02) and entry in item **14.f.1** (*Rental expense for land/aqua farm*) is zero.
2. This line should have a non-zero entry if the establishments is engaged in prawn culture (PSIC B063) or operation of fish farms and nurseries (PSIC B064) and entry in item **14.d** (*Cost of agricultural, forestry and fishery services done by others*) is zero.

Line c. Cultivated assets

1. This line should have a non-zero entry if the establishments is engaged in the following:
 - growing of coconut (PSIC A013)
 - growing of bananas (PSIC A014)
 - growing of fruits (except banana) and nuts (PSIC A016) except growing of groundnut (peanut) (PSIC A0164)
 - growing of beverage crops and spice crops (PSIC A018)
 - growing of crops, n.e.c. (PSIC A019)
 - egg production (PSIC A025)
 - dairy farming (PSIC A026)
 - growing of mango (PSIC A0162)
 - growing of citrus (PSIC A0163)
 - growing of edible nuts (PSIC A0165)
 - growing of other fruits (PSIC A0169)
 - growing of timber, forest species, planting, replanting, transplanting, thinning and conserving of forest and timber tracts (PSIC A0502)
 - livestock farming except hog (PSIC A022).

Line d. Fishing boat/craft/vessels

1. This line should have a non-zero entry if item **14.d** (*Cost of agricultural, forestry services done by others*) is zero for establishment engaged in ocean and coastal fishing (PSIC B061) and inland fishing (PSIC B062).
2. This line should have a non-zero entry if item **14.f.3** (*Other rental expenses*) is zero.
3. There should be a non-zero entry in this line if item **14.b** (*Fuels, lubricants, oils and greases purchased*) has a non-zero entry.

Line f.2 Other machinery and equipment

1. There should be non-zero entry in this line for establishments engaged in ocean and coastal fishing (PSIC B061) and inland fishing (PSIC B062).
2. This line should have a non-zero entry if item **14.b** (*Fuels, lubricants, oils and greases purchased*) is non-zero..

Line g. Other fixed assets not included above

- Zero entry is acceptable.

CPBI Form 2 – Mining and Quarrying, Manufacturing, and Electricity, Gas and Water (Sectors C, D and E)

Line d.2 Other machinery and equipment

1. This line should have a non-zero entry for establishment engaged in the generation, collection and distribution of electricity (PSIC E401).
2. There should be a non-zero entry in this line if item **14.b** (*Fuels, lubricants, oils and greases purchased*) has a non-zero entry.

Line e. Sub-soil assets

- This line should have a non-zero entry for establishments engaged in mining and quarrying.

CPBI Form 4 – Business and Services (Sectors G, I, J, K, H, M, N and O)

Line c. Transport equipment

1. This line should have a non-zero entry for establishments engaged in land transport (PSIC I60), water transport (PSIC I61) and air transport (PSIC I62).
2. There should be a non-zero entry in this line if item **14.d** (*Fuels, lubricants, oils and greases purchased*) has a non-zero entry.

Line d.1 ICT machinery and equipment

1. This line should have non-zero entry for establishment engaged in telecommunications (PSIC I642).
2. There should be a non-zero entry in this line if item **14.d** (*Fuels, lubricants, oils and greases purchased*) has a non-zero entry.

<p align="center">Common Edit Instructions for all Questionnaire Types (Item 18 – Book Value of Fixed Assets as of 31 December 2006)</p>

Summary of Line Numbers of Common Items by Questionnaire Type

Item 18 – Book Value of Fixed Assets	Line Number			
	CPBI Form No. 1 (Sectors A & B)	CPBI Form No. 2 (Sectors C to E)	CPBI Form No. 3 (Sector F)	CPBI Form No. 4 (Sectors G to O)
Land	Line a	Line a	Line a	Line a
Buildings, other structures and land improvements	Line b	Line b	Line b	Line b
Transport Equipment	Line e	Line c	Line c	Line c
Machinery and equipment	Line f	Line d	Line d	Line d
Other fixed assets not included above	Line g	Line f	Line e	Line e
Total	Line g	Line g	Line f	Line f

For all types of Fixed Assets

1. Check that the book value reported does **not** refer to the acquisition cost of the fixed assets.
2. Check that the entry in this line is equal to or greater than the corresponding entry in Item 15 (*Capital expenditures and sale of fixed assets including losses and damages*).
3. Accept zero only if the establishment ended operation before December 31, 2006 as verified from the certification portion.

