



2015 Poverty Estimates

DAVAO REGION

PhP 9,481 needed to stay out of poverty

Latest estimates released by the Philippine Statistics Authority (PSA) shows that a Davaoño needed PhP1,896 in 2015 to meet his/her monthly basic requirements to stay out of poverty. Hence, Davaoño families consisting of five members, the average Filipino family size, must have had a regular source of income amounting to PhP113,770 in 2015 or a monthly income of PhP9,481 to be able to meet their most basic food and non-food needs. Thus, a sole wage earner in a five-member family living in Davao region had to work hard in getting the entire family out of poverty with at most PhP312 income per day.

Table 1. Monthly and Daily Poverty Thresholds for a Family of Five, Philippines and Region XI, 2012 and 2015

		Monthly (in PhP)		Daily (in PhP)	
		2012	2015	2012	2015
Philippines	Poverty Threshold	7,890	9,064	259	298
	Food Threshold	5,513	6,329	181	208
Region XI	Poverty Threshold	8,320	9,481	274	312
	Food Threshold	5,788	6,608	190	217



Source of basic data: Philippine Statistics Authority

This translates to an annual per capita poverty threshold of PhP22,754 for 2015 up by 14.0 percent, compared to the 2012 level of PhP19,967. Of this minimum annual per capita income requirement, PhP15,860 was intended for sustaining basic food needs and the remaining PhP 6,894 was intended for other basic needs.

With a per capita food threshold of PhP 15,860 in 2015, a Davaoeno family of five members must have had an annual income of PhP79,300 or PhP217 daily for them not to experience hunger. The 2015 per capita requirement was a 14.0 percent increase compared to the 2012 level of PhP13,890.

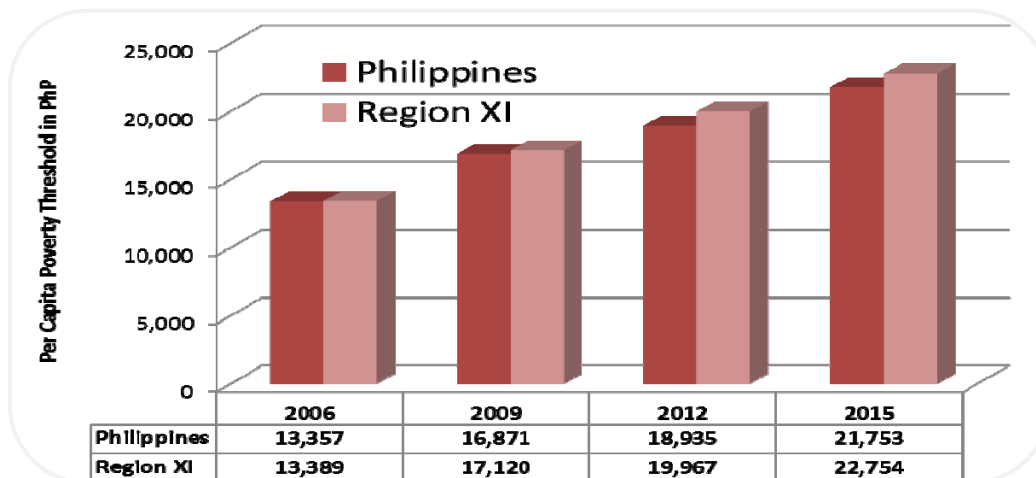
The increases in both per capita poverty and per capita food thresholds in the region represent an inflation of about 4.7% on the average per year between 2012 and 2015.

Food threshold is the minimum income required to meet basic food needs and satisfy the nutritional requirements set by the Food and Nutrition Research Institute (FNRI) to ensure that one remains economically and socially productive. It is used to measure extreme or subsistence poverty.

Poverty threshold is a similar concept, expanded to include basic non-food needs such as clothing, housing, transportation, health, and education expenses.

The region's level of per capita poverty and food thresholds were 4.6 percent and 4.4 percent higher than the estimates at the national level, respectively.

Figure 1. Per Capita Poverty Threshold, Philippines and Region XI, 2006-2015



Source: Philippine Statistics Authority

Among the provinces in Region XI, Davao del Norte had the highest per capita income requirement in 2015 with PhP24,424 up by 17.2 percent compared to 2012 estimate of PhP20,841. On the other hand, Davao del Sur had the lowest annual per capita poverty threshold in the same period with PhP21,846 up by 13.1 percent compare to 2012 level of PhP19,311. Similarly, in 2015, Davao del Norte and Davao del Sur had the highest at PhP17,073 and lowest at PhP15,159 per capita food threshold, respectively.

