

TECHNICAL NOTES

2023 Family Income and Expenditure Survey

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I. Introduction

1. Background of the Survey

The Family Income and Expenditure Survey (FIES), a survey being undertaken by the Philippine Statistics Authority (PSA) across the country, is the main source of data on family income and expenditure in the Philippines. The 2023 FIES is the twentieth survey conducted since 1957.

The FIES provides data that are needed in the different aspects of the country's economic conditions. Specifically, it is the basic source of information for the following:

- a. estimation of the household account in the System of National Accounts and balances;
- b. measurement of the Human Development Index (HDI);
- c. measurement of poverty; and
- d. measurement of the levels of living and disparities of different sections of the population, geographical areas and socio-economic groups, and intertemporal comparisons of these levels and disparities.



Other important uses of the FIES are as follows:

- a. provides basic data for studies on the effects of direct and indirect taxation and of social benefits, for the formulation of income and fiscal policies, and for the estimation of tax receipts;
- b. supplies information for assessing the impact on living standards of existing or proposed social and economic programs, and for formulating welfare-oriented policies; and
- c. generates data needed for statistical demand analysis leading to the estimation of income, price and cross elasticity of demand, among other things.

2. Objectives

The FIES aims to accomplish the following objectives:

- a. to gather data on family income, sources of income, family expenditure, and related information affecting family income and expenditure levels and patterns in the Philippines;
- b. to determine the income distribution, levels of living and spending patterns, and the degree of inequality among families;
- c. to provide benchmark information to update the weights used in the estimation of the Consumer Price Index; and
- d. to provide inputs in the estimation of the country's poverty threshold and incidence.

3. Historical Information

The first FIES was conducted in 1957 and was initially called as the Philippine Statistical Survey of Households (Family Income and Expenditure). The succeeding surveys were conducted in 1961, 1965, 1971, 1975, and 1979. Starting 1985, FIES was conducted every three years, and used the shuttle-type questionnaire wherein the questionnaires for the two visits are side-by-side. Meanwhile, separate questionnaires with the same set of questions for the two visits were used beginning 2003.

There have been several developments on the conduct of FIES. Since, 2018, the domain was expanded to the provincial and highly urbanized city (HUC) level. Moreover, starting 2021, the Computer-Assisted Personal Interviewing (CAPI) system was used in the data collection.

Furthermore, the 2023 FIES is the start of the biennial conduct of FIES. It also adopted the 2023 Geo-enabled Master Sample (GeoMS) based on the results of the 2020 Census of Population and Housing (CPH).

4. Scope and Coverage

The 2023 FIES gathers data on income and expenditure that include the sources of income in cash and in kind, and the levels of consumption by item of expenditure, among others. About 3,112 data items are included in the 2023 FIES questionnaire.

The 2023 FIES was conducted in two separate operations. The first round was in July 2023 which gathers data for the period January 01 to June 30, 2023, while the second round was in January 2024 which gathers data for the period July 01 to December 31, 2023.

With domains at the provincial and HUC levels, the 2023 FIES has a national sample of approximately 181,248 households deemed sufficient to provide reliable estimates at the national, regional, provincial and HUC levels. These sample housing units are selected from the 2023 GeoMS for household-based surveys of the PSA. The sample households covered in the survey were the same households interviewed in the July 2023 and January 2024 rounds of the Labor Force Survey (LFS).

The reporting unit is the household, which means that the statistics emanating from this survey will refer to the characteristics of the population residing in private households. Persons who reside in the institutions are not within the scope of the survey.

The concept of family was used for the FIES. A family consists of household head, spouse, unmarried children, ever-married children, son-in-law or daughter-in-law, parents of the head or spouse and other relatives who are members of the household.

Two or more persons not related to each other by blood, marriage or adoption is also considered in this survey. However, in terms of income and expenditure information, only the income and expenditure of the member who is considered as the household head are included.

5. Data Limitations

The results of the 2023 FIES are based on a sample survey and are subject to sampling variations because observations were not taken from the entire population.

Survey estimates may also be affected by non-sampling errors such as deliberate under or over-reporting of income and expenditures, or reluctance on the part of the respondents to reveal their true levels of income or expenditures.

Considering that both cash and non-cash expenditures and income are gathered in the FIES, valuation of non-cash income and expenditures may pose some problems. The instructions are to use the prevailing market prices in the locality for goods and services received as gifts, and farmgate prices for goods consumed from own production.

Moreover, the 2023 FIES adopted the 2020 Philippine Classification of Individual Consumption According to Purpose (PCOICOP), which was also adopted in the 2021 FIES.

