



ISO 9001:2008 Certified

Department of Labor and Employment

# LABSTAT

*Updates*

Vol. 15 No. 12

July 2011

## FAMILY INCOME AND EXPENDITURES Highlights of Results (First of a Series)

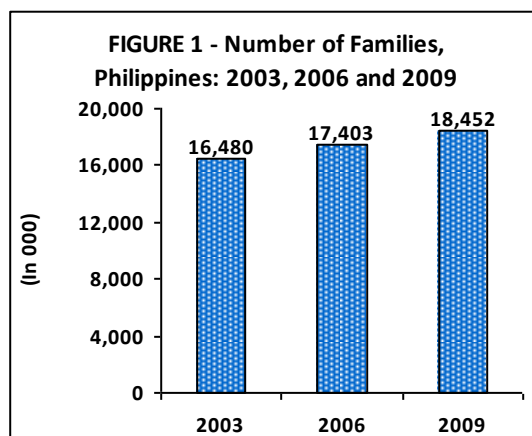
The Family Income and Expenditure Survey (FIES) is a nationwide survey conducted by the National Statistics Office (NSO) every three years. It provides statistics on the sources of income and its distribution, levels of expenditures and spending patterns of Filipino families and other related information. The survey is the source of statistics on the degree of inequality among families and it provides inputs in the estimation of the country's poverty threshold and incidence. The benchmark information to update the weights in the estimation of the Consumer Price Index (CPI) also comes from this survey. The first FIES was undertaken by NSO in 1957.

The regular collection, compilation and publication of "household expenditure or, where appropriate, family expenditure and, where possible, household income or, where appropriate, family income" is contained in the 1985 Labor Statistics Convention 160 and was reiterated in its companion document, Labor Statistics Recommendation 170 (see LABSTAT Updates Vol. 15 No. 7 dated May 2011).

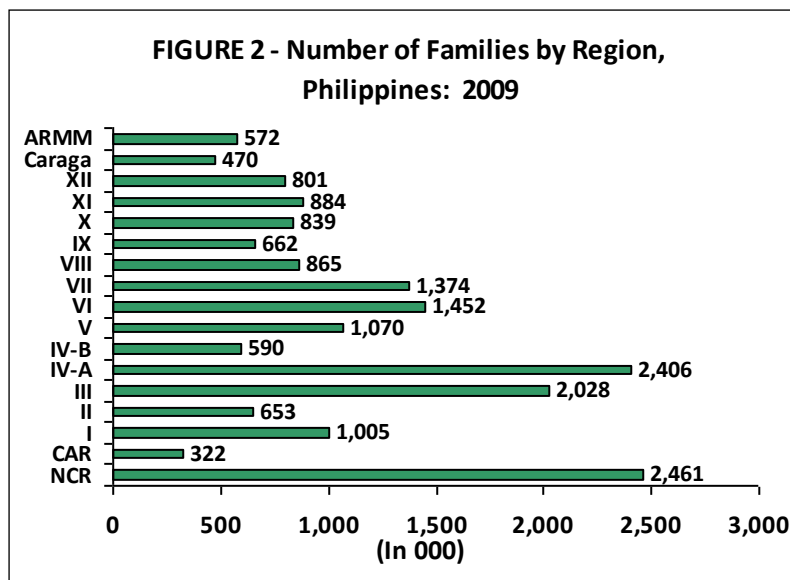
This issue of LABSTAT Updates provides an overview of the results of the 2009 FIES, particularly on the income, expenditures and savings of families. In some instances, comparisons were made with the results of the 2003 and 2006 surveys.

In 2009, there were 18.452 million families. Their family incomes aggregated to ₱3.804 trillion and total family expenditures at ₱3.239 trillion to realize a savings of ₱565 billion. The press release and statistical tables of the 2009 FIES are available at the NSO website ([www.census.gov.ph](http://www.census.gov.ph)).

