

2006 Family Income and Expenditure Survey

*NSO Training Room
January 30, 2008*



OUTLINE

- *Background*
- *Highlights*



Background

What is the Family Income and Expenditure Survey (FIES)?

- *A nationwide survey of households*
- *Undertaken every three years as rider to the Labor Force Survey, since 1985*
- *Gathers data on family income and family expenditure*



Background

Objectives of FIES

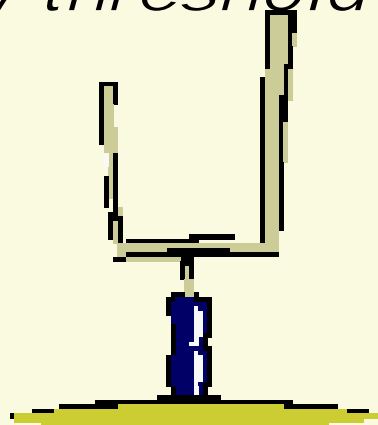
- *To gather data on family income and family expenditures;*
- *To determine the sources of income, levels of expenditure and spending patterns, and related information affecting income distribution and expenditure levels;*
- *To determine income distribution and the degree of inequality among families;*



Background

Objectives of FIES

- *To provide benchmark information to update weights in the estimation of consumer price index (CPI); and*
- *To provide inputs in the estimation of the country's poverty threshold and incidence*



...FIES enumeration



First Visit – July 2006

Second Visit – January 2007

No. of sample HHs = 51,000

Output per day = 1.5 HHs/day



FIES Questionnaire

The image shows two pages of the FIES Questionnaire. The left page is section C2, 'PERSONAL CARE AND EFFECTS, CLOTHING, FOOTWEAR AND OTHER MATERIALS', and the right page is section C1, 'PERSONAL CARE AND EFFECTS (continued)'. Both pages contain a table with columns for Item, Code, Quantity Purchased, and Total value. The tables list various personal care items such as beauty aids, hair care, skin care, and personal effects like jewelry and watches. The right page also includes a 'COMPUTATIONS/REMARKS' section at the bottom.

No. of pages = 71 pages

No. of items = 1,125 data items



Background

Importance of FIES

- *Updating of the weights used in the Consumer Price Index*
- *Estimation of the household accounts in the System of National Accounts*
- *Measurement of the human development index*



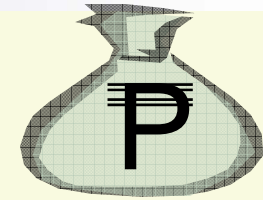
Background

What specific information is included in FIES?

- *Source (s) of family income, in cash or in kind
(ex. Wages, net receipts, gifts received)*
- *level of family consumption by expenditure items
(ex. Food, education, fuel, light, etc.)*
- *number of family members employed for pay or profit,
or as wage, salary or own-account workers*
- *housing characteristics of families*



SOURCES OF FAMILY INCOME



Primary Sources of Income	Income from Other Sources
<ul style="list-style-type: none"><input type="checkbox"/> Salaries and Wages<input type="checkbox"/> Commissions/tips<input type="checkbox"/> Bonuses<input type="checkbox"/> Family and clothing allowances<input type="checkbox"/> Transportation and representation allowances<input type="checkbox"/> Honoraria<input type="checkbox"/> Other forms of compensation<input type="checkbox"/> Net receipts/ profits derived from operation of family operated enterprises/ activities and practice of profession or trade	<ul style="list-style-type: none"><input type="checkbox"/> Gifts and assistance from abroad and from domestic source<input type="checkbox"/> Dividends from investments<input type="checkbox"/> Imputed rental values of owner occupied dwelling units<input type="checkbox"/> Interests, royalties<input type="checkbox"/> Rentals including landowner's share of agricultural products<input type="checkbox"/> Pensions<input type="checkbox"/> Receipts from family sustenance activities

National Statistics Office



FAMILY EXPENDITURE

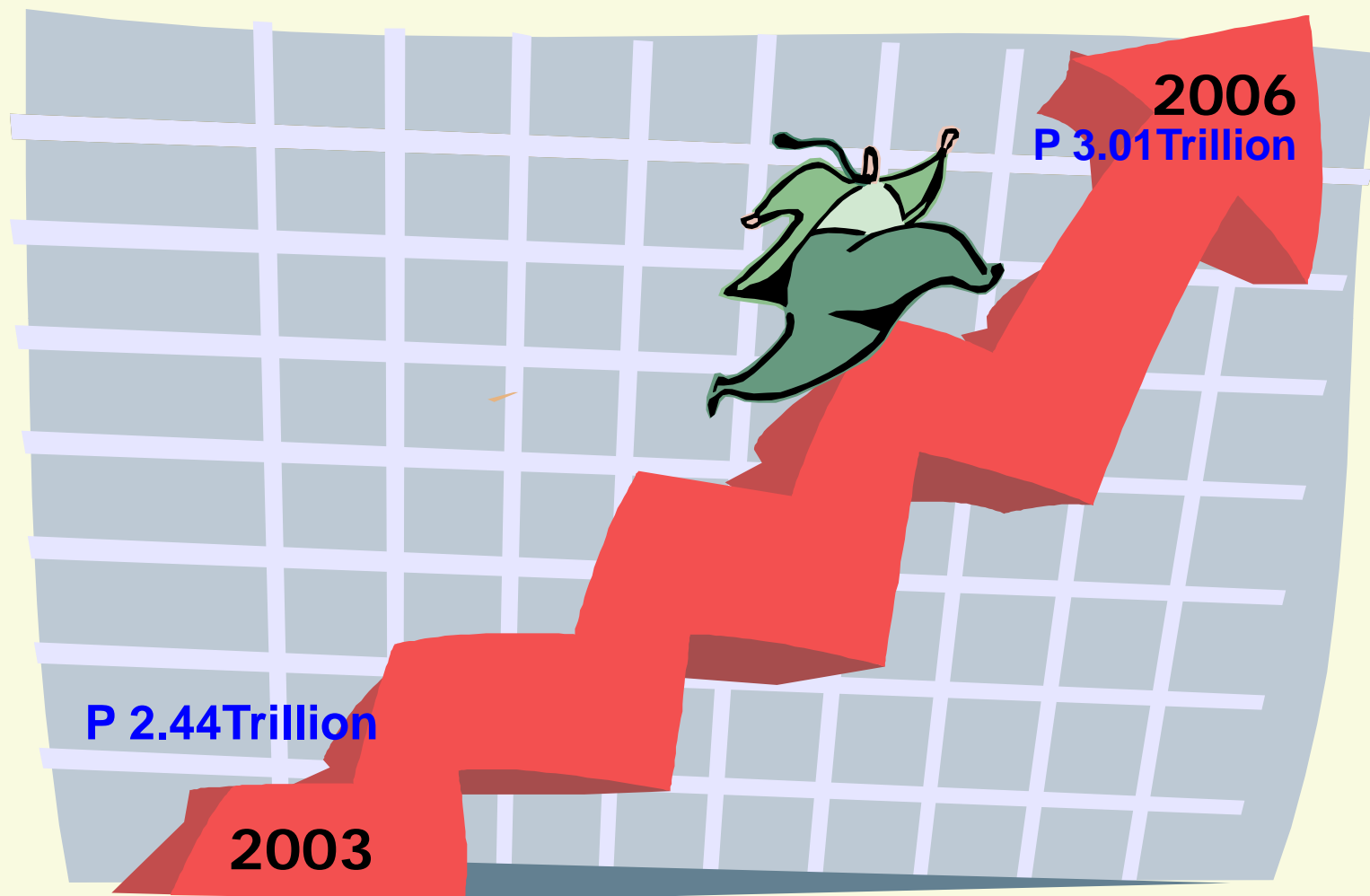
Food	Non-Food
<input type="checkbox"/> Food consumed at home Cereals and cereal preparations Roots and tubers Fruits and vegetables Meat and meat preparations Dairy products and roots Fish and marine products Coffee, Cocoa and tea Non-alcoholic beverages Food not elsewhere classified <input type="checkbox"/> Food regularly consumed outside the home <input type="checkbox"/> Alcoholic beverages <input type="checkbox"/> Tobacco	<input type="checkbox"/> Fuel, Light and Water <input type="checkbox"/> Transportation and communication <input type="checkbox"/> Household operation <input type="checkbox"/> Personal care and effects <input type="checkbox"/> Clothing, Footwear and other wear <input type="checkbox"/> Education <input type="checkbox"/> Recreation <input type="checkbox"/> Medical care <input type="checkbox"/> Non-durable furnishings <input type="checkbox"/> Durable furniture and equipment <input type="checkbox"/> Taxes <input type="checkbox"/> Housing, House Maintenance and Minor Repairs <input type="checkbox"/> Miscellaneous expenditures Special family occasion Gifts and contributions to others Other expenditures <input type="checkbox"/> Other disbursements



2006 Family Income and Expenditure Survey

**Final
Results**

Total Annual Family Income



Total Annual Family Income

Area	2003	2006 (Current)	2006 (at 2003 Prices)
Phil	P2.44 trillion	P 3.01 trillion 23.3 % ↑	P2.48 trillion 1.7 % ↑

■ Total annual family income in 2006 was estimated at P3.01 trillion indicating an increase of 23.3 percent over the 2003 estimate of P2.44 trillion

■ The total family income in 2006 would be valued at P2.48 trillion at 2003 prices which translates into an increase in the total annual income by only 1.7 percent.



