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PRESS RELEASE

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Filipino Families Are Most Deprived in Education

The Philippine Statistics Authority (PSA) releases today the multidimensional poverty statistics based on an initial methodology¹. It is called the multidimensional poverty index (MPI) and serves to complement the income-based measure of poverty. The MPI is a measure that intends to capture deprivations on various dimensions. Thus, the MPI provides information on which dimension the Filipinos are most deprived in. In the initial methodology, there are 13 indicators identified across the following four dimensions:

- | | |
|--|--|
| <p>I. Education dimension</p> <ul style="list-style-type: none">• school attendance• educational attainment | <p>III. Housing, Water and Sanitation dimension</p> <ul style="list-style-type: none">• ownership of assets• toilet facility• source of water supply• tenure status of dwelling• housing materials• electricity |
| <p>II. Health and Nutrition dimension</p> <ul style="list-style-type: none">• hunger• food consumption• health insurance | <p>IV. Employment dimension</p> <ul style="list-style-type: none">• underemployment• working children not in school |

Share of Each Dimension to MPI²

The Education dimension had the largest share or contribution to overall deprivation (MPI) at 36.5 percent and 36.9 percent in 2016 and 2017, respectively. The Health and Nutrition dimension comes next with a contribution of 26.2 percent in 2016 and 27.5 percent in 2017. The share of Housing, Water and Sanitation to MPI was 26.4 percent in 2016 and 27.4 percent in 2017. Employment dimension, on the other hand, had the least share to MPI.

¹ The Philippine Statistics Authority (PSA), in consultation with its Inter-Agency Committee on Poverty Statistics, developed an initial methodology for estimating the multidimensional poverty index based on the Alkire and Foster methodology. Recognizing that the MPI indicators are crucial to inform policy and planning, PSA intends to collect more relevant information as inputs to further enhance the MPI methodology and consult with stakeholders to come up with an official methodology to be recommended to the PSA Executive Board for approval.

² Refers to the contribution of dimension to multidimensional poverty



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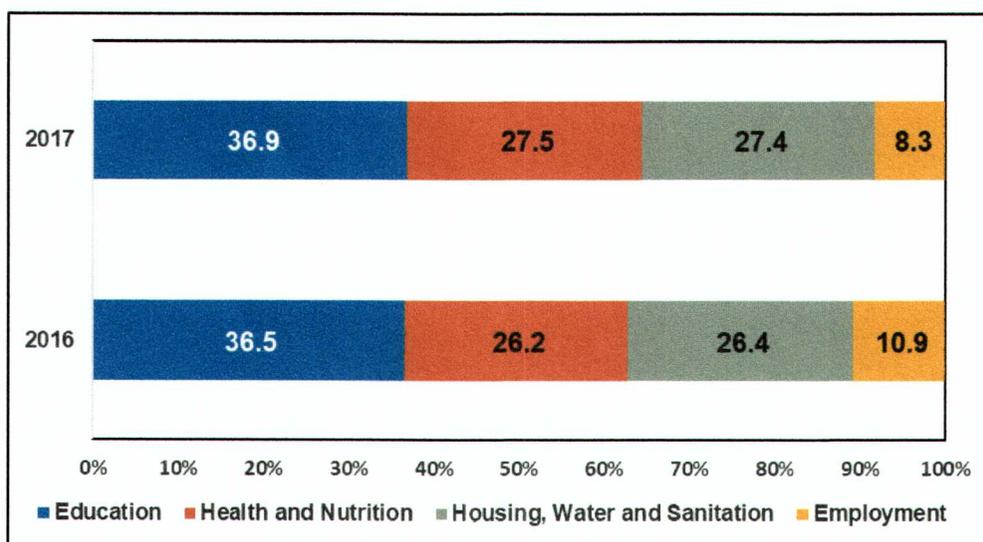


Figure 1. Share of Each Dimension to MPI: 2016 and 2017

Incidence of Deprivation among Families per Indicator³

Among the 13 indicators, educational attainment consistently had the highest incidence of deprivation among families for 2016 and 2017 at 59.3 percent and 49.4 percent, respectively. These mean that 6 out of 10 families in 2016 and 5 out of 10 families in 2017 were deprived of basic education; that is, 6 out of 10 families had at least one family member aged 18 years old and above who did not complete basic education in 2016 and 5 out of 10 in 2017. Conversely, hunger had the least incidence at 0.3 percent and 0.6 percent in 2016 and 2017, respectively.