Table 2. Annual Per Capita Poverty and Food Thresholds, Region XI by Province, 2012 and 2015

Province	Annual Per Capita Poverty Threshold			Annual Per Capita Food Threshold		
	2012	2015	Percent Change	2012	2015	Percent Change
Region XI	19,967	22,754	14.0	13,890	15,860	14.2
Davao del Norte	20,841	24,424	17.2	14,497	17,073	17.8
Davao del Sur	19,311	21,846	13.1	13,410	15,159	13.0
Davao Oriental	19,323	22,210	14.9	13,559	15,493	14.3
Compostela Valley	20,932	22,740	8.6	14,573	15,856	8.8

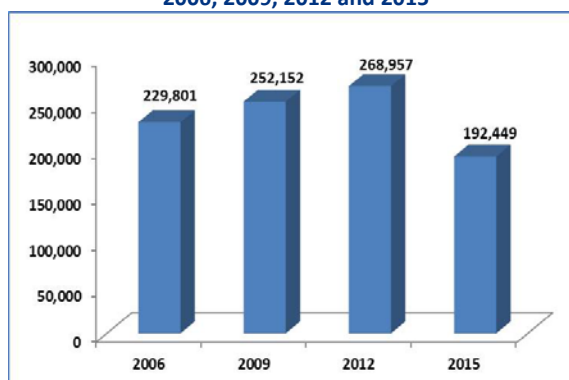
Source: Philippine Statistics Authority

One out of five families is poor

Figure 2. Poverty Incidence among Families, Region XI, 2006, 2009, 2012 and 2015



Figure 3. Magnitude of Poor Families, Region XI, 2006, 2009, 2012 and 2015



Source: Philippine Statistics Authority

The poverty incidence of families in Davao Region was estimated at 16.6 percent, or roughly one out of five families was estimated to be poor in 2015. The estimate was lower than the 2012 and 2009 poverty incidence figures, which were estimated at 25.0 percent and 25.5 percent, respectively. Similarly, the estimated number of poor families has dropped down by 28.4 percent from 268,957 in 2012 to 192,449 in 2015.

Figure 4. Subsistence Incidence among Families, Region XI, 2006, 2009, 2012 and 2015

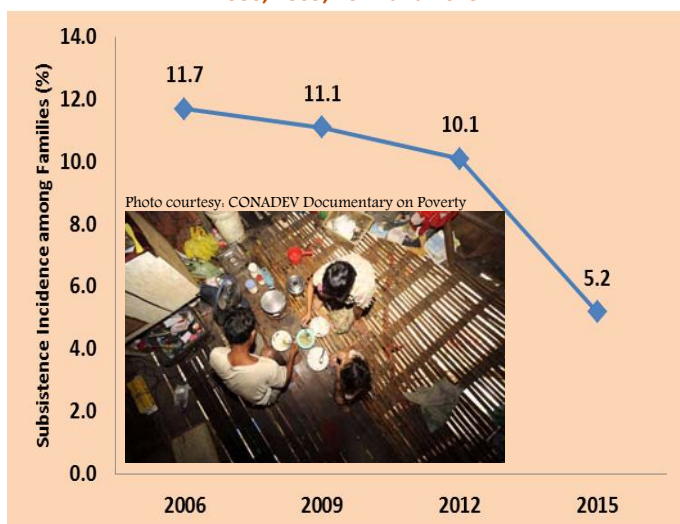
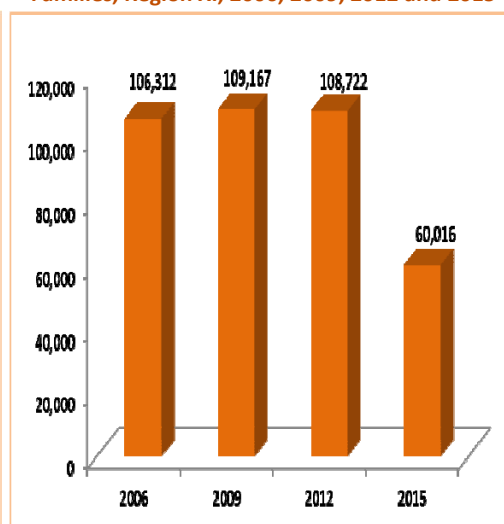


