



“POVERTY is not an accident. Like slavery and apartheid, it is man-made and can be removed by the actions of human beings.”

- Nelson Mandela





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The 2012 Full Year Official Poverty Statistics

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National Statistical Coordination Board

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Outline of the Presentation



- I. Monitoring Poverty and Various Dimensions of Welfare
- II. Highlights of Some Important Events and Poverty Monitoring Results
- III. Methodology for Official Poverty Estimation
- IV. (Full Year) Official Poverty Statistics for 2012 (and back estimates for full years 1991, 2006 and 2009)
- V. Announcements



I. Monitoring Poverty and Various Dimensions of Welfare



RA 8425 of 1997 (Social Reform & Poverty Alleviation Act)

- Integrates **Social Reform Agenda (SRA)**
- Recognizes many dimensions of poverty
 - health
 - food and nutrition
 - water and environmental sanitation
 - **income security**
 - shelter and decent housing
 - peace and order
 - functional literacy
 - participation in governance
 - family care and
 - psycho-social integrity
- Defines **"Poor** as individuals and families **whose income fall below the poverty threshold** as defined by the NEDA and/or cannot afford in a sustained manner to provide their minimum basic needs of food, health, education, housing and other essential amenities of life." (Section 3 of the RA 8425)



I. Monitoring Poverty and Various Dimensions of Welfare



- **Poverty reduction at the heart of development agenda**, as articulated in
 - PH Development Plan (PDP) 2011-2016;
 - Millennium Development Goals (MDGs); and
 - the emerging Post 2015 Development Agenda.

- **NSCB : focal agency for release of**
 - Official poverty statistics (in collaboration with TC on Poverty Statistics, NSO, BAS, and FNRI, among others);
 - Statistical Indicators on PH Development (StatDev) which serves as input for results matrix of PDP; and
 - Official statistics on monitoring MDGs.



II. Some Important Events and Poverty Monitoring Results



Some positive events between 2008 and 2012:

Period	Event
2008 – 2012	CCT Program: Increase of more than 10 times, from almost 0.3 million indigent household beneficiaries to 3.0 million in 2012

Year	Number of Enrolled Households in the CCT Program
2008	292,906
2009	251,887
2010	378,849
2011	1,219,077
2012	857,831
TOTAL	3,000,550

Source: Pantawid Pamilya Pilipino Program Implementation Status Report, 2nd Quarter 2013



II. Some Important Events and Poverty Monitoring Results



Some positive events between 2008 and 2012:

Period	Event
2009 - 2012	Increase in the salaries of government employees with the full implementation of the Salary Standardization Law III .
2009 – 2012	Sponsored Program of the National Health Insurance Program (NHIP) : As of 2012, 20.43 million indigents under NHTS-PR of DSWD were covered by the NHIP.



II. Some Important Events and Poverty Monitoring Results



Some negative events between 2009 to 2012:

Typhoon /Calamity	Period Covered	Estimated Cost of Damage	Area(s) Affected
1. Ondoy	Sept 24-27, 2009	11 billion	Regions I, II, III, IV-A, IV-B, V, VI, IX, XII. ARMM , CAR and NCR
2. Pepeng	Oct 3-9, 2009	27.297 billion	Regions I, II, III, V, VI, CAR and NCR
3. Pedring	Sept 24-28, 2011	15.5 billion	Regions I, II, III, IV-A, IV-B, V, VI, CAR, NCR
4. Sendong	December 15-16, 2011	2.068 Billion (for Regions IV-B, V, X and CARAGA)	Regions IV-B, V, VI, VII, IX, X, XI, CARAGA, and ARMM
5. Earthquake (Magnitude of 6.9)	Feb. 6, 2012	PhP 383.1 million	VII – Negros Oriental
6. Monsoon Rains/ Habagat	Aug 07, 2012	3.055 billion	Regions I, III, IV-A, IV-B, VI AND NCR
7. Pablo	Dec 2-9, 2012	36.949 billion	Regions IV-B, VI, VII, VIII , IX, X, XI, XII , CARAGA and ARMM





26.5 % 1992 **20.2 %** 2011

Underweight children under five years of age
(Source: NNS, FNRI)



84.6 % 1990 **95.2 %** 2011

Net enrolment ratio in elementary education
(Source: DepEd)



51.3 % 1990 **39.6 %** 2012

Proportion of own-account and contributing family workers in total employment
(Source: LFS, NSO)

1.6 1991 **5.7** 2012



Growth Rate of Labor Productivity
(Source: LFS, NSO and National Accounts, NSCB)