In 2017, the following indicators had the highest incidence of deprivation among families for the other dimensions:

Indicator	Dimension
Health insurance at 32.1 percent	Health and nutrition
Ownership of assets at 34.3 percent	Housing, water and sanitation
Underemployment at 6.6 percent	Employment

It must be noted, though, that there was an increase in incidence of deprivation from 2016 to 2017 in the following indicators and dimensions:

Indicator	Dimension
Tenure status of dwelling	Housing, water and sanitation
Hunger	Health and nutrition

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³ Refers to the proportion of families who are deprived on a specific indicator

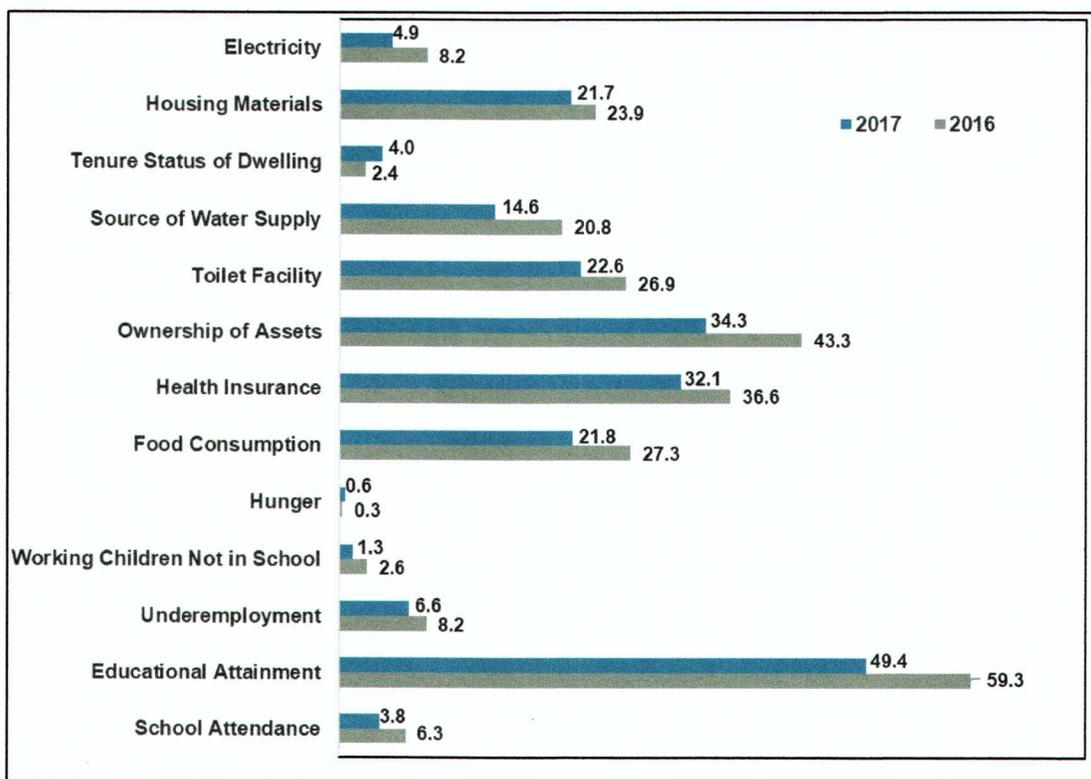


Figure 2. Incidence of Deprivation among Families per Indicator of MPI (%): 2016 and 2017

The Multidimensional Poverty Index

A Filipino is identified as multidimensionally deprived if he or she is deprived in at least one third of the indicators or at least four of the 13 indicators. In 2017, the multidimensionally deprived Filipinos or the proportion of Filipinos deprived in at least four out of the 13 indicators (headcount ratio) was estimated at 17.3 percent. In 2016, it was recorded at 23.9 percent.

In terms of the intensity of their deprivation, on average, they were multidimensionally deprived in 41.2 percent and 43.2 percent of the indicators in 2017 and 2016, respectively.

The MPI is calculated by multiplying the headcount ratio (the proportion of Filipinos identified as multidimensionally deprived) by the average intensity of deprivation among those who are deprived. MPI reflects both the share of people and the degree to which they are deprived. In 2016 and 2017, the MPI was estimated at 10.4 and 7.1, respectively.

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Table 1. Multidimensional Poverty Index, Headcount Ratio and Intensity of Deprivation: 2016 and 2017

Year	Multidimensional Poverty Index (MPI)			Headcount Ratio			Intensity of Deprivation		
	Est.	SE	CV	Est. (%)	SE	CV	Est. (%)	SE	CV
2016	10.4	0.3	3.262	23.9	0.7	3.107	43.2	0.4	0.871
2017	7.1	0.3	4.747	17.3	0.8	4.491	41.2	0.5	1.229

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Attachment:

Technical Notes on the Estimation of the Multidimensional Poverty Index based on the Initial Methodology