

**Average Family Expenditure by Expenditure Item, by Income Class**  
**Rural 1957--1965**

Item	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000-19999	20000 +
BEV. AND TOBACCO	1957	187.00 (5.37)	179.95 (4.08)					
	1961	184.33 (5.09)	118.48 (2.99)	257.59 (4.70)	191.25 (3.09)	306.00 (3.59)		
	1965	153.49 (4.09)	283.49 (6.15)	197.38 (4.30)	177.36 (3.00)	350.25 (4.00)		
HOUSING	1957	512.78 (14.73)	838.30 (19.01)					
	1961	600.04 (16.59)	695.38 (17.56)	707.06 (12.91)	1347.30 (21.79)	2016.50 (23.68)		
	1965	434.27 (11.58)	600.61 (13.04)	679.35 (14.82)	1194.43 (20.26)	1357.25 (15.51)		
TRANS / COMM.	1957	176.67 (5.07)	220.80 (5.00)					
	1961	97.58 (2.69)	110.62 (2.79)	262.77 (3.70)	234.75 (3.79)	251.00 (2.94)		
	1965	56.16 (1.49)	124.93 (2.71)	105.58 (2.31)	130.07 (2.20)	481.63 (5.50)		
CLOTHING	1957	359.00 (19.06)	327.15 (7.62)					
	1961	307.29 (8.39)	324.00 (8.10)	454.94 (8.30)	643.00 (10.40)	729.83 (8.57)		
	1965	314.47 (8.39)	432.44 (9.39)	359.67 (7.41)	490.79 (8.32)	866.88 (9.90)		

**Average Family Expenditure by Expenditure Item, by Income Class**  
Rural 1957 - 1965

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
MEDICAL CARE	1957	7.81 (2.15)	11.94 (1.88)	27.24 (2.61)	33.24 (2.33)	43.64 (2.52)	65.56 (2.98)	82.15 (3.38)
	1961	8.60 (1.19)	14.42 (1.40)	21.40 (1.49)	30.99 (1.79)	43.57 (2.19)	46.65 (1.99)	45.04 (1.69)
	1965	16.81 (1.46)	22.56 (1.49)	26.16 (1.40)	36.24 (1.62)	35.40 (1.38)	43.23 (1.60)	68.19 (1.99)
MISCELLANEOUS	1957	28.91 (7.97)	53.31 (8.43)	114.84 (11.03)	169.81 (11.93)	254.88 (14.74)	389.02 (17.69)	447.06 (18.42)
	1961	38.70 (5.39)	66.96 (6.49)	122.71 (8.58)	158.37 (9.19)	219.62 (11.08)	347.52 (14.83)	385.40 (14.51)
	1965	90.79 (7.91)	124.81 (8.29)	164.42 (8.80)	196.14 (8.77)	293.28 (11.49)	308.03 (11.42)	480.76 (14.09)

**Average Family Expenditure by Expenditure Item, by Income Class**  
**Rural 1957 - 1965**

Item	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000 +	20000 +
MEDICAL CARE	1957	176.67 (5.07)	220.80 (5.00)				
	1961	50.58 (1.39)	51.33 (1.29)	76.71 (1.40)	43.25 (0.69)	204.00 (2.39)	
	1965	74.88 (1.99)	158.56 (3.44)	96.40 (2.10)	76.96 (1.30)	218.94 (2.50)	
MISCELLANEOUS	1957	672.33 (19.32)	1263.70 (28.66)				
	1961	578.25 (15.99)	750.57 (18.95)	1057.77 (19.31)	1105.75 (17.88)	1640.00 (19.26)	
	1965	658.88 (17.58)	682.31 (14.82)	766.56 (16.73)	1135.29 (19.25)	1873.88 (21.42)	

**Average Family Expenditure by Expenditure Item, by Income Class**  
Urban 1957 - 1965

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999
<b>TOTAL</b>	1957	439.60	719.01	1020.02	1213.84	1381.00	1589.71
	1961	709.35	1357.23	1527.50	1957.94	2316.26	2525.87
	1965	1364.17	1686.91	2115.32	2571.67	2906.41	3316.65
<b>FOOD</b>	1957	224.87 (51.15) <sup>2/</sup>	382.27 (53.16)	491.27 (48.16)	551.50 (45.43)	600.53 (43.48)	631.99 (39.75)
	1961	468.68	674.32	936.38	1094.68	1258.62	1316.04
	1965	840.64 (61.62)	1071.21 (49.68)	1256.03 (61.30)	1369.20 (55.90)	1680.91 (54.33)	1682.66 (52.10)
							1682.66 (50.73)
<b>CEREALS</b>	1957 <sup>1/</sup>						
	1961	200.26 (28.23)	284.73 (20.96)	360.99 (23.63)	387.73 (19.00)	408.76 (17.64)	434.47 (17.20)
	1965	399.91 (29.31)	454.84 (26.96)	521.17 (24.63)	560.82 (21.00)	631.96 (21.74)	639.69 (19.20)
<b>PROTEIN</b>	1957						
	1961	145.60 (20.44)	201.86 (14.87)	283.75 (18.57)	346.61 (17.70)	413.62 (17.94)	411.74 (16.30)
	1965	232.71 (17.05)	297.80 (17.35)	391.97 (18.53)	414.30 (16.11)	515.95 (17.75)	542.35 (16.35)
<b>OTHER FOOD</b>	1957						
	1961	124.00 (17.48)	187.67 (13.82)	291.63 (19.09)	360.32 (18.40)	434.16 (18.74)	464.78 (18.40)

**Average Family Expenditure by Expenditure Item, by Income Class  
Urban 1957 - 1965**

Item	Year	3000-3999	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000-19999	20000+
TOTAL	1957	1826.76	2340.22	3069.59	6209.39	7171.42	11148.47		
	1961	3368.88	4108.21	5068.33	6641.25	6765.85	14625.77		
	1965	3928.11	4878.46	5575.08					
FOOD	1957	662.40	882.35	874.49					
		(36.26)	(34.73)	(28.43)					
	1961	1682.05	1924.62	2326.43	2647.91	2752.27	3572.98		
		(49.92)	(46.84)	(45.90)	(42.64)	(38.37)	(32.04)		
	1965	1949.38	2202.51	2556.24	2821.31	2989.19	4269.73		
		(49.62)	(45.14)	(45.85)	(42.48)	(44.18)	(29.19)		
CEREALS	1957								
	1961	442.31	563.41	618.34	652.66	653.92	836.72		
		(13.12)	(13.71)	(12.20)	(10.51)	(8.86)	(7.50)		
	1965	704.29	746.18	836.26	851.98	899.97	1071.32		
		(17.92)	(15.29)	(14.99)	(12.82)	(13.30)	(7.32)		
PROTEIN	1957								
	1961	545.09	703.23	816.03	919.94	984.5	1324.21		
		(16.18)	(17.11)	(16.10)	(14.81)	(13.72)	(11.96)		
	1965	662.37	771.91	943.01	1096.40	1108.89	1770.		
		(16.86)	(15.82)	(16.91)	(16.50)	(16.38)	(12.10)		
OTHER FOOD	1957								
	1961	566.91	662.10	902.19	1075.33	1113.85	1402.05		
		(16.82)	(16.11)	(17.80)	(17.31)	(15.53)	(12.57)		

**Average Family Expenditure by Expenditure Item, by Income Class**  
**Urban 1957 - 1965**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999
OTHER FOOD	1965	232.70 (17.05)	634.33 (37.60)	409.49 (19.35)	487.56 (18.95)	586.17 (20.16)	632.74 (19.07)
	1957	20.55 (4.67)	36.21 (5.03)	54.31 (5.32)	62.08 (5.11)	68.33 (4.94)	74.25 (4.67)
	1961	44.73 (6.30)	70.92 (5.22)	105.62 (6.91)	119.45 (6.10)	147.79 (6.38)	138.91 (5.49)
	1965	90.580 (6.63)	87.14 (5.16)	122.63 (5.79)	133.89 (5.20)	189.28 (6.51)	184.26 (5.55)
BEV. AND TOBACCO	1957	20.55 (4.67)	36.21 (5.03)	54.31 (5.32)	62.08 (5.11)	68.33 (4.94)	74.25 (4.67)
	1961	44.73 (6.30)	70.92 (5.22)	105.62 (6.91)	119.45 (6.10)	147.79 (6.38)	138.91 (5.49)
	1965	90.580 (6.63)	87.14 (5.16)	122.63 (5.79)	133.89 (5.20)	189.28 (6.51)	184.26 (5.55)
	1965	90.580 (6.63)	87.14 (5.16)	122.63 (5.79)	133.89 (5.20)	189.28 (6.51)	184.26 (5.55)
HOUSING	1957	93.12 (21.18)	125.63 (17.47)	181.69 (17.81)	215.48 (17.75)	253.59 (18.36)	289.45 (18.20)
	1961	104.38 (14.71)	163.66 (12.05)	201.77 (13.20)	315.41 (16.10)	397.20 (17.14)	439.50 (17.39)
	1965	211.80 (15.52)	264.89 (15.70)	324.08 (15.32)	421.87 (16.40)	506.79 (17.43)	653.60 (19.70)
	1965	211.80 (15.52)	264.89 (15.70)	324.08 (15.32)	421.87 (16.40)	506.79 (17.43)	653.60 (19.70)
TRANS / COMM.	1957	5.87 (1.33)	11.57 (1.60)	18.40 (1.80)	22.32 (1.83)	34.16 (2.47)	43.95 (2.76)
	1961	8.52 (1.20)	15.27 (1.12)	25.22 (1.65)	76.37 (3.90)	43.88 (1.89)	63.14 (2.49)
	1965	22.29 (1.63)	29.62 (1.75)	45.93 (2.17)	60.06 (1.55)	76.32 (2.62)	90.39 (2.72)
	1965	22.29 (1.63)	29.62 (1.75)	45.93 (2.17)	60.06 (1.55)	76.32 (2.62)	90.39 (2.72)
CLOTHING	1957	27.69 (6.29)	52.67 (7.32)	76.55 (7.50)	101.20 (8.33)	114.32 (8.27)	143.97 (9.05)
	1961	34.79 (4.90)	67.65 (4.90)	100.89 (6.60)	121.41 (6.20)	152.41 (6.56)	181.87 (7.20)
	1965	34.79 (4.90)	67.65 (4.90)	100.89 (6.60)	121.41 (6.20)	152.41 (6.56)	181.87 (7.20)
	1965	34.79 (4.90)	67.65 (4.90)	100.89 (6.60)	121.41 (6.20)	152.41 (6.56)	181.87 (7.20)

**Average Family Expenditure by Expenditure Item, by Income Class**  
Urban 1957 - 1965

Item	Year	3000-3999	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000- 20000+
							19999	
OTHER FOOD	1965	775.56 (19.74)	910.85 (18.67)	1085.36 (19.46)	1159.25 (17.45)	1277.63 (18.98)	2080.53 (14.22)	
BEV. AND TOBACCO	1957	80.18 (4.36)	111.13 (4.37)	95.18 (3.10)				
	1961	216.73 (6.43)	209.73 (5.10)	278.74 (5.49)	323.21 (5.20)	294.58 (4.10)	305.26 (2.73)	
	1965	197.49 (5.02)	210.99 (4.32)	237.24 (4.25)	237.43 (3.57)	289.28 (4.27)	494.73 (2.97)	
HOUSING	1957	385.45 (18.20)	385.22 (21.08)	487.63 (19.19)	788.22 (25.67)			
	1961	651.86 (19.34)	880.04 (21.42)	1099.00 (20.49)	1429.60 (23.02)	1846.73 (29.75)	3143.30 (28.19)	
	1965	775.56 (19.74)	1075.52 (22.04)	1174.33 (21.06)	1536.36 (23.13)	1277.63 (18.88)	4844.21 (33.12)	
TRANS/COMM.	1957	54.04 (2.95)	68.04 (2.67)	145.75 (4.74)				
	1961	81.06 (2.42)	111.03 (2.70)	126.71 (2.49)	161.60 (2.60)	244.31 (3.40)	418.35 (3.72)	
	1965	138.34 (3.52)	144.09 (2.95)	166.07 (2.97)	279.33 (4.20)	281.25 (4.15)	853.94 (4.83)	
CLOTHING	1957	133.40 (8.39)	183.72 (7.23)	205.23 (6.68)				
	1961	222.92 (6.61)	271.41 (6.60)	334.52 (6.60)	435.09 (7.00)	445.54 (6.21)	644.49 (5.61)	

**Average Family Expenditure by Expenditure Item, by Income Class  
Urban 1957 - 1965**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999
CLOTHING	1963	76.64 (5.61)	90.62 (5.37)	116.06 (5.48)	151.50 (5.89)	174.02 (5.98)	212.07 (6.39)
	1957	13.00 (2.95)	17.14 (2.38)	26.19 (2.56)	27.80 (2.29)	34.16 (2.47)	42.43 (2.66)
MEDICARE	1961	9.23 (1.30)	13.09 (0.96)	28.38 (1.85)	33.23 (1.70)	48.49 (2.09)	40.41 (1.59)
	1965	26.48 (1.94)	27.88 (1.65)	37.23 (1.75)	35.37 (1.37)	43.79 (1.57)	48.67 (1.46)
MISCELLANEOUS	1957	54.5 (12.39)	94.47 (13.13)	171.85 (16.94)	233.46 (19.23)	275.92 (19.97)	363.67 (23.00)
	1961	39.02 (5.50)	352.32 (25.95)	129.25 (8.46)	197.36 (10.08)	267.86 (11.56)	346.00 (13.69)
	1965	94.75 (6.94)	165.56 (9.81)	212.41 (10.04)	404.19 (15.71)	305.30 (10.50)	445.00 (13.41)

Average Family Expenditure by Expenditure Item, by Income Class  
Urban 1957 - 1961

Item	Year	3000-3999	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000-19999	20000+
CLOTHING	1965	264.11 (6.72)	396.24 (8.12)	367.72 (6.59)	411.65 (6.19)	530.34 (7.83)	822.89 (5.62)		
MEDICARE	1957	47.07 (2.57)	83.91 (3.30)	71.38 (2.32)					
	1961	67.55 (2.00)	74.01 (1.80)	91.22 (1.79)	105.66 (1.70)	129.35 (1.80)	282.67 (2.53)		
	1965	67.08 (1.70)	66.90 (1.37)	100.82 (1.80)	167.61 (2.52)	136.60 (2.01)	310.53 (2.12)		
MISCELLANEOUS	1957	444.46 (24.33)	723.44 (28.47)	889.34 (28.97)					
	1961	446.71 (13.25)	637.37 (15.51)	871.71 (17.19)	1106.33 (17.81)	1458.65 (20.33)	2781.42 (24.94)		
	1965	536.60 (13.66)	782.20 (16.03)	972.67 (17.44)	1187.19 (17.87)	1261.57 (18.64)	3089.73 (21.12)		