80.0 % 1990 **30.0 %** 2011

Under-five mortality rate
(Source: NSO)



73.0 % 1990 **82.7 %** 2011

Proportion of population with access to safe water
(Source: NSO)



58.8 % 1990 **74.9 %** 2011

Proportion of births attended by skilled health personnel
(Source: DOH)



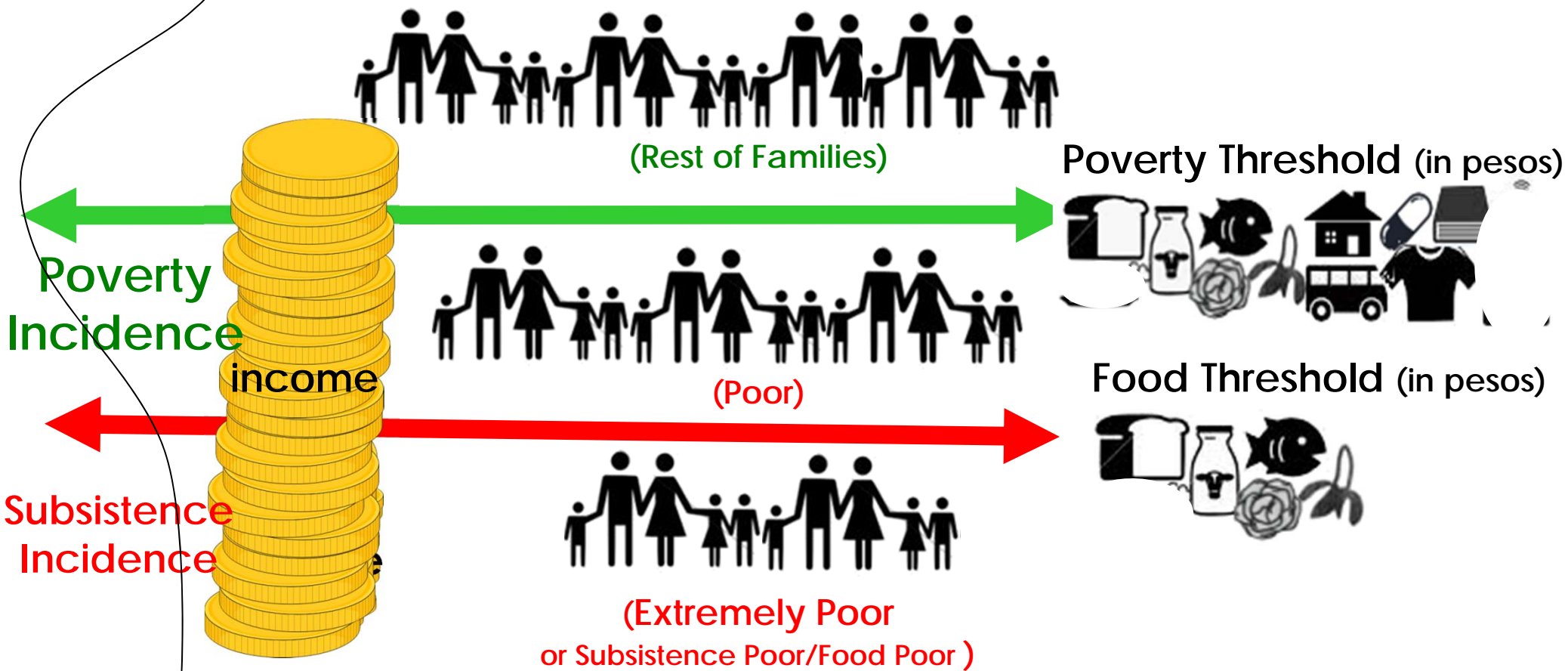
57.0 % 1990 **22.0 %** 2011

Infant mortality rate
(Source: NSO)

III. Methodology for Official Poverty Estimation



How does the NSCB generate official poverty statistics?



III. Methodology for Official Poverty Estimation



How and when is the FIES collected?