Land (Sectors A to O)

- There should be a non-zero entry in line **a** if rental expense for land is zero.

Buildings, other structures and land improvements (Sectors A to O)

1. This line should have non-zero entry if rental expense for building and structures is zero.
2. There should be a non-zero entry in this line if depreciation of fixed assets in 2006 is non-zero.

Transport Equipment (Sectors A to O)

1. This line should have a non-zero entry if cost of fuels, lubricants, oils and greases purchased is non-zero.

2. There should be a non-zero entry in this line if depreciation of fixed assets in 2006 is non-zero.

Machinery and Equipment (Sectors A to O)

1. This line should have a non-zero entry if cost of fuels, lubricants, oils and greases purchased is non-zero.
2. There should be a non-zero entry in this line if depreciation of fixed assets in 2006 is non-zero.

Other fixed assets not included above (Sectors A to O)

- Zero entry is acceptable.

Item 19 – Total Value of Intangible Assets as of 31 December 2006

1. Zero entry is acceptable.
2. Check that the entry for each line is equal to or greater than the corresponding entry in Item 16 (*Capital expenditures for Intangible Assets in 2006*).

Item 20 – Average Capacity Utilization Rate of this establishment in 2006

(Applicable for Sectors C, D & E)

Capacity Utilization is the ratio of total output to the maximum rated capacity of the establishment. **Rated capacity** refers to the largest volume of output possible at which the factory can operate with an acceptable degree of efficiency taking into consideration unavoidable losses of productive time (i.e. vacation, holiday and repair of equipment) and availability of raw materials

- Check that only one box is marked.

Item 21 – Inventories

Inventories refer to stocks of goods owned by or under the control of the establishment as of a fixed date, regardless of where the stocks are located.

Replacement Cost is the cost of an item in terms of present price rather than its original cost.

Finished products refer to the goods made by this establishment which are ready for sale/shipment as of reference date.

Stocks of materials, fuels and supplies should be valued at current replacement cost in **purchaser prices** at the indicated dates. Finished products, work-in progress and goods for resale should be valued at **producer prices**.

Specific Edit Instructions

Summary of Line Numbers of Common Items by Questionnaire Type (Item 21 – Inventories)

Item 21 - Inventories	Line Number			
	CPBI Form No.1 Sectors A & B	CPBI Form No. 2 Sectors C to E	CPBI Form No. 3 Sector F	CPBI Form No. 4 Sectors G to O
Finished products	Line a	Line a	Line a	
Work-in-progress	Line b	Line b	Line b	
Goods for resale	Line c	Line c	Line c	Line a
Real estate for sale				Line b

CPBI Form Nos. 1, 2 & 3 - Agriculture, Forestry and Fishing, Mining and Quarrying, Manufacturing, Electricity, Gas and Water and Construction (Sectors A to F)

Finished products

- This line is applicable only for establishments engaged in the following :
 - agriculture & forestry (Sector A)
 - fishing (sector B)
 - mining & quarrying (Sector C)
 - manufacturing (Sector D)
 - construction (Sector F).

Work-in-progress

- This line is applicable for establishments engaged in the following :
 - agriculture & forestry (Sector A)
 - fishing (sector B)
 - mining & quarrying (Sector C)
 - manufacturing (Sector D)
 - construction (Sector F).