Total Annual Family Expenditure

Area	2003	2006 (Current)	2006 (at 2003 Prices)
Phil	2.04 trillion	2.56 trillion 25.7 % ↑	2.11 trillion 3.6 % ↑

■ Total annual family expenditure was approximately P2.56 trillion, an increase of 25.7 percent over the 2003 estimate of P2.04 trillion

■ At 2003 prices, total family expenditure for 2006 would be valued at P2.11 trillion which translates into an increase in total annual expenditure of only 3.6 percent.



Total Annual Family Saving: 2003 & 2006

Current

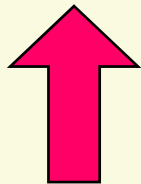
2006: P 445 B

2003: P 399 B

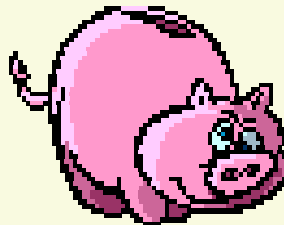
At 2003 Prices

2006 : P 367 B

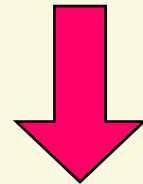
2003: P 399 B



11.5 %



8.02 %



The total annual family savings increased by 11.5 percent in 2006 at 2006 prices, but at 2003 prices it decreased by 8.02 percent



Average Annual Family Income

Area	2003	2006 (Current)	2006 (at 2003 Prices)
Phil	148 T	173 T 16.8% ↑	142 T 3.7% ↓

- ❑ In 2006, the average annual family income was estimated at P173 thousand, higher by 16.8 percent than the 2003 estimated average of P148 thousand.
- ❑ The average annual family income decreased by 3.7 percent between 2003 and 2006.



Average Annual Family Income: 2003 & 2006

2006



P 173 Thousand

16.8%

2003



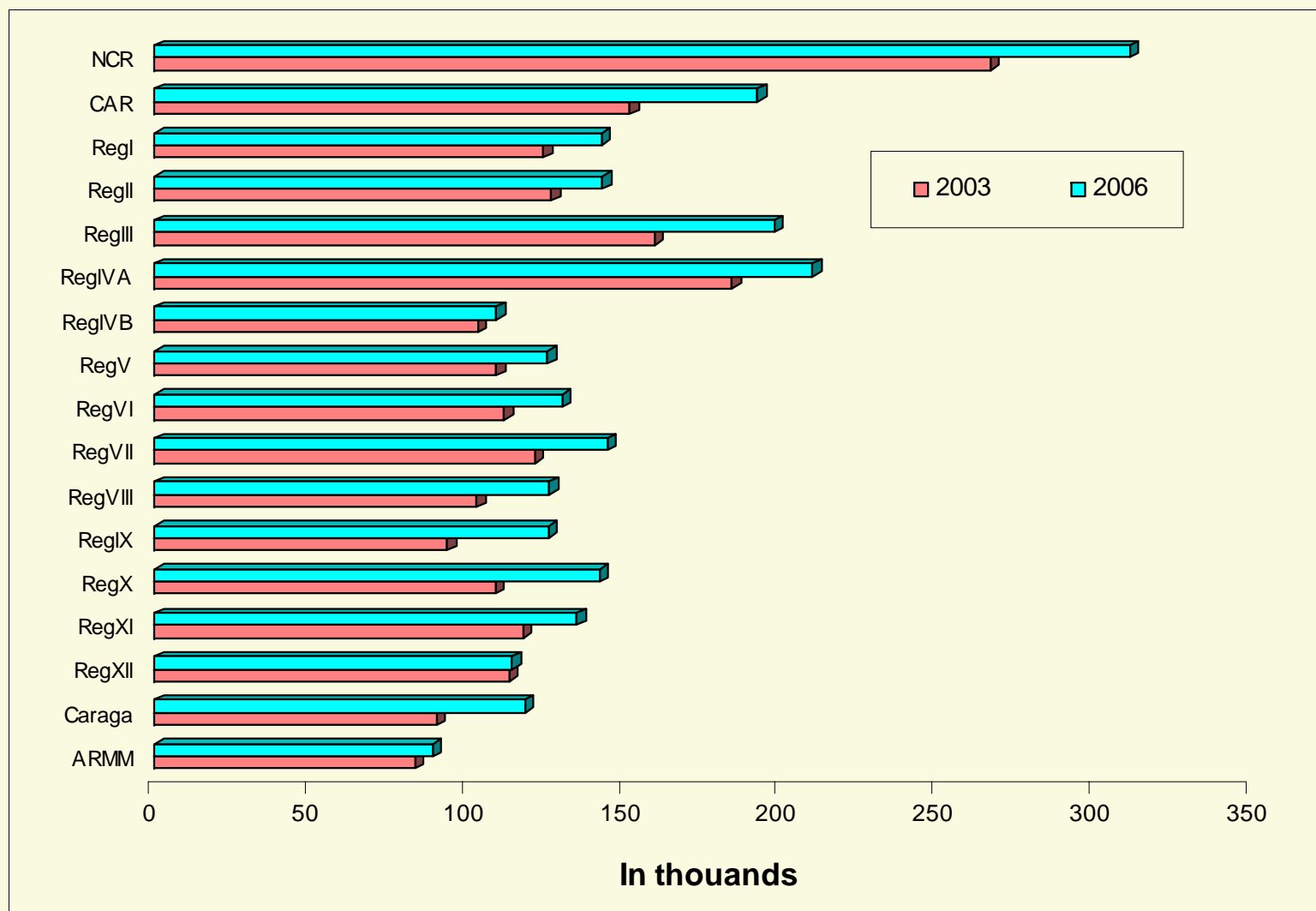
P 148 Thousand

No. of Families = 17,403 thousand (2006)