- FIES is being conducted every three years
- NSO collects data in two visits:

Visit	Reference Period	Conduct of Survey
First	First Semester income/expenditure (January-June)	July of the reference year
Second	Second Semester (July-December)	January of the succeeding year





III. Methodology for Official Poverty Estimation

Aside from full year 2012 estimates of income poverty, back estimates for 2009, 2006 and 1991, (the benchmark year for the MDGs), shall be released, which

- Adopted the new urban-rural classification in the FIES
- Used 2006-based CPI prices in the computation of the food thresholds; and
- Utilized results of the 2000 and 2010 Censuses of Population and Housing for the generation of estimates of families and population in the FIES





IV. The 2012 Full Year Official Poverty Statistics

(and back estimates for the full years 1991, 2006 and 2009)

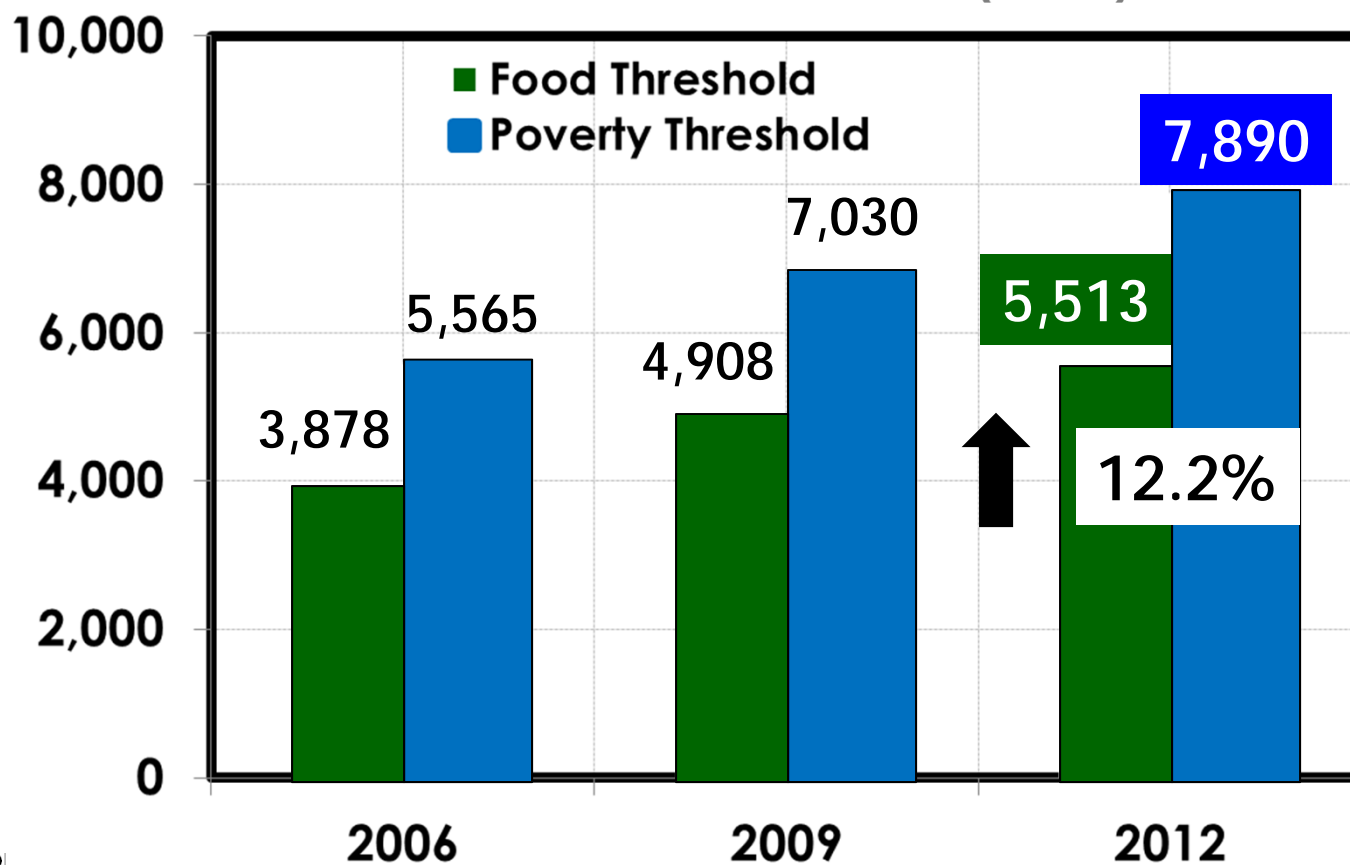


IV. The 2012 Full Year Official Poverty Statistics NATIONAL



For the full year 2012, a Filipino family of five needed **PhP5.513** average monthly income to buy their minimum basic food needs; and **PhP7.890** monthly to include other minimum basic nonfood needs

Monthly Food and Poverty Threshold for a Family of Five, 1991, 2006, 2009, and 2012 (in PhP)



