



# SPECIAL RELEASE

## First Semester 2018 Poverty Statistics of the Cordillera

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### Poverty threshold in CAR stood at PhP12,352

- Poverty threshold refers to the minimum income required for a family or individual to meet the basic food and non-food needs (clothing, housing, transportation, health, and education expenses). If the income falls below the threshold, the individual or family is considered poor.
- The poverty threshold of the Cordillera Administrative Region (CAR) for the First Semester of 2018 was estimated at PhP12,352 per capita. This means that, an individual needed a minimum monthly average income of PhP2,059 to meet both basic food and non-food needs. This translates to a minimum of PhP10,293 monthly take home income for a family of five to be considered not poor.

**Table 1. Per Capita Poverty Threshold, CAR: First Semester 2015 and 2018**

Region/ Province	First Semester per Capita Poverty Threshold (in PhP)	
	2015	2018
<b>CAR</b>	<b>11,583</b>	<b>12,352</b>
Abra	11,361	12,406
Apayao	11,776	11,523
Benguet*	10,778	11,820
Ifugao	12,553	12,944
Kalinga	10,679	11,864
Mt. Province	11,900	13,343

\*Including Baguio City  
Source: Philippine Statistics Authority

- Mountain Province had the highest poverty threshold among the provinces in CAR with PhP13,343 in the First Semester of 2018. This was attributed to the higher prices of

goods and services in the province compared to other areas in the region. This was an increase of 12.1 percent from the First Semester of 2015 and when the province also experienced the highest increase in poverty threshold among the provinces of CAR.

- The province of Ifugao recorded the second highest threshold with PhP12,944, an increase of 3.1 percent from PhP12,553 poverty threshold posted in 2015. The province of Kalinga recorded the second highest increase with 11.1 percent from PhP10,679 in First Semester 2015 to PhP11,864 in First Semester 2018.
- Kalinga, Benguet and Apayao had the lowest poverty thresholds with PhP11,864, PhP11,820 and PhP11,523, respectively. The province of Apayao posted 2.1 percent decline in the threshold from PhP11,776 in 2015.

### **Mt. Province posted the highest per capita food threshold at PhP9,320**

- Food threshold is the minimum income required for a family or individual to meet the basic food needs and satisfy the nutritional requirements set by the Food and Nutrition Research Institute (FNRI) for them to be economically and socially productive. If the income of the individual or family falls below the food threshold, they are considered subsistence poor or food poor. They are also called poorer than poor since they could not provide for themselves adequate sustenance to carry out productive activities.
- In the First Semester of 2018, the estimated per capita food threshold in the Cordillera region was PhP8,616. With this, an individual needed a minimum monthly average take home pay of PhP1,436 to meet basic food needs set by the FNRI. A family of five needed at least an average of PhP7,180 monthly income to meet basic food needs.

**Table 2. Per Capita Food Threshold, CAR: First Semester 2015 and 2018**

Region/ Province	First Semester Per Capita Food Threshold (in PhP)	
	2015	2018
<b>CAR</b>	<b>8,149</b>	<b>8,616</b>
Abra	7,934	8,664
Apayao	8,224	8,047
Benguet*	7,534	8,245
Ifugao	8,766	9,037
Kalinga	7,475	8,279
Mt. Province	8,324	9,320

\*Including Baguio City  
Source: Philippine Statistics Authority

- Among the provinces, Mountain Province posted the highest food threshold at PhP9,320.

- Kalinga, Benguet, and Apayao had the lowest food thresholds at PhP8,279, PhP8,245, and PhP8,047, respectively.

#### POVERTY AND SUBSISTENCE INCIDENCES AMONG POPULATION

- Poverty incidence among population in CAR decreased by 11.1 percentage points, from 29.0 percent in the First Semester of 2015 to 17.9 percent in the First Semester of 2018.
- Among the provinces, Abra had the highest poverty incidence with 34.5 percent. It posted a decrease of 12.8 percentage points from 47.3 percent in the First Semester of 2015 to 34.5 percent in the First Semester of 2018.

**Table 3. Poverty and Subsistence Incidences among Population, CAR: First Semester 2015 and 2018**

Region/ Province	Poverty Incidence among Population (in percent)		Subsistence Incidence among Population (in percent)	
	2015	2018	2015	2018
<b>CAR</b>	<b>29.0</b>	<b>17.9</b>	<b>13.9</b>	<b>7.9</b>
Abra	47.3	34.5	23.6	18.5
Apayao	49.1	27.1	37.2	13.1
Benguet*	8.1	8.6	1.6	3.5
Ifugao	51.8	21.5	25.0	7.2
Kalinga	32.2	15.8	14.6	6.2
Mt. Province	51.1	32.5	26.3	14.1

\*Including Baguio City

Source: Philippine Statistics Authority

- The poor population in the province of Benguet increased by 0.5 percentage points, from 8.1 percent in the First Semester of 2015 to 8.6 percent in the First Semester of 2018. Benguet remained to be the least poor in the region even though poverty incidence increased.
- Among the provinces, poverty incidence in Ifugao had the biggest decline. This was from 51.8 percent in the First Semester of 2015 down to 21.5 percent in First Semester of 2018, a difference of 30.3 percentage points.
- Meanwhile, the subsistence poor population of CAR also decreased, from 13.9 percent in the First Semester of 2015 to 7.9 percent in the First Semester of 2018.