CPBI Form 4 – Business and Services (Sectors G, I, J, K, H, M, N and O)
--

Line a (Value of goods for resale)

1. This line should have a non-zero entry for establishments engaged in wholesale and retail trade (Sector G), except for the following :
 - wholesale on a fee or contract basis (PSIC G511)
 - maintenance & repair of
 - motor vehicles (PSIC G502)
 - motorcycles & parts (PSIC G50402)

- personal & household goods (PSIC G526).

2. For other sectors, non-zero entry is acceptable.
3. For wholesale and retail trade establishments, except PSIC G511, G502, G50402 & G526), compute the trade margin ratio (TMR) using the formula:

$$\text{Trade Margin Ratio \% (TMR) = } \left[\frac{\text{Sales of goods}}{\text{Goods purchased for resale} + (\text{Beg} - \text{End}) \text{ Inv. of goods for resale}} - 1 \right] \times 100$$

Note: The denominator in the above formula is equal to 'Cost of goods sold'.

Line b (Real estate for sale)

- This line should have a non-zero entry for establishments engaged in real estate, buying, developing, subdividing and selling (PSIC K7012)

Line d (Fuels, lubricants, oils and greases)

- This line should have a non-zero entry for establishments engaged in Transportation, Communication and Storage (Sector I).

Common Edit Instructions for all Questionnaire Types (Item 21 – Inventories in 2006)

Summary of Line Numbers of Common Items by Questionnaire Type

Type of Fixed Assets	Line Number			
	CPBI Form No. 1 Sectors A & B	CPBI Form No. 2 Sectors C to E	CPBI Form No. 3 Sector F	CPBI Form No. 4 Sectors G to O
Goods for resale	Line c	Line c	Line c	Line a
Materials and supplies	Line d	Line d	Line d	Line c
Fuels, lubricants, oils and greases	Line e	Line e	Line e	Line d
Others	Line f	Line f	Line f	Line e

Goods for resale (Sectors A to O)

1. Zero entry is acceptable for all sectors (except Sector G - Wholesale and Retail Trade) and the following establishments in Wholesale and Retail Trade:
 - wholesale on a fee or contract basis (PSIC G511)

- maintenance & repair of
 - motor vehicles (PSIC G502)
 - motorcycles & parts (PSIC G50402)
 - personal & household goods (PSIC G526).
2. Verify from **Item 21 (Certification)**. If the establishment started operation after January 1, 2006, goods for resale as of January 1, 2006 must be zero.
 3. Similarly, if the establishment operated for less than 12 months and ended before December 31, 2006, goods for resale as of December 31, 2006 must be zero.

Materials and supplies (Sectors A to O)

- Zero entry is acceptable.

Fuels, lubricants, oils and greases (Sectors A to O)

- Zero entry is acceptable except for establishments engaged in Transportation, Communication and Storage (Sector I).

Others (Sectors A to O)

- Non-zero entry should be specified. If the specified entry can be classified in any of lines a to g for Sectors A to F and a to e of Sectors G to O, transfer the entry to the appropriate line.

Item 23 – Branches, Divisions, Plants Owned or Controlled (for Main Office)

1. This item must have entries if *Box 3 (Establishment and Main Office)* or *Box 4 (Main Office only)* in *Item 4 (Economic Organization)* is marked.
2. For each *Branch/Division/Plant* listed, there should be corresponding entries in the columns for *Address, Total Employment as of November 15, 2006 and Year Started Operation*.

Remarks

1. The person who accomplished the questionnaire may give comments on the space provided.
2. NSO field staff may also write their comments regarding the status of the establishment on this space.

Certification

- This portion should be properly filled-in by the person who completed the form or the one who gave the approval on the given information.

Do not fill (For NSO use only)

- This portion should be properly filled-in by the assigned DSO/SCO/SR/editor/verifier.