Thresholds increase due to inflation

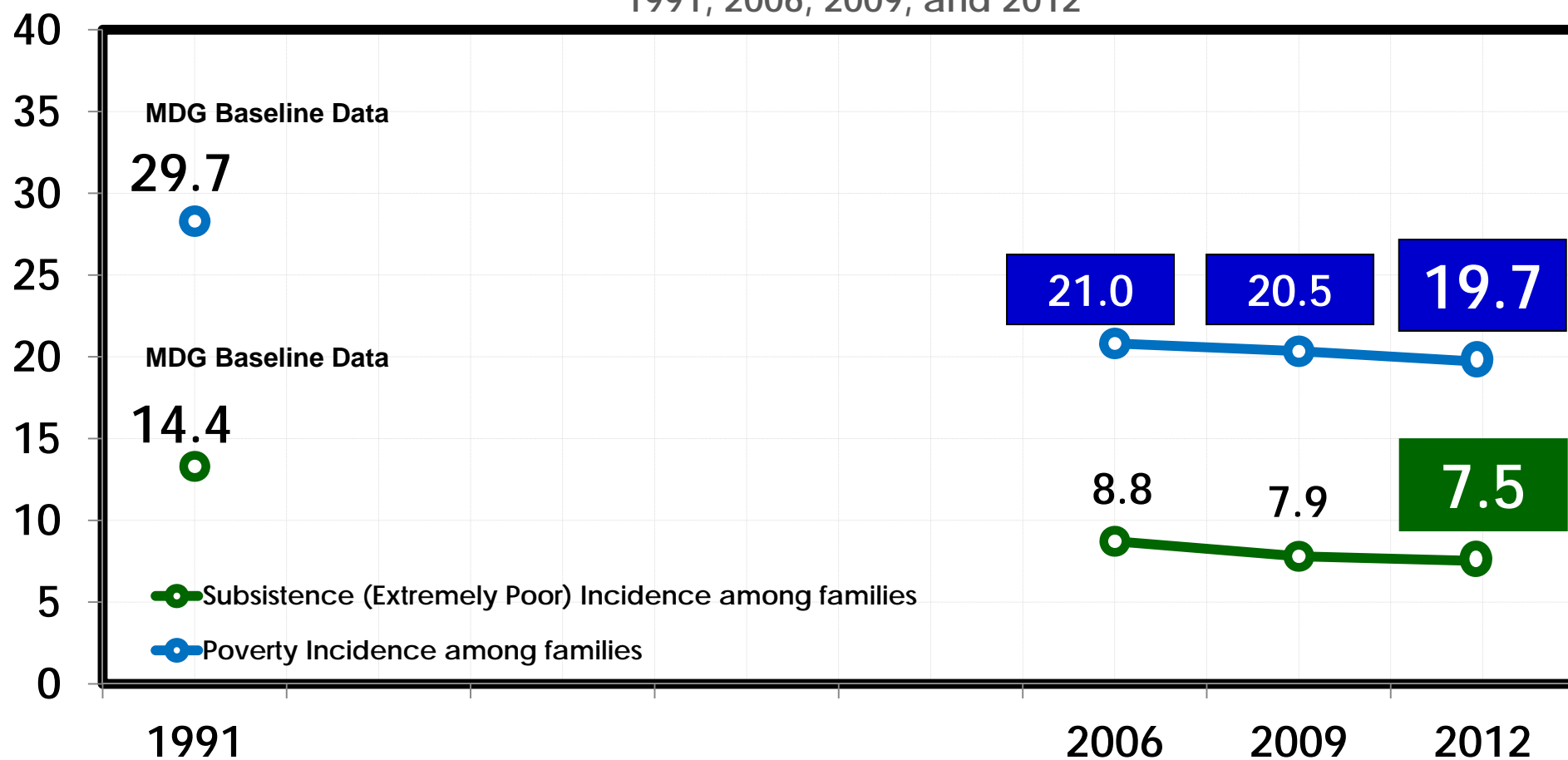


IV. The 2012 Full Year Official Poverty Statistics NATIONAL



Poverty incidence among families registered at 19.7% in 2012
It has declined by **10.0** percentage points from 29.7 % in 1991
(the base year for MDG monitoring of poverty).