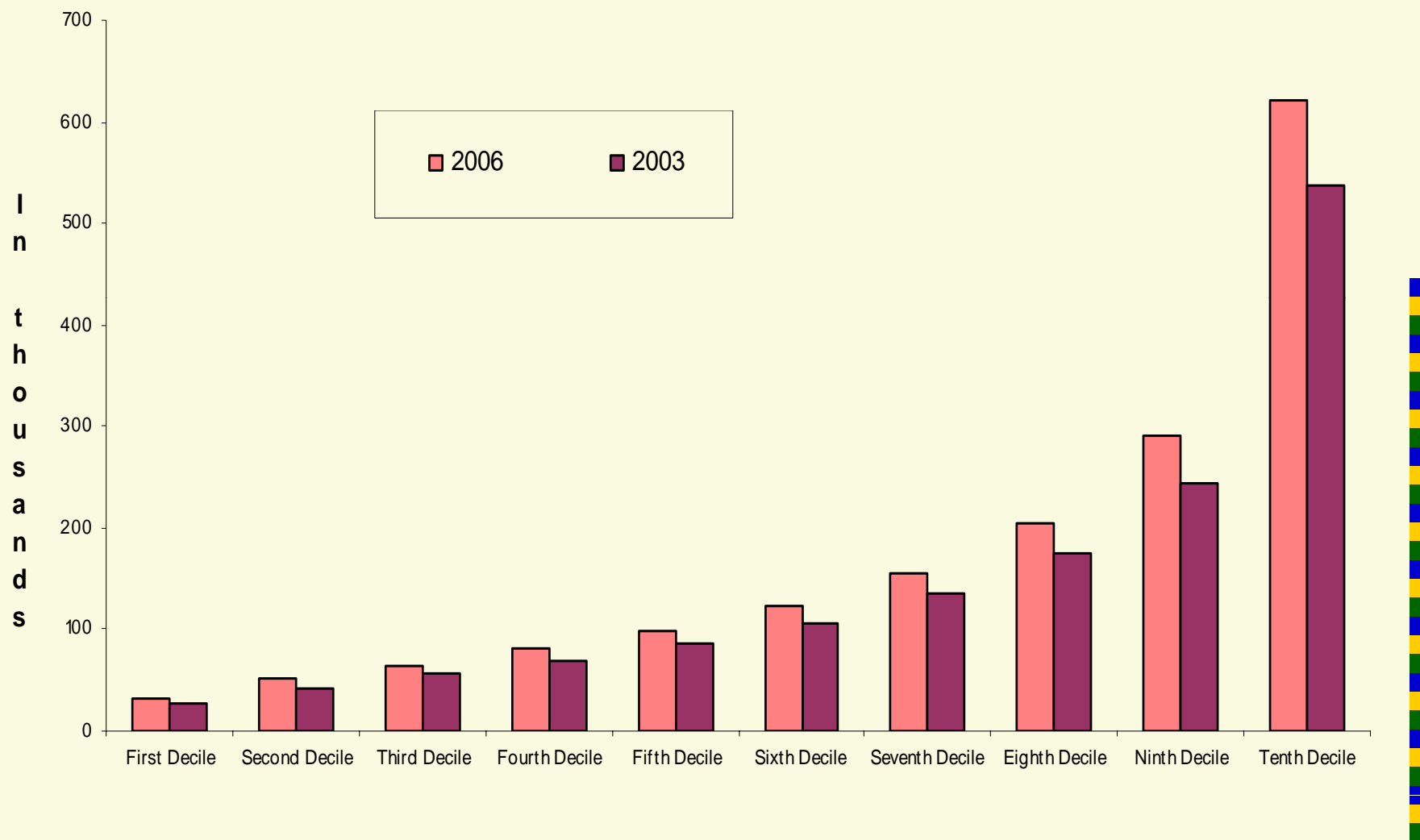
No. of Families = 16,480 thousand (2003)



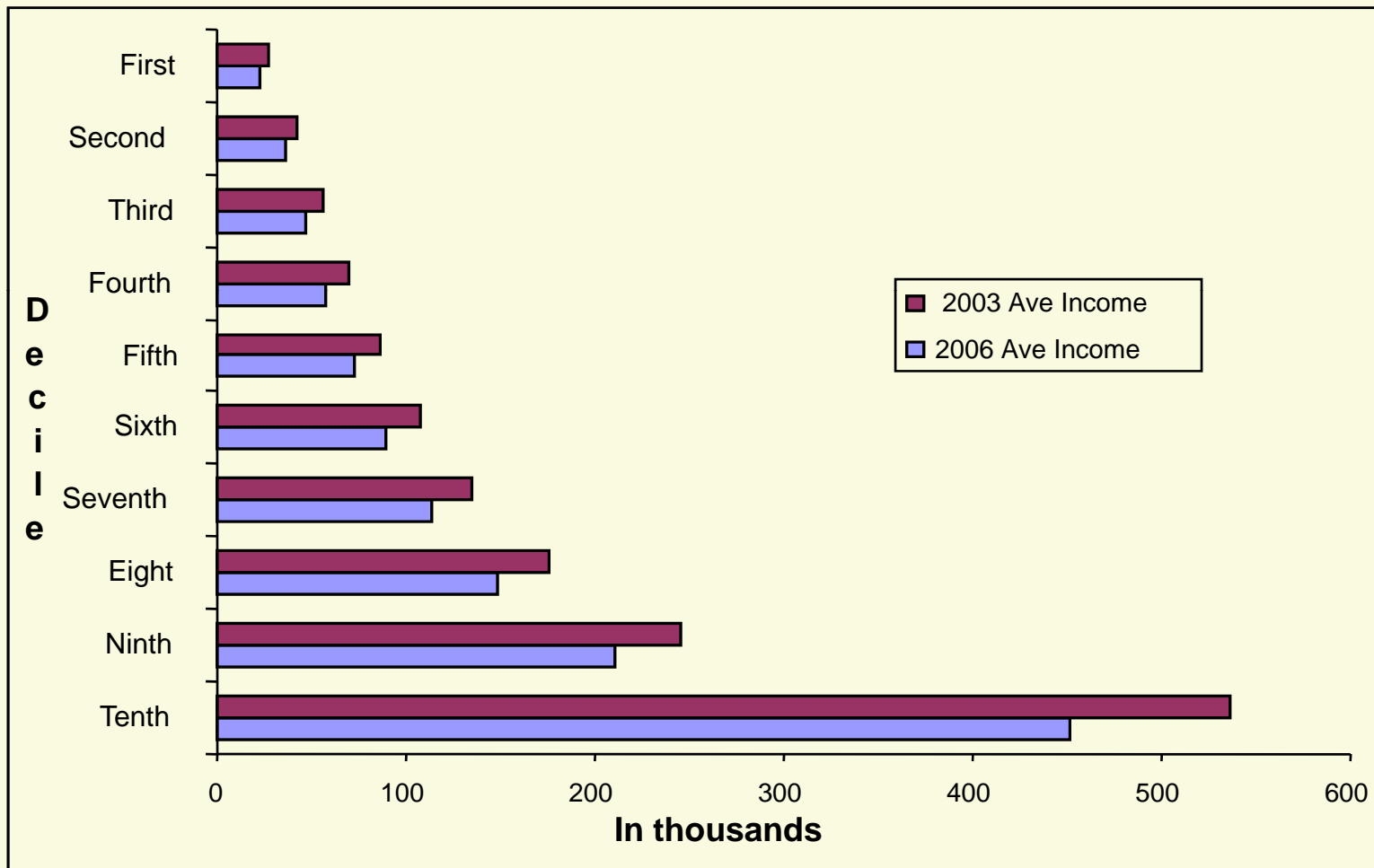
Average Income at Current Prices: 2006 and 2003



