1. Introduction

National Household Targeting System for Poverty Reduction (NHTS-PR) is an information management system that identifies who and where the poor are. This makes available to national government agencies and other social protection stakeholders a pioneer database consisting of a comprehensive organization of information of the poor households nationwide.

The first of its kind in the Philippines, this database is used for the following: 1.) analyzing who and where the poor are; 2.) focus targeting of social protection programs to the poor that reduces leakage or under-coverage; and 3.) objectively identify beneficiaries of social protection programs of various government and non-government agencies, civil society and basic sectors.

Executive Order No. 867 issued in March 2010 has directed all National Government Agencies (NGAs) to adopt the results of NHTS-PR in identifying prospective beneficiaries for their social protection programs nationwide.

The household assessments were completed last December 2009. The NHTSPR was able to assess and subject to Proxy Means Test (PMT) 10,909,456 households in the 17 regions, 80 provinces, and 137 cities and 1493 municipalities nationwide. Of these 5,255,118 households were identified as poor. PMT is a statistical model that estimates household income using proxy variables or income predictors. The assessment was supported by two major activities, On-Demand Application and Validation. These activities respond to issues of under coverage and inclusion of non-poor households. These processes aim to ensure the integrity of the database before sharing it with other government agencies and social protection stakeholders. The database of the poor is for updating after four years.

This profile of the poor households will highlight the relevance and importance of understanding the poor households’ status and subsequently recommend interventions that will respond to poverty.

The summary gives us the profile of the poor households answering two major themes of “who and where the poor are.” The answers to the questions shall be briefly described using the composition of the poor household; the household members’ highest educational attainment and occupation; features of the housing structure and access to basic services or facilities like water, electricity and sanitary toilet; households’ ownership of assets; tenure status of housing; and difference in cost of living.

1.1. Brief Background on Who and Where the Poor Households Are

---

1 For further details, see: http://nhts.dswd.gov.ph
2 For further details, see: Executive Order No. 867 dated March 9, 2010 entitled “Providing for the Adoption of the National Household Targeting System for Poverty Reduction as a Mechanism for Identifying Poor Households who shall be recipients of Social Protection Programs Nationwide”
The Philippine map shows where the high concentrations of poor households by provinces (red shaded areas) are found.

The Autonomous Region of Muslim Mindanao (ARMM) posted the biggest percentage share of 10.1% or a total of 531,526 identified poor households. ARMM is trailed by Region V with 8.8% percentage share or 461,242 poor households. Other regions with the highest number of share of poor households nationwide following the top 2 regions are Region IV-A with 7.4%, Region VI with 7.3% and Region IX with 7.0%.

Most of these poor households are found in rural areas with 73.3% share while 26.7% are in urban areas.

In terms of the magnitude of Poor households at the provincial level, the top three (3) provinces are Maguindanao with 217,248, Zamboanga del Sur with 172,701 and Cebu with 153,096 poor households.

Of the 5.2M poor households identified nationwide, 90.61% are found to earn below the annual per capita poverty threshold of P15,057.00\(^5\) (the needed income for a family of six members to be out of poverty). This means that a poor household with six (6) members each earns PhP41.22 per day. There are poor households found to have income under decile 5. These poor households are found in National Capital Region (NCR) which is a highly urbanized area.\(^6\)

---

\(^3\) See attached Table 1 for Number of Households Assessed and Identified Poor Households

\(^4\) See attached Table 1.3 for the NHTS-PR Top 10 Provinces in terms of Magnitude of Poor Households

\(^5\) Official 2006 Annual Per Capita Poverty Threshold (based on old methodology) by NSCB; NCR Annual per capita threshold is P 20,085.00 – P 20,908.00

\(^6\) See attached Table 1.5 for the NHTS income distribution (of the estimated income) by deciles
The poor households whose income is way below the thresholds can be correlated with the type of occupation they are engaged in and their highest level of education attained.

### Table A. Primary Occupation of Age 15 year old and above by Educational Attainment

<table>
<thead>
<tr>
<th>Primary Occupation/Business</th>
<th>No Grade Completed</th>
<th>Kinder or Daycare</th>
<th>Elementary (Any Level)</th>
<th>High School (Any Level)</th>
<th>College Level and Above (Any Level)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Workers and Shops and Market Sales Workers</td>
<td>14,314</td>
<td>1,042</td>
<td>149,387</td>
<td>252,090</td>
<td>79,704</td>
<td>496,537</td>
</tr>
<tr>
<td>Farmers, Forestry Workers and Fishermen</td>
<td>398,093</td>
<td>22,008</td>
<td>1,977,812</td>
<td>828,055</td>
<td>111,375</td>
<td>3,337,343</td>
</tr>
<tr>
<td>Trades and Related Workers</td>
<td>6,074</td>
<td>366</td>
<td>61,037</td>
<td>73,481</td>
<td>18,577</td>
<td>159,535</td>
</tr>
<tr>
<td>Plants and Machine Operators and Assemblers</td>
<td>3,128</td>
<td>376</td>
<td>60,800</td>
<td>108,301</td>
<td>25,737</td>
<td>198,342</td>
</tr>
<tr>
<td>Laborers and Unskilled workers</td>
<td>85,838</td>
<td>12,276</td>
<td>1,374,482</td>
<td>1,303,499</td>
<td>179,702</td>
<td>2,955,797</td>
</tr>
<tr>
<td>None</td>
<td>493,915</td>
<td>32,687</td>
<td>2,793,398</td>
<td>3,559,975</td>
<td>608,565</td>
<td>7,488,540</td>
</tr>
</tbody>
</table>