Table 2  
Average Family Expenditures at Constant  
Prices, by Expenditure Item, by Income Class for Philippines, 1957, 1961, 1965, 1971  
1957 = 100

ITEM	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
TOTAL	1957	397.6	756	1151	1556	1972	2410	3010
	1961	688.5	956.8	1326.9	1683	1974.8	2251.9	2975.0
	1965	858.4	1141.7	1444.4	1663.9	2014	2230	2782.1
	1971	794.2	974.3	1191.9	1432.1	1639.7	1840.3	2095.3
FOOD	1957	235	393	583	754	879	1021	1156
		(59.10)	(51.98)	(50.65)	(48.45)	(44.57)	(42.36)	(38.40)
	1961	426.9	596.1	798.9	929.3	1049.1	1148.3	1338.6
		(62.0)	(62.30)	(60.20)	(55.21)	(53.12)	(50.99)	(44.92)
	1965	513.5	655.6	801.7	903.0	1084.6	1109.2	1337.4
		(59.82)	(57.42)	(55.5)	(54.27)	(53.85)	(49.73)	(48.07)
	1971	447.7	524.3	622.7	724.3	809.8	889.3	973.1
		(56.4)	(53.81)	(52.27)	(50.57)	49.38	(48.32)	(46.44)
CLOTHING	1957	31	56	92	127	148	200	289
		(7.79)	(7.4)	(7.99)	(8.16)	(7.5)	(8.29)	(8.6)
	1961	34.7	64.3	94.8	115.7	143.2	180.8	189.4
		(5.03)	(6.72)	(7.14)	(6.87)	(7.25)	(8.02)	(6.36)
	1965	49.8	73.5	97.5	119.4	132.2	164.9	200.3
		(5.8)	(6.43)	(6.75)	(7.17)	(6.56)	(7.39)	(7.19)
	1971	28.7	10.4	15.7	17.3	22.5	25.3	134.0
		(3.61)	(1.6)	(1.31)	(1.20)	(1.37)	(1.37)	(6.39)
SHELTER <sup>1/</sup>	1957	27.6	56.0	86.9	126.6	185	228	511
		(6.94)	(7.4)	(7.54)	(8.13)	(9.38)	(9.46)	(16.97)

<sup>1/</sup> Shelter includes house rent only.

**Average Family Expenditures at Constant  
Prices by Expenditure Item by Income Class for Philippines, 1957, 1961, 1965, 1971  
1957 = 100**

ITEM	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000-19999	20000+
TOTAL	1957	3555	8237					
	1961	3586.4	4245.6	5595.4	6496.9	10123.2		
	1965	3263.8	4094.0	4542.5	5698.9	10970.7		
	1971	2509.3	2959.3	3568.8	4374.3	5616.2	7841.9	8967.7
FOOD	1957	1418	2138					
		(39.88)	(29.95)					
	1961	1652.7	1993.2	2392.7	2451.8	3195.1		
		(46.08)	(46.94)	(42.76)	(37.73)	(31.56)		
	1965	1476.7	1757.5	1883.7	2104.3	3149.8		
		(45.24)	(42.92)	(41.46)	(36.92)	(28.71)		
	1971	1121.9	1251.0	1441.5	1621.3	1981.9	2560.7	2490.0
		(44.70)	(42.27)	(40.39)	(37.06)	(35.28)	(32.65)	(27.76)
CLOTHING	1957	291	504					
		(8.18)	(6.11)					
	1961	239.7	134.1	385.4	416.9	571.4		
		(6.68)	(3.15)	(6.88)	(6.41)	(5.64)		
	1965	275.6	311.7	301.7	409.4	648.4		
		(8.44)	(7.61)	(6.64)	(7.18)	(5.91)		
	1971	155.3	295.3	230.6	278.3	349.5	508.9	553.6
		(6.18)	(9.97)	(6.46)	(6.36)	(6.22)	((6.48)	(6.17)
SHELTER	1957	458	1188					
		(12.88)	(14.42)					

Average Family Expenditures at Constant  
Prices by Expenditure Item, by Income Class for Philippines, 1957, 1961, 1965, 1971  
1957 = 100

ITEM	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
SHELTER	1961	35.4 (3.14)	53.5 (5.99)	87 (6.55)	118.5 (7. )	154.8 (7.83)	175.8 (7.8)	262.8 (8.83)
	1965	46.4 (5.14)	67.0 (5.86)	91.1 (7.12)	118.5 (7.12)	146.0 (7.24)	210.5 (9.43)	251.7 (9.04)
	1971	51.4 (6.5)	72.7 (7.46)	94.1 (7.90)	130.4 (9.10)	163.0 (9.94)	174.3 (9.47)	233.9 (11.16)
FUEL, LIGHT, WATER	1957	24.9	52.3	59.8	79.7	93	105	146
		(6.26)	(6.91)	(5.19)	(5.12)	(4.71)	(4.35)	(4.85)
	1961	36.3	44.6	54.9	71.6	81.9	85.6	100.5
		(5.27)	(4.66)	(4.13)	(4.25)	(4.14)	(3.8)	(3.37)
	1965	34.3	48.4	60.3	61.8	70.8	79.0	96.9
		(3.99)	(4.23)	(4.17)	(3.71)	(3.51)	(3.54)	(3.48)
	1971	36.6 (4.53)	49.9 (5.12)	57.7 (4.84)	60.2 (4.20)	63.3 (3.86)	75.2 (4.08)	80.3 (3.83)
MISCELLANEOUS <sup>2/</sup>	1957	79.13	215.6	329.2	470.5	667.1	856.3	1167.2
		(19.9)	(28.51)	(28.6)	(30.23)	(33.82)	(35.53)	(38.77)
	1961	128.7	207.5	339.2	444.0	540.6	659.9	827.1
		(18.69)	(21.68)	(25.56)	(26.38)	(27.37)	(29.30)	(27.80)
	1965	188.1	269.3	366.4	496.0	558.2	667.8	916.4
		(21.9)	(23.58)	(25.36)	(26.2)	(27.71)	(29.94)	(32.93)
	1971	180.2	280.4	364.1	488	576.6	680.8	667.2
		(22.7)	(28.77)	(30.56)	(34.07)	(35.16)	(36.99)	(31.84)

2/ Miscellaneous includes the items listed in the preceding table as:

- (1) beverage and tobacco (2) transport/comm. (3) medicare  
(4) miscellaneous and two other items under housing; household furnishings and equipment.

Average Family Expenditures at Constant  
Prices by Expenditure Item, by Income Class for Philippines, 1957, 1961, 1965, 1971  
1957 = 100

ITEM	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000-19999	20000+
SHELTER	1961	411.8 (11.48)	474.9 (11.18)	684.2 (12.22)	961.3 (14.79)	1574.8 (15.55)		
	1965	328.2 (10.05)	430.4 (10.51)	572.1 (12.59)	1002.5 (17.59)	2558.2 (23.31)		
	1971	289.7 (11.54)	345.5 (11.67)	442.1 (12.38)	703.5 (16.08)	924.9 (16.46)	809.1 (10.31)	1264.05 (14.09)
FUEL, LIGHT, WATER	1957	138 (3.88)	252 (3.05)					
	1961	134.9 (3.76)	148.8 (3.50)	177.7 (3.17)	205.6 (3.16)	320.0 (3.16)		
	1965	110.3 (3.37)	131.1 (3.20)	153.5 (3.37)	240.6 (4.22)	326.3 (2.97)		
	1971	85.0 (3.38)	115.8 (3.91)	126.1 (3.53)	143.1 (3.27)	195.1 (3.47)	125.7 (1.6)	852.3 (9.5)
MISCELLANEOUS	1957	1566.7 (44.07)	4159.6 (50.49)					
	1961	1161.0 (32.37)	1442.8 (33.98)	1993.4 (35.62)	2528.5 (38.91)	4603.4 (45.47)		
	1965	1116.5 (34.20)	1558.2 (38.06)	1749.7 (38.51)	2173.4 (38.13)	5210.9 (47.49)		
	1971	853.4 (34.0)	1164.1 (39.33)	1410.1 (39.51)	1823.4 (41.68)	2275.9 (40.52)	3715.1 (47.37)	3807.75 (42.46)

Table 3 - a

Average Expenditure, by Expenditure Item, Income Bracket, Family Size  
of Families Headed by White and Blue Collar Workers  
Philippines, 1971

ITEM	INCOME BRACKET	3 - 4		5 - 6		7 - 8		9 - 10		11 - 12	
		WHITE	BLUE	WHITE	BLUE	WHITE	BLUE	WHITE	BLUE	WHITE	BLUE
Main Consumption	P500-999	2155	1846	2939	2008	1811	2449	3440	2527	6090	4049
	P2500-2999	4506	3266	4163	3539	5379	3855	5856	4494	4216	5436
	P8000-9999	9842	6829	10992	8386	10663	7882	12119	8086	11302	9171
Food	P500-999	1366	1222	2024	1349	1183	1691	2439	1854	2142	1284
	P2500-2999	2506	1976	2457	2179	2561	2456	3446	2646	2865	3510
	P8000-9999	4340	3184	4725	3930	4543	4408	5702	4245	5567	4927
Cereals	P500-999	502	552	884	687	671	870	1243	1081	2142	1284
	P2500-2999	791	690	826	811	986	1003	1196	1241	1545	1339
	P8000-9999	865	955	1083	1096	1180	1214	1353	1495	1612	1829
Protein	P500-999	427	267	627	336	279	423	690	399	790	389
	P2500-2999	945	674	832	704	770	755	1083	716	842	1202
	P8000-9999	1731	1138	1928	1439	1701	1699	2214	1546	1869	1695
Other Food	P500-999	395	277	471	294	179	349	446	333	1030	617
	P2500-2999	708	547	738	559	710	618	1123	616	470	904
	P8000-9999	1578	953	1509	1228	1477	1356	1947	995	1926	1158
Alcohol and Tobacco	P500-999	84	113	135	107	127	143	103	120	563	190
	P2500-2999	191	197	295	256	270	229	384	241	96	289
	P8000-9999	366	363	479	425	326	425	370	375	321	486
Housing	P500-999	412	258	439	289	294	295	466	262	504	314
	P2500-2999	775	483	530	513	654	511	926	687	661	536
	P8000-9999	2483	1320	2645	1756	2705	1160	2757	129	1476	1201

ITEM	INCOME BRACKET	F A M I L Y				S I Z E		9 - 10		11 - 12	
		3 - 4	5 - 6	7 - 8	9 - 10	11 - 12	13 - 14	15 - 16	17 - 18	19 - 20	21 - 22
		WHITE	BLUE	WHITE	BLUE	WHITE	BLUE	WHITE	BLUE	WHITE	BLUE
CLOTHING	P500-999	98	86	173	106	112	119	118	108	285	237
	P2500-2999	232	209	261	223	322	238	493	327	203	274
	P8000-9999	603	411	667	632	699	475	888	596	947	801
MEDICARE	P500-999	44	27	31	29	60	24	75	25	134	70
	P2500-2999	53	52	51	55	71	45	83	98	24	65
	P8000-9999	238	101	207	166	175	109	323	76	108	220
EDUCATION	P500-999	11	12	92	27	3	37	185	40		63
	P2500-2999	122	56	101	76	149	100	366	160	67	423
	P8000-9999	170	197	670	436	477	272	746	496	918	478
TRANS/COMM	P500-999	69	31	45	29	32	28	52	31	550	52
	P2500-2999	107	70	74	83	173	71	158	88	146	106
	P8000-9999	338	205	463	286	345	180	328	278	274	208
MISCELLANEOUS	P500-999	71	97		78		112		87		222
	P2500-2999	526	223	394	305	214	205		247	154	233
	P8000-9999	1304	853	1136	755	1396	843	995	791	1691	850

\* White Collar Workers include:

- a) Professionals, Technical and related workers
- b) Proprietors, Managers, administrators and officials
- c) Clerical office and related workers
- d) Salesmen and Related workers.

Blue Collar Workers include :

- a) Farmers, farm laborers, fishermen, hunters, lumbermen and related workers
- b) Workers in mines, quarries, and related occupations
- c) Workers in operating transport occupations
- d) Craftsmen, factory operatives and workers in related occupations.
- e) Manual workers and laborers

Source: Unpublished data of the Bureau of Census and Statistics on Household Income and Expenditure for 1971, especially abstracted for this study.

**Average Expenditure, by Expenditure Item, Income Bracket, Family Size  
of Families Headed by White and Blue Collar Workers  
Urban, 1971**

ITEM	INCOME BRACKET	3 - 4		F A	M	I	L	Y	S I Z E		9 - 10		11 - 12	
		WHITE	BLUE						WHITE	BLUE	WHITE	BLUE	WHITE	BLUE
Mean Consumption	P500-999	2008		2223	4528		1791	2088	2805	2919	3371			4622
	P2500-2999	4801		3723	4093		2876	4512	4457	7534	5110		5002	5000
	P8000-9999	10468		7210	11725		8372	10986	8194	12634	9708		12021	10687
Food	P500-999	1252		1476	2849		1243	1395	1991	2019	2121			2850
	P2500-2999	2758		2117	2559		1266	2601	2724	4773	2973		3597	3200
	P8000-9999	4476		3472	4704		3549	4754	4095	5337	4793		5778	5282
Cereals	P500-999	457		589	988		644	726	878	1507	1076			1602
	P2500-2999	887		710	837		754	870	1054	1710	1187		1931	1428
	P8000-9999	828		1064	1007		979	1200	1110	1265	1564		1536	1655
Protein	P500-999	445		510	1161		325	417	530	342	541			312
	P2500-2999	1022		738	927		801	850	857	1518	1024		981	1017
	P8000-9999	1829		1300	1892		1416	1764	1565	2122	1722		2077	1958
Other Food	P500-999	324		331	674		242	223	488	161	482			936
	P2500-2999	789		612	744		658	815	726	1509	697		668	700
	P8000-9999	1660		996	1606		1045	1607	1237	1773	1228		1959	1418
Beverage and Tobacco	P500-999	118		135	229		99	92	174	77	162			195
	P2500-2999	192		229	210		199	204	296	457	313		143	331
	P8000-9999	379		314	447		426	318	376	337	407		431	450
Housing	P500-999	383		307	758		205	286	282	337	445			777
	P2500-2999	1008		628	616		635	755	650	913	837		703	549
	P8000-9999	2785		1363	3047		2234	3058	1410	2842	1711		2109	1667

ITEM	INCOME BRACKET	F A M I L Y			S I Z E			9 - 10		11 - 12	
		3 - 4	5 - 6	7 - 8	9 - 10	11 - 12	13 - 14	WHITE	BLUE	WHITE	BLUE
Clothing	P500-999	68	25	84	105	111	92	169	220		
	P2500-2999	282	283	299	249	267	409	334	313	155	
	P8000-9999	556	698	705	599	436	773	499	917	788	
Medicare	P500-999	17	32	34	37	36	34	75	34		
	P2500-2999	59	62	29	61	50	131	121	57	42	
	P8000-9999	221	226	178	122	136	335	113	363	98	
Education	P500-999	15	156	5	4	29	270	242	366		
	P2500-2999	51	68	115	103	112	441	162	179	109	
	P8000-9999	186	695	543	377	385	682	715	608	1153	
Transport/ Comm.	P500-999	52	48	56	19	31	33	56	65		
	P2500-2999	126	75	183	134	93	164	94	178	135	
	P8000-9999	392	576	358	360	209	378	426	287	358	
Miscellaneous	P500-999	103	206	136	70	151	57	101	121		
	P2500-2999	325	222	326	229	265	246	276	193	118	
	P8000-9999	1473	1340	1072	729	1147	1954	1044	1113	1306	

Average Expenditure, by Expenditure Item, Income Bracket, Family Size  
of Families Headed by White and Blue Collar Workers.