II. Data Collection

1. Data Collection Procedure

The 2023 FIES data collection was conducted twice. The first visit data collection was done in July 2023 to cover the income and expenditure of families from January 01 to June 30, 2023. Meanwhile, the second visit data collection was done in January 2024 to cover the information from July 01 to December 31, 2023. The same set of questions is asked for both visits.

2. Instruments

The 2023 FIES has 89 pages with seven parts:

- Part I – Identification and Other Information, and Particulars About the Family
- Part II – Expenditures and Other Disbursements
- Part III – Housing Characteristics

- Part IV – Income and Other Receipts
- Part V – Entrepreneurial Activities
- Part VI – Social Protection
- Part VII – Evaluation of the Household Respondent by the Interviewer

3. Data Items

A. General Data Items

Within Part II, the 2023 FIES collects data on the expenditure of families on 17 sections: (a) food and non-alcoholic beverages; (b) alcoholic beverages and tobacco; (c) clothing and footwear; (d) housing, water, electricity, gas and other fuels; (e) furnishings and routine household maintenance; (f) health; (g) transport; (h) information and communication; (i) recreation, sport and culture; (j) education; (k) restaurant and accommodation services; (l) insurance and financial services; (m) personal care, social protection and miscellaneous goods and services; (n) durable furniture and equipment; (o) special family occasions; (p) other expenditures; and (q) other disbursements. Each section of expenditure has a question on the expenditure items purchased online or thru telephone.

Further in Part IV of the 2023 FIES also collects information on the income of families under four sections: (a) salaries and wages; (b) net share of crops, fruits and vegetables produced, aquaculture products harvested or livestock and poultry raised by other households; (c) other sources of income such as cash receipts, gifts, support, relief and other forms of assistance from abroad and domestic sources, rentals received from non-agricultural lands, buildings, spaces and other properties, interests, pension and retirement, employee compensation and social security benefits, dividends from investment, and other sources of income not elsewhere classified; and (d) other receipts.

The family sustenance and entrepreneurial activities are also collected. There are also questions on social protection, specifically on the Social Pension Program and the *Pantawid Pamilyang Pilipino* Program.

B. Updates in the 2023 FIES Questionnaire based on the 2020 PCOICOP

The 2023 FIES follows the same concepts and methodologies used in the 2021 FIES. The following are the new items in the 2023 FIES:

SECTION	ITEMS	REMARKS
A. Expenditures and Other Disbursements		
1) Fish and Other Seafood	<ul style="list-style-type: none"> - Tilapia (St. Peter's fish) - Hasa-hasa (Short-bodied mackerel) - Alumahan (Indian mackerel) - Tanigi or tanigue (Spanish mackerel) - Bisugo (Threadfin bream) - Tamban (Indian sardine) - Danggit (Rabbit fish) - Bangus (Milkfish) - Espada (Largehead hairtail) - Crabs - Lobsters 	<ul style="list-style-type: none"> - Inclusion of English translation for some of the fish products/items - Inclusion of separate line items for <i>Crabs</i> and <i>Lobster</i>
2) Sugar, Confectionery, and Desserts	<ul style="list-style-type: none"> - Washed sugar - Brown Sugar 	<ul style="list-style-type: none"> - Inclusion of separate line items for <i>Washed sugar</i> and <i>Brown sugar</i>
3) Alcoholic Beverages	<ul style="list-style-type: none"> - Mixed alcohol-based drinks 	<ul style="list-style-type: none"> - Inclusion of Mixed alcohol-based drinks under Other alcoholic beverages
4) Tobacco	<ul style="list-style-type: none"> - Pipe tobacco sniff/snuff tobacco 	<ul style="list-style-type: none"> - Inclusion of separate line item for <i>Pipe tobacco sniff/snuff tobacco</i>

SECTION	ITEMS	REMARKS
5) Clothing and Footwear	<ul style="list-style-type: none"> - Veil - Malong - Braces, aprons, smocks, bibs, sleeve protectors 	<ul style="list-style-type: none"> - Inclusion of separate line item for <i>Veil, Malong, Braces, aprons, smocks, bibs, sleeve protectors</i>
6) Housing, Water, Electricity, Gas, and Other Fuels	<ul style="list-style-type: none"> - Plaster - Renderings and putty - Coal, coal briquettes and peat - Other briquettes - Other biomass, n.e.c. 	<ul style="list-style-type: none"> - Inclusion of a separate line for <i>plaster and renderings and putty</i> under item 3. Maintenance, repair and security of the dwelling - Inclusion of separate line for <i>coal, coal briquettes and peat, Other briquettes, and Other biomass, n.e.c,</i> under item 5. Electricity, Gas and Other fuels
7) Furnishings and Routine Household Maintenance	<ul style="list-style-type: none"> - Floor mats - Clocks - Screens, folding partitions and non-textile blinds - Mirrors, candleholders or candlesticks 	<ul style="list-style-type: none"> - Inclusion of separate line items for <i>floor mats, clocks, screens, folding partition, mirrors, candleholders or candlesticks</i> in item 1. Furnishing and loose carpets