Subsistence and Poverty Incidence among Families (%),
1991, 2006, 2009, and 2012

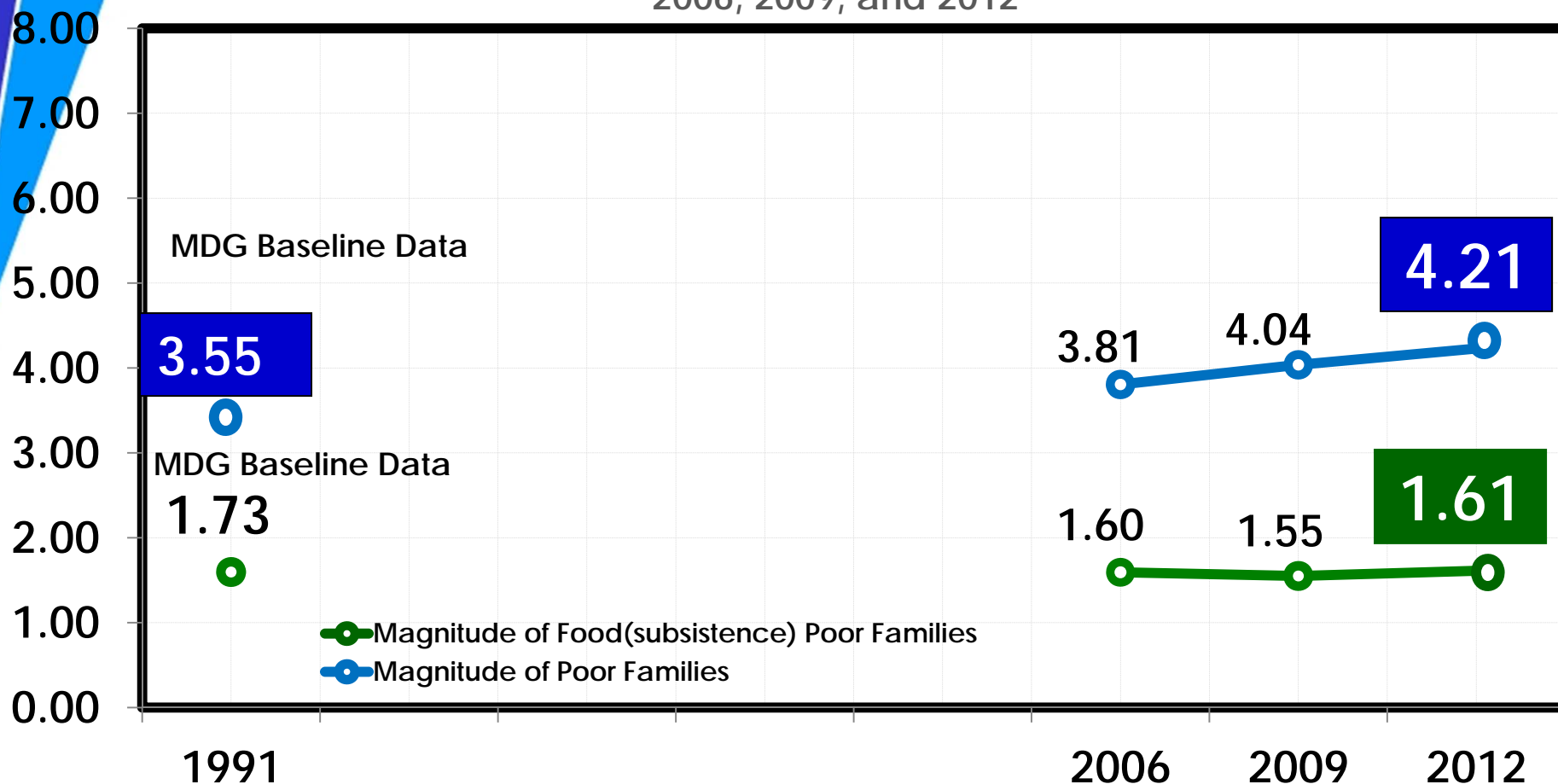


IV. The 2012 Full Year Official Poverty Statistics NATIONAL



Despite increase in the number of families, the magnitude of extreme poor families has remained steady at **1.6** million.