Rural, 1971

ITEM	INCOME BRACKET	3 - 4		5 - 6		7 - 8		9 - 10		11 - 12	
		WHITE	BLUE	WHITE	BLUE	WHITE	BLUE	WHITE	BLUE	WHITE	BLUE
Mean Consumption	P500-999	2380	1810	2315	2017	1861	2417	3984	2467	6337	3469
	P2500-2999	3465	3078	3847	3590	4777	3718	5653	4301	3459	5594
	P8000-9999	8836	6235	11282	8274	7468	7533	15562	7306	9488	7753
Food	P500-999	1465	1199	1593	1353	1107	1664	2681	1835	4054	2303
	P2500-2999	2122	1918	2323	2132	2528	2395	2886	2544	2251	3623
	P8000-9999	3945	2988	4769	4371	3630	4740	7219	3983	5335	4595
Cereals	P500-999	541	548	830	689	615	869	1091	1082	2142	1260
	P2500-2999	645	687	813	841	1087	991	979	1258	1221	1306
	P8000-9999	970	881	1250	1231	1093	1323	1720	1403	1695	1993
Protein	P500-999	411	347	363	336	230	414	891	389	790	395
	P2500-2999	827	648	706	653	701	732	899	621	725	1270
	P8000-9999	1447	1028	2006	1466	1426	1819	2595	1462	1638	1450
Other Food	P500-999	455	272	365	296	163	337	601	327	1030	593
	P2500-2999	587	520	731	567	620	593	960	591	304	978
	P8000-9999	1338	924	1297	1440	914	1483	2673	883	1889	915
Alcohol and Tobacco	P500-999	54	110	86	107	140	140	118	117	563	190
	P2500-2999	190	184	408	286	326	214	353	219	57	273
	P8000-9999	237	397	549	423	359	478	509	360	201	520
Housing	P500-999	436	253	273	292	296	296	540	249	504	344
	P2500-2999	420	424	415	449	567	479	932	640	626	531
	P8000-9999	1605	1290	1766	1201	1179	895	2407	998	778	765

ITEM	INCOME BRACKET	F A 3 - 4			M I L Y 5 - 6			S I Z 7 - 8			E 9 - 10			11 - 12	
		WHITE	BLUE		WHITE	BLUE		WHITE	BLUE		WHITE	BLUE		WHITE	BLUE
Clothing	P500-999	124	85		133	100		122	120		133	103		285	238
	P2500-2999	157	182		225	209		342	231		528	324		244	238
	P8000-9999	738	364		619	670		676	516		1368	642		1122	693
Medicare	P500-999	68	26		31	29		69	23		98	22		134	73
	P2500-2999	43	44		37	52		117	44		63	91		9	60
	P8000-9999	284	109		164	217		164	181		275	58		118	86
Education	P500-999	8	13		58	28		2	38		135	26		41	
	P2500-2999	231	46		145	61		179	98		334	160		31	512
	P8000-9999	121	69		616	505		174	153		1008	391		660	356
Transport/ Comm.	P500-999	84	30		44	30		24	28		67	29		550	51
	P2500-2999	78	66		73	55		165	66		155	85		155	79
	P8000-9999	182	156		215	201		289	149		172	207		182	134
Miscellaneous	P500-999	141	94		97	78		101	108		212	86		247	229
	P2500-2999	224	214		221	345		553	191		402	238		86	248
	P8000-9999	1633	862		2584	786		997	521		2604	669		1092	604

Table 3<sup>a, b</sup>  
Percentage Distribution of Average Expenditure  
by Expenditure Item, Income Bracket, Family Size,  
of Families Headed by White and Blue Collar Workers.  
Philippines, 1971

Family Size Family Head T E M		3 - 4			5 - 6			7 - 8			9 - 10			11 - 12		
		white	blue	white	white	blue	white	blue	white	white	blue	white	white	blue	white	blue
F O O D	Income Bracket															
	P500-999	63.38	66.19	68.86	30.07	67.18	65.32	69.04	70.90	73.76	66.56	57.88				
	P2500-2999	55.61	60.50	59.01	22.60	59.05	58.35	63.70	58.84	58.87	67.95	64.51				
Cereals	P8000-9999	44.09	48.03	42.98	08.32	46.80	42.60	55.92	47.05	52.49	49.25	53.77				
	P500-999	23.29	29.90	30.07	34.21	34.21	37.05	35.52	36.13	42.77	35.17	31.77				
	P2500-2999	17.55	21.12	22.60	22.91	22.91	22.06	26.01	20.42	27.61	36.64	24.66				
Protein	P8000-9999	8.78	14.40	08.32	13.06	13.06	11.06	15.40	11.16	18.48	14.26	19.99				
	P500-999	19.81	19.55	21.67	16.73	16.73	15.40	17.27	20.05	15.78	12.97	09.66				
	P2500-2999	20.97	20.63	22.00	19.89	19.89	19.07	19.58	18.49	15.93	19.97	22.11				
Other Food	P8000-9999	17.58	17.16	12.18	17.15	17.15	15.95	21.55	18.26	19.11	16.53	18.44				
	P500-999	18.32	15.00	16.02	14.64	14.64	09.88	14.25	12.79	13.17	16.91	15.22				
	P2500-2999	15.71	16.74	15.08	15.79	15.79	14.40	16.03	19.17	13.70	11.14	16.66				
Alcohol and Tobacco	P8000-9999	16.03	14.37	09.35	14.64	14.64	13.85	17.20	16.06	12.30	17.04	12.60				
	P500-999	03.89	06.12	04.59	05.32	05.32	07.01	05.83	02.99	04.74	09.24	04.66				
	P2500-2999	04.23	06.03	07.08	06.93	06.93	03.97	05.94	06.55	05.36	02.27	05.33				
Housing	P8000-9999	03.71	05.47	04.35	05.18	05.18	03.05	05.39	03.05	04.63	02.84	05.22				
	P500-999	19.11	13.97	14.93	14.39	14.39	16.23	12.64	13.54	10.36	08.27	21.11				
	P2500-2999	17.19	14.78	12.73	13.90	13.90	21.49	13.25	15.81	15.28	15.67	09.88				
Clothing	P8000-9999	25.22	19.91	24.06	20.93	20.93	25.36	14.71	22.74	15.19	13.05	13.66				
	P500-999	04.54	04.65	05.88	04.98	04.98	06.18	04.85	03.43	04.27	04.67	05.05				
	P2500-2999	05.14	06.39	06.26	06.04	06.04	05.65	06.17	08.41	07.27	04.81	05.05				
	P8000-9999	06.12	06.20	06.06	07.53	07.53	06.55	06.02	07.32	07.37	08.37	08.88				

Family Size		3 - 4				5 - 6				7 - 8				9 - 10				10 - 11			
Family Head		white		blue		white		blue		white		blue		white		blue		white		blue	
Income																					
Bracket																					
I T E M OTHER FOOD	P500-999	16.13	14.88	06.07	05.87	14.88	13.51	10.68	17.39	05.51	14.29	13.35	20.25	13.35	16.29	14.29	13.35	20.25	13.35	16.29	14.29
	P2500-2999	16.43	16.43	06.15	03.99	18.17	22.87	18.06	16.28	2-.02	20.67	20.67	14.00	2-.02	20.67	20.67	14.00	14.00	2-.02	20.67	20.67
	P8000-9999	15.35	13.81	04.35	03.62	13.69	12.48	14.62	15.09	14.02	12.64	12.64	13.26	14.02	12.64	12.64	13.26	13.26	14.02	12.64	12.64
ALCOHOL AND TOBACCO	P500-999	05.87	06.07	06.15	05.05	05.05	05.52	04.40	06.20	2.63	04.80	04.80	04.21	2.63	04.80	04.80	04.21	04.21	2.63	04.80	04.80
	P2500-2999	03.99	06.15	06.15	05.13	05.13	06.91	04.52	06.64	06.06	06.12	06.12	06.62	06.06	06.12	06.12	06.62	06.62	06.06	06.12	06.12
	P8000-9999	03.62	04.35	04.35	03.81	03.81	05.07	02.89	04.58	02.66	04.19	04.19	04.21	02.66	04.19	04.19	04.21	04.21	02.66	04.19	04.19
HOUSING	P500-999	19.07	13.81	13.81	16.74	16.74	11.44	13.69	10.05	11.54	13.20	14.05	16.81	11.54	13.20	13.20	14.05	16.81	14.05	17.54	17.54
	P2500-2999	20.99	16.86	16.86	15.05	15.05	22.07	16.73	14.58	12.11	16.37	16.37	10.98	12.11	16.37	16.37	10.98	10.98	16.37	17.54	17.54
	P8000-9999	26.60	18.90	18.90	25.98	25.98	26.60	27.83	17.20	22.48	17.62	17.62	15.59	22.48	17.62	17.62	15.59	15.59	22.48	17.62	17.62
CLOTHING	P500-999	03.38	04.18	04.18	05.52	05.52	05.86	04.02	03.95	03.15	05.01	05.01	04.75	03.15	05.01	05.01	04.75	04.75	03.15	05.01	05.01
	P2500-2999	05.87	07.38	07.38	06.86	06.86	08.65	06.62	05.99	05.42	06.53	06.53	06.26	05.42	06.53	06.53	06.26	06.26	05.42	06.53	06.53
	P8000-9999	05.31	06.67	06.67	05.88	05.88	07.13	06.41	05.32	06.11	05.14	05.14	06.58	06.11	05.14	05.14	06.58	06.58	06.11	05.14	05.14
MEDICARE	P500-999	00.84	01.93	01.93	00.70	00.70	02.06	01.62	01.28	01.16	02.22	02.22	04.75	01.16	02.22	02.22	04.75	04.75	01.16	02.22	02.22
	P2500-2999	01.22	01.90	01.90	01.51	01.51	02.12	00.64	01.12	01.73	02.36	02.36	06.26	01.73	02.36	02.36	06.26	06.26	01.73	02.36	02.36
	P8000-9999	02.11	01.24	01.24	01.92	01.92	01.45	01.62	01.65	02.65	01.16	01.16	08.58	02.65	01.16	01.16	08.58	08.58	02.65	01.16	01.16
EDUCATION	P500-999	00.74	00.13	00.13	03.44	03.44	00.22	00.23	01.03	09.24	07.17	07.17	00.75	09.24	07.17	07.17	00.75	00.75	07.17	07.17	07.17
	P2500-2999	01.06	02.14	02.14	01.66	01.66	03.58	02.54	02.51	05.85	03.17	03.17	01.16	05.85	03.17	03.17	01.16	01.16	03.17	03.17	03.17
	P8000-9999	01.77	05.33	05.33	05.92	05.92	04.49	04.94	04.69	05.39	07.36	07.36	00.75	05.39	07.36	07.36	00.75	00.75	07.36	07.36	07.36
TRANS/COMM	P500-999	02.58	01.93	01.93	01.06	01.06	01.06	02.68	01.10	01.13	01.66	01.66	03.78	01.13	01.66	01.66	03.78	03.78	01.13	01.66	01.66
	P2500-2999	02.62	02.14	02.14	01.83	01.83	04.65	04.05	02.08	02.17	01.83	01.83	05.50	02.17	01.83	01.83	05.50	05.50	02.17	01.83	01.83
	P8000-9999	03.74	03.67	03.67	04.91	04.91	04.28	03.25	02.55	02.99	04.38	04.38	05.68	02.99	04.38	04.38	05.68	05.68	02.99	04.38	04.38
MISCELLANEOUS	P500-999	05.12	05.53	05.53	04.54	04.54	04.41	06.51	05.38	01.95	02.99	02.99	01.40	01.95	02.99	02.99	01.40	01.40	02.99	02.99	02.99
	P2500-2999	06.76	06.53	06.53	05.42	05.42	07.96	07.22	05.94	03.26	05.40	05.40	03.56	03.26	05.40	05.40	03.56	03.56	05.40	05.40	05.40
	P8000-9999	14.07	11.65	11.65	11.42	11.42	08.68	09.75	13.99	15.46	10.75	10.75	02.61	15.46	10.75	10.75	02.61	02.61	10.75	10.75	10.75

