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## Child poverty in the Philippines: more children suffer as poverty rises

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n times of difficulty caused by poverty, crises, and calamities, children who are among the vulnerable groups, suffer most. This is a stark reality in the Philippines as shown in the data presented in this *Policy Note*. This *Note* looks into the current situation of children in the Philippines in the face of poverty and hunger with the end goal of contributing to efforts in enhancing the policy interventions of the government that would address said situation.

### A snapshot of the current situation

Income poverty is on the rise and so is the number of poor children

The latest official poverty statistics show that poverty rate among the Philippine population went up from 30 percent in 2003 to 32.9 percent in 2006. This marks a reversal of the

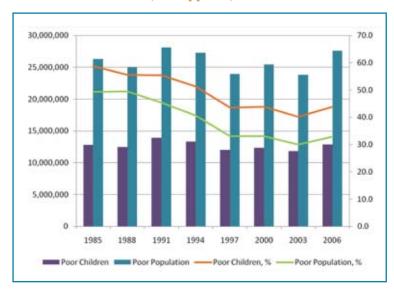
downward trend in poverty seen during the period 1985 to 2000 (Figure 1). The 2.9 increase in the percentage of the poor is equivalent to about 4 million additional poor people, bringing the total number to roughly 27.6 million in 2006.¹ This alarming trend is causing adverse impacts on children in particular. With increased income poverty, children immediately suffer the consequences in terms of nutritional and health conditions as well as schooling. This is because unlike adults, children are still in certain developmental stages where proper nourishment is necessary

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<sup>&</sup>lt;sup>1</sup> The definition of poor is someone who does not have sufficient income to meet the basic food and nonfood requirements. These basic food and nonfood requirements are determined by the National Statistical Coordination Board (NSCB) which also sets the poverty threshold.

Figure 1. Magnitude and percentage of poor population and children, Philippines, 1985–2006



and are most vulnerable to diseases. Hence, any reduction in income greatly affects the sustenance of their nutritional and health status. The same is true with their schooling which becomes adversely affected as family resources become depleted.

Owing to demographics where a great proportion of the Philippine population consists of children, almost half of the poor population consist of children aged 0 to 14 years old.<sup>2</sup> In 2006, there were 12.8 million Filipino children who were estimated to be income poor, representing 44 percent of all children aged 0 to 14 years old. This figure was higher by around 1 million than the 2003 figure of 11.8 million. What is more depressing is that the magnitude of poor people is almost the same as that registered more than two decades ago, indicating that not much improvement had taken place. And even as rates have declined since 1985, the

absolute number though has not been reduced and has in fact grown by around 70,000 during this period. Among the children suffering from income poverty, schoolgoers (i.e., 7–14 years old) comprise the majority.

The poor households where these children belong are generally larger than the average Filipino household (5.5 members compared to 4.8). On the average, their poverty situation worsens as the household size increases. In recent years, too, both percentage and magnitude of the poor have risen, which is indeed a disturbing trend, especially as it represents a reversal in the path to achieving the Millennium Development Goal (MDG) of poverty reduction, among others.

Meanwhile, in terms of regional (subnational) trends, poverty incidence in the Philippines varies. Figure 2, which shows a color-coded map of the Philippines wherein green/light green indicates "better off" and red/light red

<sup>&</sup>lt;sup>2</sup> Sources of basic data: Family Income and Expenditure Survey (FIES) of the National Statistics Office (NSO); and National Statistical Coordination Board (NSCB) poverty thresholds. Note: Except for 2006, the weights used in the estimations were from NSCB. In 2006, the NSO weights were used for poverty estimation. In this report, children are defined as those aged below 15. The age categories of family members in the ordinary Public Use Files (PUF) of the FIES allow only this kind of tabulation. To obtain an age range of 0-17 years old, the FIES has to be merged with the Labor Force Survey. The FIES dataset—the official source of income and expenditure data—contains information on the number of members who are less than 1 year old, 1 to less than 7, 7 to less than 15, 15 to less than 25, and 25 years old and over. It does not provide information on the number of members aged below 18 in the family, which is the usual definition of children. Thus, the discussions in this report concern mainly those children below 15 years old.

means "worse off," points out the parts of the country which were relatively better off and worse off in terms of poverty among Filipinos—and among children—in 2006. It shows that poverty incidence in the National Capital Region (NCR)/Metro Manila was relatively low at 16 percent while quite high at 69 percent in the Autonomous Region of Muslim Mindanao (ARMM).