SECTION	ITEMS	REMARKS
7) Furnishings and Routine Household Maintenance	- Gardener	- Inclusion of <i>gardener</i> in item 6. Goods and Services for Routine Household Maintenance
8) Health	- Pharmaceutical products to treat mental health illnesses and well-being	- Inclusion of <i>Pharmaceutical products to treat mental health illnesses and well-being</i> under Item 1. Medicines
9) Transport	<ul style="list-style-type: none"> - Liquid petroleum gas (LPG) - Natural gas (CNG, LNG) - Biofuels (ethanol, methanol) - Electricity - Other TNVS fare (e.g. motorcycle, tricycle) 	<ul style="list-style-type: none"> - Inclusion of <i>Liquid petroleum gas, Natural gas, Biofuels, Electricity</i> under item 1b. Fuels and lubricants for personal transport equipment. - Inclusion of separate line item for Other TNVS fare
10) Recreation, Sport and Culture	<ul style="list-style-type: none"> - Services provided live (Cinemas, concert, Others) - Services provided online (Cinemas, concert, Others) 	New items in 2023 FIES
11) Education	<ul style="list-style-type: none"> - Private early childhood educational development programs for indigenous, gifted and Muslim groups - Private early childhood educational development 	- Inclusion of <i>indigenous, gifted and Muslim groups and learners with disability</i>

SECTION	ITEMS	REMARKS
	<ul style="list-style-type: none"> programs for learners with disability - Private pre-primary education programs (kindergarten) for indigenous, gifted, and Muslim groups - Private pre-primary education programs (kindergarten) for learners with disability - Private primary education services for indigenous, gifted, and Muslim groups - Private primary education services for learners with disability - Private lower secondary education services for indigenous, gifted, and Muslim groups - Private lower secondary education services for learners with disability - Public post-secondary non-tertiary services for indigenous, gifted, and Muslim groups - Public post-secondary non-tertiary services for learners with disability - Private post-secondary non-tertiary services for indigenous, gifted, and Muslim groups - Private post-secondary non-tertiary services for learners with disability 	<ul style="list-style-type: none"> - Enumerated the levels of education for both public and private education systems, under item 2. Allowance for family members studying away from home.
12) Insurance and Financial Services	<ul style="list-style-type: none"> - Agricultural insurance 	<ul style="list-style-type: none"> - Inclusion of agricultural insurance as one of the

SECTION	ITEMS	REMARKS
		types of insurances under item 1e. Other insurance, n.e.c.
13) Personal Care, Social Protection, and Miscellaneous Goods and Services	<ul style="list-style-type: none"> - Articles for smokers - Child-care services - Non-medical retirement homes for elderly persons and non-medical residence for disabled persons - Services to maintain persons in their private homes - Other social protection services 	<ul style="list-style-type: none"> - <i>Inclusion of separate line items for Articles for smokers, Child-care services, Non-medical retirement homes for elderly persons and non-medical residence for disabled persons, Services to maintain persons in their private homes, Other social protection services</i>
14) Other Expenditures	<ul style="list-style-type: none"> - Losses due to fire - Losses due to theft - Losses due to natural hazards - Others, specify 	<ul style="list-style-type: none"> - <i>Inclusion of separate line items for Losses due to fire, Losses due to theft, Losses due to natural hazards, and Others, specify</i>

4. Other Related Topics

Standard Classification Systems

The FIES adopts standard classification systems such as:

- a. Philippine Standard Geographic Classification
- b. 2019 Updates to the 2009 Philippine Standard Industrial Classification (PSIC)
- c. 2022 Updates to the 2012 Philippine Standard Occupational Classification (PSOC)
- d. 2017 Philippine Standard Classification of Education (PSCED)
- e. 2020 PCOICOP

III. Methodology

1. Sampling Design

The 2023 Geo-enabled Master Sample (GeoMS) design for household-based surveys is a two-stage cluster sampling design with barangays or Enumeration Areas (EAs) or groups of nearby barangays or EAs as the Primary Sampling Unit (PSU), and housing units serving as the Secondary Sampling Unit (SSU) within the PSUs.