Rural, 1971

Family Size Family Head	Income	3 - 4		5 - 6		7 - 8		9 - 10		10 - 11	
		white	blue	white	blue	white	blue	white	blue	white	blue
I T E M FOOD	Bracket										
	P500-999	61.55	66.24	68.81	67.07	59.48	68.84	67.92	74.38	63.97	66.
	P2500-2999	61.24	62.31	60.38	59.40	52.92	64.41	51.05	59.14	65.07	64.
CEREALS	P8000-9999	44.64	47.92	42.27	52.82	48.60	62.92	46.38	50.41	56.22	59.
	P500-999	22.72	30.27	35.86	34.15	34.98	35.95	27.38	43.85	33.80	36.
	P2500-2999	18.61	19.98	21.13	23.42	22.75	26.65	17.31	29.24	35.29	23.
PROTEIN	P8000-9999	10.97	14.12	11.07	14.87	14.63	17.56	11.05	19.20	17.86	16.
	P500-999	17.26	19.17	15.68	16.65	12.35	17.12	22.36	12.52	12.46	11.
	P2500-2999	23.36	18.84	18.35	18.18	14.67	19.68	15.90	14.43	20.95	22.
OTHER FOOD	P8000-9999	16.37	16.48	17.78	17.71	19.09	24.14	16.67	20.01	17.26	16.
	P500-999	19.11	15.02	15.76	14.67	08.75	13.94	15.08	13.05	16.25	17.
	P2500-2999	16.94	14.10	19.00	14.12	12.97	15.94	16.98	13.74	08.78	17.
ALCOHOL AND TOBACCO	P8000-9999	15.14	14.81	11.49	17.40	12.23	19.68	17.17	12.08	19.90	12.
	P500-999	02.26	06.07	03.71	05.30	07.52	05.79	02.96	04.74	08.88	05.
	P2500-2999	05.48	05.97	10.60	07.96	06.28	05.75	06.24	05.09	01.64	04.
MEN'S CLOTHING	P8000-9999	03.70	06.36	04.86	05.11	04.50	06.34	03.27	04.92	02.11	06.
	P500-999	18.31	13.97	14.92	14.39	15.90	12.24	13.55	10.09	07.95	09.
	P2500-2999	12.12	13.17	12.73	14.49	11.86	12.88	16.48	14.88	18.09	08.
MEDICARE	P8000-9999	18.16	20.68	24.08	20.93	15.78	11.88	15.46	13.66	08.19	09.
	P500-999	05.21	04.69	05.74	04.95	06.55	04.96	03.33	04.17	04.49	06.
	P2500-2999	04.53	05.91	05.84	05.82	07.15	06.21	09.34	07.53	07.05	04.
	P8000-9999	08.36	05.83	05.48	06.88	09.05	06.84	08.79	08.75	11.82	08.
	P500-999	02.35	01.43	01.33	01.43	03.70	00.95	02.45	00.89	02.11	02.
	P2500-2999	01.24	01.42	00.96	01.44	02.44	01.18	01.11	02.11	00.26	01.
	P8000-9999	03.21	01.74	01.45	02.62	02.19	01.97	01.76	00.79	01.24	01.

Family Size	Family Head	T E M	3 - 4			5 - 6			7 - 8			9 - 10			10 - 11		
			white	blue	white	blue	white	blue	white	blue	white	blue	white	blue	white	blue	white
		Income Bracket															
		P500-999	00.33	00.71	02.50	01.58	05.46	01.57	03.38	01.05							
		P2500-2999	06.66	01.49	03.76	01.69	00.10	02.63	05.90	03.72					00.89		
		P8000-9999	01.36	01.10	05.46	06.10	03.74	02.03	06.47	05.35					06.95		
		P500-999	03.52	01.65	01.90	01.48	01.28	01.15	01.68	01.17					08.67		
		P2500-2999	02.25	02.14	01.89	01.53	03.45	01.77	02.74	01.97					04.48		
		P8000-9999	02.05	02.50	01.90	02.42	03.86	01.97	01.20	02.83					01.91		
		P500-999	05.92	05.19	04.19	03.86	05.42	04.46	05.32	03.48					03.89		
		P2500-2999	06.46	06.95	05.74	09.61	11.57	05.13	07.11	05.53					02.48		
		P8000-9999	18.48	13.82	22.90	09.49	13.35	06.91	16.73	09.15					11.50		

EDUCATION

TRANS/COMM

MISCELLANEOUS

Table 42.2

- 84 -

Percentage Distribution of Families  
by Income Class

Income Class	1957	1961	1965	1971
0-500	22.5	17.0	11.8	5.2
500-999	32.4	29.3	17.7	12.1
1000-1499	16.5	17.8	16.7	12.2
1500-1999	10.5	12.0	13.5	11.8
2000-2499	5.2	6.7	9.9	9.6
2500-2999	3.3	4.1	7.6	8.1
3000-3999	4.1	5.0	8.9	12.5
4000-4999	1.6	2.4	4.6	7.5
5000 and over	3.9	5.7	9.5	21.1
5000-5999		1.8	2.8	5.0
6000-7999		1.9	2.5	6.4
8000-9999		.7	1.2	3.6
10000 and over		1.3	3.0	6.7
10000-14999				3.7
15000-19999				1.1
20000- over				1.3

Source: same as Table 5

Table 5

Percentage Distribution of Families,  
by Size

Family Size	1957	1961	1965	1971
1	1.6	2.0	3.7	1.8
2	6.6	7.0	5.8	6.9
3	11.9	10.7	10.4	11.6
4	14.5	14.6	14.0	14.9
5	16.2	14.8	13.0	14.6
6	14.0	14.1	14.1	13.5
7	11.6	12.2	12.2	11.6
8	9.8	9.4	9.8	11.0
9	6.0	6.6	7.7	5.6
10 or more	7.2	8.6	9.3	8.5
Weighted Ave.	5.9	6.1	6.2	6.0
Total Families (in thousands)	3,959	4,426	5,126	6,347

Source: BCSSH, Series 4 for 1957, series 14 for 1961, series 22 for 1965 and unpublished tables of the BCS called Raw Tables.

Table 6

Percentage Distribution of Families  
Headed by White and Blue Collar Worker in Rural and Urban Areas

	1957	1961	1965	1971
Philippines	100.0	100.0	100.0	100.0
White	11.8	15.2	14.0	17.7
Blue	88.2	84.8	85.9	82.2
Urban	33.5	34.0	29.7	28.1
White	N. A.	N. A.	9.1	11.2
Blue	N. A.	N. A.	20.5	17.8
Rural	66.5	65.0	70.3	70.1
White	N. A.	N. A.	4.9	6.4
Blue	N. A.	N. A.	65.4	64.4
Total Families (in thousands)	3959	4426	5126	5757

Sources: Table 10, Series 4 and Table 8, Series 5 for 1957;  
 Table 10, Series 13 and Table 3, Series 14 for 1961;  
 Table 32, Series 22 for 1965;  
 Unpublished data from the BCS for 1971.

\*The distribution of families headed by white and blue collar workers and according to location is not available for these years. The distribution by occupation for 1957 and 1961 is estimated from the distribution of the labor force by occupation.

Table 7  
Percentage Distribution of Families

Family Size	P H I L I P P I N E S	U R B A N	R U R A L
	total	blue	white
1 - 2	7.5	7.44	7.77
3 - 4	25.9	25.71	26.84
5 - 6	28.7	28.82	28.32
7 - 8	23.6	23.89	22.17
9 - 10	9.6	9.45	10.01
10 + *	4.7	4.66	4.87
Weighted Average	5.84	5.96	5.81
Total Families (in thousands)	5757.54	4735.99	1021.55
		1025.61	649.25
		3710.38	372.29
		5.80	6.01

\*We assumed the average size to be 12 for the size group 10 or more.

Source: Unpublished data from the BCS Survey of Household Income and Expenditure, 1971 especially extracted for this study. It is to be noted that the average size computed here for Total Philippines is smaller than the average size given in the BCS report. This difference is probably due to the use of age ranges instead of the simple years available in the BCS. The data is useful in comparing the average size for the different groups of families.

Table 8

REGRESSION ESTIMATES OF ENGEL CURVES  
FOR TOTAL PHILIPPINES, 1957, 1961, 1965, AND 1971

Expenditure Item	Year	a	b	t	E	R <sup>2</sup>
FOOD	1957	.533	.734	32.044	.813	.988
	1961	.568	.748	42.142	.819	.994
	1965	1.692	.715	35.579	.775	.992
	1971	.735	.727	40.327	.785	.992
CEREALS	1957					
	1961	1.086	.458	20.046	.593	.975
	1965	3.374	.387	13.572	.484	.949
	1971	1.627	.362	12.337	.452	.926
PROTEIN	1957					
	1961	-.409	.888	34.334	1.153	.991
	1965	-1.045	.916	27.570	1.162	.987
	1971	-.325	.873	26.313	1.111	.982
OTHER FOOD	1957					
	1961	.059	.768	12.735	.978	.941
	1965	-.782	.857	11.981	1.126	.935
	1971	-.624	.966	32.420	1.211	.988
BEVERAGE AND TOBACCO	1957	-1.314	1.013	12.237	1.690	.925
	1961	-.279	.713	12.032	1.128	.935
	1965	-.699	.710	16.454	1.137	.964
	1971	-.230	.698	7.408	1.097	.820
HOUSING	1957	-1.221	1.160	40.559	1.495	.992
	1961	-1.814	1.310	21.416	1.669	.978
	1965	-4.901	1.378	37.879	1.770	.993
	1971	-1.861	1.307	10.444	1.625	.900
TRANSPORT/ COMMUNICATIONS	1957	-3.551	1.602	23.368	3.308	.978
	1961	-3.400	1.509	28.871	2.878	.988
	1965	-8.453	1.574	34.447	2.917	.992
	1971	-3.641	1.558	49.002	2.712	.995
CLOTHING	1957	-1.023	.977	41.804	1.491	.993
	1961	-.985	.942	9.784	1.434	.905
	1965	-2.910	1.022	22.418	1.535	.980
	1971	-1.806	1.157	26.317	1.728	.982
MEDICARE	1957	-1.989	1.114	16.790	2.284	.959
	1961	-2.326	1.162	20.988	2.380	.977
	1965	-5.421	1.166	21.807	2.320	.979
	1971	-2.314	1.154	36.627	2.182	.991
MISCELLANEOUS	1957	-1.847	1.350	16.947	1.757	.959
	1961	-2.530	1.478	60.377	1.984	.997
	1965	-5.964	1.478	37.078	1.975	.993
	1971	-2.981	1.554	15.505	2.075	.952

REGRESSION ESTIMATES OF ENGEL CURVES  
FOR URBAN, 1957, 1961, 1965 AND 1971

Expenditure Item	Year	a	b	t	E	R <sup>2</sup>
FOOD	1957	.654	.675	17.166	.757	.960
	1961	.573	.747	33.052	.818	.990
	1965	1.749	.701	25.631	.768	.985
	1971	2.550	.250	1.798	.264	.212
CEREALS	1957					
	1961	.963	.488	21.013	.637	.977
	1965	2.980	.428	17.357	.542	.968
	1971	2.606	.098	1.111	.121	.093
PROTEIN	1957					
	1961	.217	.717	13.099	.919	.944
	1965	-.839	.899	24.368	1.128	.983
	1971	1.806	.313	2.007	.387	.251
OTHER FOOD	1957					
	1961	-.373	.887	27.866	1.137	.987
	1965	-1.012	.899	27.773	1.158	.987
	1971	1.893	.310	1.820	.374	.216
BEVERAGE AND TOBACCO	1957	-.833	.846	13.553	1.482	.938
	1961	-.383	.746	11.417	1.173	.928
	1965	-.406	.681	13.880	1.078	.951
	1971	1.279	.322	1.701	.478	.194
HOUSING	1957	-1.045	1.113	23.308	1.449	.978
	1961	-1.667	1.271	35.950	1.606	.992
	1965	-4.126	1.302	32.571	1.626	.991
	1971	1.182	.514	2.456	.613	.334
TRANSPORT/ COMMUNICATION	1957	-3.498	1.606	26.747	3.561	.983
	1961	-2.901	1.366	15.129	2.574	.958
	1965	-8.255	1.568	22.476	2.773	.981
	1971	.081	.600	2.304	.964	.306
CLOTHING	1957	-1.315	1.072	19.957	1.680	.970
	1961	-1.347	1.043	26.628	1.592	.986
	1965	-3.455	1.083	18.967	1.632	.973
	1971	.888	.449	2.102	.648	.269
MEDICARE	1957	-1.688	1.037	14.949	2.161	.949
	1961	-2.371	1.177	21.199	2.381	.978
	1965	-5.010	1.117	14.397	2.195	.954
	1971	.559	.408	2.046	.727	.258
MISCELLANEOUS	1957	-2.417	1.558	31.915	2.049	.988
	1961	-2.011	1.336	8.608	1.764	.881
	1965	-5.625	1.441	21.818	1.901	.979
	1971	.771	.574	2.282	.730	.302

REGRESSION ESTIMATES OF ENGEL CURVES  
FOR RURAL, 1957, 1961, 1965, AND 1971

Expenditure Item	Year	a	b	t	E	R <sup>2</sup>
FOOD	1957	.376	.786	18.530	.867	.966
	1961	.377	.808	56.269	.879	.966
	1965	3.439	.511	2.473	.541	.379
	1971					
CEREALS	1957					
	1961	.883	.528	22.081	.671	.979
	1965	3.036	0.441	4.064	.535	.623
	1971					
PROTEIN	1957					
	1961	-.717	.981	51.478	1.273	.996
	1965	.005	.795	4.985	1.001	.713
	1971					
OTHER FOOD	1957					
	1961	-.736	.991	18.047	1.278	.970
	1965	.344	.728	4.343	.944	.653
	1971					
BEVERAGE AND TOBACCO	1957	-1.316	.997	25.028	1.722	.981
	1961	-.155	.669	7.435	1.073	.846
	1965	.781	.533	2.846	.844	.447
	1971					
HOUSING	1957	-.692	.975	24.318	1.291	.980
	1961	-1.543	1.216	18.455	1.593	.971
	1965	-1.697	.914	4.967	1.282	.712
	1971					
TRANSPORT/ COMMUNICATION	1957	-3.520	1.594	12.676	3.356	.930
	1961	-3.582	1.559	31.976	3.068	.990
	1965	-6.884	1.416	3.271	2.584	.517
	1971					
CLOTHING	1957	-.919	.931	3.229	1.457	.464
	1961	-1.643	1.165	26.641	1.706	.986
	1965	-2.368	.983	4.229	1.437	.641
	1971					
MEDICARE	1957	-3.071	1.471	14.712	2.975	.943
	1961	-1.797	.994	6.832	2.131	.823
	1965	-2.837	.863	2.870	1.709	.452
	1971					
MISCELLANEOUS	1957	-2.647	1.552	15.300	2.183	.951
	1961	-2.922	1.592	28.313	2.167	.987
	1965	-4.194	1.281	4.976	1.704	.712
	1971					

Table 9

AVERAGE FAMILY EXPENDITURE  
BY EXPENDITURE ITEM, INCOME (IN MILLIONS)  
AND FAMILY SIZE

Item	Income	F a m i l y		S i z e		11+
		3-4	5-6	7-8	9-10	
Consumption	500-999	1833	2014	2368	2595	3728
	2500-2999	3349	3596	3816	4637	5268
	8000-9999	8081	9962	8787	9925	9256
Food	500-999	1230	1373	1678	1915	2491
	2500-2999	2058	2219	2463	2716	3460
	8000-9999	3736	4378	4468	4835	5057
Alcohol and Tobacco	500-999	111	108	142	118	223
	2500-2999	196	262	232	254	274
	8000-9999	365	455	381	373	453
Housing	500-999	266	294	295	283	385
	2500-2999	528	515	520	708	545
	8000-9999	1875	2257	1848	1848	1257
Clothing	500-999	86	103	119	109	241
	2500-2999	212	228	243	341	268
	8000-9999	503	652	575	714	831
Medicare	500-999	28	29	25	30	75
	2500-2999	52	55	48	97	62
	8000-9999	166	189	139	176	197
Education	500-999	12	29	37	55	58
	2500-2999	66	79	103	178	395
	8000-9999	184	568	934	597	568
Transport/ Communication	500-999	34	30	28	33	96
	2500-2999	76	81	78	94	109
	8000-9999	266	386	253	303	221
Miscellaneous	500-999	98	80	112	94	224
	2500-2999	232	293	221	257	223
	8000-9999	1169	1304	939	1313	922
Cereal	500-999	549	694	864	1098	1359
	2500-2999	706	813	1002	1237	1355
	8000-9999	912	5089	1198	1438	1785
Protein	500-999	365	347	420	430	424
	2500-2999	716	722	756	749	1174
	8000-9999	1421	1715	1700	1817	1721
Other Food	500-999	284	300	345	344	653
	2500-2999	572	585	624	661	870
	8000-9999	1251	1387	1410	1381	1314

Source: Unpublished BCS data on Household Income and Expenditure, 1971.