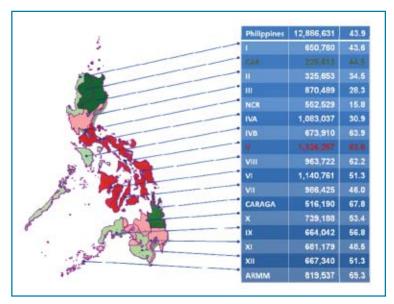
# There are more out-of-school children now than before

A dimension of poverty with serious implications to the long-term welfare of the child is education. The number of children experiencing deprivation in education has also been on the rise. Estimates made from the Annual Poverty Indicators Survey (APIS) reveal that the number of children aged 6 to 16 years old not currently attending school went up from 1.8 million (8.9% of the total) in 2002 to 2.2 million in 2007 (10.1%). The main reasons for children not attending school are lack of personal interest and high cost of education. Other reasons for not attending school cited were employment-related ones, not being able to cope with school work, distance of place of residence to school, or not having a school within the barangay.

# The nutritional status of children has deteriorated in recent years

This is shown by the prevalence of malnutrition among Filipino children aged 0–5 (Figure 3) which has recently gone up after exhibiting a modest decline in prior years. The 2008 National Nutrition Survey conducted by the Food and

Figure 2. Children in poverty by region, 2006 (PIDS estimates)

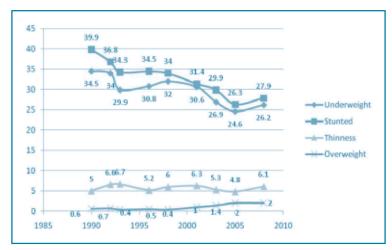


Source of basic data: 2006 Family Income and Expenditure Survey, National Statistics Office (NSO); National Statistical Coordination Board; and based on NSO weights.

Nutrition Research Institute (FNRI) showed that relative to the total number of reference population, which is children 0 to 5 years old, there were more children who were considered to be underweight in 2008 compared to the number in 2005. In fact, the increase of 1.6 percentage points in both underweight and underheight prevalence during this period marked the largest rise in the malnutrition data. In 2008, one in four children aged 5 years and under was both underweight and underheight.

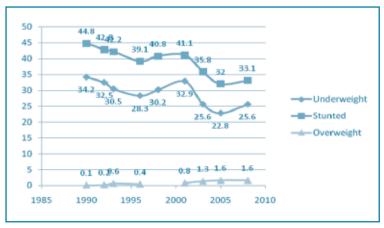
The case of children aged 6 to 10 is somewhat getting worse as well. Figure 4 shows that the percentages of underweight and stunted rose in 2008. The increases were significant. For underweight, the rate went up from 22.8 percent in 2005 to 25.6 in 2008 whereas the percentage of stunted went up to 33.1 from

Figure 3. Prevalence of underweight, stunted, thinness, and overweight children 0-5 years old, Philippines, 1989-2008 (in %)



Source: Food and Nutrition Research Institute

Figure 4. Prevalence of underweight, stunted, and overweight children 6–10 years old, Philippines, 1989–2008 (in %)



Source: Food and Nutrition Research Institute

32.0. Though these recent increases (both those for 0–5 and 6–10 years old) seem to be parts of regular up-and-down movements that can be visually deduced from the data, they reveal, nonetheless, the lack of sustained efforts in these areas.

# Improvement in the access to other facilities has not been sustained

"Other facilities/amenities" include shelter, water, sanitary toilet facilities, and electricity. The percentage of children suffering from severe deprivation to shelter has been consistently on the rise since 2000. Severe deprivation is defined as living in dwellings that have inadequate roof and wall.<sup>3</sup> Although the percentage of children living in this dire state has declined from 3.4 percent in 1985 to 1.05 percent in 2006, efforts were not sustained such that the magnitude has actually increased. Among the regions, Metro Manila has the largest number and percentage of those in severe deprivation of shelter while the Cordillera Administrative Region (CAR), a less densely populated region, has the smallest number and percentage.

In connection to shelter, the country has also seen a large increase in the number of people, including children, living in informal settlements through the past decades. In particular, from only 445,000 in 1985, there are now 1.2 million children living as informal settlers in the country. An informal settler refers to one who occupies a lot without the consent of the owner. This can be attributed to the large influx of migrants from the rural to the urban areas or the high fertility rates among the urban poor households. Among the regions, the NCR has the largest number of children considered as informal settlers at 382,510. This

<sup>&</sup>lt;sup>3</sup> The roof and wall of the dwelling unit are made of makeshift materials.

estimate is 170,000 higher than the 2003 estimate showing a 6 percentage point increase. In 2006, one out of 10 children in the NCR lives in an informal settlement.