The table above also shows the relationship between educational attainment and occupation. Majority of the members of poor households who were not able to finish any level in elementary or high school education have no work (6.3M) or land jobs in the agricultural community (2.8M) or as laborers (2.6M) or service workers (401,477).

1.2. Who and where the poor households are in terms of household composition?

The average household size among identified poor households is six (6) members. The total number of poor individuals nationwide is 29,842,303. Of these, 14,382,442 are women while 15,459,851 are men. It can also be noted that children constitute a large percentage (52.6%) in the population of poor individuals.

What is evident across all regions nationwide is that almost half of the individual population of the poor belongs to the combined sector of Children and Women.

The sector of children constitutes 52.6% of the total poor individuals while the women sector comprises 48.20% of the total population of the poor individuals. It can be noted that the members of poor households nationwide are basically young and at risk. The extent of sectoral risks and vulnerability are presented as follows:

a. Children’s Sector

Regions ARMM, V, VI, IV-A, and VIII registered to have the highest number of children in poor households. The percentage shares of poor children in these regions are 10.1%, 9.6%,

\[7\] See attached Table 1.4 for the Magnitude of Poor among Basic Sector.
7.8%, 7.5% and 6.8% respectively. Moreover, the population of children sector is much more found greater in the rural areas with 72.4% than in urban with 27.6%.

In terms of educational attainment of poor children, 40.9% have reached elementary grade and only 14% were able to attain high school level.

b. Women Sector

The sector of women among the poor households constitutes 48.2% or 14,382,442 of the total poor population. Majority of the poor households with women (53%) falls under the 18 years old and below age range that is 5% higher than the productive age group of 18 to 60 years old combined. Moreover, the women sector is much more found in the rural (72.50%) than in the urban (27.50%) areas.

The women sector in the age range of 15 years old and above are mostly engaged as laborers and/or unskilled workers (10.98%), farmers / fisherfolks (7.5%), and service /shop/market sales workers (3.61%). Another data that is note worthy is the high magnitude of women in poor households with no occupation (66.41%).

One attribution to the data on occupation could be in the educational attainment of women in poor households. About 22.53% of women in poor households were not able to finish or complete any grade level at all, and 13.54% are able to finish elementary grade as well as 12.91% were able to finish high school.

This shows that majority or 7, 136, 127 (49.62%) of the women in poor households were not able to complete either an elementary, high school or a college degree but was able to reach a certain level in either educational level.
c. **Persons with Disability (PWD), Senior Citizens and Indigenous Peoples (IP) Group**

There are 305,729 poor households nationwide with members with disability. At an average, 43,676 households have a member of the household who has any of the following disabilities, i.e. hearing and visual impairment, speech defect, orthopedic, multiple disabilities, and mentally challenged.\(^8\)

There are about 1,010,551 individual senior citizens in poor households nationwide. Mostly, they are found in the areas of CARAGA, Region I, Region VIII, Region IX and Cordillera Administrative Region (CAR).

There are 834,301 poor households nationwide who consider themselves as part of an IP group. This constitutes only 15.9% of the total poor households nationwide. They are mostly found in the provinces of the CAR, Region XI, Region XII, and ARMM.

1.3. **Who and where the poor households are in terms of educational attainment**

Majority or 68.71% of poor individuals whose age 3-18 years old are attending school can be found in the provinces and /or cities/municipalities of the Cordilleras (CAR), Region V, CARAGA, National Capital Region (NCR), Region I, and Region IV-B.

Those who do not attend school are mostly found in the provinces of ARMM, Region XI, Region XII, Region II, and Region III.\(^9\)

The poor individuals put importance to education as evidenced by their attendance to school. Looking into age by level of schooling, 24.7% of 6-11 years old children are attending elementary, 7.25% of 12-15 years old are attending high school, and 0.91% are attending the collegiate level. Notable is that 95.54% of the total poor households with school age children attends public schools.

\(^8\) See attached Table 3.5 for Number of Poor Households by Type of Disability

\(^9\) See attached Table 4.3 for Number of Poor Individuals Age 3-18 years old attending School.
The highest educational attainments of poor individuals are significant in the levels of elementary (13.77%) and high school (11.67%). High concentration of these poor households can be found in Region V, Region IV-A, Region III, ARMM and National Capital Region (NCR).