Table 10

REGRESSION PARAMETERS  
CONSUMPTION EXPENDITURES OF PHILIPPINE FAMILIES  
ACCORDING TO SIZE AND EXPENDITURE ITEM

Expenditure Item	Family Size	a	b	R <sup>2</sup>
Food	3-4	530.75	.42	.99
	5-6	740.82	.39	.98
	7-8	767.40	.43	.99
	9-10	999.69	.40	.98
Cereal	3-4	440.07	.06	.94
	5-6	614.99	.05	.89
	7-8	880.93	.04	.46
	9-10	951.10	.05	.88
Protein	3-4	67.24	.18	.98
	5-6	48.27	.18	.98
	7-8	-41.86	.20	.99
	9-10	-4.65	.19	.98
Other Food	3-4	29.41	.16	.99
	5-6	77.17	.14	.99
	7-8	-23.99	.16	.99
	9-10	20.46	.15	.98
Housing	3-4	201.14	.23	.98
	5-6	-287.18	.24	.98
	7-8	-332.14	.23	.99
	9-10	-290.21	.20	.97
Clothing	3-4	-30.86	.07	.99
	5-6	-37.08	.07	.99
	7-8	-57.59	.07	.99
	9-10	-73.47	.08	.98
Medicine	3-4	-4.59	.02	.87
	5-6	-17.06	.02	.97
	7-8	-9.17	.02	.88
	9-10	-30.56	.02	.90

Table 10 Continuation

Expenditure Item	Family Size	a	b	R <sup>2</sup>
Education	3-4	-43	.03	.89
	5-6	-133.33	.06	.94
	7-8	-109.39	.06	.91
	9-10	-191.38	.08	.98
Transportation	3-4	-58.51	.05	.94
	5-6	-79.84	.05	.95
	7-8	-63.84	.04	.99
	9-10	-87.16	.04	.95
Alcohol and tobacco	3-4	74.95	.04	.91
	5-6	69.45	.04	.89
	7-8	43.38	.04	.94
	9-10	62.78	.04	.75
Miscellaneous	3-4	-264.98	.17	.95
	5-6	-261.87	.15	.98
	7-8	-232.97	.13	.99
	9-10	-376.51	.16	.95

Table 11  
AVERAGE PROPORTION OF CHILDREN  
BY FAMILY SIZE\*

Family Size	Total Number of Families	Weighted Average (proportion of Children)
2	17	32.35
3	47	35.17
4	58	44.40
5	66	49.70
6	51	56.31
7	46	55.25
8	29	64.37
9	17	56.54
10	3	33.33

\*This is the weighted average of the proportion of children of families belonging to the income bracket P0.00 - P3.99.

Source: Unpublished data of the Food and Nutrition Research Center, Western Visayas, 1965 Survey.

Table 12

REGRESSION PARAMETERS OF THE DETERMINANTS OF  
CONSUMPTION EXPENDITURES OF PHILIPPINE  
FAMILIES, BY EXPENDITURE ITEM, 1971

Consumption Item	a	(C*) b <sub>1</sub>	(N**) b <sub>2</sub>	E <sub>1</sub>	E <sub>2</sub>	t <sub>1</sub>	t <sub>2</sub>	R <sup>2</sup>
Food	942.768 347.004		0.325 0.361	0.210	0.693 0.667		20.735 40.747	.973 .967
Cereal	641.335 143.416		0.050 0.044	0.618	0.337 0.236		10.120 16.862	.895 .961
Protein	185.691 106.585		0.121 0.337	0.001	0.810 0.886		23.172 33.671	.978 .945
Other Food	134.109 95.455		0.153 -3.364	-0.015	0.881 0.896		21.390 40.919	.974 .962
Bev. and tbo.	88.033 84.345		0.027 -2.172	-0.028	0.665 0.715		9.657 23.379	.886 .891
Housing	-230.058 42.900		0.266 -134.356	-0.493	1.152 1.449		0.958 0.940	.870 .884
Transportation	-113.387 -47.319		0.055 -14.749	-0.314	1.464 1.602		26.496 19.711	.983 .850
Clothing	-22.536 -93.929		0.067 15.846	0.165	1.054 1.115		67.109 28.838	.997 .930
Medicare	-18.341 -14.725		0.023 -1.024	-0.039	1.142 1.200		51.199 20.706	.995 .865
Miscellaneous	-305.929 -79.445		0.163 -62.048	-0.425	1.382 1.580		21.105 49.484	.974 .973
Education	-157.572 -239.221		0.066 27.938	0.471	1.542 1.681		17.270 19.852	.961 .871

\*C = consumption

\*\*N = family size

Table 13

REGRESSION PARAMETERS OF PHILIPPINE FAMILIES  
ACCORDING TO EXPENDITURE ITEM, GEOGRAPHICAL LOCATION,  
OCCUPATION OF FAMILY HEAD, AND FAMILY SIZE, 1971

Expenditure Item	Area	Family Size	a	b	t	E	R <sup>2</sup>
Food	Rural White	3-4	623.673	.410	15.005	0.732	.962
		5-6	946.212	.358	18.635	0.646	.975
		7-8	476.636	.495	5.522	0.843	.792
		9-10	819.417	.425	16.474	0.779	.975
	Blue	3-4	357.807	.498	14.402	0.824	.958
		5-6	444.658	.492	41.093	0.814	.995
		7-8	410.812	.533	14.611	0.843	.959
		9-10	732.679	.465	20.927	0.735	.979
	Urban White	3-4	535.721	.398	21.920	0.787	.981
		5-6	1182.177	.325	11.989	0.623	.947
		7-8	958.292	.392	11.110	0.707	.939
		9-10	1472.862	.333	6.297	0.594	.832
	Blue	3-4	616.631	.389	14.212	0.730	.957
		5-6	699.564	.382	16.559	0.709	.968
		7-8	804.244	.412	23.493	0.713	.984
		9-10	754.809	.438	22.113	0.760	.984
Cereal	Rural White	3-4	417.683	.065	7.568	0.398	.864
		5-6	734.007	.046	5.232	0.232	.753
		7-8	673.105	.089	3.039	0.407	.536
		9-10	918.013	.057	4.166	0.296	.713
	Blue	3-4	405.166	.065	3.999	0.406	.640
		5-6	605.609	.044	6.303	0.243	.815
		7-8	938.586	.026	2.185	0.119	.347
		9-10	760.425	.080	6.467	0.366	.839
	Urban White	3-4	409.768	.050	3.607	0.376	.591
		5-6	809.055	.018	1.887	0.119	.309
		7-8	736.032	.051	3.303	0.289	.577
		9-10	1034.855	.040	1.513	0.200	.222
	Blue	3-4	405.166	.065	3.999	0.406	.640
		5-6	605.609	.044	6.303	0.243	.815
		7-8	958.586	.026	2.185	0.119	.839
		9-10	760.425	.081	6.467	0.367	.839

Expenditure Item	Area	Family Size	a	b	t	E	R <sup>2</sup>
Protein	Rural White	3-4	85.322	.181	10.198	0.899	.920
		5-6	32.724	.184	15.275	0.965	.963
		7-8	168.846	.223	9.054	1.171	.911
		9-10	155.728	.164	7.625	0.877	.893
	Blue	3-4	17.299	.200	9.718	0.975	.913
		5-6	2.572	.192	10.323	2.297	.929
		7-8	-185.899	.238	10.788	1.231	.928
		9-10	-111.305	.213	12.214	1.136	.943
	Urban White	3-4	85.088	.176	17.157	0.911	.970
		5-6	315.542	.142	9.380	0.730	.917
		7-8	202.971	.158	9.219	0.821	.914
		9-10	349.834	.139	6.126	0.721	.824
	Blue	3-4	126.605	.167	10.990	0.849	.991
		5-6	19.588	.181	20.795	0.976	.980
		7-8	-61.075	.199	21.259	1.068	.980
		9-10	-40.399	.194	16.378	1.039	.971
Other Food	Rural White	3-4	131.243	.140	10.914	0.818	.930
		5-6	184.510	.104	9.172	0.732	.903
		7-8	-40.201	.160	2.707	1.051	.478
		9-10	-257.656	.188	14.668	1.252	.968
	Blue	3-4	-32.764	.182	12.693	1.057	.991
		5-6	-44.238	.174	23.561	1.069	.984
		7-8	-134.333	.196	12.771	1.198	.948
		9-10	-6.369	.150	8.296	1.010	.884
	Urban White	3-4	34.391	.157	14.714	0.958	.960
		5-6	113.951	.137	9.368	0.878	.916
		7-8	29.053	.163	6.339	0.971	.834
		9-10	88.969	.137	4.556	0.909	.722
	Blue	3-4	163.727	.117	6.472	0.753	.823
		5-6	73.465	.142	10.282	0.896	.922
		7-8	-74.261	.169	11.741	1.099	.939
		9-10	129.548	.127	4.284	0.843	.696
Alcohol and Tobacco	Rural White	3-4	0.954	.547	5.192	0.817	.750
		5-6	2.022	.436	3.296	0.628	.547
		7-8	2.197	.419	2.339	0.604	.406
		9-10	0.335	.664	3.299	0.941	.605
	Blue	3-4	2.320	.385	6.960	0.564	.843
		5-6	1.944	.449	10.299	0.643	.922
		7-8	-1.610	.485	10.262	0.702	.921
		9-10	2.205	.405	6.881	0.589	.840

Expenditure Item	Area	Family Size	a	b	t	E	R <sup>2</sup>
Alcohol and Tobacco	Urban White	3-4	0.528	.608	7.490	0.900	.862
		5-6	.2.220	.422	1.913	0.603	.314
		7-8	1.240	.509	5.653	0.765	.799
		9-10	0.987	.565	2.488	0.820	.436
	Blue	3-4	3.111	.297	2.919	0.427	.486
		5-6	2.082	.433	6.165	0.618	.808
		7-8	3.470	.270	4.886	0.376	.726
		9-10	2.631	.371	4.374	0.530	.705
Housing	Rural White	3-4	-205.933	.216	15.773	1.292	.965
		5-6	-55.235	.165	7.269	1.035	.854
		7-8	-5.216	.154	3.076	1.004	.542
		9-10	62.387	.148	4.902	0.042	.774
	Blue	3-4	-117.998	.185	7.106	1.233	.849
		5-6	-54.357	.156	27.695	1.097	.988
		7-8	-45.407	.144	8.279	1.082	.884
		9-10	-102.019	.144	8.321	1.192	.885
	Urban White	3-4	-160.614	.262	16.349	1.140	.967
		5-6	-490.819	.291	12.846	1.391	.954
		7-8	-594.110	.286	8.574	1.465	.902
		9-10	-190.164	.206	6.464	1.166	.839
	Blue	3-4	-31.619	.207	12.396	1.062	.944
		5-6	-321.969	.266	11.407	1.372	.935
		7-8	-300.248	.232	13.701	1.364	.954
		9-10	-272.212	.212	28.529	1.306	.991
Clothing	Rural White	3-4	-79.675	.082	7.438	1.300	.860
		5-6	1.675	.061	5.880	1.995	.793
		7-8	-125.864	.092	4.828	1.360	.745
		9-10	-123.945	.093	5.690	1.234	.822
	Blue	3-4	-25.227	.066	21.387	1.127	.981
		5-6	-87.257	.087	15.820	1.339	.965
		7-8	-72.434	.081	29.761	1.273	.990
		9-10	-148.059	.104	13.483	1.485	.953
	Urban White	3-4	-43.882	.066	12.216	1.155	.943
		5-6	-5.533	.063	11.915	1.015	.947
		7-8	-82.918	.073	17.486	1.239	.975
		9-10	74.672	.052	5.411	0.820	.785
	Blue	3-4	-32.134	.063	6.418	1.135	.821
		5-6	-37.538	.071	12.312	1.134	.944
		7-8	0.728	.060	8.401	0.998	.887
		9-10	-2.032	.063	5.374	1.006	.783