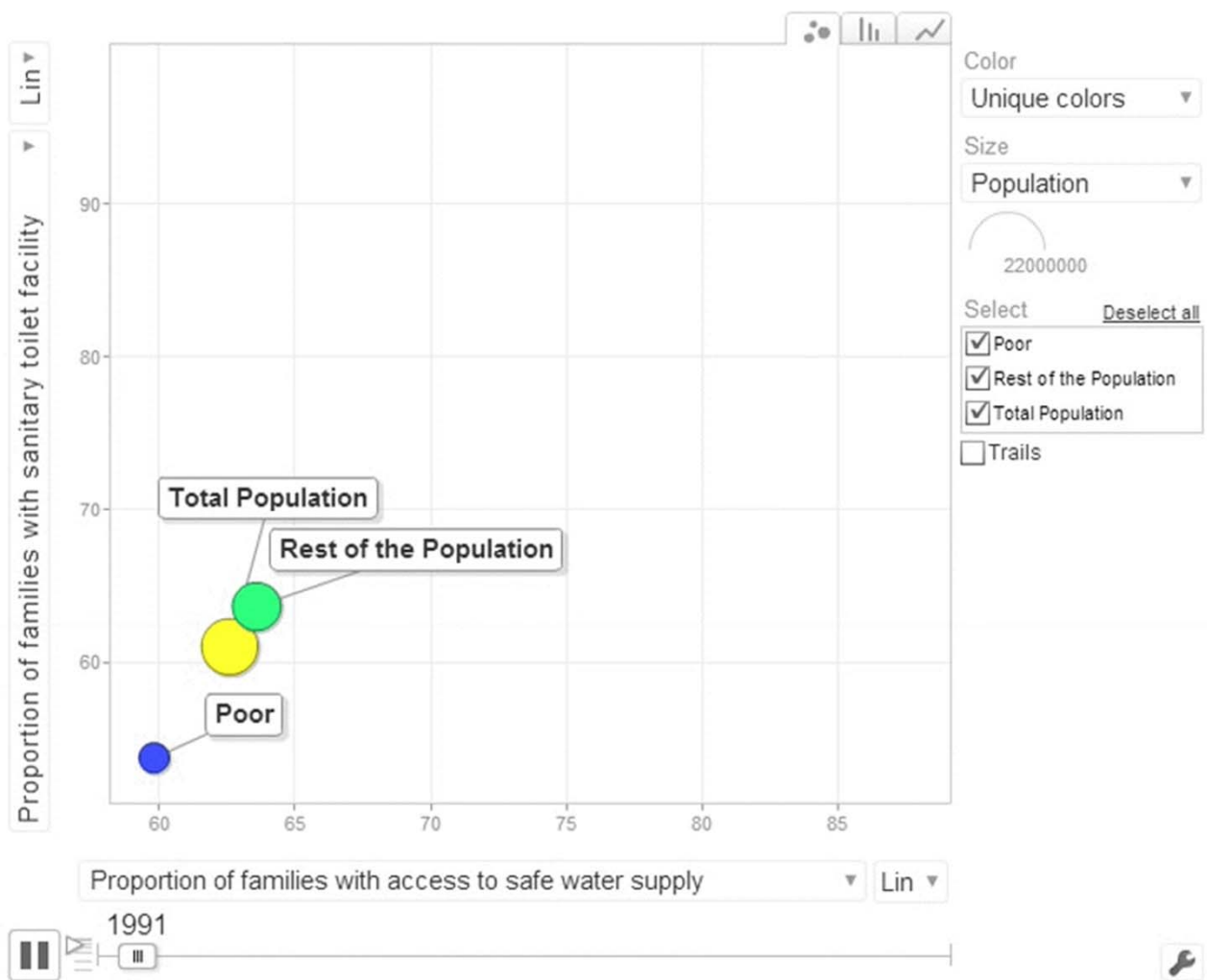
Magnitude of Subsistence Poor, Poor and Total Families (in millions),
2006, 2009, and 2012



