



PRESS RELEASE

Percentage of Filipino Families Classified as Poor Declined to 10.9 percent in 2023

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Based on the preliminary results of the Family Income and Expenditure Survey (FIES), which was conducted in July 2023 (collected income data from January to June 2023) and January 2024 (collected income data from July to December 2023), the poverty incidence among families was registered at 10.9 percent or equivalent to 3.0 million poor families in 2023. Poverty incidence is the proportion of Filipino families with incomes that are not sufficient to buy their minimum basic food and non-food needs as estimated by the poverty threshold. At individual level, 15.5 percent Filipinos or about 17.54 million Filipinos were poor in 2023.

Table 1. Full Year Food and Poverty Thresholds, Incidences and Magnitude of Poor and Food Poor: 2018, 2021 and 2023

Statistics	Estimate			Coefficient of Variation		
	2018	2021	2023	2018	2021	2023
Annual Average Per Capita Poverty Threshold (PhP)^{1/}	25,814	28,871	33,296			
Poverty Incidence or Proportion of Poor (%)						
Among Families ^{2/,3/}	12.1	13.2	10.9	1.4	1.4	1.5
Among Population ^{2/,3/}	16.7	18.1	15.5	1.3	1.3	1.4
Magnitude of Poor (in million)						
Among Families	3.00	3.50	3.00	1.41	1.47	1.6
Among Population	17.67	19.99	17.54	1.40	1.44	1.6
Annual Average Per Capita Food Threshold (PhP)^{4/}	18,126	20,111	22,995			
Subsistence Incidence or Proportion of Food Poor (%)						
Among Families ^{2/,3/}	3.4	3.9	2.7	2.5	2.4	3.0
Among Population ^{2/,3/}	5.2	5.9	4.3	2.4	2.3	2.8
Magnitude of Food Poor (in million)						
Among Families ^{2/,3/}	0.84	1.04	0.74	2.47	2.47	3.1
Among Population ^{2/,3/}	5.54	6.55	4.84	2.44	2.38	2.9

1/ Refers to the national average poverty threshold for one person in a year. It may be noted that provincial poverty thresholds are used in estimating the poverty incidence.

2/ Based on t-test at 95% level of significance, the observed change from 2018 to 2021 is significant.

3/ Based on t-test at 95% level of significance, the observed change from 2021 to 2023 is significant.

4/ Refers to the national average food threshold for one person in a year. It may be noted that provincial food thresholds are used in estimating the subsistence incidence.



Meanwhile, the proportion of Filipino families whose incomes were not sufficient to meet even their basic food needs in 2023 stood at 2.7 percent or equivalent to 740 thousand families. Among population, this is around 4.3 percent or 4.84 million Filipinos living below the food thresholds in 2023. Based on these preliminary poverty statistics, the poverty situation in the country has returned to its pre-pandemic level.

It may be noted that income collected in the FIES refers to various sources, such as wages and salaries, entrepreneurial activities, and other sources of income. Other sources of income include net share, cash receipts from abroad and from domestic source, rentals received, interest, pension, dividends, net receipts, those received as gifts (in cash or in kind), and imputed rent.

The observed decline in poverty incidence from 2021 can be explained by the changes in the poverty threshold and income data from 2021 to 2023. The poverty threshold, which is mainly affected by changes in the prices of food items in the food bundle, increased by 15.3 percent in 2023. On the other hand, the mean per capita income, particularly of the second decile, or families near the poverty threshold, increased by 22.9 percent, which is higher than the increase in the poverty threshold. These resulted to the decreases in the poverty incidences among families at 2.3 percentage points and among population at 2.6 percentage points in 2023.

Table 2. Annual Per Capita Poverty Threshold and Mean Per Capita Income: 2018, 2021 and 2023

Indicators	2018	2021	2023	Increase/Decrease (%)	
				2018-2021	2021-2023
Annual Per Capita Poverty Threshold (PhP)	25,813	28,871	33,296	11.8	15.3
Mean Per Capita Income (PhP)	69,703	72,340	85,290	3.8	17.9
First decile class	18,605	19,921	24,954	7.1	25.3
Second decile class	27,379	29,885	36,716	9.2	22.9
Third decile class	34,349	37,321	45,596	8.7	22.2
Fourth Decile class	41,847	45,051	54,809	7.7	21.7
Fifth Decile class	50,362	53,872	65,377	7.0	21.4
Sixth Decile class	60,928	64,646	78,003	6.1	20.7
Seventh Decile class	74,695	78,702	94,376	5.4	19.9
Eighth Decile class	95,182	99,149	118,030	4.2	19.0
Ninth Decile class	130,368	135,158	158,872	3.7	17.5
Tenth Decile class	273,630	276,408	324,085	1.0	17.2

Source: Preliminary results of the 2023 Family Income and Expenditure Survey for income data



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