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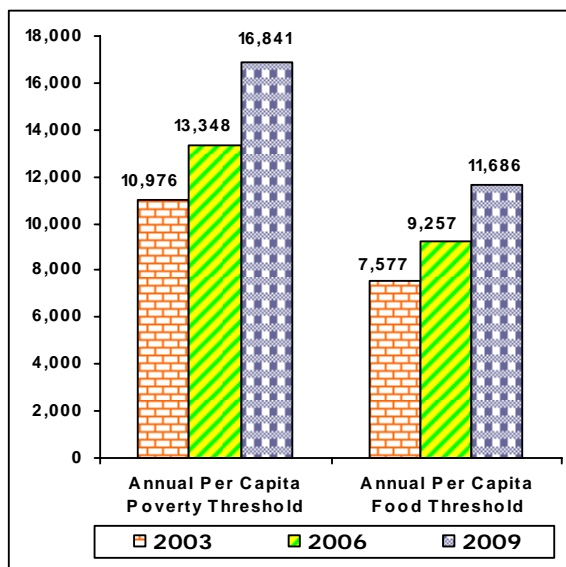
The "Poor" in the Philippines

In 2000, the largest-ever gathering of world leaders ushered in the new millennium by adopting the Millennium Declaration, endorsed by 189 countries. It was then translated into a roadmap setting out goals to be reached by 2015. The eight Millennium Development Goals (MDGs) build on agreements made by all countries at the United Nations in the 1990s to reduce poverty and hunger, and to tackle ill-health, gender inequality, lack of education, lack of access to clean water and environmental degradation. Recognizing the problem of growing poverty and hunger, the "Eradication of Extreme Poverty and Hunger" is the primary or number one goal identified under the MDGs.

In pursuit of this goal, the Philippines has been implementing and strengthening programs to alleviate the poverty situation. Critical to the allocation of the resources to the beneficiaries of the government's poverty reduction programs are the magnitude of people who are classified as "poor" and where they are located. Relative to this, the National Statistical Coordination Board (NSCB) releases poverty statistics which serve as basis for the allocation of public resources and guide decision-makers on the type of program interventions needed.

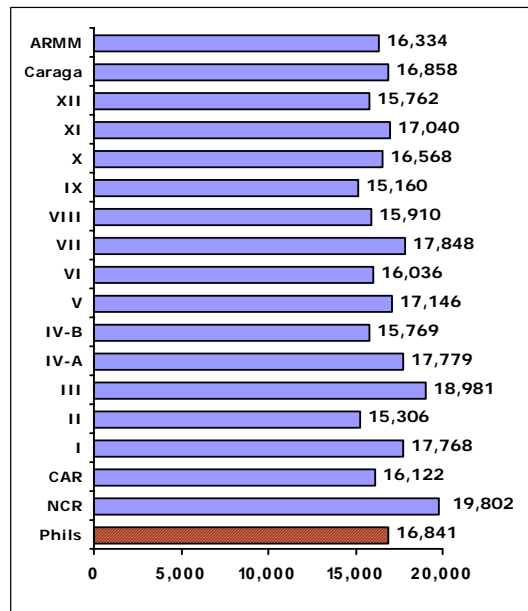
In February 2011, the NSCB released new estimates on poverty statistics based on the refinements in the official poverty estimation methodology. This issue of LABSTAT Updates provides the highlights of the 2003, 2006 and 2009 official poverty statistics.

FIGURE 1 – Annual Per Capita Poverty and Food Thresholds, Philippines: 2003, 2006 & 2009
(In Pesos)



An increasing trend in the annual per capita poverty threshold and food threshold were noted from 2003 to 2009. A Filipino needed ₱11,686 in 2009 to meet his/her food needs and ₱16,841 to be out of poverty or to meet not only his/her basic food needs but also his/her non-food requirements.