### Number of families grew by 6.0% in 2009



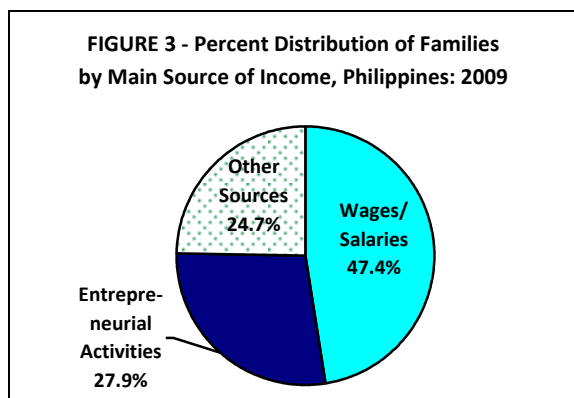
The number of Filipino families in 2009 totaled to 18.452 million. This was 6.0% higher than the 17.403 million recorded in 2006 and 5.6% more than the 16.480 million in 2003. On the average, around 350,000 families were formed annually between 2006 and 2009 compared to only 308,000 between 2003 and 2006.



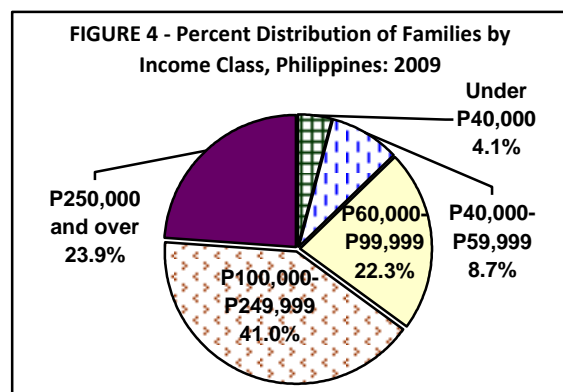
The bulk of families were in Luzon, mostly coming from NCR (13.3%), Region IV-A (13.0%) and Region III

(11.0%). Consequently, these regions were the most populated in the country.

**Most families derived income from salaries and wages**

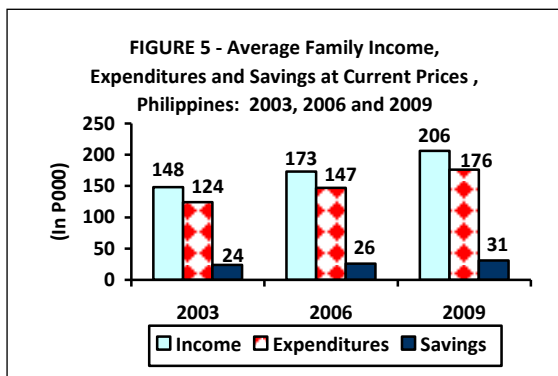


The main source of income of families in 2009 were wages and salaries (47.4%) while the rest came from entrepreneurial activities and other sources of income. From other sources, a large proportion was accounted for by cash receipts, gifts, support, relief and other forms of assistance from abroad at 11.6%.

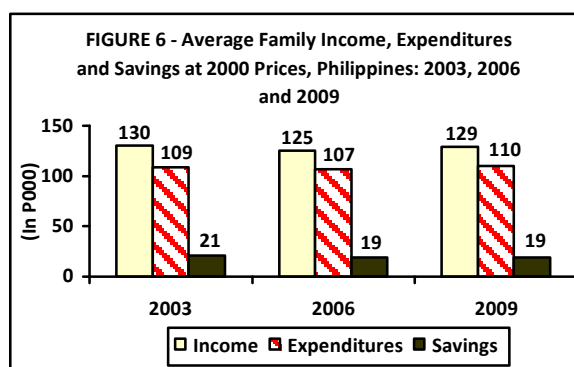


Some 41.0% of the 18.452 million families in 2009 were in the income bracket P100,000 to P249,999. Those with income of more than P250,000 and in income range of P60,000 to P99,999 were 23.9% and 22.3%, respectively of total families. On the other hand, 4.1% had income below P40,000 annually or less than P3,333.00 per month.

