

## **AVERAGE FAMILY INCOME IN 2015 IS ESTIMATED AT 22 THOUSAND PESOS MONTHLY**

### **(Results from the 2015 Family Income and Expenditure Survey)**

The survey results showed that the average annual family income of Filipino families was approximately 267 thousand pesos. In comparison, the average annual family expenditure for the same year was 215 thousand pesos. Hence, Filipino families has savings of 52 thousand pesos in a year, on average.

Adjusting for the inflation for the two reference years using the 2006 prices, the average annual family income in 2015 would be valued at 189 thousand pesos, while the average annual family expenditure would be valued at 152 thousand pesos (Table 1).

Families were grouped and ranked into per capita income deciles. The richest decile represents families belonging to the highest ten percent in terms of per capita income, while the poorest decile represents families in the lowest ten percent. From 2012 to 2015, average annual family income in all deciles increased, the average ranged from 86 thousand pesos for the first income decile (lowest 10 percent) to 786 thousand pesos for the tenth income decile (highest 10 percent) in 2015. The average annual family income of the tenth decile in 2015 was about 9 times that of the first decile, while it was 10 times that of the first decile in 2012 (Table 2a).

All regions showed increases in the average annual family income at 2015 prices. Families in the National Capital Region (NCR), had the highest average annual family income for both years at 425 thousand pesos in 2015 and 379 thousand pesos in 2012. Meanwhile, families in Davao Region, had the highest increase of 53 thousand pesos in 2015 (Table 3a).

The *Gini* coefficient, which is a measure of income inequality within a population, was estimated at 0.4439 for year 2015. This figure is slightly lower than the 2012 ratio of 0.4605, which may indicate some improvement in the income distribution among families. (Table 4). A *Gini* coefficient ranges from 0 to 1, with 0 indicating perfect income equality among families, while a value of 1 indicates absolute income inequality.

In 2015, about 41.9 percent of the total annual family expenditures was spent on food. For families in the bottom 30 percent income group, the percentage was much higher at 59.7percent, while for families in the upper 70 percent income group, it was 38.8 percent (Table 5).

The 2015 Family Income and Expenditure Survey (FIES) is a nationwide survey of households undertaken every three years. It is the main source of data on family income and expenditure.

**(Sgd) LISA GRACE S. BERSALES, Ph.D.**  
National Statistician and Civil Registrar General

## TECHNICAL NOTES

The 2015 Family Income and Expenditure Survey (FIES) is a nationwide survey of households undertaken every three years. It is the main source of data on family income and expenditure, which include among others, levels of consumption by item of expenditure as well as sources of income in cash and in kind. The results of FIES provide information on the levels of living and disparities in income of Filipino families, as well as their spending patterns.

The 2015 FIES is a sample survey designed to provide income and expenditure data that are representative of the country and its 17 regions. It used four replicates of the 2003 Master Sample (MS) created for household surveys on the basis of the 2000 Census of Population and Housing. The 2003 MS has been designed to produce the sample size needed for large surveys, like the FIES. To facilitate subsampling, the 2003 MS has been designed to readily produce four replicate samples from the full set of sampled PSUs.

Starting 2012 FIES, the survey adopted the 2009 Philippine Classification of Individual Consumption According to Purpose (PCOICOP). The 2009 PCOICOP is the first standard classification of individual consumption expenditure in the country.

The 2015 FIES enumeration was conducted twice – the first visit was done in July 2015 with the first semester January to June as the reference period; the second visit was made in January 2016 with the second semester of 2015, that is, July to December 2015 as reference period. The same set of questions is asked for both visits.

The number of families for the 2015 FIES was estimated using the household population projections-based on the household population counts from the 2010 Census of Population and Housing (CPH).

The set of samples selected for the 2015 FIES is only one of the possible sets of samples of equal size that have been selected from the same population using the same sampling design. Estimates derived from each of these sets of samples would differ from one another. Sampling error is a measure of the variability of the estimates among all possible sets of samples. It is usually measures in terms of the standard errors for a particular statistic.

The standard error can be used to calculate confidence intervals within which the true value for the population can reasonably be assumed to fall. For example, for any given statistic calculated from a sample survey, the value of that statistic will fall within a range of plus or minus two times the standard error of that statistic in 95 percent of all possible samples of the same size and design.