The 2023 GeoMS sampling frame is constructed based on the results of the 2020 CPH. The EA Reference File (EARF) of the 2020 CPH is used as the PSU frame while the 2020 list of households for each of the PSUs is used as the SSU frame.

Sampling Frame

The 2023 GeoMS sampling frame is constructed based on the results of the 2020 CPH. The EARF of the 2020 CPH is used as the PSU frame while the list of households for each of the PSUs is used as the SSU frame.

Sampling Domains

To provide subnational or provincial level statistics with precise estimates, the 2023 GeoMS has 118 sampling domains. Listed as follows: 82 provinces (including Maguindanao del Norte and Maguindanao del Sur); 33 highly urbanized cities (including 16 cities in the National Capital

Region); and 3 other urban areas (Pateros, Isabela City, and Cotabato City).

Primary Sampling Units

In the 2023 GeoMS Design, each sampling domain (i.e., province/HUC) is divided into exhaustive and non-overlapping area segments known as PSUs with about 100 to 300 households. A PSU can be any of the following:

- a) a single EA barangay; or
- b) two or more adjacent small EAs within the same barangay; or
- c) two or more adjacent small barangays of the same city/municipality; or
- d) portion or an EA of a multi-EA barangay.

Out of the 42,046 barangays in the Philippines, 127,028 PSUs were formed. A significant number of these PSUs, or about 15 percent of the total were formed in Region IVA. CAR has the fewest PSUs formed, making up about two percent of the total.

Moreover, identified Least Accessible Areas (LAAs) excluding those that passed the 3rd criterion below will be included in the Philippine Statistics Authority (PSA) survey operations at least once a year.

LAA can be a barangay (LAB), an EA (LAEA), or a purok/sitio/segment (LAPSS) of an EA/barangay that fits into one of the following criteria: (1) if the frequency of the trip is only once or less than once a week, (2) cost of a one-way trip is more than PhP1,500, and (3) more than eight (8) hours of walk from the last drop-off point of the transportation facility.

In the case of LAAs, a separate LAA PSU group will be formed and appended to the original PSU Frame. This will be selected based on the same sampling interval as an oversample of PSUs. The selection probability of LAA PSUs would be computed similarly to that of all regular PSUs, that is, the selection probability of LAA PSUs is equal to the number of sample LAA PSUs to the total LAA PSUs.

Replicates

From the ordered list of PSUs, all possible systematic samples of six (6) PSUs are drawn to form a replicate for most of the province domain i.e., 76 out of 82 provinces while all possible systematic samples of eight (8) PSUs are drawn to form a replicate for most of the HUCs, that is, 31 of 33 HUCs.

Three (3) PSUs are drawn to form a replicate for small provinces/HUC domains such as Batanes, Guimaras, Siquijor, Camiguin, Apayao, and Dinagat Islands, and three (3) to five (5) PSUs per replicate are allocated for small HUCs such as San Juan City and Lucena City and for special areas such as Pateros, City of Isabela, and Cotabato City.

Sample Allocation Scheme

The total number of sample SSUs is allotted proportionately to the measure of the size of the PSU. Thus, a PSU with lesser number of housing units/households would have lesser number of sampled SSUs than those PSUs with larger number of housing units/households. On average, a total of 12 sample Housing Units are allotted for each sample PSU in Highly Urbanized City domain while 16 sample housing units/households are allotted for every PSU in province domain.

Base weight computation

The base weight is computed as the inverse of selection probability.

$$w_{p\alpha\beta} = \frac{A_p}{\alpha_p} \times \frac{B_{p\alpha}}{b_{p\alpha}}$$

where:

A_p - total number of PSUs in domain p

α_p - total number of sample PSUs in domain p

$B_{p\alpha}$ - total number of housing units in PSU α in domain p

$b_{p\alpha}$ - total number of sample housing units in PSU α in domain p

For housing units with at most 3 households, the base weight is computed as

$$w_{p\alpha\beta} = \frac{A_p}{\alpha_p} \times \frac{B_{p\alpha}}{b_{p\alpha}}$$

For housing units with more than 3 households, the base weight is computed as

$$w_{p\alpha\beta\gamma} = \frac{A_p}{\alpha_p} \times \frac{B_{p\alpha}}{b_{p\alpha}} \times \frac{C_{p\alpha\beta}}{c_{p\alpha\beta}}$$

where:

$C_{p\alpha\gamma\beta}$ - total number of households in the sample housing unit

$c_{p\alpha\gamma\beta}$ - the number of sample households in the sample housing unit=3

Base Weight Adjustment

The base weight is adjusted for unit non-response and further calibrated to conform to the known or projected population count. The projected population count used for 2023 FIES is same with the July 2023 LFS.