5.4. Instructions for Consistency Edits

1. Details must add up to totals. If not, correct the **total** to equal the sum of details.
2. If entries in **other income, other costs, other assets**, and others in inventories exceed 10% of their respective Totals, verify from the establishment on the items included under these categories. Be sure that the items for exclusion under each category are actually excluded.

3. Be guided by the following consistency checks:

- a. Value of Products/by products sold (For Sectors C and D)

Value of products/by products sold + Inventory of finished products & work-in- progress as of December 31	=>	Inventory of finished products & work- in-progress as of January 1
---	----	---

Note: Refer to particular item number in the questionnaire.

- b. Sales of goods or Value of goods for resale

Sales of goods or Value of goods for resale	=>	Goods purchased for sale/resale + Inventory of goods for resale as of January 1 - Inventory of goods for resale as of December 31
---	----	--

Note: Refer to particular item number in the questionnaire.

- c. Real Estate for Sale (For Sector K)

Contract price of real estate sold	=>	Real estate purchased for sale + Inventory as of January 1 of real estate for sale - Inventory as of December 31 of real estate for sale
---------------------------------------	----	--

Note: Refer to particular item number in the questionnaire.

- d. Materials and supplies purchased and inventory of materials and supplies.

Materials & supplies purchased + Inventory of materials and supplies as of 1 Jan 2006	=>	Inventory materials and supplies as of 31 Dec 2006
--	----	---

Note: Refer to particular item number in the questionnaire.

- e. Fuels, lubricants, oils and greases purchased and inventory of Fuels, lubricants, oils and greases purchased.

Fuels, lubricants, oils and greases purchased + Inventory of Fuels, lubricants, oils and greases as of 1 Jan 2006	=>	Inventory Fuels, lubricants, oils and greases as of 31 Dec 2006
---	----	---

Note: Refer to particular item number in the questionnaire.

- f. Profitability of the establishment.

Deviation from the condition below indicates non-profitability of the establishment. If ascertained to be so, this should be properly explained in the **Remarks** portion. Otherwise, verify from the establishment.

Total revenue + Total Inventories (December 31 – January 1) + Subsidies	=>	Total costs + Gross salaries & wages + Employer's contribution
---	----	--

Note: Refer to particular item number in the questionnaire.

5.5. Instructions for Filling in the Cells in the Control Panel of the Questionnaire

The Control Panel is found at the lower portion of the first page of the questionnaire and contains the establishment's identification. The cells in the control panel should be filled-in after editing all the major items in the questionnaire. The codes in the different cells in the control panel refer to particular characteristics of the sample establishment, which will form the **bases for tabulation**. (For purposes of frame updating, the correct establishments' characteristics, i.e. SZ in Item 7, PSIC in Item **1a**, etc., shall be used.)

The following are the instructions for filling-in the cells in the control panel:

- FN QN** - (Instructions for folioing shall be given at some later date together with machine processing instructions.)
- QR** (Quality of Report) - This cell should be filled-in after the entire questionnaire has been edited. Enter any of the following codes in the "**QR**" portion:
 - Code **1** - if there are only minor corrections (good questionnaire)
 - Code **2** - if at least one data item is imputed (partially accomplished)
 - Code **3** - if all items in the questionnaire are imputed (non-response)
 - Code **4** – if the major data items are taken from secondary sources, i.e. SEC financial statements., **QSPBI or MISSI reports, etc.**
 - Code **5** - if data items were obtained from consolidated report.
- ECN** - Copy to the cells the ECN found at the address stub of the questionnaire.
- IND** – For all industry and size strata in the certainty stratum, copy to the cells the IND code found in the address stub if the description of major activity in Item 1 corresponds to the IND code in the address stub. For changes in the economic activity, refer to Tables 5.1 to 5.2 for instructions in coding of PSIC.

5. **PROV-MUN-BGY** - For non-certainty strata (listed in Chapter 2, Table 2.4), copy to the cells the Prov-Mun-Bgy codes found in the address stub.