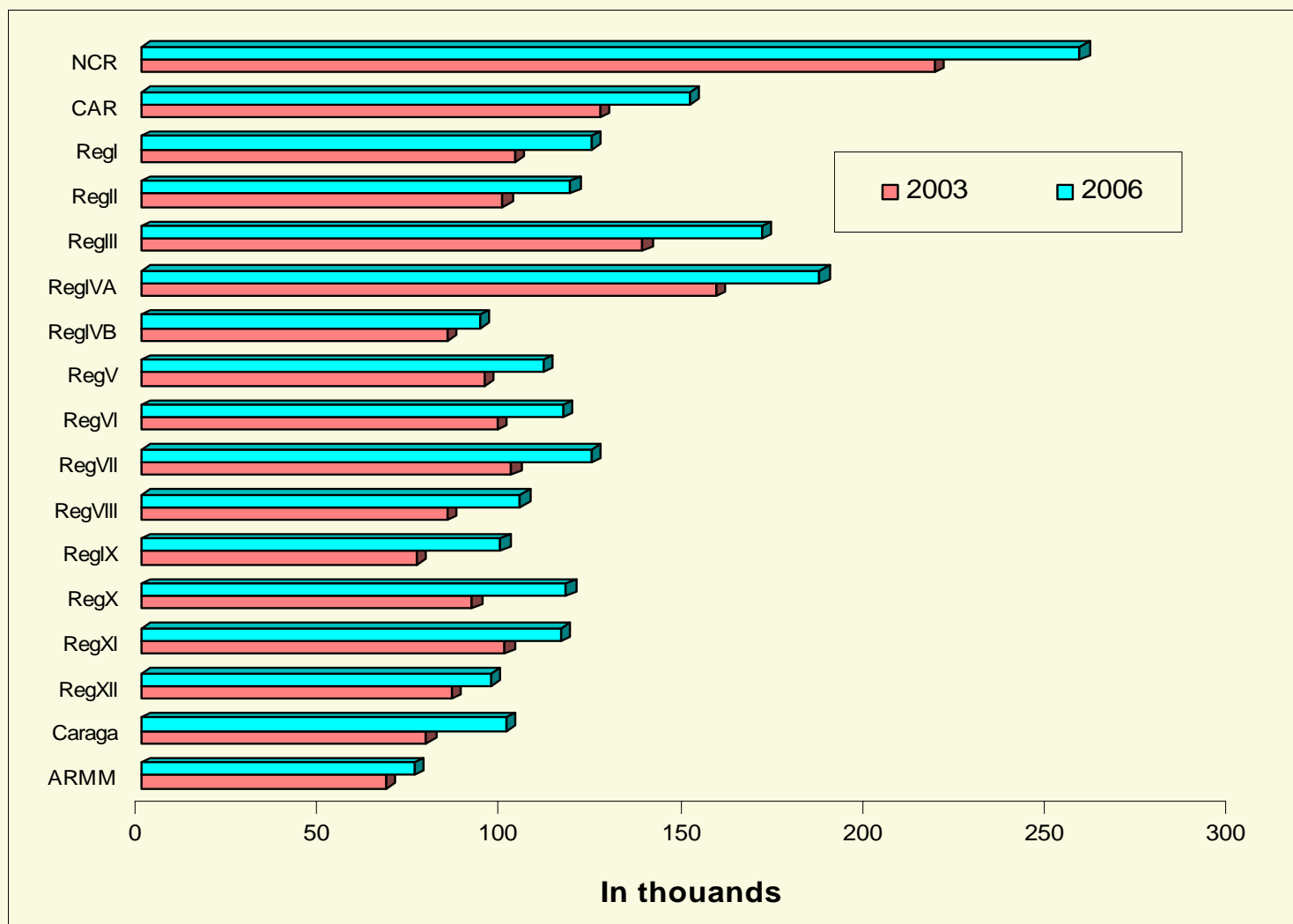
Average Income by Decile at Current Prices: 2006 and 2003



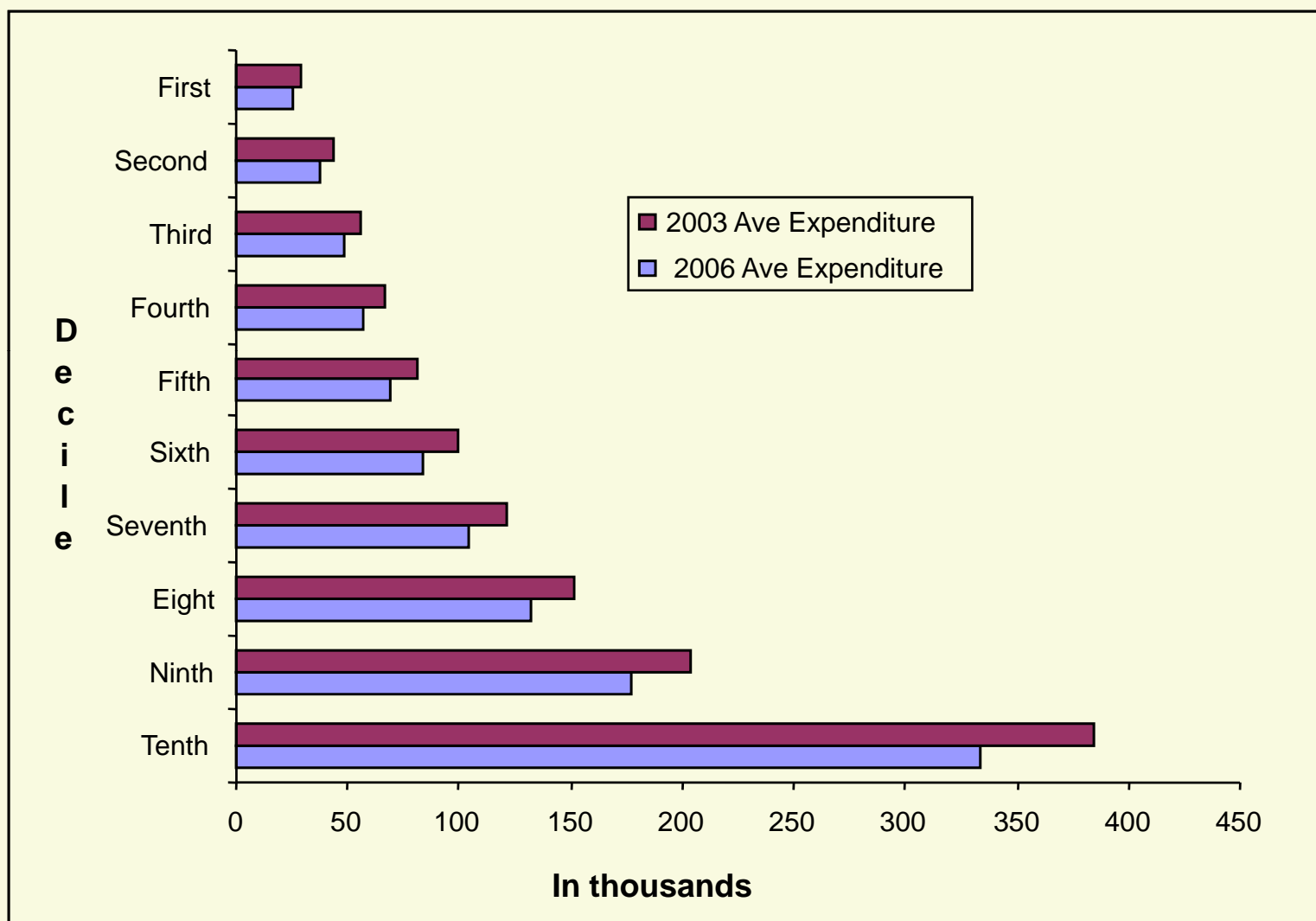
Average Income at 2003 Prices: 2006 and 2003



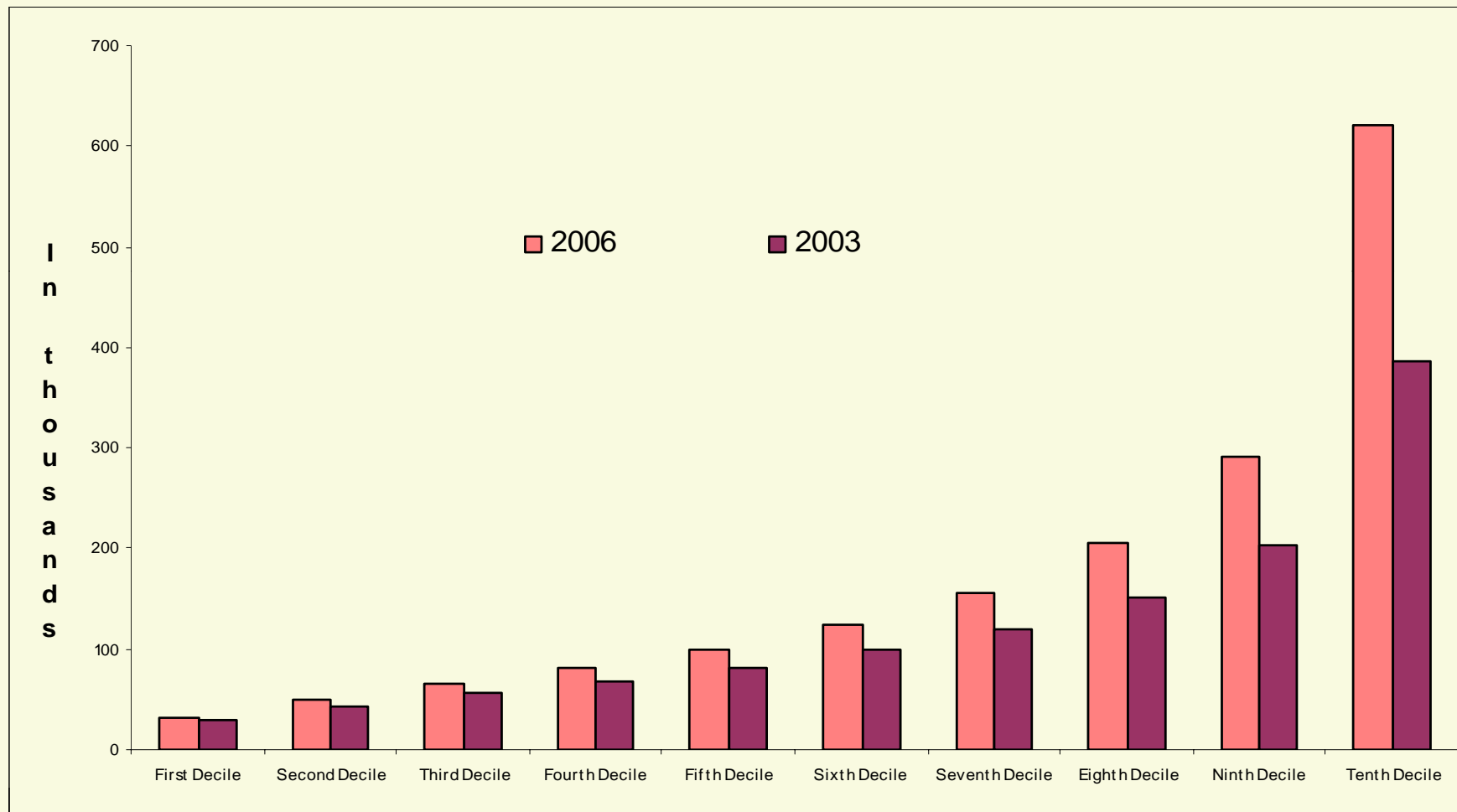
Average Expenditure at Current Prices: 2006 and 2003