- Benguet had an additional 1.9 percentage points to its food poor population, from 1.6 percent in the First Semester of 2015 to 3.5 percent in the First Semester of 2018. Nevertheless, it still managed to be the province with the least number of food poor population.
- The subsistence poor in Mountain Province decreased by 12.2 percentage points, from 26.3 percent in the First Semester of 2015 to 14.1 percent in the First Semester of 2018.
- Abra had the highest estimated subsistence incidence in the First Semester of 2018 with 18.5 percent, followed by Mountain Province with 14.1 percent, and Apayao with 13.1 percent.

#### POVERTY AND SUBSISTENCE INCIDENCE AMONG FAMILIES

- The poverty incidence among families in CAR was estimated at 13.8 percent during the First Semester of 2018. Compared to the recorded 22.7 percent in the First Semester of 2015, the percentage of poor families went down by 8.9 percentage points.

**Table 4. Poverty and Subsistence Incidences among Families, CAR: First Semester 2015 and 2018**

Region/ Province	Poverty Incidence among Families (in percent)		Subsistence Incidence among Families (in percent)	
	2015	2018	2015	2018
<b>CAR</b>	<b>22.7</b>	<b>13.8</b>	<b>10.4</b>	<b>6.0</b>
Abra	36.8	29.5	17.2	15.3
Apayao	46.8	23.2	32.9	11.2
Benguet	5.2	6.1	0.9	2.5
Ifugao	43.9	15.5	19.0	5.0
Kalinga	26.6	12.3	11.7	4.7
Mt. Province	41.8	24.4	20.3	10.1

\*Including Baguio City  
Source: Philippine Statistics Authority

- Same as the percentage of poor population, Abra had the highest percentage of poor families in the First Semester of 2018 with 29.5 percent. This was a decrease of 7.3 percentage points from 36.8 percent in the First Semester of 2015.
- The percentage of poor families in Benguet increased from 5.2 percent in the First Semester of 2015 to 6.1 percent in the First Semester of 2018. Although poverty incidence in Benguet increased, the province had the lowest percentage of poor families in the region.

- In terms of percentage difference, Ifugao dipped by 28.4 percentage points from 43.9 percent in the First Semester of 2015 to 15.5 percent in the First Semester of 2018.
- The subsistence incidence among families or families in the region went down by 4.4 percentage points. This was from 10.4 percent in the First Semester of 2015 to 6.0 percent in the First Semester of 2018.
- Abra had the highest subsistence incidence among families with 15.3 percent. On the other hand, Benguet remained to have the lowest with 2.5 percent.
- In terms of change, Apayao persisted to have the highest percentage point, dropping by 32.9 percent in the First Semester of 2015 to 11.2 percent in the First Semester of 2018.

#### INCOME GAP, POVERTY GAP AND SEVERITY OF POVERTY

- The average income of poor families was 29.2 percent of the poverty threshold. The gap widened from the 28.4 percent in 2015. The poverty gap and severity of poverty improved in the region in the First Semester of 2018.

**Table 5. Income Gap, Poverty Gap and Severity of Poverty, CAR: First Semester 2015 and 2018**

Region/ Province	Income Gap		Poverty Gap		Severity of Poverty	
	2015	2018	2015	2018	2015	2018
<b>CAR</b>	<b>28.4</b>	<b>29.2</b>	<b>6.5</b>	<b>4.0</b>	<b>2.6</b>	<b>1.7</b>
Abra	27.7	33.8	10.2	10.0	3.9	4.8
Apayao	35.9	33.0	16.8	7.7	7.8	3.4
Benguet	17.7	27.5	0.9	1.7	0.3	0.7
Ifugao	28.0	23.8	12.3	3.7	5.1	1.3
Kalinga	29.4	23.9	7.8	2.9	3.1	1.0
Mt. Province	30.7	28.2	12.8	6.9	5.3	2.9

Source: Philippine Statistics Authority

- Abra and Apayao had the highest income gaps at 33.8 percent and 33.0 percent, respectively in the First Semester of 2018. Meanwhile, Ifugao had the lowest average at 23.8 percent.
- Income gap, poverty gap and severity of poverty in the provinces in generally decreased from the First Semester of 2015 to the same period in 2018.

- With the increase in poverty incidence in the province of Benguet, income gap, poverty gap and severity of poverty also increased. Only Benguet posted increase on all measures of poverty among the CAR provinces.

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## TECHNICAL NOTES

**Poverty Threshold** is the minimum income required for a family or individual to meet basic food and non-food needs (clothing, housing, transportation, health and education expenses).

**Food Threshold** is the minimum income required for a family of individual to meet the basic food needs and satisfy the nutritional requirements set by the Food and Nutrition Research Institute (FNRI) for economically and socially productive.

**Poverty Incidence** is the proportion of people below the poverty threshold to the total population of the Cordillera Administrative Region.

**Subsistence Incidence** is the proportion of people in extreme or subsistence poverty.

**Income Gap** measures the average income required by the poor family in order to get out of poverty

**Poverty Gap** refers to the income shortfall (expressed in proportion to the poverty threshold) of families with income below 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.