For unit non-response adjustment (within domain p), the adjustment is computed as:

$$A_{p1} = \frac{\text{weighted* total number of eligible sample households}}{\text{weighted* total number of responding households}}$$

Where weighted * refers to the base weight.

Applying this to the base weight, we have:

$$w'_{p\alpha\beta\ \text{adj}} = w_{p\alpha\beta} \times A_{p1}$$

Estimation of Totals

- **For domain total**

The estimate for the population total for a domain (province/HUC) is derived using:

$$\hat{Y}_p = \sum_{\alpha=1}^{a_p} \sum_{\beta=1}^{b\alpha} w'_{p\alpha,fin} y_{p\alpha\beta}$$

- **For the regional total (if domain is below regional)**

The estimate for the population total for the region is derived as the sum of the estimated totals of its provinces/HUCs which is given as:

$$\hat{Y}_r = \sum_{p=1}^{m_r} (\hat{Y}_p) = \underbrace{\hat{Y}_1 + \hat{Y}_2 + \dots + \hat{Y}_{m_r}}_{\text{Weighted Province/HUC Totals}}$$

Weighted Province/HUC Totals

where

\hat{Y}_p - estimated total for province/HUC p
 m_r - total number of provinces/HUCs in the region

- **For the national total**

The estimate for the population total at the national level is derived as the sum of the estimated regional totals which is given as:

$$\hat{Y} = \sum_{r=1}^n (\hat{Y}_r) = \underbrace{\hat{Y}_1 + \hat{Y}_2 + \dots + \hat{Y}_n}_{\text{Weighted Region Totals}}$$

Weighted Region Totals

where

\hat{Y}_r - estimated total for region r
 n - total number of regions in the country

Estimation of Proportions/Ratios

The estimation of a population proportion or ratio of the formula $R = Y/X$ where Y and X are population totals for variables y and x, respectively, is derived using the formula $\hat{R} = \frac{\hat{Y}}{\hat{X}}$.

Estimation of Sampling Error

Sampling error is usually measured in terms of the standard error for a particular statistic (total, mean, percentage, etc.), which is the square root of the variance.

If the samples are selected using simple random sampling, it would have been possible to use straightforward formulas for calculating sampling

errors. However, the LFS is the result of a multi-stage design, hence it is necessary to use more complex formulas.

Sampling errors are computed using statistical programs. These statistical programs use the Taylor linearization method to estimate variances for survey estimates of means, proportions, or ratios.

a. Sampling Error for Totals

$$SE(\hat{Y}_p) = \sqrt{\hat{V}(\hat{Y}_p)}$$

$$\hat{V}(\hat{Y}_p) = \left(1 - \frac{a_p}{A_p}\right) a_p S^2 + \frac{a_p}{A_p} \sum_{\alpha=1}^{a_p} \left(1 - \frac{b_{p\alpha}}{B_{p\alpha}}\right) b_{p\alpha} S_{\alpha}^2$$

where:

$$S^2 = \frac{\sum_{\alpha=1}^{a_p} (y_{p\alpha} - \frac{\hat{Y}_p}{a_p})^2}{a_p - 1} \quad S_{\alpha}^2 = \frac{\sum_{\beta=1}^{b_{p\alpha}} (y_{p\alpha\beta} - \frac{y_{p\alpha}}{b_{p\alpha}})^2}{b_{p\alpha} - 1}$$

$y_{p\alpha} = \sum_{\beta=1}^{b_{p\alpha}} w'_{p\alpha, \beta} y_{p\alpha\beta}$ is the weighted total for psu α .

b. Sampling Error for Proportions or Ratios

The Taylor series linearization method is used to estimate the variance of a proportion or a ratio.

Its formula is given as follows:

$$SE(\hat{R}_p) \approx \frac{1}{\hat{X}_p^2} \left[\hat{V}(\hat{Y}_p) + \hat{R}_p^2 \hat{V}(\hat{X}_p) - 2\hat{R}_p c(\hat{Y}_p, \hat{X}_p) \right]$$

Where:

$$\hat{R} = \frac{\hat{Y}}{\hat{X}}$$

$$c(\hat{Y}, \hat{X}) = \frac{a_p}{a_p - 1} \sum_{\alpha=1}^{a_p} \left(y_{\alpha} - \frac{\hat{Y}}{a_p} \right) \left(x_{\alpha} - \frac{\hat{X}}{a_p} \right)$$

$a_p =$ number of sample PSUs in domain p

In the 2023 FIES, the 118 province/HUC domains are also treated as natural stratification while the PSUs are treated as clusters.

