SPECIAL RELEASE

POVERTY STATISTICS IN LA UNION
FIRST SEMESTER OF 2021

Date Release: 25 March 2022
Reference No. 2022-19

Highlights of the First Semester of 2021 Official Poverty Statistics in La Union

Poverty and Food Thresholds

In the first semester of 2021, no less than PhP11,510, on the average, was needed to meet both basic food and non-food needs of a family of five in a month in the province. This amount is the poverty threshold. This is 26.9 percent higher compared with the poverty threshold in first semester 2018 at PhP9,068. (Table 1)

Table 1. Monthly Poverty Threshold for a Family of Five
La Union: First Semester, 2018 and 2021

First Semester	Estimate (in PhP)
2018 [u]	9,068
2021	11,510

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.

Moreover, a family of five in La Union needed no less than PhP8,045, on the average, to meet the family's basic food needs for a month in the first semester of 2021. This amount is the food threshold. This is 24.6 percent higher than the food threshold in first semester 2018 at PhP6,455. (Table 2)

Table 2. Monthly Food Threshold for a Family of Five
La Union: First Semester, 2018 and 2021

First Semester	Estimate (in PhP)
2018 [u]	6,455
2021	8,045

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.

Poverty among Filipino families and individuals

The poverty incidence among Filipino families in La Union in first semester of 2021 was estimated at 10.7 percent. This is defined as the proportion of families with per capita income less than the per capita poverty threshold to the total number of families. This was estimated at 3.7 percent in first semester of 2018. At 0.10 level of significance, a significant increase of 7.0 percentage points from first semester of 2018 to first semester of 2021 was observed in the poverty incidence among Filipino families in the province.

The 10.7 percent poverty incidence among Filipino families in first semester of 2021 translates to 21.5 thousand families in the province who lived below the poverty threshold. In first semester of 2018, the magnitude of poor families in the province was recorded at 7.1 thousand. (Table 3)

**Table 3. Poverty Incidence and Magnitude of Poor among Families
La Union: First Semester 2018 and First Semester 2021**

Statistics	Estimate		Coefficient of Variation	
	First Sem 2021	First Sem 2018[u]	First Sem 2021	First Sem 2018[u]
Poverty Incidence among Families (%)	10.7 *	3.7	10.9	18.7
Magnitude of Poor among Families ('000)	21.5	7.1	11.5	18.9

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.
*= significant change; The increase or decrease of the poverty incidence among families between first semester 2018[u] and first semester 2021 is significant at 10% level of significance (α= 0.10).

On the other hand, the poverty incidence among Filipino individuals in La Union in the first semester of 2021 was estimated at 13.9 percent. This is referred to as the proportion of the population living below the poverty line to the total population. This was estimated at 5.2 percent in first semester of 2018. At 0.10 level of significance, a significant increase of 8.7 percentage points was observed in the poverty incidence among Filipino individuals in the province.

The 13.9 percent poverty incidence translates to 116.0 thousand poor Filipinos in the province, an increase of about 73.6 thousand Filipinos from first semester of 2018. (Table 4).

**Table 4. Poverty Incidence and Magnitude of Poor Population
La Union: First Semester 2018 and First Semester 2021**

Statistics	Estimate		Coefficient of Variation	
	First Sem 2021	First Sem 2018[u]	First Sem 2021	First Sem 2018[u]
Poverty Incidence among Population (%)	13.9 *	5.2	9.6	19.4
Magnitude of Poor among Population ('000)	116.0	42.4	10.6	20.0

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.
*= significant change; The increase or decrease of the poverty incidence among population between first semester 2018[u] and first semester 2021 is significant at 10% level of significance (α= 0.10).

Meanwhile, the subsistence incidence among Filipino families in La Union in first semester of 2021was estimated at 2.8 percent. This refers to the proportion of Filipino families whose income fall below the food threshold. This was estimated at 0.6 percent in first semester 2018. At 0.10 level of significance, a significant increase of 2.2 percentage points from first semester 2018 was observed in the subsistence incidence among families in the province.

As to magnitude of food poor families in the province, there were about 5.6 thousand food poor families estimated in first semester of 2021, an increase of about 4.5 thousand food poor families from first semester of 2018. (Table 5)

**Table 5. Subsistence Incidence and Magnitude of Food Poor Families
La Union: First Semester 2018 and First Semester 2021**

Statistics	Estimate		Coefficient of Variation	
	First Sem 2021	First Sem 2018[u]	First Sem 2021	First Sem 2018[u]
Subsistence Incidence among Families (%)	2.8 *	0.6	16.2	36.7 [b/]
Magnitude of Food Poor among Families ('000)	5.6	1.1	16.1	36.8

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.
b/ = coefficient of variation of 2018[u] provincial subsistence incidence among families is greater than 20%.
* = significant change; The increase or decrease of the poverty incidence among population between first semester 2018[u] and first semester 2021 is significant at 10% level of significance (α= 0.10).