1.4. Who and where the poor households are in terms of occupation?

The poor household sources their income either through farming/fishing (20.5%) or as laborers to different menial jobs (18.2%).

Quite notable is the number of the members of the poor households declaring no occupation which comprises 46% (given that the age range for the table is 15 years old and above). The poor household sources their income either through farming/fishing (20.5%) or as laborers to different menial jobs (18.2%).

Majority of the members of the poor households who have declared no occupation are found in National Capital Region (NCR), Region III, Region IV-A, Region XI and Region VIII.

The urban poor and rural poor differ in their types of occupation. 1,263,810 (25.9%) of the urban poor are laborers and unskilled workers. Next to these are farmers, forestry workers and fishermen (563,659 or 11.6%). Third common type is service workers and shops and market sales workers (171,282 or 3.5%).

For the rural poor, 2,773,683 (24.3%) of the rural poor are farmers, forestry workers and fishermen. This is followed by laborers and unskilled workers (1,691,987 or 14.8%). Similar with urban poor households, service workers and shops and market sales workers (325,255 or 2.9%) is the third most common type of occupation among rural poor.

1.5. Household features of Poor Households

Almost half of the poor households nationwide or 2,278,522 out of 5.2M poor households have roof that are made of light materials (cogon, nipa or bamboo). Same is true for the outer walls having 2,567,060 poor households with walls made of light materials. Based on these data, 1,885,182 or 35.9% of the poor households are considered to be vulnerable in natural/man-made disasters as they used light construction materials on the roofs and outer walls of their housing units.11

---

10 See attached Table 5.1 for Primary Occupation/Business Age 15 year old and above
11 See attached Table 2.3 for the Type of Roof and Outer Wall of the Housing Units occupied by Poor Households
In terms of the tenurial status, almost half or 2,389,854M of the poor households nationwide have their own house but rent-free lot with consent of the owner. These poor households can be mostly found in Western Visayas with 62.5%, Bicol Region with 55.8% and Zamboanga Peninsula with 50.5%.\(^\text{12}\)

Furthermore, this situation is aggravated as poor households’ minimal access to basic service facilities is also high (see Table B.)

### Table B. Number of Poor Households by Type of Toilet Facility and Main Water Source

<table>
<thead>
<tr>
<th>WATER SUPPLY</th>
<th>TOILET FACILITY</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Water-Sealed</td>
<td>Closed Pit</td>
</tr>
<tr>
<td>Safe Water Source(^\text{13})</td>
<td>1,503,026</td>
<td>336,702</td>
</tr>
<tr>
<td>No Safe Water Source(^\text{14})</td>
<td>576,239</td>
<td>275,380</td>
</tr>
</tbody>
</table>

For water and sanitary toilet facilities, it can be noted that the magnitude of poor households with safe water source is relatively high at 58.4% and that access to sanitary toilet is also fairly high with 51.2%. However, the number of poor households with no safe water source combined with unsanitary toilet practices\(^\text{15}\) is still comparatively high with 1,335,524 or a fourth of the total number of identified poor households. The regions with high incidences

---

\(^{12}\) See attached Table 2.5 Type of Tenure Status Occupied by Poor Households

\(^{13}\) Safe Water Source refers to Own Use/Shared, Faucet, Community Water System, Tubed/ Piped Well, NSO.

\(^{14}\) Unsafe Water Source refers to Dug Well, Spring, River, Stream, etc., Collected Rainfall, Peddler, NSO.

\(^{15}\) Unsanitary Toilet refers to Open Pit, Others (Pail,etc.) and None, NSO.
of households with no access to safe water source and have unsanitary practices are ARMM, Region V, Region IX, Region VI and Region VII.

The magnitude of poor households who have no access to electricity is still halfway from the total poor households nationwide. The areas still with no access to electricity can be found in the regions of ARMM, Regions XII, XI, IX, and IV-B.

Further, it can be distinctively compared that the access of rural and urban poor households to electricity is rather contrast. 65.9% of the poor households in urban area are found to have access to electricity while 56.9% have no access in the rural areas.

Out of the 5.2M poor households, only 1,357,924 or 25.8% of them have Philhealth cards, 1,003,897 or 19.1% received subsidized rice and 545,494 or 10.4% received other services.

However, it is quite alarming that 2,254,790 or 42.9% of poor households do not receive any programs or services from the government, LGUs and NGOs.

Certain conveniences are also part of the features of the poor household. Assets such as Television, VCD/DVD, Furniture, cellphone/telephone are but a few of the poor households owned assets.

It is quite interesting to note that the priority of our poor households is entertainment (see figure 12).

As presented in this paper, this poverty profile of the NHTS-PR identified poor households is based on existing NHTS-PR data as of July 2011. This poverty profile did not only focus the beam on the poor, it also attempted to emphasize the relevance and importance of identifying who and where the poor are and understanding their conditions and characteristics.

16 See attached Table 6.4 for Number of Poor Households by Programs and Services Availed
17 See attached Table 2.8 for Number of Poor Households by Ownership of Assets