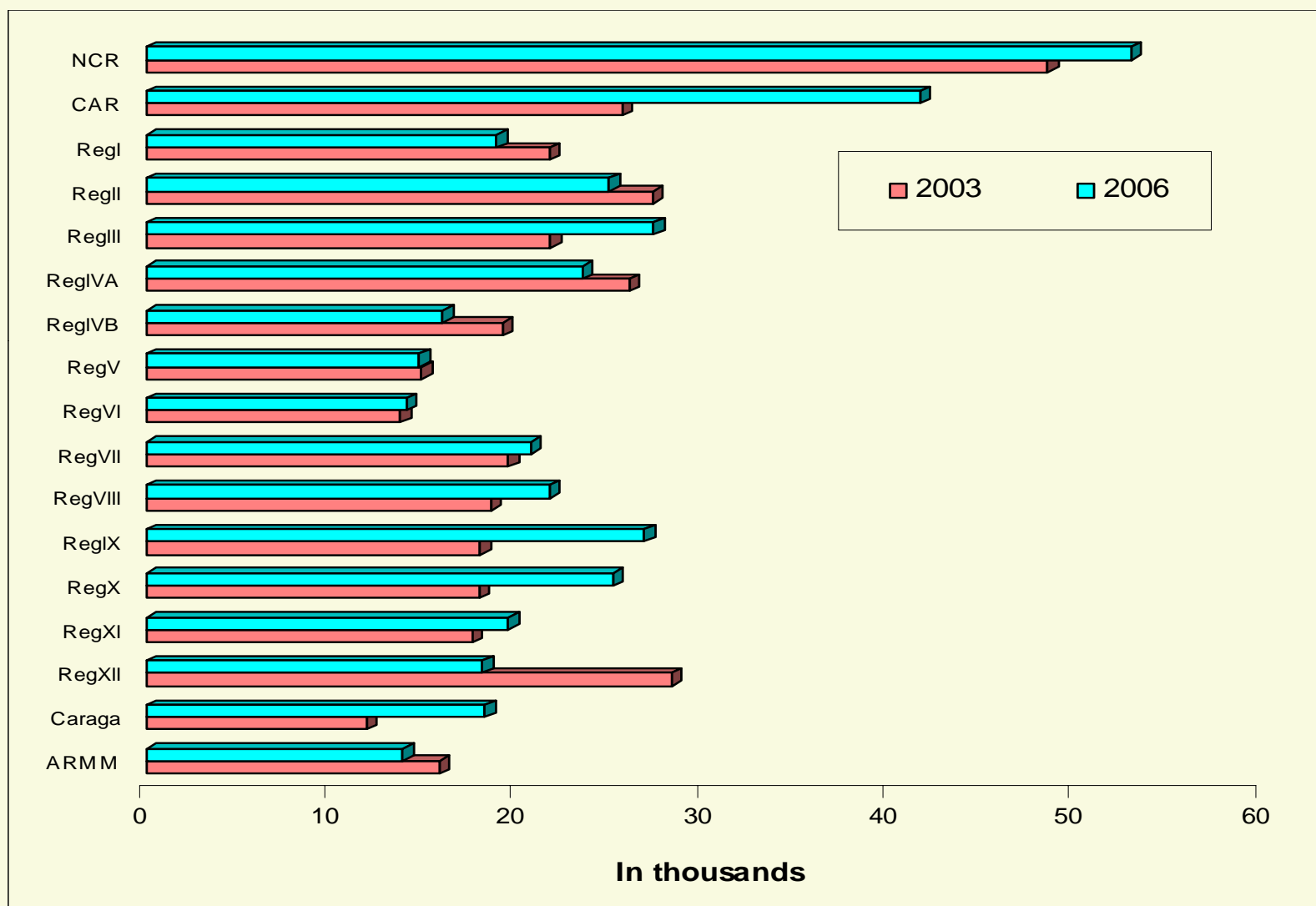
Average Expenditure at 2003 Prices: 2006 and 2003



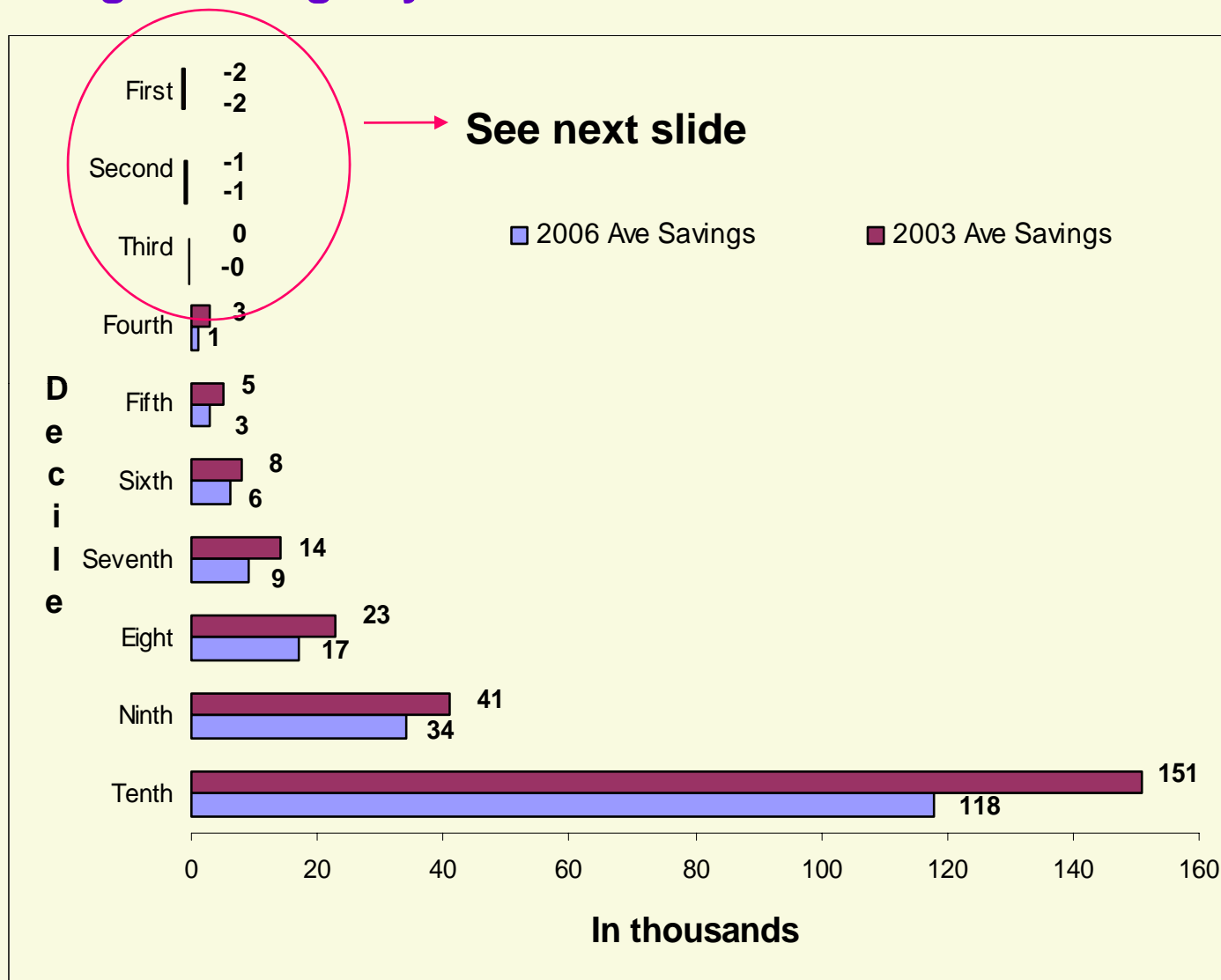
Average Expenditure by Decile at Current Prices: 2006 and 2003