On the other hand, the subsistence incidence among Filipino individuals or the proportion of Filipino individuals in La Union whose income fall below the food threshold was estimated at 3.9 percent in first semester of 2021. At 0.10 level of significance, a significant increase of 2.9 percentage points was recorded from first semester of 2018 subsistence incidence among Filipino individuals in the province.

The 3.9 percent subsistence incidence translates to about 32.3 thousand Filipino individuals in the province in first semester of 2021 who did not meet the basic food needs. This posted an increase of about 23.9 thousand food poor individuals from first semester of 2018. (Table 6)

Table 6. Subsistence Incidence and Magnitude of Food Poor Population
La Union: First Semester 2018 and First Semester 2021

Statistics	Estimate		Coefficient of Variation	
	First Sem 2021	First Sem 2018[u]	First Sem 2021	First Sem 2018[u]
Subsistence Incidence among Population (%)	3.9 *	1.0	16.3	37.6 [b/]
Magnitude of Food Poor among Population ('000)	32.3	8.4	16.4	38.0

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.
b/ = coefficient of variation of 2018[u] provincial subsistence incidence among families is greater than 20%
*= significant change; The increase or decrease of the poverty incidence among population between first semester 2018[u] and first semester 2021 is significant at 10% level of significance (α= 0.10).

In first semester of 2021, on the average, incomes of poor families in La Union were short by 20.0 percent of the poverty threshold. This means that in order to move out of poverty, a family of five members needed an average additional monthly income of about PhP2,302. Poverty gap in the province in first semester of 2021 was estimated at 2.1 percent while severity of poverty was estimated at 0.7 percent. (Table 7)

The income gap, poverty gap and severity of poverty in the province increased from first semester of 2018 to first semester of 2021.

**Table 7. Income Gap, Poverty Gap and Severity of Poverty
La Union: First Semester 2018 and 2021**

Statistics	First Sem 2021	First Sem 2018 [u]
Income Gap	20.0	18.3
Poverty Gap	2.1	0.7
Severity of Poverty	0.7	0.2

Source: Philippine Statistics Authority
Notes:
U = updated; Back estimation of the 2018 first semester poverty statistics was made due to the adoption of the 2015 Census of Population (POPCEN 2015) results for the weights used in the Family Income and Expenditure Survey (FIES) and the urban-rural classification of barangays.

The PSA does not encourage ranking of provinces based on point estimate of poverty incidence. Instead, it generates and releases clusters due to overlapping confidence intervals of poverty incidences among families among provinces.

Cluster 1 indicates the bottom (poor) provinces or provinces with high poverty incidence while Cluster 5 indicates the top (least poor) provinces. The province of La Union remained in the least poor cluster of provinces (Cluster 5) in first semester of 2021.

Food threshold - the minimum income required for a family/individual to meet the basic food needs, which satisfies the nutritional requirements set by the Food and Nutrition Research Institute (FNRI) to ensure that one remains economically and socially productive.

Income Gap - the average income shortfall, expressed in proportion to the poverty threshold of families/individuals with income below the poverty threshold.

Magnitude of the Food Poor (Subsistence Poor) - refers to the number of families/individuals who are food poor/subsistence poor

Magnitude of the Poor - refers to the number of families/individual who are income poor

Poverty gap- the total income shortfall (expressed in proportion to the poverty threshold) of families/individuals with income below the poverty threshold, divided by the total number of families/individuals.
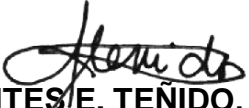
Poverty incidence - the proportion of families/individuals with per capita income less than the per capita poverty threshold to the total number of families/individuals.

Poverty threshold - the minimum income required for a family/individual to meet the basic food and non-food needs.

- Basic food requirements are currently based on 100% adequacy for the Recommended Energy and Nutrient Intake (RENI) for protein and energy equivalent to an average of 2000 kilocalories per capita, and 80% adequacy for other nutrients. On the other hand, basic non-food requirement includes: 1) clothing and footwear; 2) fuel, light, and water; 3) housing maintenance and other minor repairs; 4) rental of occupied dwelling units; 5) medical care; 6) education; 7) transportation and communication; 8) non-durable furnishing; 9) household operations; and 10) personal care and effects.

Severity of poverty - the total of the squared income shortfall (expressed in proportion to the poverty threshold) of families/individuals with income below the poverty threshold, divided by the total number of families/individuals. This is a poverty measure that is sensitive to income distribution among the poor. The worse this distribution is, the more severe poverty is.

Subsistence incidence - the proportion of families/individuals with per capita income less than the per capita food threshold to the total number of families/individuals.

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