IV. The 2012 Full Year Official Poverty Statistics NATIONAL



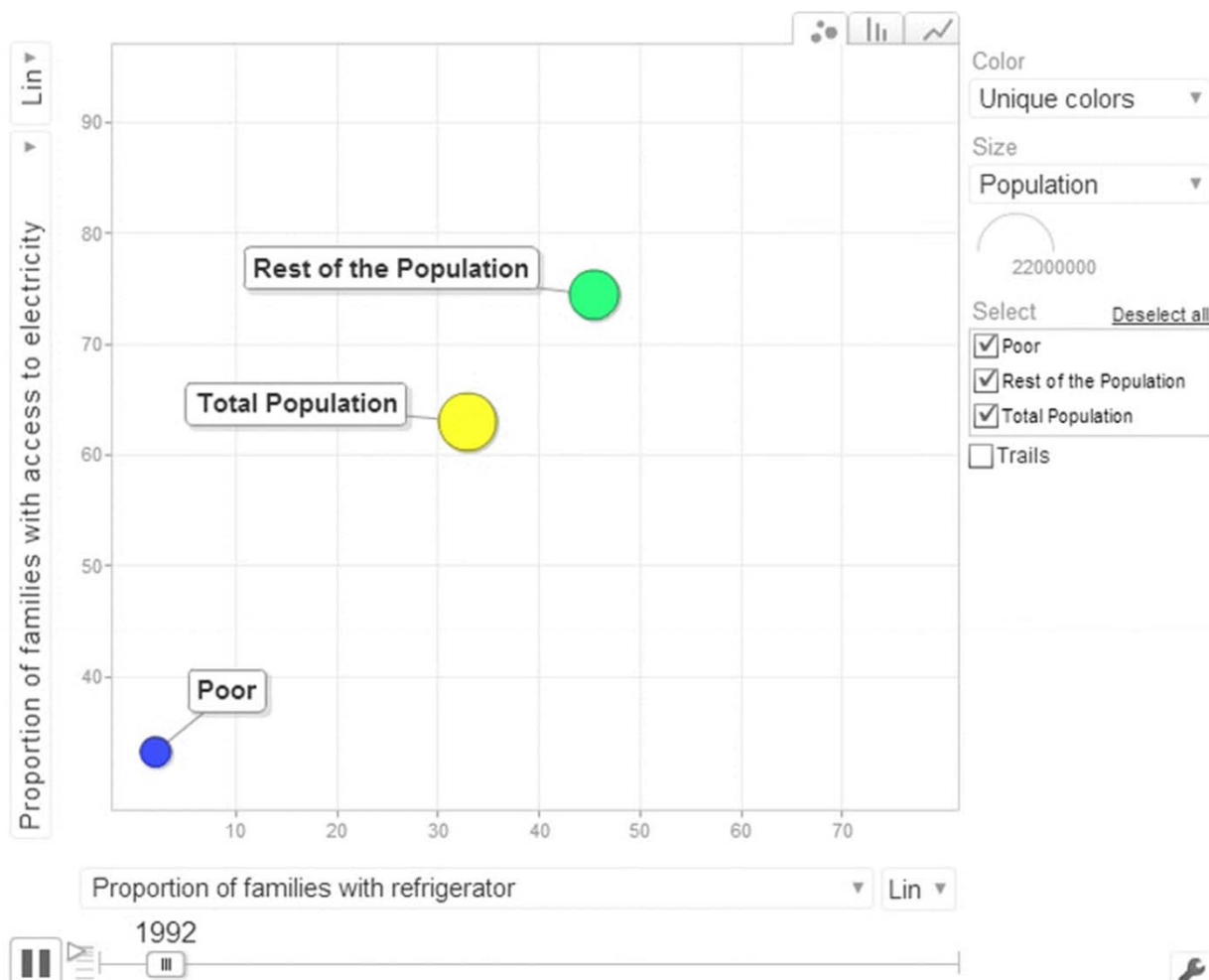
Access to safe water and toilet facilities among the Poor and Non-Poor Families, 1991, 2006, 2009, and 2012



IV. The 2012 Full Year Official Poverty Statistics NATIONAL



Access to electricity and ownership of refrigerator among the Poor and Non-Poor Families, 1991, 2006, 2009, and 2012



IV. The 2012 Full Year Official Poverty Statistics NATIONAL



In 2012, on the average, a poor family of five members needed a monthly additional income of **PhP 2,067** to move out of poverty or **26.2%** approximately of the poverty threshold.

Income gap	2006	2009	2012
Income gap	27.5	26.1	<u>26.2</u>
TOTAL COST OF ERADICATING POVERTY (in pesos)			
Among all poor families (in nominal terms)	87 B	108 B	<u>124 B</u>
For a poor family of five, per month (in nominal terms)	1,532	1,833	<u>2,067</u>
Among all poor families (in real terms)	87 B	92 B	95 B
For a poor family of five, per month (in real terms)	1,532	1,580	1,589



IV. The 2012 Full Year Official Poverty Statistics NATIONAL



The total income share of the middle 40% and bottom 30% families has expanded between 1991 and 2012

INCOME DECILE	1991	2006	2009	2012
FIRST TO THIRD	8.6	10.7	11.5	11.4
FIRST	1.8	2.7	2.9	2.9
SECOND	2.9	3.6	3.9	3.9
THIRD	3.8	4.4	4.6	4.6
FOURTH TO SEVENTH	26.2	28.9	29.3	29.5
FOURTH	4.7	5.2	5.4	5.5
FIFTH	5.7	6.3	6.5	6.5
SIXTH	7.0	7.6	7.8	7.7
SEVENTH	8.8	9.7	9.5	9.7
EIGHTH TO TENTH	65.3	60.4	59.2	59
EIGHTH	11.4	12.1	12.1	12.2
NINTH	16.1	17	16	16
TENTH	37.8	32	31	31



IV. The 2012 Full Year Official Poverty Statistics REGIONAL



ARMM, Regions VIII and XII are the poorest regions in 2012.