Expenditure Item	Area	Family Size	a	b	t	E	R <sup>2</sup>
Medicare	Rural White	3-4	-38,298	.027	4.259	1.502	.668
		5-6	-5,956	.017	3.945	1.076	.634
		7-8	4,859	.016	1.960	0.945	.324
		9-10	-23,936	.020	4.851	1.215	.771
	Blue	3-4	-4,967	.017	9.925	1.092	.916
		5-6	-44,351	.030	11.784	1.602	.339
		7-8	9,551	.012	3.600	0.839	.590
		9-10	2,302	.012	2.845	0.959	.474
	Urban White	3-4	-26,888	.027	2.985	1.251	.497
		5-6	-58,522	.031	3.572	1.462	.615
		7-8	-6,557	.019	2.277	1.063	.393
		9-10	-71,975	.030	5.157	1.578	.769
	Blue	3-4	46,750	.005	1.819	0.304	.269
		5-6	15,187	.014	5.391	0.803	.764
		7-8	-3,458	.016	7.894	1.046	.874
		9-10	13,561	.012	3.005	0.829	.530
Education	Rural White	3-4	88,351	.006	0.511	0.220	.028
		5-6	-144,430	.006	4.827	1.555	.721
		7-8	-89,499	.051	3.590	1.520	.617
		9-10	-251,435	.081	6.604	1.830	.862
	Blue	3-4	-57,188	.040	3.375	1.738	.559
		5-6	-155,220	.072	8,457	2,199	.888
		7-8	-67,849	.050	3,587	1,485	.588
		9-10	-213,052	.089	13,512	2,212	.953
	Urban White	3-4	-14,544	.028	3,120	1,117	.520
		5-6	-193,582	.068	3,457	1,912	.599
		7-8	-164,191	.071	4,901	1,653	.750
		9-10	16,063	.051	2,894	0,954	.511
	Blue	3-4	-91,453	.041	3,236	2,076	.538
		5-6	-112,240	.054	15,049	1,862	.962
		7-8	-142,154	.064	14,246	1,848	.958
		9-10	-188,945	.083	5,528	1,711	.793
Transport/ Communications	Rural White	3-4	9,609	.017	4,324	0,885	.675
		5-6	19,655	.022	3,399	0,845	.562
		7-8	-75,774	.040	3,125	1,581	.550
		9-10	146,096	.005	0,351	0,184	.017
	Blue	3-4	-21,781	.029	13,805	1,286	.955
		5-6	-39,414	.032	9,380	1,451	.907
		7-8	-40,339	.028	10,761	1,526	.928
		9-10	-82,048	.039	7,026	1,934	.872

Expenditure Item	Area	Family Size	a	b	t	E	R <sup>2</sup>
Transport/ Communication	Urban White	3-4	-71.665	.048	5.056	1.423	.740
		5-6	-164.020	.061	8.407	1.814	.898
		7-8	-16.600	.034	4.715	1.089	.735
		9-10	14.807	.050	4.078	0.928	.675
	Blue	3-4	-174.279	.080	6.379	2.030	.819
		5-6	-122.874	.066	7.293	1.720	.855
		7-8	-76.165	.044	6.931	1.563	.842
		9-10	-129.617	.054	8.152	1.788	.893
	Miscellaneous Rural White	3-4	-468.559	.232	13.467	1.914	.953
		5-6	-834.331	.289	12.432	2.488	.972
		7-8	-217.971	.131	4.733	1.472	.737
		9-10	-754.079	.214	14.500	2.078	.968
	Blue	3-4	-170.451	.135	6.783	1.601	.836
		5-6	-147.762	.117	13.716	1.469	.954
		7-8	-138.708	.101	12.030	1.496	.941
		9-10	-264.724	.132	13.839	1.844	.955
Miscellaneous	Urban White	3-4	-253.479	.152	11.577	1.502	.937
		5-6	-461.111	.154	10.715	1.882	.935
		7-8	-199.836	.115	12.030	1.417	.948
		9-10	-318.143	.137	4.356	1.556	.703
	Blue	3-4	-555.307	.238	5.566	2.197	.775
		5-6	-161.544	.115	14.523	1.462	.959
		7-8	-355.700	.153	7.798	1.922	.872
		9-10	-380.808	.143	9.533	1.944	.919

Table 14

- 101 -

Average Weekly Per Capita Consumption  
of Specific Food Items  
(Oct-Nov 1970; May-June 1971; Aug-Sept 1972, in kilos)

ITEM	I N C O M E   G R O U P				All Families
	Less Than P400	P400- 799	P800- 1,499	P1,500 & over	
Rice and Rice					
Products: C - 4	332.7	449.2	462.0	439.9	403.8
BPI-76	15.3	15.7	20.0	19.2	16.8
Corn and Corn					
Products:					
Corn Grits	447.6	295.0	157.8	138.2	295.5
Yellow Cakes	2.1	1.7	3.6	4.0	2.7
Wheat Products					
Pan de Sal	146.7	205.4	222.9	249.1	187.5
Lumpia Wrappers	.9	1.1	1.1	4.0	1.5
Pork					
Lean Meat	38.7	77.0	126.2	165.7	86.8
Head	2.0	1.8	1.3	12.2	3.4
Beef and Carabeef					
Lean Meat	24.5	47.5	79.2	119.3	56.7
Shank / Tail	1.3	1.8	2.7	3.8	1.9
Canned and Processed					
Meat: Langoniza	6.8	15.4	28.6	43.9	19.2
Corned Beef	4.3	10.2	13.3	27.5	11.3
Poultry Meat					
Chicken (live)	55.8	82.7	103.1	121.6	83.5
Duck	0.9	1.1	2.3	3.7	1.7
Eggs					
Chicken	49.4	94.0	143.8	191.9	103.8
Duck	1.9	2.4	3.6	1.7	2.4
Sea Foods					
First Class Fish					
Milkfish	46.4	81.7	131.1	152.8	89.8
Swordfish	3.5	2.5	.7	.6	2.2
Second Class Fish					
Nemipterid	4.9	10.6	8.6	11.1	9.0
Grunt	.6	.9	1.2	.3	.8
Third Class Fish					
Round Scad	45.6	50.3	27.8	17.5	39.1
Croaker	.3	2.3	2.8	1.1	1.5
Dried and Smoked Fish					
Herring	16.0	21.6	10.3	15.9	16.4
Catfish	.4	.1	.1	.9	.3

ITEM	I C O M E G R O U P				
	Less than P400	P400- 799	P800- 1,499	P1,500- & over	All Families
Crustaceans and mollusks					
Shrimp	19.9	35.7	57.6	87.9	42.8
Snails	2.2	1.7	1.7	2.1	1.9
Dairy Products					
Evaporated	56.3	118.4	200.5	231.4	130.6
Fresh Milk	6.9	10.3	21.8	30.1	14.7
Fresh Fruit					
Bananas	378.6	421.9	546.8	619.7	462.1
Melons	14.7	14.6	20.3	22.7	17.2
Canned Juice and Fruit					
Juice	7.1	17.8	43.5	53.5	24.8
Fruit Cocktail	.7	.9	6.3	17.9	4.6
Leafy Yellow Vegetables					
Cabbage	26.3	50.9	82.7	112.8	58.4
Lettuce	.3	.9	1.3	2.5	1.0
Fruit Vegetables					
Tomatoes	59.6	80.6	105.1	129.9	86.0
Okra	11.3	14.1	16.7	22.6	15.0
Leguminous Vegetables					
Sito	47.8	53.0	69.9	85.3	59.3
Baguio Beans	9.6	16.4	25.9	35.1	19.0
Roots, Bulbs and Tubers					
Sweet Potatoes	138.2	143.7	113.6	91.0	127.5
Garlic	5.2	10.8	12.6	13.5	9.7
Miscellaneous Products					
Sugar (white)	46.1	85.1	106.4	145.5	84.5
Salt	62.8	66.2	66.9	70.5	65.8

Source: Income and Food Consumption  
(Average Data for Three Surveys)

by: E. L. Santos  
E. D. Dosayla  
L. B. Darrah

May, 1973



Table 15

Expenditure and Quantity Elasticities  
for Selected Food Items

Based on the Average for Three Surveys, Phil.  
(Oct. - Nov., 1970; May - June, 1971; Aug. - Sept., 1972)

ITEM	Income- Quantity Elasticity	Income- Expenditures Elasticity
Rice and Rice products	0.07	0.18
Rice (grains)	0.06	0.15
Corn and Corn Products	-0.56	-0.53
Wheat Products	0.56	0.49
Pork	0.71	0.75
Beef, Carabeef	0.73	0.84
Processed Meat	0.91	0.95
Dairy Products	0.67	0.74
Fresh, Frozen Fish	0.26	0.44
Second Class Fish	0.08	0.29
Third Class Fish	-0.06	0.09
Crustaceans and Mollusks	0.56	0.83
Fresh Fruits	0.34	0.55
Fresh Vegetables	0.23	0.42
Fruit Vegetables	0.27	0.39
Leguminous Vegetables	0.33	0.41

Source: Income and Food Consumption  
(Average Data for Three Surveys)  
Table 26, p. 28

by: E. I. Santos

E. D. Dosayla

I. B. Darrah

May, 1973

Table 17

REGRESSION ESTIMATE  
OF AGGREGATE CONSUMPTION-SAVING FUNCTION  
OF FAMILIES HEADED BY WHITE AND BLUE COLLAR  
WORKERS IN RURAL AND URBAN AREAS, 1971

Family Size	Area	Head	a	b	t	R <sup>2</sup>	R
3	Urban	Blue	1633	.814	19.193	.973	.634
		White	2387	.950	9.198	.903	.603
	Rural	Blue	1466	.717	40.113	.994	.629
		White	1977	.812	7.409	.844	.590
4	Urban	Blue	2439	.690	15.907	.961	.497
		White	1977	1.032	15.165	.962	.664
	Rural	Blue	1966	.629	31.554	.990	.526
		White	3212	.514	4.169	.645	.379
5	Urban	Blue	2487	.792	13.476	.952	.545
		White	2040	1.176	6.902	.838	.685
	Rural	Blue	2416	.566	14.556	.955	.447
		White	1783	1.212	6.233	.826	.738

### Part III

#### Summary and Conclusion

We analyzed the consumption behavior of different types of Philippine families. The pattern of consumption is given by presenting the average family expenditures and propensities to consume for various groups of consumption items of families belonging to different income classes and types. The types taken are families headed by white and blue collar workers in urban and rural areas. Ten groups of consumption goods are used - food, clothing, housing - fuel and furniture, alcohol-and-tobacco, education, medicare, miscellaneous items; and a further breakdown of food into cereal, animal sources of protein (we call protein food), and other food. The analysis was done mainly by fitting various specifications of the Engel curve. This was done using the household surveys - 1957, 1961, 1965, and 1971 of the Bureau of Census and Statistics (BCS). (A more detailed investigation could be done for the 1971 BCS survey where consumption-income data were available by family size.) In separate papers a more detailed analysis was done for food and housing consumption, using the Food and Nutrition Research Council regional surveys and the National Demographic Survey of 1968. The level of nutrition and its determinants were studied. In housing we presented the average number of rooms occupied by families belonging to different income groups and of various household sizes. The housing-quantity elasticity was obtained from the data.

✓ The level of income and of consumption for majority of Philippine families is still very low. In 1971, about 60 per cent of families received income of P3000 or less a year, with almost 20 per cent receiving only P1000 or less. Though the proportion of families in this income bracket fell over time from about 81 per cent in 1957 to about 41 per cent in 1971, in real terms, the proportion of families in these brackets hardly changed. There was practically insignificant improvement in the size distribution of income as evidenced by a 0.013 drop in the Gini coefficients from 1961-1971 with the percentage received by the lowest income bracket worsening slightly over time.

✓ Food dominated the consumption basket and there has been a slight upward trend in the real share of food in total consumption from 1957 to 1971, from 53.1 per cent to 55.5 per cent. Food, together with other staple items such as clothing and shelter composed 73.0 per cent of average family expenditures in 1957, rising to 94.0 per cent in 1971.

✓ We also note the fairly significant drop in the share of food as family income increases. The share of clothing remains constant but that of housing increases with income.

✓ We would like to refer back to Table 1 which gives the average family expenditure on the various items especially families belonging to the lowest six income brackets. ✓ These families spent on the average P1620 on food; P37 on clothing; P341 on shelter; P47 on medicine and P27 on education.

These levels of consumption may be put in the context of prices of some items. In 1970-71, the average fees in public high schools was

P43.00; an elementary note pad would cost about P0.50; an elementary school book about P5.00; a third quality cotton material about P5.00 per yard; a doctor's visit about P5.00 in the provinces; the smallest bottle of anti-biotic from P4.00 to P5.00.

✓ The consumption behavior of our four groups of families varies. In general, families headed by blue collar workers have higher saving elasticity than their white collar counterparts; and families in rural areas tend to save more proportionately than those in urban areas. Engel curves were fitted for all eleven consumption items to four sets of families so we could compare their respective consumption parameters. Please see Table 14 in Part II.

✓ The effect of size (and to some extent, age composition effects) were inferred from the regression coefficients of size in the function

$$C_i = f(N, C)$$

where  $C_i$  is consumption of item  $i$ ,  $N$  is family size, and  $C$  is the budget constraint. The coefficients of size are significant for all items except for protein-rich and other food; alcohol and tobacco, housing and medicare.

We also tried grouping families by size and fitting Engel curves to each set of families. The specific effect was inferred from the change in the consumption parameters. (The results are found in Table 13.)

✓ The intercepts for necessary items and those with strong specific effects such as education and clothing rose as expected. But in contrast to Allen's findings [2] for the U.S. where all intercepts rose as family size increased, for the Philippines, the intercepts for some consumption items fell as size increased. This fact could be attributed to the tight budget

Philippine families face and as their standard of living declines with increase in family size, there is a substitution of some items, most likely those considered luxury, for necessary and for those with strong specific effects.

In another paper, <sup>the writers</sup> we estimated the minimum cost diet for a few Philippine cities and found that in 1969, a family of size 6 consisting of two young children, two teen-agers and two adults, can meet the balanced diet with a budget of P2 - P4 per day. In 1971, all families spent at least this much per year on food, meaning that if families desire to follow nutrition guides, they can consume a nutritious basket of food. ✓ The Food and Nutrition Research Center surveys showed that practically all families were deficient in many nutrients. The level of nutrition achieved, however, is highly correlated (positively) to the budget for food, hence to income. Yet the variance of level of nutrition achieved is just partly explained by the size of the budget for food -  $R^2$ 's ranging from .04 to .41 for the various nutrients. Moreover we find education not to be a significant determinant of nutrition levels.

✓ These facts - that the minimum cost diet is within the budget of many Filipino families, that income only partly explains the level of nutrition achieved and education does not explain it at all - point to the potential role of nutrition programs in the country.

✓ The analysis of the budget using the BCS data showed that all consumption items except food may be considered as luxury items: their intercepts are negative and their income elasticities are greater than unity. Among food items, protein-rich food and other foods are also found

to be luxury goods. So that given the low level of income in the Philippines, families regard all items except cereals as luxury items. These, however, are findings based on grouped items.