Figure 5. Magnitude of Subsistence Poor Families, Region XI, 2006, 2009, 2012 and 2015



Source: Philippine Statistics Authority

Meanwhile, the proportion of Davaoeno families in extreme poverty whose incomes are not sufficient to meet basic food needs stood at 5.2 percent, which is 4.9 percentage points lower than the 10.1 percent estimate in 2012. Consequently, the estimated number of extremely subsistence poor families significantly dropped by 44.8 percent from 108,722 in 2012 to 60,016 in 2015.

22 out of 100 Davaoños are poor

The latest poverty estimates also indicated that 22 out of 100 Davaoños were not able to meet the basic food and non-food requirements in 2015. The figure was an 8.7 percentage points decline compared to the 2012 estimate of 30.7 percent. The magnitude of poor population likewise declined by 22.6 percent from 1.4 million in 2012 to 1.1 million in 2015.



Poverty Incidence is the proportion of families/individuals with per capita income/expenditure less than the per capita poverty threshold to the total number of families/individuals

Subsistence Incidence is the proportion of families/individuals with per capita income/expenditure less than the per capita food threshold to the total number of families/individuals



Photo courtesy. www.latimes.com

On the other hand, in 2015 the subsistence incidence among individuals stood at 7.5 percent, a decline of 5.6 percentage points from the previous estimate of 13.1 percent. The magnitude of Davaoenos who were not able to meet basic food requirements also declined by 37.8 percent from 602,248 in 2012 to 374,332 in 2015.

Table 3. Poverty and Subsistence Incidence and Magnitude of Poor and Subsistence Poor Population, Region XI, 2009, 2012 and 2015

Indicator	2009	2012	2015	Inc / Dec
Poverty Incidence among Population (%)	31.4	30.7	22.0	-8.7
Magnitude of Poor Population	1,356,480	1,411,063	1,092,200	-22.6
Subsistence Incidence among Population (%)	14.9	13.1	7.5	-5.6
Magnitude of Subsistence Poor Population	642,900	602,248	374,332	-37.8

Source: Philippine Statistics Authority

Davao's poverty incidence is the lowest in Mindanao

Figure 6. Poverty Incidence among Families in Mindanao, 2009, 2012 and 2015

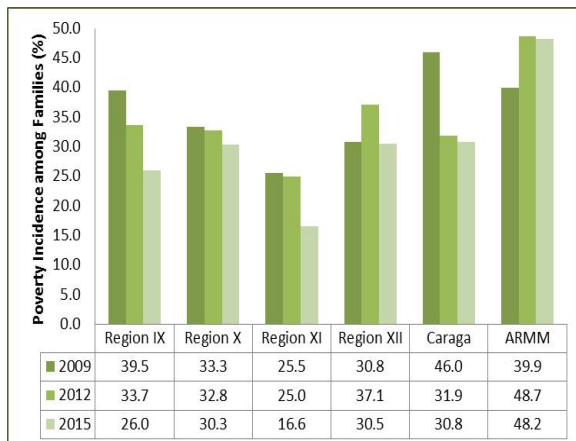
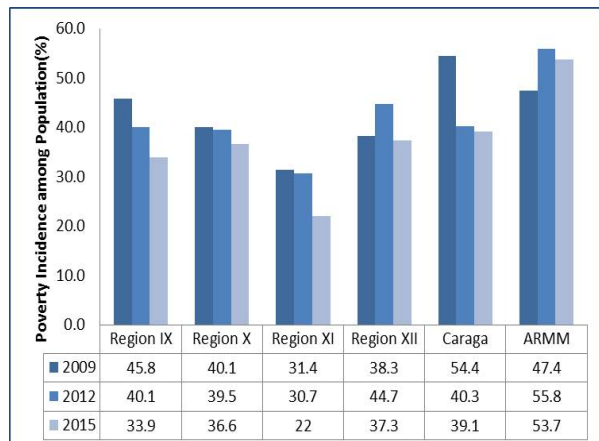


Figure 7. Poverty Incidence among Population in Mindanao, 2009, 2012 and 2015



Source: Philippine Statistics Authority

Among the regions in Mindanao, Davao Region, remained with the lowest poverty incidences of both families and individuals with ARMM having the highest at 48.2 percent poverty incidence among families and 53.7 percent poverty incidence among population in 2015. Davao region was also the highest gainer in terms of poverty improvement with 8.4 percentage points and 8.7 percentage points reduction in poverty incidences among families and among population, respectively.