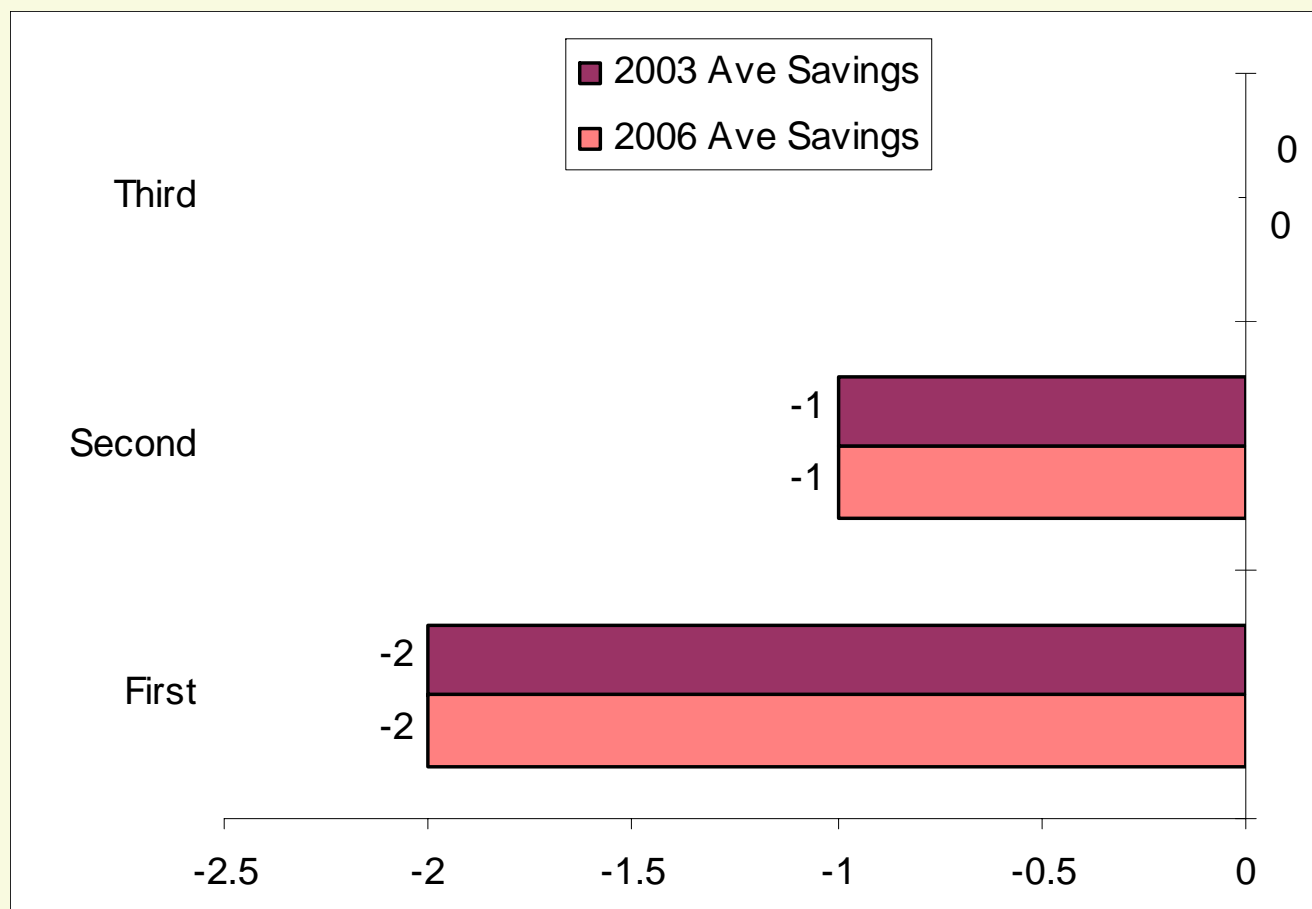
Average Savings at 2003 Prices: 2006 and 2003



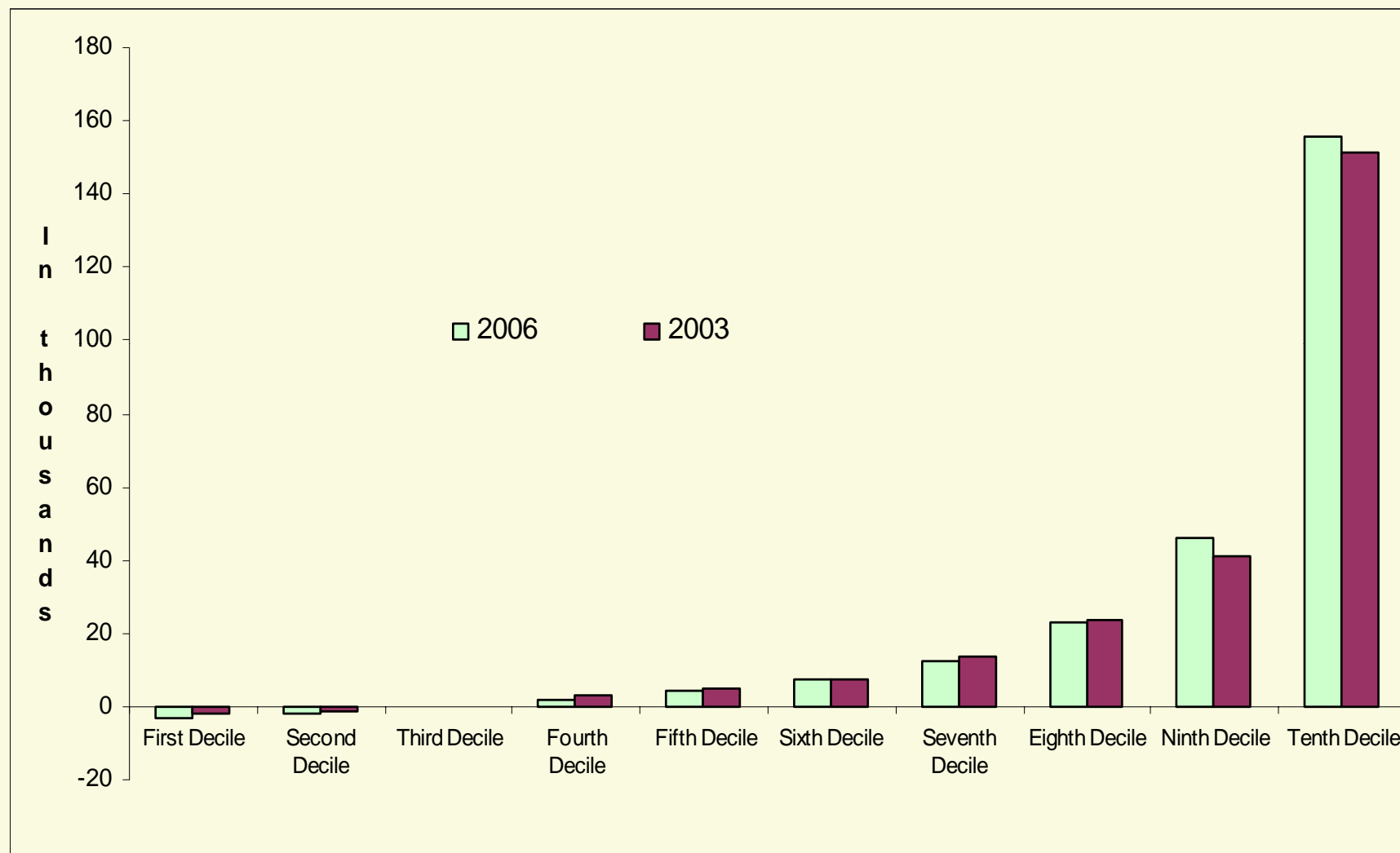
Average Savings by Decile at 2003 Prices: 2006 and 2003