### Average family savings hardly changed

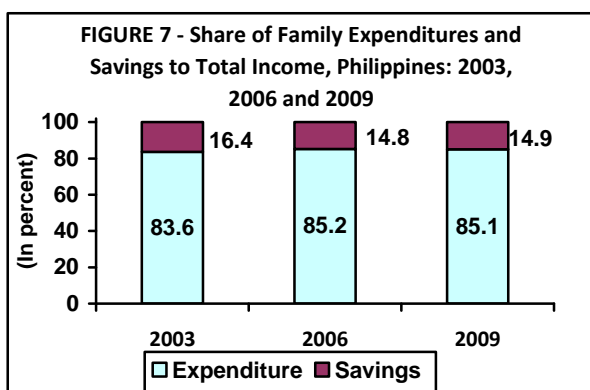


Average family income grew from P148,000 in 2003 to P173,000 in 2006 and P206,000 in 2009. Their growth rates between the survey years were observed at 16.9% (2003-2006) and 19.1% (2006-2009). Average family expenditures grew faster at 18.5% and 19.7%, correspondingly. This resulted to an average family savings of P24,000 to P26,000 and P31,000 in the 3-years in review.



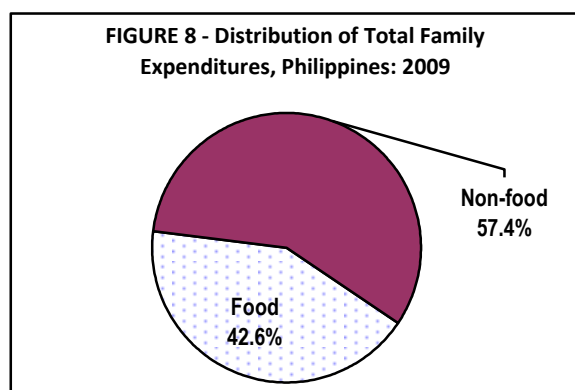
Translated in constant 2000 prices, average family savings has dwindled to P21,000 in 2003 to P19,000 in 2006 and 2009. This means that in real terms, average family income has not substantially outpaced average family expenditures.

### Expenditures accounted for 85% of total family income, 42.6% of which were spent on food



Some 85% of the total family income in 2006 and 2009 were used for expenditure. This was slightly higher than that allocated for expenses at 83.6% in 2003.

In 2009, about 42.6% of total expenditures were spent on food, while



the 57.4% went to non-food items that included utilities, clothing, personal care, education, recreation, medical care, household operation, furnishings and equipment, housing and house maintenance and repairs, taxes, miscellaneous expenses and other disbursements.

**Definition of Terms:**

**Family income** - includes primary income (earnings) and receipts from other sources received by all family members during the reference period as participants in any economic activity (either as laborer, proprietor, capitalist or entrepreneur), or as recipients of transfers, pensions, grants, etc.

- **Primary Income** – includes salaries and wages, commissions, tips, bonuses, family and clothing allowances, transportation and representation allowances, honorarium, and other forms of compensation and net receipts/profits derived from the operation of family-operated enterprises/activities and the practice of a profession
- **Receipts from Other Sources** – are receipts, gifts and assistance from abroad and from domestic source, dividends from investments, imputed rental values of owner-occupied dwelling units, interests, royalties, rentals including landowner's share of agricultural products and pensions.

**Family expenditures** - refer to the expenses or disbursements made by the family purely for personal consumption. It excludes all expenses in relation to farm or business operations, investment ventures, purchase of real property and other disbursements that do not involve personal consumption.

---

**FOR INQUIRIES:**

Regarding this report contact **LABOR STANDARDS STATISTICS DIVISION** at 527-3000 loc 311/527-9325

Regarding other statistics and technical services contact **BLES Databank** at telefax 527-9311

Or write to BLES c/o Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila 1002

FAX 527-5506

E-mail: [bles\\_issd@yahoo.com](mailto:bles_issd@yahoo.com)

Website: <http://www.bles.dole.gov.ph>

---