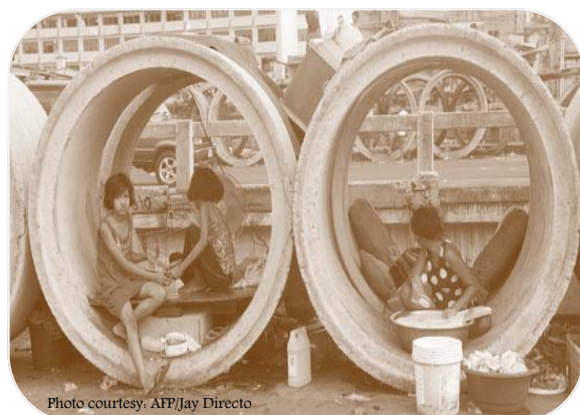


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In terms of subsistence, 21 out of 100 Mindanaon were not able to meet the minimum required food needs in ARMM, the highest incidence estimated among the regions in Mindanao in 2015. In the same period, the highest subsistence incidence among families was also recorded in the same region at 17.0 percent while Region XI had the lowest subsistence incidences among families and individuals.

Table 4. Subsistence Incidence among Families and Individuals in Mindanao, 2009, 2012 and 2015

Region	Subsistence Incidence among Families (%)			Subsistence Incidence among Population (%)		
	2009	2012	2015	2009	2012	2015
Region IX	21.1	14.8	9.2	26.4	19.1	13.3
Region X	16.1	15.9	13.8	21.2	20.6	18.1
Region XI	11.1	10.1	5.2	14.9	13.1	7.5
Region XII	12.2	17.8	15.5	16.7	23.2	20.4
Caraga	24.6	13.0	12.0	30.8	18.3	16.8
ARMM	10.8	19.5	17.0	14.2	25.1	21.1

Source: Philippine Statistics Authority

Although all the regions in Mindanao experienced a reduction in poverty incidences between 2012 and 2015, the increases in number of poor families and individuals are noticeable in the regions of ARMM and Caraga. The magnitude of poor families in ARMM increased by 9.5 percent from 271,355 in 2012 to 296,999 in 2015 while the

Table 5. Magnitude of Poor Families and Population in Mindanao, 2012 and 2015

Region	Magnitude of Poor Families			Magnitude of Poor Population		
	2012	2015	Change (%)	2012	2015	Change (%)
Region IX	259,749	214,011	-17.6	1,409,819	1,274,657	-9.6
Region X	320,113	311,552	-2.7	1,759,570	1,720,472	-2.2
Region XI	268,957	192,449	-28.4	1,411,063	1,092,200	-22.6
Region XII	366,169	321,286	-12.3	1,895,820	1,716,649	-9.5
Caraga	169,522	178,160	5.1	1,001,923	1,062,312	6.0
ARMM	271,355	296,999	9.5	1,854,188	1,990,503	7.4

Source: Philippine Statistics Authority

the number of poor individuals increased by 7.4 percent from 1,854,188 to 1,990,503. Likewise Caraga's number of poor families and individuals increased by 5.1 percent and 6.0 percent, respectively. On the other hand, Davao region had the biggest reduction of number of poor families and individuals with a decline of 28.4 percent and 22.6 percent, respectively, between 2012 and 2015.