FIGURE 2 – Annual Per Capita Poverty Threshold by Region, Philippines: 2009
(In Pesos)

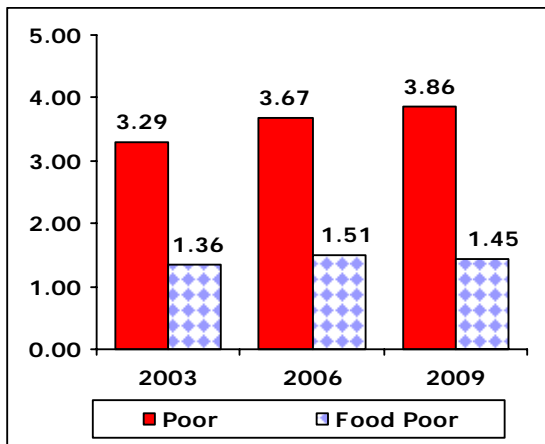


In 2009, the highest annual per capita poverty threshold was posted in NCR at ₱19,802 while the lowest was in Region IX at ₱15,160. Eight regions had annual per capita poverty threshold higher than the national level of ₱16,841.

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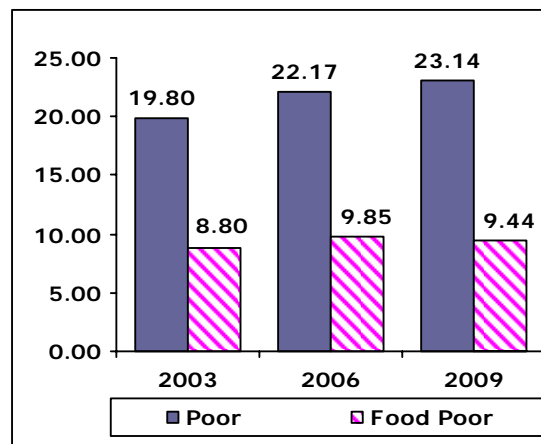
The number of poor increased while the number of food poor decreased

FIGURE 3 – Magnitude of the Poor and Food Poor Among Families, Philippines: 2003, 2006 & 2009
(In Millions)



The magnitude of the poor families or those who had income below the poverty line increased by 190,000 from 3.67 million in 2006 to 3.86 million in 2009. On the other hand, the magnitude of the food poor families decreased by 60,000 during the same period.

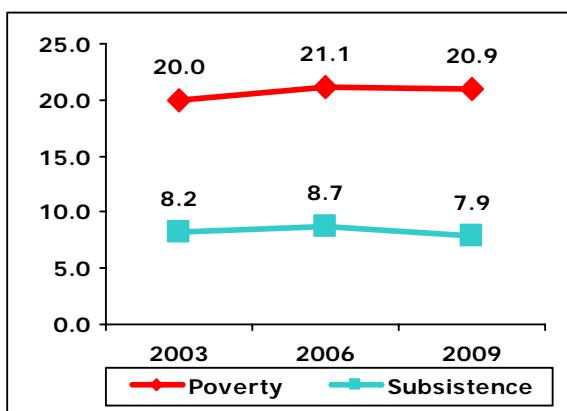
FIGURE 4 – Magnitude of the Poor and Food Poor Among Population, Philippines: 2003, 2006 & 2009
(In Millions)



In terms of the magnitude of the poor population, there was an increase of almost 970,000 Filipinos from 22.17 million in 2006 to 23.14 million in 2009. Meanwhile, the magnitude of the food poor or core poor Filipinos went down by 410,000 from 2006 to 2009.

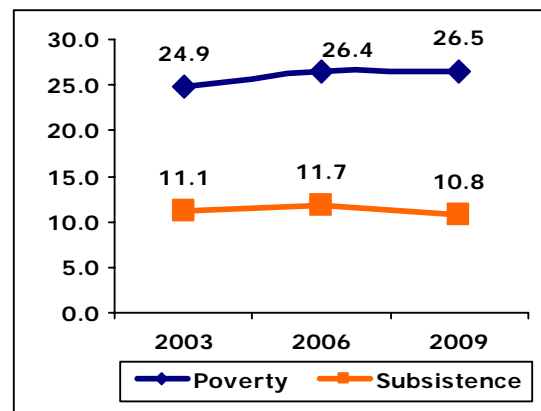
Poverty situation slightly improved in 2009

FIGURE 5 – Poverty and Subsistence Incidences Among Families, Philippines: 2003, 2006 & 2009
(In Percent)



There was a slight reduction in the poverty incidence among families from 21.1% in 2006 to 20.9% in 2009. This indicates that 21 out of 100 families were classified as poor in 2006 and

FIGURE 6 – Poverty and Subsistence Incidences Among Population, Philippines: 2003, 2006 & 2009
(In Percent)