For certainty stratum, the code is determined from corrections in the address supplied by the establishment. Enter in the cells the correct geographic code corresponding to the **physical location** of the establishment. If there are no corrections, copy to the cells the PROV-MUN-BGY codes in the address stub.

6. **SZ** - For all industry and size strata in the certainty stratum, copy to the cells the SZ code found in the address stub **if** the entry in Item 7c (Total Employment) corresponds to the SZ code in the address stub. For sectors B, C E and F, which are completely enumerated in this survey (100% coverage), enter the correct SZ code **as indicated in Item 7c (Total Employment)**. For changes in the employment size of other sectors, *refer to Table 5.3 for instructions on coding of SZ size*.

7. **LO** – Copy to the cells the LO code marked in Item 3.

8. **EO** - For non-certainty strata, copy to the cells the EO code found in the address stub.

For certainty stratum, enter the EO code marked in Item 4 **if** within the scope of the EO sampling units listed in Chapter 2, Section 2.2.2. If EO is considered as out-of-scope for the sector, treat the report as case of non-response.

5.6. Comparative Data Items in CPBI Questionnaire and Financial Statements

Two (2) types of financial statements serve as sources of CPBI data, as follows:

- Income Statement - or Profit and Loss Statement. This contains the revenue and costs/expenses of the firm during the accounting period.
- Balance Sheet shows the assets, liabilities and net worth/equity of the firm as of the end of the accounting period.

In many cases, the accounting period of establishments corresponds to the calendar year. This makes it consistent with the reference period used in the CPBI, which is also the calendar year.

Appendices 13 and 14 show samples of Income Statement and Balance Sheet.

The following table shows comparative data items appearing in the 2006 CPBI questionnaire and in the financial statement of establishments.

Data Items in ASPBI	Data Items in Financial Statements	Source of FS Data Items
Item 10. Salaries & wages	Salaries & wages	Income Statement
Item 11. Employer's contribution to SSS/GSIS, etc	SSS contributions	Income Statement
Item 12. Total Revenue	Total sales/revenue	Income Statement

Item 12a. Income from main activity	Sales (or highest revenue item reported)	Income Statement
Item 14. Total Cost (Total cost includes <i>depreciation</i> , but excludes <i>salaries & wages & SSS/ employer's contribution.</i>)	Total cost (Total cost includes <i>depreciation, salaries & wages, SSS/employer's contribution.</i>)	Income Statement
Goods purchased for resale Item 14g in CPBI Form 1 Item 14f in CPBI Forms 2 & 3 Item 14b in CPBI Form 4	Cost of goods sold If this item is reported in the FS, cost of goods purchased can be derived as follows: Cost of goods purchased = Cost of goods sold + ending inventory of goods for resale – beg. inventory of goods for resale	Income Statement (Some financial reports show ' cost of goods purchased ', also termed as ' merchandise purchases '.)
Depreciation Item 14m in CPBI Forms 1 & 4 Item 14l in CPBI Forms 2 & 3	Depreciation <i>Note: Depreciation cost for the year is considered as one of the cost expenses in the Income Statement.</i> <i>Accumulated depreciation is an item in the Asset portion of the Balance Sheet.</i>	Income Statement/Balance Sheet (Depreciation can also be calculated by subtracting <i>accumulated depreciation</i> of the <i>previous year</i> from that of the <i>current year</i> .)
Item 18. Ending Book Value of Fixed Assets (by type)	(Net) book value	Balance Sheet (Note: In some Balance Sheet, <i>acquisition cost</i> and <i>accumulated depreciation</i> are reported instead of net book value. Net book value can then be calculated by subtracting <i>Accumulated Depreciation</i> from <i>Acquisition Cost</i> .)
Item 19. Intangible Assets	Intangible Assets	Balance Sheet
Item 21 – Inventories (by type)	Inventories (by type)	Balance Sheet (<i>Inventories</i> is a component of <i>Current Assets</i>)

Leadership is the capacity to translate vision into reality.