From another survey, the National Food and Agricultural Council's consumption (in kilogram) of individual items, classified by quality, is given. From here we find a number of inferior items, and estimates of elasticities for groups of items. From the latter we can deduce quality changes as income increases.

Finally, <sup>the 1968</sup> ~~we~~ abstracted from the National Demographic Survey of 1968 the number of rooms occupied by household of various sizes and family incomes. <sup>They</sup> We find that the number of rooms occupied is determined mainly by income. (As shown in Table 1 (paper on housing consumption) the number of rooms do not vary with the size of households especially if we look at the variation in these two variables for each income class). The income elasticity is fairly small - less than .20, and the number of rooms for Philippine families ranged from 2.4 to 5.5 in 1968.

The study brought together independent surveys related to consumption in the Philippines - the Bureau of Census and Statistics surveys of household income and expenditure (1957, 1961, 1965, and 1971) the 1968 National Demographic Survey; the Food and Nutrition Research Council regional surveys of nutrition, 1958-1971, (the regions were surveyed in different years); and the Food and Agricultural Council surveys of consumption of individual food items, 1969-1971. More work can definitely be done on these surveys, in particular with the use of the estimated consumption parameters of various consumption items and types of families in models of growth, employment and income distribution. Moreover the social cost and the effects on mental

and physical retardation of poor nutrition may be investigated from the incidence of some diseases related to specific nutrient deficiency. The writers hope to collaborate with Professor Oshima in applying his study to estimating the marginal productivity and cost of better nutrition to labor.

The study also provided some aspects of income distribution through the Lorenz curve and other measures of inequality of income distribution have been not infrequently discussed in the Philippines. It was felt that the study of consumption must be put in the context of income distribution. Here we tried to give a rough measure of the standard of life of the more than 50 per cent of families which belong to the lowest six income brackets. This was done by listing the prices of clothing, education and medicine to see what the average expenditures on these items could buy in 1971. The papers on nutrition and housing consumption discussed among others, the standard of food intake in relation to the recommended levels, and the degree of crowding by family income and size. There is awareness that poverty is a serious problem in the country, and the study gives some concrete indicators of the incidence and the level of poverty.

## B I B L I O G R A P H Y

1. Aitchison, J. and Brown, J.A.C. "A Synthesis of Engel Curve Theory," Review of Economic Studies, XXII (1954-1955) 35-46.
2. Allen, R.G.D. "Expenditure Patterns of Families of Different Types," Studies in Mathematical Economics and Econometrics. Chicago: University of Chicago Press, 1942.
3. Brown, A. and Deaton, A. "Models of Consumer Behavior: A Survey," Economic Journal, LXXXIII, No. 328 (December, 1972) 1145 - 1236.
4. Brown, J.A.C. "The Consumption of Food in Relation to Household Composition and Income," Econometrica, XXII, No. 4 (October 1954) 444 - 460.
5. Clark, Lincoln H. (ed.) Consumer Behavior. Vol. II: The Life Cycle and Consumer Behavior. New York: New York University Press, 1955.
6. Cramer, J.S. "A Dynamic Approach to the Theory of Consumer Demand," Review of Economic Studies, XXIV, No. 64 (February 1957) 73-86.
7. David, M.H. Family Composition and Consumption. Amstardar: North Holland Publishing Co., 1962.
8. Friend, Irwin and Jones, Robert (ed.) Study of Consumption Expenditures, Incomes, and Saving, Vol. II Proceedings, Conference on Consumption and Saving. Philadelphia: University of Pennsylvania, 1960.
9. Forsyth, F.G. "The Relationship between Family Size and Family Expenditure," Journal of the Royal Statistical Society, Series A (General) CXXIII (1960) 367 - 393.
10. Hamburger, W. "The Determinants of Aggregate Consumption," Review of Economic Studies, XXII (1954 - 1955) 23-24.
11. Houthakker, H.S. and Taylor, L.D. Consumer Demand in the United States 1929 - 1970: Analyses and Projections. 2nd ed. Cambridge: Harvard University Press, 1966.

Institute of Economic Development and Research  
SCHOOL OF ECONOMICS  
University of the Philippines

Discussion Paper No. 74-9

July 15, 1974

PATTERNS OF CONSUMPTION  
/ IN THE PHILIPPINES

by

Edita Abella Tan  
and Gwendolyn R. Tecson

NOTE: IEDR Discussion Papers are preliminary versions circulated privately to elicit critical comment. References in publications to Discussion Papers should be cleared with the author.

#### ACKNOWLEDGEMENT

We would like to acknowledge the contribution to the work made by Rosa Linda Valenzona, our colleague in the faculty who collaborated in the early part of the study. Our appreciation goes to G. B. Rodgers of ARTEP for giving us important criticisms and moral support; and the following who gave indispensable staff support: Cristina Jaranilla and Ma. Fe Valenzona for their research assistance; Jean Marie Aquitania for typing work; Porfirio Sazon for his programming assistance in the regression, Director Tito A. Mijares who kindly allowed us to extract from the 1971 Bureau of Census and Statistics Household Survey of Income and Expenditures new cross tabulations. Mr. Allas and Mr. Rosete of the Census were very kind in directing the Automation Center in Extracting the data.

# LIST OF TABLES

Table		Page
1	Average Family Expenditure by Expenditure Item, and by Income Class, for Philippines, Urban and Rural, 1957, 1961, 1965, and 1971 . . . . .	49
2	Average Family Expenditures at Constant Prices by Expenditure Item, by Income Class for Philippines, 1957, 1961, 1965, and 1971 . . . . .	69
3.a	Average Expenditure by Expenditure Item, Income Class, and Family Size, of Families Headed by White and Blue Collar Workers - for Philippines, Urban and Rural, 1971 . . . . .	73
3.b	Percentage Distribution of Average Expenditure by Expenditure Item, Income Bracket, Family Size, of Families Headed by White and Blue Collar Workers - for Philippines, Urban and Rural, 1971 . . . . .	79
4	Percentage Distribution of Families by Income Class . . . . .	84
5	Percentage Distribution of Families, by Size . . . . .	85
6	Percentage Distribution of Families Headed by White and Blue Collar Worker in Rural and Urban Areas. . . . .	86
7	Percentage Distribution of Families . . . . .	87
8	Regression Estimates of Engel Curves for Total Philippines, 1957, 1961, 1965, and 1971 . . . . .	88
9	Average Family Expenditure by Expenditure Item, Income (in millions) and Family Size . . . . .	91
10	Regression Parameters Consumption Expenditures of Philippine Families According to Size and Expenditure Item . . . . .	92
11	Average Proportion of Children by Family Size . . . . .	94
12	Regression Parameters of the Determinants of Consumption Expenditures of Philippine Families, by Expenditure Item, 1971 . . . . .	95

Table		Page
13	Regression Parameters of Philippine Families According to Expenditure Item, Geographical Location, Occupation of Family Head, and Family Size, 1971 . . . . .	96
14	Average Weekly Per Capita Consumption of Specific Food Items (Oct-Nov., 1970; May- June, 1971; Aug-Sept, 1972, in kilos). . . . .	101
15	Expenditure and Quantity Elasticities for Selected Food Items Based on Average of Three Surveys, Philippines (Oct-Nov, 1970; May-June, 1971; Aug-Sept, 1972). . . . .	103
16	Regression Estimates of Aggregate Consumption Function . . . . .	46
17	Regression Estimate of Aggregate Consumption Function . . . . .	104

Part I  
THEORETICAL BASIS

Consumer theory assumes the optimization of individual consumer activity, given the consumer's set of preferences and the constraints of the market prices and his total resources. In many micro studies, the family is used as the consumer unit. It is necessary to make some assumptions about the decision-making process. We know that more than one member of the family participate in consumption decisions. The preference ordering of the family reflects the preference ordering of the decision units in the family. Though not all members of the family are decision units, their presence influences the preference ordering of the decision units. The housewife for example must take note of the relative intensity of preferences of pairs of individuals for pairs of goods and their relative prices to make a decision on which to buy. Even babies express their preference for some goods. There are consumer items where only the housewife's and some where only the husband's preferences apply. Choice of schools, of residence, of house decor is commonly made by either wife or husband only. These individual preferences are all assumed to be reflected in the decision unit's preferences.

The theory of consumer behavior begins with the assumption of a given set of preferences and proceeds to analyze behavior with respect to constraints and available alternatives. In demand analysis, we hypothesize income and price elasticities and the preference ordering is for alternative goods. While in the life cycle hypothesis, where

the optimization behavior is for the lifetime, the lifetime total resource constraints of individuals and their expected life determine the level of present and future consumption. The preference ordering is between two highly aggregated variables - present and future consumption.

[ A study of the consumption pattern of a nation requires a study of the preference ordering itself. We expect to find more than an aggregate consumption-income relationship. Instead, variations in the consumption basket of cross-sections of household population are analyzed. This investigation presupposes significant differences in the preference ordering of families.

There are factors that, a priori, influence the preference ordering for particular economic goods. These are household size and age distribution, the level of education of the decision units in the household, their occupation and employment characteristics, the social-geographic environment of the household, and the form in which income is received. These factors influence the preference ordering of households in various ways. There are culturally and scientifically prescribed consumption baskets for particular age groups. These prescriptions, to the extent that they are known, will influence preferences. Other factors such as the level of education of members, occupation, and social environment determine the available and perceived alternatives. In general, education widens perceived alternatives and allows the educated person a more informal evaluation of their marginal benefits and cost. Education

also determines directly the demand for some items such as technical reading and other materials. In less developed economies, the variety of goods in the market may differ very much between urban industrialized, semi-urban and rural sectors. Definitely, farm households do not face the same range of alternatives as their city counterparts. Their preference ordering between goods A and B is likely to differ if these are the only alternatives and if there are a hundred other goods in the market.

Occupation may also influence household preference for some items. White collar occupations may require relatively more clothing than blue collar occupations, whereas the latter may require more high-calorie food. Occupation is also bound to affect the quality of commodities consumed, as for example in the mode of transportation, the quality of clothing, and of food.

Age influences preferences in another way. Everything else being constant, the earlier one obtains an education, the greater the benefit since there is a longer pay-off period. Susceptibility to a number of diseases is also age-related and therefore, demand for medical goods is likely to vary with the age distribution of families.

Measured income is usually treated as a constraint in consumption theory. But uncertainty and regularity or irregularity of income flows will influence not simply the current rate of saving [Friedman] but the preference ordering itself, that is, between alternative consumption items. Houthakker rationalizes the observed

tendency of Negroes to spend the increment in their income on television and other "conspicuous" durable consumer items. The reason for this tendency is found in the irregularity and greater uncertainty of income receipts of Negro families. This fact prevents them from embarking on regularly-paced consumption spending such as amortizing real estate, paying for college education and the like. ✓The influence of uncertainty of income might be more pronounced for luxury than for staple consumption items.

Friedman, on the other hand, showed that families with more uncertain income had, as expected, lower marginal propensity to consume of measured income.

✓Degree of uncertainty and irregularity is usually negatively related to the level of income, level of education and occupation. Terms of work for most white collar occupations, especially for professional occupations, are more secure. Salaried workers are more regularly paid. In contrast, wage workers unless unionized are hired on piece or daily basis. Farmers and entrepreneurs generally experience greater fluctuations in income.

We have grouped households by income, white and blue collar occupations, rural-urban, and level of education. For most occupations, regularity and certainty of income receipts are positively related to income level. Occupations have their corresponding education content. Therefore, the biggest difference in regularity and degree of certainty of income is probably found among these groupings of households. So there is no need to find other groupings by regularity and degree of

certainty of income. Thus the behavior of families belonging to these groupings may be expected to differ for all items and for particular ones.

So far we have implicitly ignored interdependence of preferences and how it may be reflected in the behavior of different groups of families. Duesenberry argued the demonstration effect on one income group of the consumption habits of the higher income groups. In a fluid society where class barriers are not too pronounced, families in a lower income bracket can identify with the families in the next higher bracket. There is no psychological barrier to their wanting to consume the superior quality items consumed by the higher income groups. It is also natural that families in one income bracket would be more exposed to families in the next higher bracket; or if their exposure is equal to the various classes, their identification with the next higher income bracket will be stronger. The demonstration effect will therefore be strongest between two succeeding income groups, hence, Duesenberry's test of the saving/income ratio as a function of the percentile position of families.

Duesenberry tested the relative income hypothesis on savings-income relation. The hypothesis is confirmed by the tests for all families and it is confirmed by tests on the savings behavior of different groups of families. For Negro families who face stronger class barrier, the average saving is observed to be higher than for their white counterparts. We note that such observed higher savings rate for Negroes is as convincingly explained by the permanent income hypothesis, by the smaller amount of wealth, particularly of liquid

wealth, owned by Negroes.

These hypotheses were essentially on saving behavior. We can extend Duesenberry's relative income hypothesis to apply to preferences for particular consumption items. As argued for instance by Houthakker, Negroes who have a more uncertain flow of income would tend to show a lower propensity to spend on education, real estate and the like which require a more regular spending flow. Could this example of Houthakker be generalized to say that the consumption propensities will not only differ among families grouped by degrees of income uncertainties or irregularities, but that the propensities will differ, in particular, among consumption items? The demonstration effect will be reflected in differing savings rate, but it should be more directly observable in varying consumption propensities for specific items.

Variation in quality is not infinite for any grouping of consumption items. It is more limited for some items of expenditures than for others. It may be argued that the demonstration effect will tend to be stronger for items which are more varied in quality than for the opposite. In brief we would expect the consumption propensities of the various family groupings to vary partly as a consequence of differences in the uncertainty and irregularity of income, and on the strength of the demonstration effect. At the same time a separate test of the relative income hypothesis of saving for the nation as a whole and of some groups of families will be performed.

Income, size, and age distribution of families are the basic determinants of the level and composition of consumption. We expect to find variation in income, size, and age elasticities among the family groupings, that is, between rural and urban, and between white and blue collar workers in rural and urban areas.

We find above how these various factors influence the preference ordering of households. It is now time to consider some classifications of goods where these factors are likely to exert significant influence. Age distribution is likely to influence preference for education, medical goods, and prescribed food items for infants such as milk. Differences in social-geographic environment determine the availability of entertainment, education, health facilities, transportation and food alternatives.