2009. Subsistence incidence among families likewise improved as it declined from 8.7% in 2006 to 7.9% in 2009. This means that there were 9 out of 100 families and 8 out of 100 families

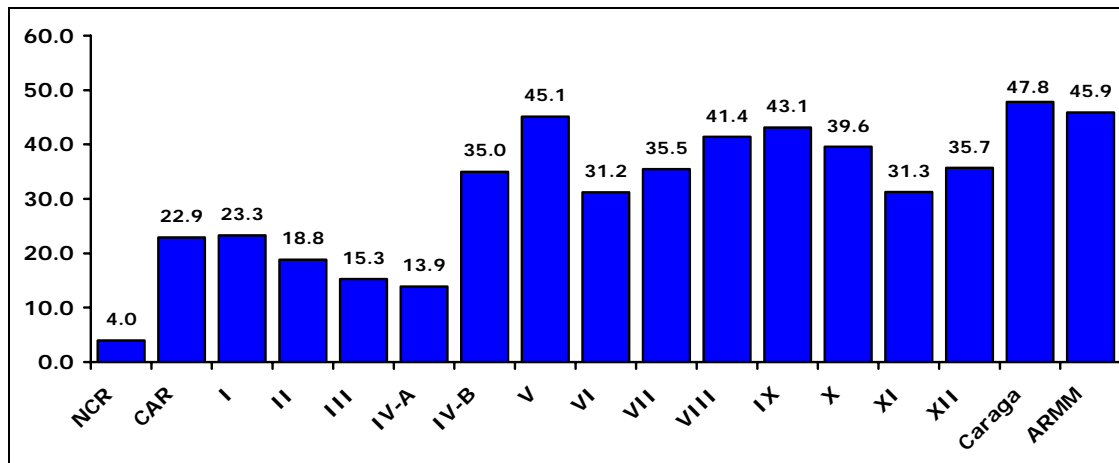
who did not earn enough to satisfy their basic food needs in 2006 and 2009, respectively.

In terms of poverty incidence among population, there was a very slight

increase from 26.4% in 2006 to 26.5% in 2009. On the other hand, subsistence incidence among population improved as it dropped from 11.7% in 2006 to 10.8% in 2009.

Poverty incidence above 40.0% in only five regions

FIGURE 7 – Poverty Incidence Among Population by Region, Philippines: 2009
(In Percent)



Poverty incidence among population in 2009 was above 40% in five regions, namely: Caraga (47.8%); ARMM (45.9%); Region V (45.1%); Region IX (43.1%); and Region VIII (41.4%). This means that out of 100 Filipinos, there were 41 to 48 people in these

regions who were classified as poor or had income below the poverty threshold. The lowest poverty incidence was posted in NCR at 4.0%. Other regions had poverty incidence ranging from 13.9% to 39.6%.

Definition of Terms:

<p>Food Threshold - refers to the minimum income/expenditure required for a family or individual to meet the basic food needs, which satisfies the nutritional requirements for economically necessary and socially desirable physical activities; also referred to as the subsistence threshold or the food poverty line.</p>	<p>Poverty Threshold or Poverty Line - refers to the minimum income/expenditure required for a family or individual to meet the basic food and non-food requirements; equal to the cost of minimum basic food and non-food requirements.</p>
<p>Food Poor/Core Poor - refers to families or individuals with per capita income/expenditure less than the per capita food threshold.</p>	<p>Poor - refers to families or individuals with per capita income/expenditure less than the per capita poverty threshold.</p>
<p>Magnitude of the Food Poor/Core Poor - refers to the number of families or population who are food poor/core poor.</p>	<p>Magnitude of the Poor - refers to the number of families or population who are poor.</p>
<p>Subsistence Incidence – refers to the proportion of food poor families or population to the total families or population. This is computed using the following formula:</p> $\frac{\text{Food Poor Families}}{\text{Total Families}} \times 100$ <p style="text-align: center;">or</p> $\frac{\text{Food Poor Pop'n}}{\text{Total Pop'n}} \times 100$	<p>Poverty Incidence – refers to the proportion of poor families or population to the total families or population. This can be computed using the following formula:</p> $\frac{\text{Poor Families}}{\text{Total Families}} \times 100$ <p style="text-align: center;">or</p> $\frac{\text{Poor Pop'n}}{\text{Total Pop'n}} \times 100$

FOR INQUIRIES:

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