2. Other Related Topics

A. Survey Non-Response

The survey requires that the sample households be interviewed in both visits, however, the 2023 FIES encountered interview non-response due to the following reasons: households transferred to another dwelling unit; or temporarily away, on a vacation, or not at home during the second visit; or refused to be interviewed, or those located in housing units that were already demolished or destroyed due to fire or typhoon.

B. Data Processing

The 2023 FIES was 3,112 data items, and a summary to compare income and expenditures. The questionnaires were subjected to a rigorous manual and machine edit checks for completeness, arithmetic accuracy, range validity and internal consistency.

The major steps in the data processing are as follows:

1. Completeness check
2. Duplicate check
3. ID Validation
4. In-kind vs. Sources
5. Data Consistency Check
6. Data Matching (January LFS, FIES Visit 1 and FIES Visit 2)
7. Tabulation

Steps 1, 2, 3, 4, and 5 were done right after each visit. The remaining steps were carried out only after the second visit had been completed. These steps were done at the Provincial, Regional, and Central Office. After completing the steps, data files were transmitted to the Central Office where a summary file was generated. The summary file was used to generate the preliminary statistical results.

When the results showed inconsistencies, selected data items were subjected to further validation. This is repeatedly done until questionable data items were verified.

The Census and Survey Processing System (CSPPro), a software package for entry, editing, tabulation, and dissemination of census and survey data, was used in processing the survey data for the 2023 FIES Visits 1 and 2. CSPPro allows the creation, modification, and data entry, batch editing, and tabulation applications from a single integrated development environment. It processes data on a case basis (one or more questionnaires), where a case can consist of one or many data records.

IV. Concepts and Definitions of Terms

1. Entrepreneurial Activity

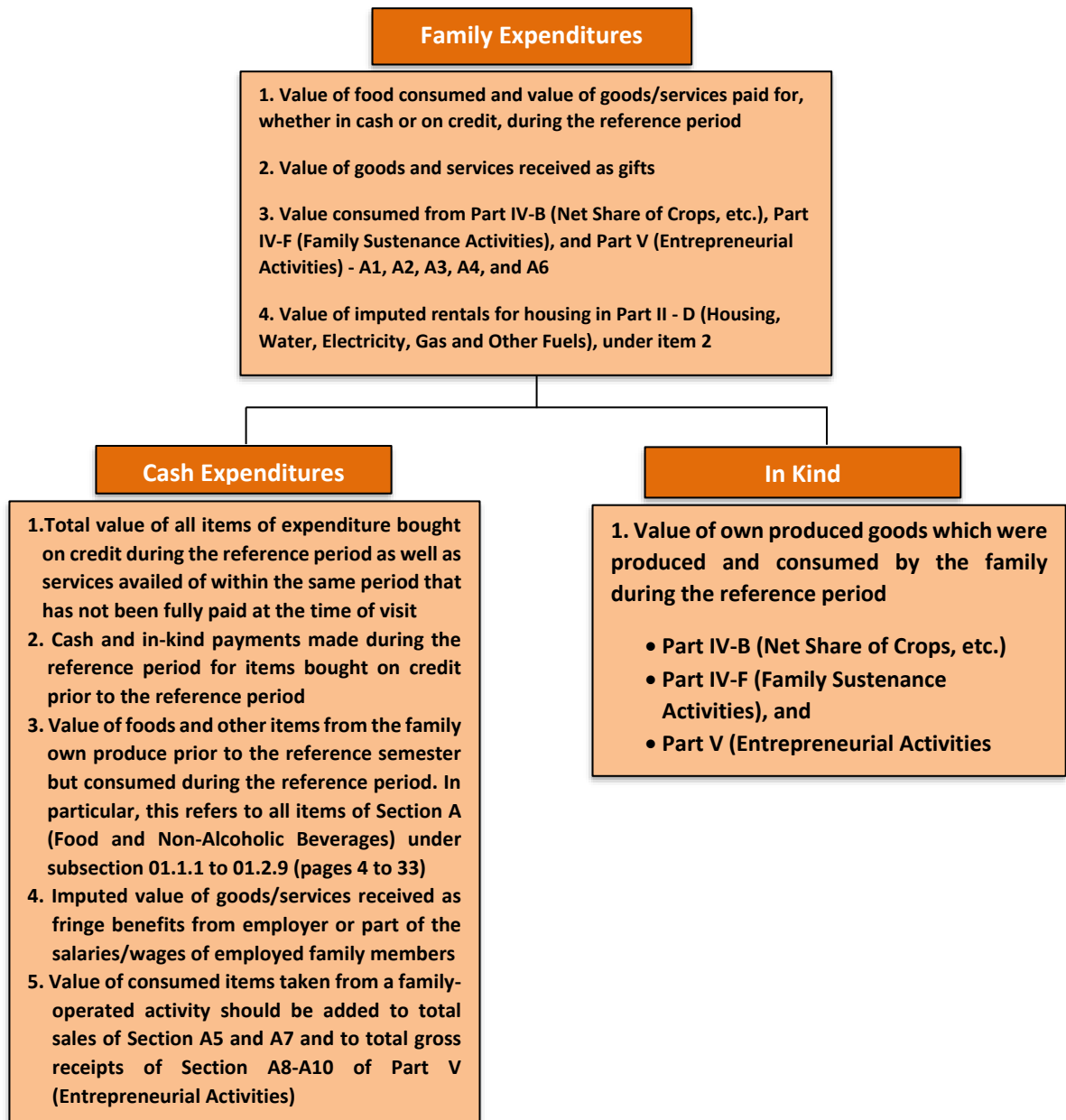
An entrepreneurial activity or a family-operated activity is any economic activity, business or enterprise, whether in agriculture or in non-agriculture sector, engaged in by any member of the family as an operator or as self-employed.