In terms of deprivation of water, this has declined from 1985 to 1994 but went up in 1997 and 2000. From 2000 onwards, however, the deprivation rate has been continuously declining. In terms of access to safe drinking water, data in 2006 showed that 11.6 percent of all children obtained water from springs, rivers, streams, rain, and peddlers and were therefore exposed to unsafe quality of drinking water. The number of children suffering from this type of deprivation, though, has declined in number by around 300,000 since 2000.

Sanitation-wise, around 3.4 million children (i.e., 11.8% of all children in the 0–14 age cohort) were experiencing severe deprivation of sanitation facilities in 2006. These children do not have access to a toilet facility of any kind. This is a little bit lower than the 2003 estimate but was still higher than that of the 2000 figure.

In addition to these dimensions, lack of access to electricity is also an important concern in the Philippines and has direct or indirect impacts on the well-being of children. The number of children in households with no access to electricity has generally been declining over the survey years. In 1985, there were about 10 million children (over 45% of all children) who did not have electricity in their

homes. In 2006, this number went down to 6.4 million (22% of children). A large proportion of the number of children without access to electricity come from the Bicol Region, Western Visayas, and ARMM. The disparities across regions are wide if one looks at the NCR where only 3 out of 10 children do not have access to electricity vis-à-vis the ARMM where 5 out of 10 children have no access.

### The Child Development Index had declined

In June 2009, the NSCB released the 2006 Child Development Index which showed that the human development of Filipino children has been deteriorating especially in recent years between 2003 and 2006. The index, a composite of health, education, and quality of life indicators, ranges from 0 to 1. The higher the index, the better the performance. For the Philippines, it went down to 0.729 in 2006 from 0.779 in 2003. Both estimates are lower than the index for year 2000 (0.782). This worrisome trend clearly justifies the need for urgent measures to improve the lives of Filipino children.

#### **Policy recommendations**

The latest data indicate that the situation of children in the country has not improved significantly over time and has even deteriorated in some aspects. This calls for more effective development strategies to be implemented to uplift the well-being of the poor in general and of the children in particular. With only a few years left before the MDG target achievement year of 2015 for poverty reduction,

the various trends have indicated difficulties in sustaining improvements, which simply imply that the targets will be difficult to meet. The recent rise in the poverty rate has been verified by other nonincome measures. The worsening condition is manifested in many other dimensions—children out of school on the rise, worsening human settlements, continuing deprivation of basic amenities, and rising prevalence of malnutrition. Efforts to reduce poverty have not been sustained and the economy has been vulnerable to shocks causing a boom-bust cycle.

Regional disparities are significant and regional needs differ significantly. For instance, the poverty rate in the ARMM is more than four times that in Metro Manila. Poverty is more concentrated in the rural areas. In fact, of the 12.8 million estimated poor children in 2006, 9.2 million are from the rural areas. This justifies the need for more focused interventions to address spatial disparities. The poverty situation of the ARMM has to be addressed differently from that of the NCR. ARMM is poor in terms of income, sanitation, and water while NCR's problem is more on

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inadequate shelter (housing structure and tenure).

Targeted interventions are necessary given the limited resources of the government. In targeting, however, it should be noted that while the ARMM has the highest rate of poverty incidence, the bulk of the poor are in Regions V, VI, and CALABARZON. These three regions alone comprise about 28 percent of the 12.8 million poor children in the country. Regions or provinces that have the worst conditions should be given priority in government efforts. Note that in addition to being income-poor regions, Regions V and VI as well as Region VII and the Zamboanga Peninsula have also been consistently performing badly in terms of deprivation indicators. Assistance should thus be given to those who are most in need of help. Programs should start to target people who have the worst cases in terms of income poverty and, at the same time, have worst deprivation conditions. Household level data, coming from community-based monitoring system, can be used to identify the poor and most deprived children.

Given the recent calamities, the food and fuel price shocks and the global financial crisis, it is expected that poverty among the general population, in general, and children, in particular, will further increase. This will be true not just for income poverty but for other dimensions as well. A well-designed, well-targeted, and sustainable social protection system that can mitigate the impact of crises and calamities, and not just ad hoc temporary assistance, should therefore be put in place.