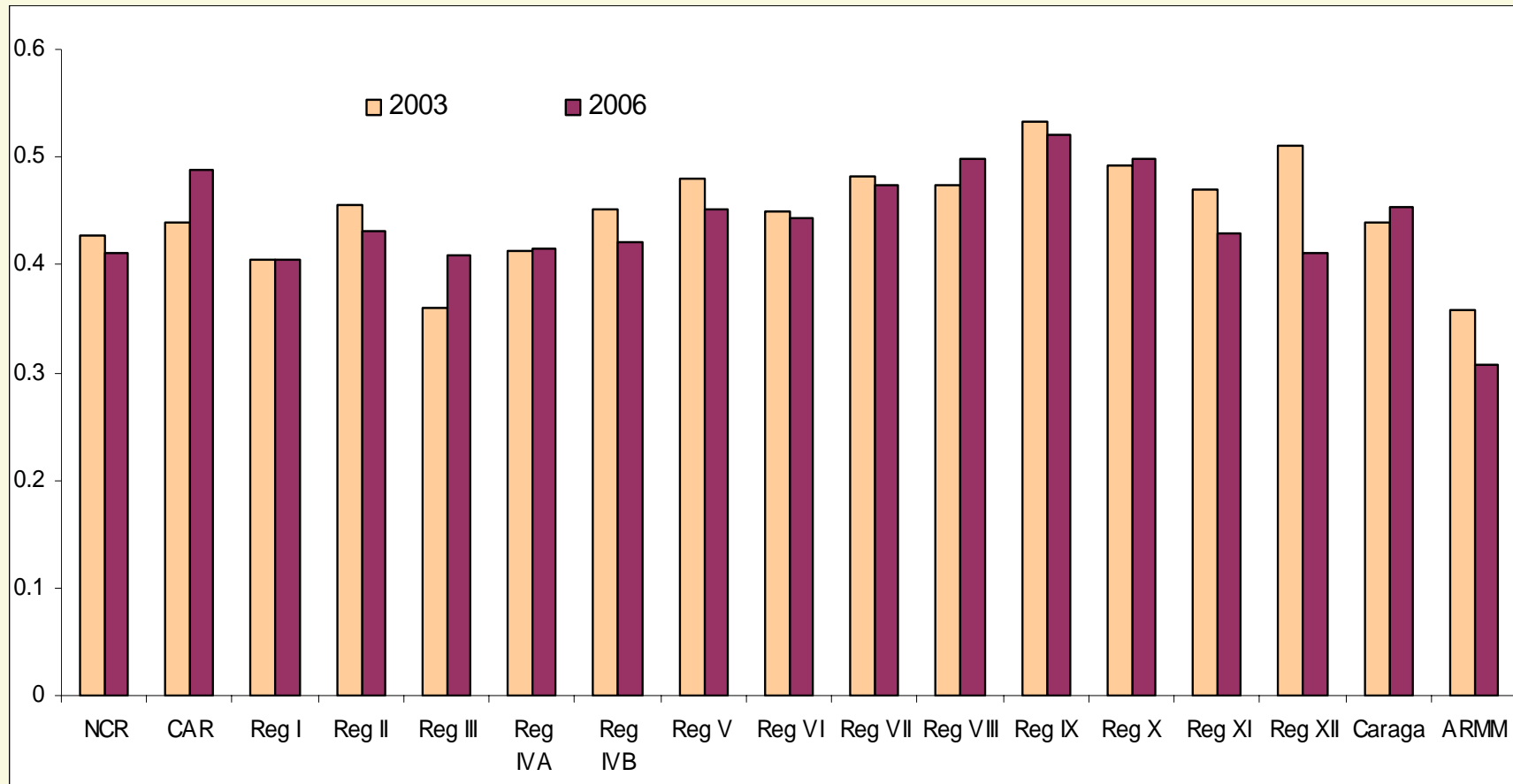
Average Savings by Decile at 2003 Prices: 2006 and 2003



Average Savings by Decile at Current Prices: 2006 and 2003



Gini Concentration Ratios by Region: 2003 & 2006



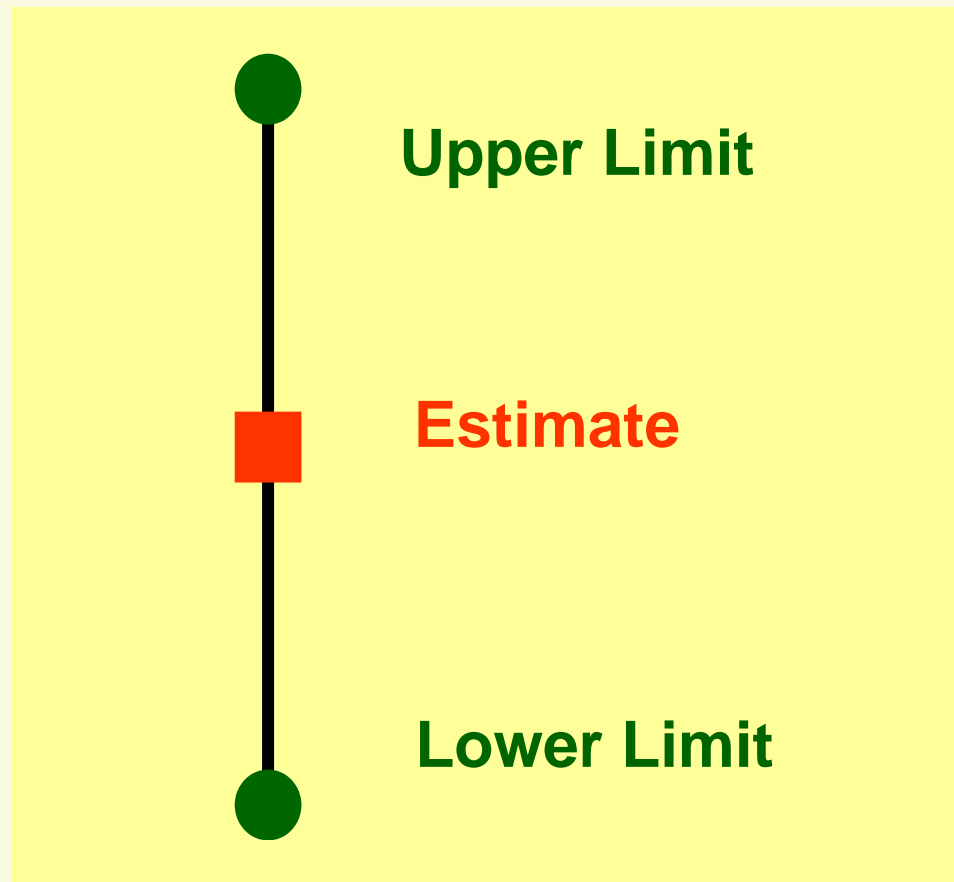
Pattern of Expenditure: 2006

Percent Distribution of Expenditure Items by Income Classes: 2006

Expenditure Items	All income Classes	Lowest 30%	Upper 70%	Richest 10%
Total Expenditure	100.0	100.0	100.0	100.0
Food expenditure	41.4	59.1	39.3	28.7
Food consumed at Home	35.5	56.8	33.1	22.1
Food regularly consumed outside the home	5.8	2.3	6.2	6.6
Alcoholic beverages	0.7	1.2	0.6	0.4
Tobacco	0.9	1.7	0.8	0.4
Fuel light and water	7.6	7.3	7.7	7.1
Transportation and Communication	8.2	3.8	8.7	11.1
Household Operation	2.3	1.8	2.4	3.5
Personal Care and Effect	3.7	3.7	3.7	3.3
Clothing, Footwear and Other wear	2.4	2.0	2.5	2.6
Education	4.4	1.3	4.7	6.7
Recreation	0.5	0.2	0.5	0.8
Medical Care	2.9	1.7	3.0	4.0
Non-durable furnishing	0.2	0.2	0.2	0.2
Durable furniture and equipment	2.7	0.8	2.9	4.0
Taxes	1.6	0.2	1.8	3.2
House rental/Rental Value	12.7	9.0	13.2	14.8
House maintenance and minor repairs	0.5	0.5	0.6	0.6
Special family Occassions	2.8	1.7	2.9	3.2
Gifts and contribution to others	1.4	0.7	1.4	2.0
Other expenditure	3.0	3.3	3.0	3.7