The included family-operated activities are those which are operated as single proprietorship or loose partnership, without formal organization. Thus, partnerships, corporations, associations, and the like which are formally organized and registered with the Securities and Exchange Commission (SEC) are excluded.

2. Family Expenditures

Family expenditures refer to the expenses or disbursements made by the family purely for personal consumption during the calendar year 2023. Value consumed from net share of crops, fruits and vegetables produced, aquaculture products harvested or livestock raised by other households, family sustenance and entrepreneurial activities are considered as family expenditures. Gifts, support, assistance or relief in goods and services received by the family from friends, relatives, and others, are also included as part of family expenditures.

They exclude all expenses in relation to farm or business operations, investment ventures, purchase of real property, and other disbursements which do not involve personal consumption.



3. Family Income

Total family income includes primary income and receipts from other sources received by all family members during the reference period, as participants in any economic activity or as recipients of transfers, pensions or grants. Primary income includes: salaries and wages, commissions, tips, bonuses, family and clothing allowances, transportation and representation allowances, honoraria, and other forms of compensation; and net receipts derived from the operation of family-operated enterprises or activities, and practice of a profession or trade.



Income from other sources include: imputed rental values of owner-occupied dwelling units, interests, rentals including landowner's share of agricultural products, pensions, support, and value of food and non-food items received as gifts by the family (as well as the imputed value of services rendered free of charge to the family). Also included as part of family income are receipts from family sustenance activities which are not considered as family-operated enterprise.

Following the International Labour Organization's concept of income, the 2023 FIES excludes: profits from sale of stocks and bonds; backpay and proceeds from insurance; net winnings from gambling, sweepstakes and lotteries; and inheritance, as part of family income. However, these are included as part of other receipts.

4. Family Size

It refers to the total number of family members enumerated. Family members include those whose relationship to the household head is any of the following: spouse; son or daughter; father or mother; son- or daughter-in-law; sister or brother; granddaughter or grandson; or other relative.

5. Family Sustenance Activity

A family sustenance activity is also a family activity but unlike an entrepreneurial activity, the produce is mainly for home consumption. A family is considered engaged in a family sustenance activity if there was a disposal (consumed and/or a small proportion was sold, or given

away) during the reference period. Occasionally, sales are made when the harvest or produce is more than enough for family consumption.

6. Food Consumption

The items included in this portion cover the actual consumption (not expenditure) of the family during the reference period.

6.1 Food Consumed at Home

This includes the food prepared at home and eaten in the place of work, in school, or in any place other than home.

Food consumption covers only the actual consumption of the family. The consumption of boarders and other persons in the same household not related to the family is excluded from this category.

6.2 Food Regularly Consumed Outside the Home

This includes food regularly bought and eaten by the family members outside the home like snacks, lunch and others, and those cooked food bought outside the home but eaten at home. The daily allowance for snacks and meals at school of members of the household who are attending school is also covered in this category. No value given to food consumed by a family member at parties he/she attended or food items occasionally offered by friends.