Region	Poverty Incidence among Families (%)		
	2006	2009	2012
PHILIPPINES	21.0	20.5	19.7
ARMM	40.5	39.9	48.7
Region VIII	33.7	34.5	37.4
Region XII	31.2	30.8	37.1
Region IX	40.0	39.5	33.7
Region X	32.1	33.3	32.8
Region V	35.4	35.3	32.3
Caraga	41.7	46.0	31.9
Region VII	30.7	26.0	25.7
Region XI	25.4	25.5	25.0
Region IV-B	32.4	27.2	23.6
Region VI	22.7	23.6	22.8
CAR	21.1	19.2	17.5
Region II	21.7	20.2	17.0
Region I	19.9	16.8	14.0
Region III	10.3	10.7	10.1
Region IV-A	7.8	8.8	8.3
NCR	2.9	2.4	2.6



IV. The 2012 Full Year Official Poverty Statistics REGIONAL



Among the 17 regions in the country, only **Caraga** posted significant decrease* in poverty incidence between 2009 and 2012, respectively.

	Poverty Incidence Among Families			Increase/Decrease	
	2006	2009	2012	06-09	09-12
PHILIPPINES	21.0	20.5	19.7	(0.5)	(0.8)
Caraga	41.7	46.0	31.9	4.3	(14.2)*
Region IX	40.0	39.5	33.7	(0.5)	(5.8)
Region IV-B	32.4	27.2	23.6	(5.2)	(3.6)
Region II	21.7	20.2	17.0	(1.5)	(3.2)
Region V	35.4	35.3	32.3	(0.1)	(3.0)
Region I	19.9	16.8	14.0	(3.1)	(2.8)
CAR	21.1	19.2	17.5	(1.9)	(1.7)
Region VI	22.7	23.6	22.8	0.9	(0.8)
Region III	10.3	10.7	10.1	0.3	(0.6)
Region XI	25.4	25.5	25.0	0.1	(0.6)
Region X	32.1	33.3	32.8	1.2	(0.5)
Region IV-A	7.8	8.8	8.3	1.0	(0.5)
Region VII	30.7	26.0	25.7	(4.7)	(0.3)
NCR	2.9	2.4	2.6	(0.6)	0.3
Region VIII	33.7	34.5	37.4	0.8	2.9
Region XII	31.2	30.8	37.1	(0.4)	6.3
ARMM	40.5	39.9	48.7	(0.6)	8.8



IV. The 2012 Full Year Official Poverty Statistics REGIONAL



On the other hand, **ARMM** and **Region XII** posted significant increases* in poverty incidence between 2009 and 2012, respectively.

	Poverty Incidence Among Families			Increase/Decrease	
	2006	2009	2012	06-09	09-12
PHILIPPINES	21.0	20.5	19.7	(0.5)	(0.8)
ARMM	40.5	39.9	48.7	(0.6)	8.8*
Region XII	31.2	30.8	37.1	(0.4)	6.3*
Region VIII	33.7	34.5	37.4	0.8	2.9
NCR	2.9	2.4	2.6	(0.6)	0.3
Region VII	30.7	26.0	25.7	(4.7)	(0.3)
Region IV-A	7.8	8.8	8.3	1.0	(0.5)





Key points:

Poverty situation

- Poverty incidence among families significantly declined from **29.7%** in 1991 (which is the MDG benchmark) to **19.7%** in 2012.
- Despite increase in the number of families, the number of extremely poor families has remained steady at **1.6 million** in more recent years.





Key points:

Poverty situation

- Among the regions, **Caraga**, posted significant reduction in poverty incidence between 2009 and 2012. On the other hand, this was not seen in **ARMM and Region XII** in the same period.
- Our population, including the poor, have noticeably better access to certain basic facilities, such as electricity, safe drinking water, sanitary toilet facility, among others.





Key points:

Income distribution

- **The total income share of the upper 30% of families drops, which resulted in the expansion of the total income share of the middle 40% and bottom 30% of families.**



V. Announcement



Way Forward

- Future Work on Poverty Monitoring
 - Starting 2013, the Annual Poverty Indicators Survey uses FIES income module
 - This will allow us to generate **first semester poverty statistics** with first semester as reference period.



V. Announcement



Way Forward

- By virtue of Republic Act 10625 enacted by the Congress last 6 June 2013 and signed into law by the President on 12 September 2013
 - **Philippine Statistics Authority (PSA) has been established;** Affected agencies (NSCB, NSO, BLES and BAS) on hold over capacity
 - Implementing Rules and Regulations (IRRs) of the Act currently being crafted
 - Plans are underway for PSA to be fully operational in 2014





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Thank you very much.





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