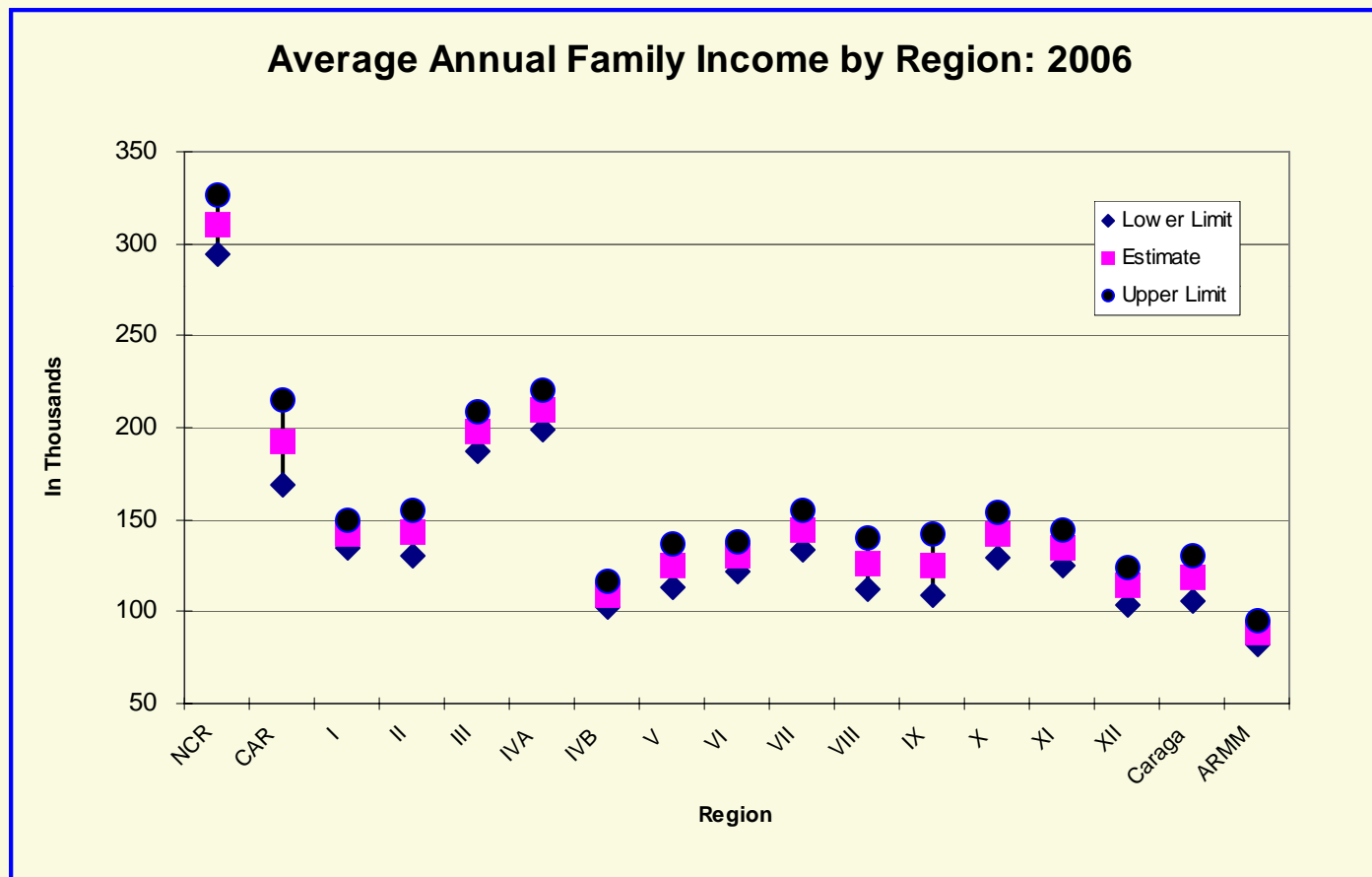
Total Annual Family Income:2006



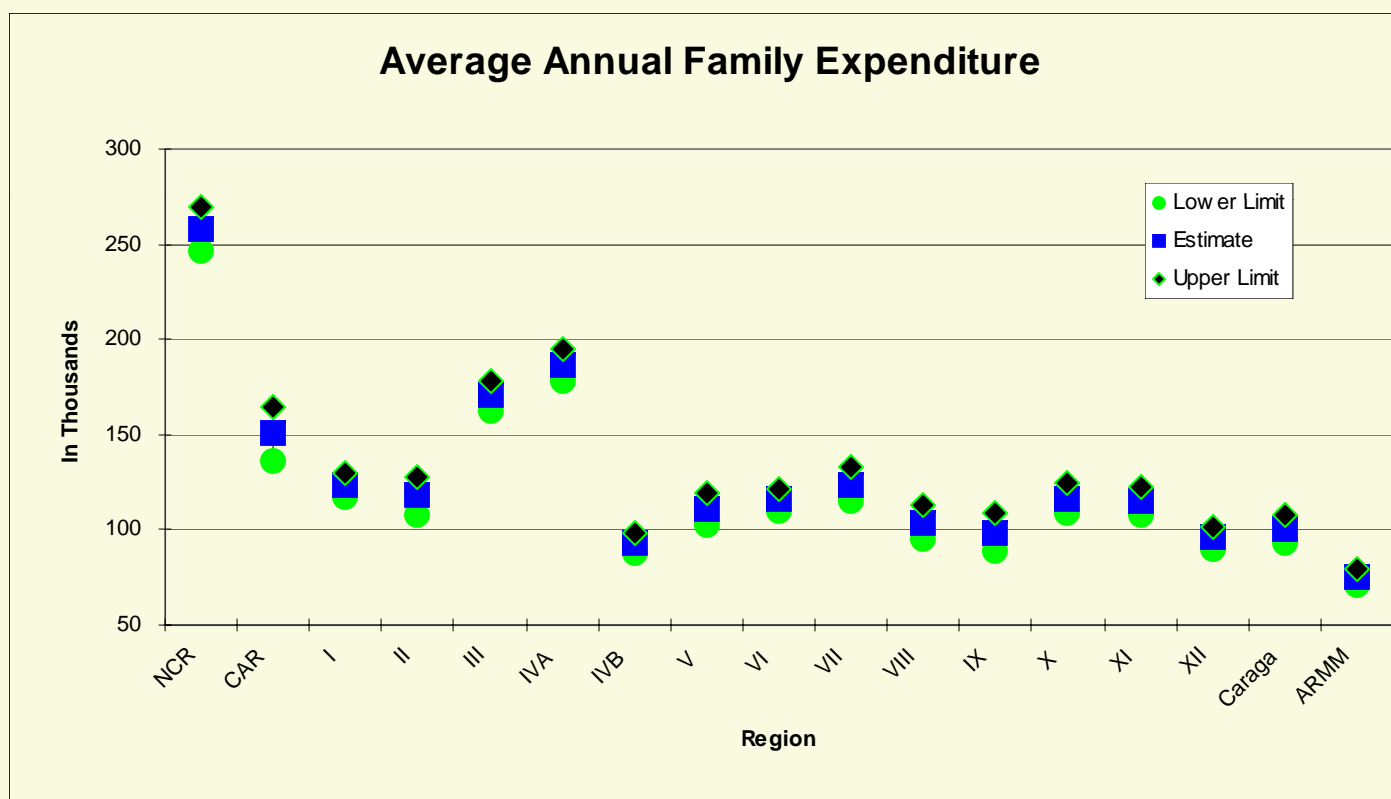
Philippines (In Billion)
3,080
3,006
2,930



DATA at the Regional Level



DATA at the Regional Level





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