



SPECIAL RELEASE

Poverty incidence in Ilocos Norte registered at 5.5% in Sem 1 of 2018

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Food and Poverty Thresholds

In the first semester of 2018, a family of five in Ilocos Norte needed no less than PhP 7,396, on average, to meet the family's basic food needs for a month. This amount is the food threshold. On the other hand, no less than PhP 10,591, on average, was needed to meet both basic food and non-food needs of a family of five in a month in Ilocos Norte. This amount is the poverty threshold. These are 8.16 percent higher than the food and poverty thresholds from the first semester of 2015¹.

Food threshold is the minimum income required to meet the basic food needs, satisfying the nutritional requirements set by the Food and Nutrition Research Institute (FNRI) to ensure that one remains economically and socially productive. On the other hand, poverty threshold is the minimum income required to meet the basic food and non-food needs such as clothing, fuel, light and water, housing, rental of occupied dwelling units, transportation and communication, health and education expenses, non-durable furnishing, household operations and personal care and effects.

Poverty among Filipino families and individuals

Poverty incidence among Filipinos families in Ilocos Norte in the first semester of 2018 was estimated at 5.5 percent. This is defined as the proportion of families whose income is below the poverty line to the total number of families. This was estimated at 16.9 percent¹ in the same period in 2015.

Table 1. Poverty Incidence among Families (%) in Ilocos Norte: First Semester 2015 and 2018

| Province | Poverty Incidence among Families (%) | | Coefficient of Variation | |
|---------------------|--------------------------------------|------------|--------------------------|-------------|
| | 2015 | 2018 | 2015 | 2018 |
| Ilocos Norte | 16.9 | 5.5 | 20.1 | 16.5 |

The poverty incidence among Filipino individuals in Ilocos Norte in the first semester of 2018 was estimated at 7.6 percent. This is referred to as the proportion of the population living below the poverty line to the total population. During the same period in 2015, poverty incidence among Filipinos was recorded at 21.2 percent¹.

Table 2. Poverty Incidence among Population in Ilocos Norte: First Semester 2015 and 2018

| Province | Poverty Incidence among Population (%) | | Coefficient of Variation | |
|---------------------|--|------------|--------------------------|-------------|
| | 2015 | 2018 | 2015 | 2018 |
| Ilocos Norte | 21.2 | 7.6 | 16.3 | 14.9 |

The subsistence incidence among Filipino families in Ilocos Norte was estimated at 0.9 percent¹ in the first semester of 2018. This is alternatively called as the proportion of Filipino families whose incomes fall below the food threshold. In the same period in 2015, the proportion of families who are food poor was recorded at 4.0 percent.

Table 3. Subsistence Incidence among Families(%) in Ilocos Norte: First Semester 2015 and 2018

| Province | Subsistence Incidence among Families (%) | | Coefficient of Variation | |
|---------------------|--|------------|--------------------------|-------------|
| | 2015 | 2018 | 2015 | 2018 |
| Ilocos Norte | 4.0 | 0.9 | 41.8 | 45.9 |

The subsistence incidence among Filipino individuals in Ilocos Norte was estimated at 1.2 percent in the first semester of 2018, and 5.1 percent¹ in the first semester of 2015. It refers to the proportion of Filipinos whose incomes fall below the food threshold.

Table 4. Subsistence Incidence among Population in Ilocos Norte: First Semester 2015 and 2018

| Province | Subsistence Incidence among Population (%) | | Coefficient of Variation | |
|---------------------|--|------------|--------------------------|-------------|
| | 2015 | 2018 | 2015 | 2018 |
| Ilocos Norte | 5.1 | 1.2 | 35.9 | 39.6 |

In addition to the thresholds and incidences, the PSA also releases other poverty-related statistics in the report such as the **income gap**, **poverty gap** and **severity of poverty**. The **income gap** measures the average income required by the poor in order to get out of poverty, expressed relative to the poverty threshold. The **poverty gap** refers to the income shortfall (expressed in proportion to the poverty threshold) of families with income below the poverty threshold, divided by the total number of families. The **severity of poverty** is the total of the squared income shortfall (expressed in proportion to the poverty threshold) of families with income below the poverty threshold, divided by the total number of families. This is a poverty measure that is sensitive to income distribution among the poor.



In the first semester of 2018, on average, incomes of poor families in Ilocos Norte were short by 17.1 percent of the poverty threshold.

Table 5. Income Gap, Poverty Gap and Severity of Poverty in Ilocos Norte: First Semester 2015 and 2018

| Province | Income Gap | | Poverty Gap | | Severity of Poverty | |
|---------------------|-------------|-------------|-------------|------------|---------------------|------------|
| | 2015 | 2018 | 2015 | 2018 | 2015 | 2018 |
| Ilocos Norte | 19.2 | 17.1 | 3.3 | 0.9 | 1.0 | 0.3 |

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¹ Food thresholds are estimated using actual prices collected by PSA for the estimation of the Consumer Price Index (CPI). In consonance with the updating of the market basket for the collection of prices for CPI, First Semester 2015 Poverty Statistics were revised accordingly.