Poverty in Davao Region provinces

Table 6. Clustering of Provinces based on Poverty Incidence among Families, by Province, 2009, 2012 and 2015 (where 1 indicates the bottom (poor) cluster of provinces)

Province	2009				2012				2015			
	Cluster	Poverty Incidence	90% CI		Cluster	Poverty Incidence	90% CI		Cluster	Poverty Incidence	90% CI	
			Lower Limit	Upper Limit			Lower Limit	Upper Limit			Lower Limit	Upper Limit
Davao Oriental	1	44.3	36.6	51.9	2	37.8	30.1	45.4	3	21.3	12.2	30.4
Davao del Norte	3	27.2	15.9	38.5	3	26.7	17.3	36.2	2	26.1	15.5	36.8
Compostela	3	31.0	24.6	37.5	2	30.7	20.5	40.8	3	22.0	17.6	26.3
Davao del Sur	4	19.3	14.5	24.1	4	20.0	15.2	24.7	4	12.0	7.5	16.4

Source: Philippine Statistics Authority

In terms of poverty trends in the provinces in Region XI, Davao Oriental had the most improved poverty situation as it moved from the bottom poor cluster of provinces in 2009 to moderately poor in 2012 and 2015. The province had the largest drop in poverty incidence among families, 23.0 percentage points and 16.5 percentage points lower from the 44.3 percent in 2009 and 37.8 percent in 2012, respectively. Compostela Valley's poverty also improved as it went from cluster 2 in 2012 to cluster 3 in 2015 with poverty incidence of families dropping by 8.7 percentage points between the two periods. On the other hand, Davao del Norte was placed at cluster 2 in 2015 from cluster 3 in 2012 as its poverty incidence slightly declined by 0.6 percentage point from 26.7 percent in 2012 to 26.1 in 2015. Meanwhile, with 12.0 percent poverty incidence among families, Davao del Sur had the lowest among the provinces in Davao region in 2015. The province consistently belong in the least poor cluster in 2009, 2012 and 2015.

Figure 8. Magnitude of Poor Families, Region XI by Province, 2015

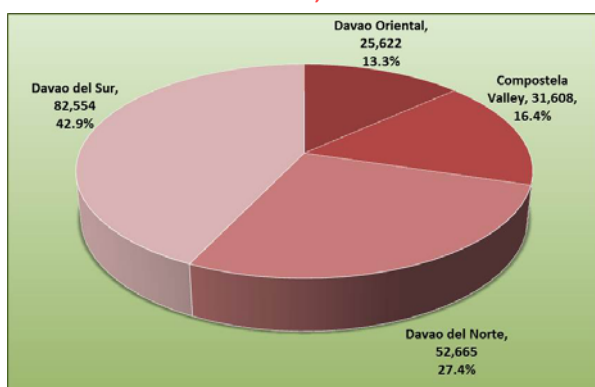
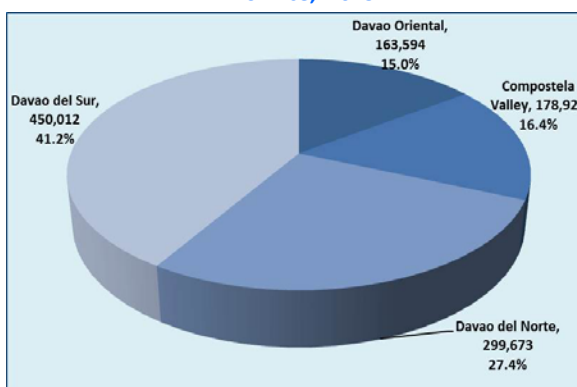


Figure 9. Magnitude of Poor Population, Region XI by Province, 2015



Source: Philippine Statistics Authority

Of the 192,449 extremely poor families in Davao Region in 2015, 42.9 percent were families in Davao del Sur, 27.4 percent were in Davao del Norte, 16.4 percent were in Compostela Valley and 13.3 percent were in Davao Oriental. Almost the same distributions were noted in terms of extremely poor individuals in 2015 in the provinces of Region XI.

Income Gap, Poverty Gap and Severity of Poverty

In addition to the thresholds and incidences, the PSA also releases other poverty-related statistics such as income gap, poverty gap and severity of poverty. In 2015, on average, incomes of poor Davaoño families were short by 23.7 percent of the poverty threshold. This means that on average, an additional monthly income of PhP2,247 is needed by a poor family with five members in order to move out of poverty in 2015.



Table 7. Income Gap, Poverty Gap and Severity of Poverty, Region XI, 2012 and 2015

Indicator	2012	2015
Income Gap	27.1	23.7
Poverty Gap	6.8	3.9
Severity of Poverty	2.6	1.4

Source: Philippine Statistics Authority

Income Gap measures the average income required by the poor in order to get out of poverty, expressed relative to the poverty threshold.

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.

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.



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