7. Furnishings, Household Equipment and Routine Household Maintenance

This includes the value of furniture and furnishing, carpets and other floor coverings, repair of furniture, household textiles and appliances, glassware, tableware and household utensils, tools and equipment for house and garden, and goods and services for routine household maintenance, for example, dinnerware, silverware and kitchen utensils acquired within the reference period for family use, including those bought or received during special occasions. If these are made at home for family use, the total value of the materials and the cost of labor paid are reported as the value of the finished product. However, the value of labor rendered by a household member, free of charge, is not included.

All major household appliances such as refrigerator, washing machine, cooking range and air conditioner, house and garden tools acquired on a cash basis during the reference period are included.

The furnishing and household equipment purchased on installment basis during the reference period are also included. The reported total value of the furnishing and household equipment are the total amount of installments paid plus the initial down payment made on the items during the reference period.

8. Household Head

The household head is an adult member of the household who is responsible for the care and organization of the household, or the one who is regarded as such by the members of the household.

9. Housing, Water, Electricity, Gas and Other Fuels

This refers to the total family expenses for actual and imputed rentals of housing and consumption of water, electricity, gas and other fuels during the reference period. The rentals for housing normally include payment for the use of the land on which the property stands. The imputed rent of the dwelling unit occupied by the family-owner is also included. The maintenance and repair of the dwelling include products and materials purchased for minor maintenance and repair. The total value of the service of both cost of labor and materials are covered.

For a family who shares facilities with other households or whose total consumption of water, electricity, gas and other fuels include both personal and business expenses, only an estimate of the family's personal consumption is reported. If the electricity and water are included in the rental paid for the house, an approximate amount for the electricity and water is deducted.

10. Imputed Rent of Owner-Occupied Dwelling Unit

Imputed rent is the estimated amount that the owner of a dwelling unit would charge if he/she was to rent his/her entire dwelling unit monthly, unfurnished and excluding the costs for utilities. The rental value is based on the prevailing rate in the locality. Imputed rent differs from amortization payments. Imputed rent refers to the value of the house/lot based on its utility, while amortization payments refer to the periodic payments made by the family on real property they acquired on installment basis. The imputed rent of free housing enjoyed by the employees is also included.

11. Main Source of Income

This refers to the source from which most of the income of the family is obtained. If the family has more than one source of income, the main source to be considered is the one where the bulk of income is derived.

12. Net Share of Crops, Fruits and Vegetables Produced, Aquaculture Products Harvested or Livestock and Poultry Raised by Other Households

This refers to the share of harvested crops, fruits, vegetables, aquaculture products and others received by the household from tenants, or a fixed rent or any amount out of the produce received from tenants during the reference period. It also includes the share of the family from the proceeds of the sale of livestock which the family owned but raised by others, and disposed of during the reference period, although there was no landlord-tenant relationship between the sample family and the one who raised it.

13. Received as Gifts

The received as gifts include all food and non-food items received in kind by the family during the reference period. For food items, alcoholic beverages and tobacco received in kind, only those consumed by the family during the reference period are included. Food stuff received in the form of support, assistance or relief is likewise considered as gifts. However, food items, alcoholic beverages and tobacco consumed by a family member at parties attended, or food items offered to him/her by friends are not included.

Food and non-food items received as gifts include those received from other households, charitable institutions, the government, or from persons abroad, free of charge.

14. Salaries and Wages from Employment

It includes all forms of compensation, whether in cash or in kind, and those received by family members who are regular or occasional/seasonal workers in agricultural and non-agricultural industries.

15. Taxes

The following forms of taxes were included in the survey:

15.1 Income Tax – refers to the tax levied on the income of a working person in pursuit of his/her occupation.

15.2 Real Estate Tax – refers to the tax imposed on real property of the family (e.g., house and lot for family use) in proportion to its value. This includes real estate tax levied on real property of the family used for personal purposes. Therefore, taxes levied on private properties of the family used solely for business purposes are excluded.

15.3 Other Direct Taxes – refer to taxes which are demanded from a taxpayer, who shoulders the burden of the tax; or tax which the taxpayer cannot shift to another. Specific examples are inheritance tax, alien certificate of registration (ACR) and donor's tax. Other taxes paid by the family such as customs duties paid for personal effects bought from abroad, amusement tax and taxes paid as a consumer are also included.

V. Dissemination of Results and Revisions

V.1. Schedule of Release

Starting 2021, the FIES will be conducted every two years. The preliminary results are released eight months after the reference period.

V.2. Forms of Dissemination

Results are disseminated through a press release together with the statistical tables, technical notes and infographic material. These are posted on the PSA Website.

The 2023 FIES press release and statistical tables are publicly available at the PSA website: <https://psa.gov.ph/statistics/income-expenditure/fies>.

VI. Citation

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