It is not feasible to treat a very wide classification of items. Fortunately, the BCS survey provides us with the classifications that are likely to be significantly influenced by the above factors. Below is a list of the available consumption items:

1. Food
  - 1.1 cereal and cereal products
  - 1.2 basic protein sources
  - 1.3 other food
2. Alcohol and tobacco
3. housing, furnishing, fuel, other related items
4. transportation and communication
5. clothing and other wear

6. medical care
7. education
8. miscellaneous (includes recreation, personal care, gifts)

The framework is now laid for analyzing cross-section consumption expenditures. Ex-post observations are assumed to reflect ex-ante decisions. We have one basic equation for each major consumption item

$$(1) \quad C = f(Y, N_1, N_2, L, E, O, G)$$

where  $C_i$  = consumption of item  $i$

$Y$  = Family Income ✓

$N_1, N_2$  = are number of members for each age group

$N_1$  = is number of members aged 0-h,

$N_2$  = is number of members aged h-m,

$L$  = number employed

$E$  = level of education of head

$O$  = occupation ✓

$G$  = dummy for rural, urban location ✓

In equation 1, we have income and all the other factors that influence the preference ordering. Many of these variables are likely to be correlated with each other. Income, education, occupation, employment status and the dummy seem to be correlated as observed from mean values of published group data. In order to avoid this statistical problem, the households are grouped in order to control the influence of a variable while analyzing the influence of the other variables.

For 1971, Philippine families can be grouped by each of the independent variables, that is, by income class, by urban or rural, location, by occupation, by number employed, by education and size and age distribution. Unfortunately, the survey data on the age variable is rather imprecise. The Survey asked the sample families for the number of members below and above 18 years only. The usable family characteristics are as follows:

1. Total income
2. Size
3. Number below 18, number above 18
4. Urban, rural sectors
5. Blue and white occupations

✓ Consumption pattern is analyzed in two ways. One is by computing for the income and demographic elasticities for each grouping of consumption items and for the various groupings of Philippine families - rural, urban, white collar, blue collar workers - etc.. This is done by regression analysis using alternative specifications of the consumption function and the results are given in Chapter II. We also analyze the consumption pattern by making some qualitative and quantitative judgment about the quality of life achieved by each income group. ✓ Here we study the absolute level of consumption of a few items - food, housing, medicine and education and evaluate relative adequacy by some chosen standards. ✓ Nutritional standard and housing consumption is given in two separate papers issued earlier as IEDR discussion papers. ✓

### Description of data

The main sources of data for this and related studies are: The Phil. Statistical Survey of Households, The Food and Nutrition Council Nutrition Survey of various regions of the Philippines, and the National Demographic Survey of 1968.

The Philippine Statistical Survey of Households is a nationwide survey conducted in 1957, 1961, 1965, and 1971 by the Bureau of Census and Statistics to obtain data on income and expenditures of Philippine families, to serve among other things, as indicators of levels of living, consumer demand and purchasing power in urban and rural areas, as well as the basis of weights used in cost of living indices. In order to discover the determinants of family income and expenditure levels, factors such as area of residence, family size, number of family members employed, type of household, sources of income, and occupation of family head are surveyed. (A sample of the questionnaire or survey sheet used by the researches can be found in the Appendix). The data made available for ✓ this study are grouped data or mean values. Data gathered refer to cash and non-cash income and family expenditures.

Several problems arise with regard to data reliability. Aside from the statistical limitations of sampling variation, recall difficulties on income received as well as expenditures incurred for a period of one year and reluctance to disclose the true figures, even if known, are obviously responsible for data biases and errors. To avoid the memory bias, rather detailed worksheets of all possible items of income and expenses in the form of goods and services were used. The problem of

imputation of non-cash values of income and consumption items, especially for rural families, was partly reduced with the use of prices prevailing in the locality (sitio or barrio) rather than in the trading centers. Still serious under-estimation of income was not avoided. Harry Oshima\* in fact points<sup>out</sup> "It is impossible to reconcile the surveys with the personal account (or the household account) of NEDA's National Income Accounts. In the BCS surveys, personal savings is minus 1.8 billion pesos in 1965 and minus 4.7 billion pesos in 1971; in the NEDA personal account plus 2.7 billion pesos in 1971. Thus, the discrepancy is 4.5 and 7.5 billion pesos in 1965 and 1971, respectively, or roughly one-fifth of personal income and three-fourth of gross savings, for both years. These are substantial sums, and though there are problems in the NEDA figures, my feeling is that the major problems are in the BCS data."

The underestimation seems particularly serious for 1971. Families in the lowest income bracket reportedly spent 5 times their income; those in the next bracket three times their income; or about half of all families spent twice their income in 1971. Oshima questions whether this was in fact the case or whether it was partly explainable by under-estimation of income. He further argues the overestimation of expenditures. Data on food expenditures (including beverages and tobacco, comprising nearly 60% of total expenditures and 70% of total income) were collected during one week in April 1971 and then multiplied by 52 weeks, to obtain the annual amounts. Since prices of food were going up during the 12

---

\*Dr. Harry T. Oshima, Memo to José Encarnación on Interest Rate Policy. University of the Philippines, June 17, 1974.

month period up to the survey week in April 1971 by about 25%, a substantial upward bias is introduced. Thus, it seems that the large amount of dissaving or deficits is due to the under-reporting of incomes and over-reporting of expenditures.

In recognition of the underestimation or overestimation problems generally inherent in surveys of this kind, total family expenditures, rather than income data, were used in computing for elasticities and average propensities to consume different consumption items. Our use of income elasticity of consumption is quite loose; we, in fact, mean the elasticity of consumption item *i* with respect to total consumption and not to income.

In the survey, the family is defined as a "group of persons related by blood, marriage, or adoption and usually living together, excluding boarders, guests, or domestic help." A person living alone was considered a separate family. Urban areas were made up of all places within the boundaries of chartered cities and provincial capitals and Metropolitan Manila i.e. Manila and adjacent cities and municipalities other than the provincial capitals.

Family income consists of aggregate income received or realized by family members during the given year, including those living elsewhere as boarders, etc., but were actually living as household members during the survey year. Income, whether in cash or in kind, proceeds from two main sources: from work such as wages, salaries, and income from self-employment, and from sources other than work, such as rent from land or owner-occupied house, interest, dividends, gifts, inheritance.

On the other hand family expenditures were those incurred by the family, individually or as a group during the survey year, excluding those for farm or business operations or for the practice of a profession or trade which were not in the nature of family consumption. They also included those items which were not in cash such as foodstuffs produced and consumed by the family, rental value of owner-occupied dwelling, or goods given away in gifts or donations. The expenditures were also classified into consumables, i.e. those which perish when used, such as food, alcohol, tobacco, electricity. (For food and tobacco, the price on value paid during the survey week was multiplied by 52 to come out with an annual figure); non-durable goods or those which are expected to last for not more than a year, such as brooms, toothbrushes, etc.; durable goods which are expected to last for more than a year such as appliances of furniture; and services.

The very detailed list of items in the worksheets was further classified into the following major expenditure groups:

- a. Food
- b. Alcoholic beverages—
- c. Tobacco
- d. Housing
- e. Fuel, light, and water
- f. Household furnishing and equipment
- g. Household operation
- h. Clothing and other wear
- i. Personal care
- j. Medical care
- k. Transportation and communication
- l. Recreation
- m. Education
- n. Gifts and contributions
- o. Taxes
- p. Special occasions
- q. Personal effects
- r. Miscellaneous goods and services

For this study we re-classified the above list. Under food, fish, and other sea foods, meat and eggs, milk and dairy products were lumped up into basic protein sources; while roots, vegetables, fruits, miscellaneous foods and food consumed outside the home were summed up into 'other food'. [Housing, fuel, light, and water, household furnishings and equipment, and household operation fell under housing expenses.] Personal care, recreation, gifts, and contributions, taxes paid, special occasions food and refreshments, alcoholic beverages, tobacco services, etc., personal effects, and miscellaneous goods and services constitute the 'miscellaneous expenditures'.

✓ From the most recent survey, additional demographic variables had been extracted. A cross-tabulation of family expenditures on different items according to family size and income bracket was possible, for white and blue collar-worker headed households in urban and rural areas. Because no data were available for a detailed breakdown of families according to composition, this particular variable and its effect on consumption behavior could not be directly examined. ✓

The Food and Nutrition Research Council Nutrition Survey: For this survey, the sample used is a sub-sample of the PSSH regional sample mentioned earlier. Because of the detailed nature of the survey, regions are covered one at a time. For instance, the Metropolitan Manila survey was conducted in mid-February to the end of May, 1958, a time-span of ten weeks, employing a three pronged approach: dietary (collection and evaluation of food intake of households using the food intake method), clinical (an examination of the household members for signs and symptoms of malnutrition), and biochemical (an analysis of blood and urine samples for nutrient levels).

Data Collection: Starting early Tuesday morning before breakfast and late Thursday night after the evening meal, the dietary researcher weighed all food items to be eaten by the household as purchased, or cooked, all left overs thrown away, or given to animals. Meals and snacks taken outside the home were similarly weighed or recorded. Necessary corrections were made for those consumed by visitors during the survey week. For later surveys, in order to minimize such weighing activity, the surveyor simply took record of amounts of foods in stock by household before and after the survey week, the balance being deducted from the initial inventory to determine actual amounts consumed during the week.

A sample of the questionnaire used can be seen to include, aside from food material and weight, the unit cost, food waste in the kitchen and in the place, whether cooked or raw. From the above information the daily nutrient allowance of each household member was obtained. Daily per capita allowances for each food group (leafy and yellow vegetables, vitamin C rich foods, other fruits and vegetables, fats, protein, rich foods such as whole milk, meat, poultry, and fish, eggs, and beans and nuts, and energy food such as cereals, kamote and potatoes and sugar) were calculated with the use of a table on recommended daily food allowances.

Then the food and nutrient intakes were calculated, converting AP (as purchased) weights into EP (edible portion) weights and their nutrient values computed with the aid of food composition tables, using such corrections as necessary for meals taken out and given to visitors, etc.. The daily per capita food intake was then derived by dividing the net food intake by the product of the number of survey days and the number

of household members. Nutrient intakes are expected to be higher than actual intakes because of losses due to storage and cooking.

The household diet rating was also computed by dividing household per capita intake of each nutrient by the recommended nutrient allowance for the household, taking into consideration the age-sex composition of the members, and dividing this figure by the number of nutrients (nine) an obvious limitation being that inherent in simple average computations.

The survey is planned to be an on-going project of the Food and Nutrition Research Council, covering all regions of the Philippines. A second survey of Metropolitan Manila has been recently conducted, so that a comparison can be made with the results of the first (1958) survey.

The National Demographic Survey, 1968\* was conducted by the Population Institute of the University of the Philippines in cooperation with the Philippine Statistical Survey of Households Division of the Bureau of Census. The survey was a rider of the bi-annual labor-survey conducted by the PSSH covering all regions of the Philippines. It was made up of three parts: the standard labor force block, a fertility block (with questions in family and household composition, mortality of children, educational attainment, migration, socio-economic status, knowledge, attitude, and practices in family planning) and a social mobility block. Since housing characteristics of households were available, we were able to extract for purposes of the present study data on the number of rooms occupied by

---

\* "The Methodology of the 1968 National Demographic Survey", Corazon Mejia Raymundo. (Appendix C, unpublished report on the Survey.)

households of varying economic and demographic characteristics. Sample size was 7237 households, 30.2% of which come from urban and 69.8% from rural areas (according to a BCS definition of rural and urban places determined according to population size, density, and contiguity to other urban areas).

As an attempt by the Population Institute Staff to assess the quality of the survey responses, a post enumeration survey has been conducted in 30% of households, from sample areas having been chosen from Manila and other provinces, in the order of increasing distance from Manila. Initial results show smaller proportions of households with unmatched responses, so that some caution is in order in the analysis of results. Another possible source of data error is the translation of the questionnaire which was rendered in English but was left to the different researchers to translate into the dialects of the surveyed regions.

## CONSUMPTION PATTERNS

This section gives the results of an empirical analysis of consumption data taken from the PSSH surveys of 1957, 1961, 1965, and 1971. Engel curves are fitted and income (or expenditure) elasticities of demand for the different expenditure groups are derived and compared for families of various characteristics during the four survey years, covering a period of a decade and a half. The 1957-65 surveys do not give income and consumption data for families differing in demographic characteristics so we are not able to isolate the income effect from the variables that influence consumption behavior through preference orderings. However, since data have grouped families into urban and rural areas, locational effects can still be inferred by comparing the regression parameters of family expenditures by geographical location and over time. The 1971 survey, on the other hand, gives a more detailed aggrupation of families - by specifying size and occupation of household head, aside from the usual income and locational variables; hence a more detailed examination of the effect of other variables on consumption behavior is possible. The income-consumption relation is then tested for each group of families available in the surveys.

✓ 1. Over-all Trends

✓ Food still dominates the average Filipino family's expenditures, (Table 1 ) accounting for a little over half of total. It is

followed by housing expenditures (approximately one-fifth of average family expenditures), and miscellaneous expenditures which include education, personal care, and recreation. Clothing and other wear took up around seven to eight per cent, followed by beverage-to-bacco, transportation-communication, and medical care. One notes, therefore, that the average Filipino family's consumption basket is still heavily weighted by items that satisfy basic human wants - food, shelter and clothing (around 78% of total).

In general, the expected income-consumption relationships postulated by Engel hold for each survey year, in current as well as in constant prices. The average propensity to consume food, especially of cereals, declines drastically with income, while that of housing increases in relative importance. Clothing share rises by only a couple of percentage points, stays at a peak for the middle income classes, and generally tapers off at the extreme end of the income stratum. The decline in share of alcohol and tobacco becomes apparent only in the second half of the income ladder, thus seeming to indicate, except for the higher income brackets, a rather constant proportion of total consumption expenditures devoted to "vice". Transportation-and-communication shows a definite tendency to rise with income, rising five-fold from the lowest to the highest income groups. This is due to the general tendency to acquire cars and other means of transportation as families become more affluent. In contrast the increase in relative importance of medical care is not as obvious; in fact the trend is rather erratic and shows a

tendency to level off at roughly two per cent even for the highest income groups. While the incidence of diseases is probably very much correlated with nutritional deficiencies and housing standard, so that the need for medical care becomes more imperative for the lower income classes, the sophistication of medical facilities availed of by the rich causes a rather stable proportion to be devoted to this item by poor and rich families alike. Miscellaneous items exhibit the typical characteristic of luxury items, that of increasing relative share in response to income rise. ]

[ Over time, food (in nominal terms) exhibits a marked rise in share, at the expense of other consumption items, although in real terms (Table 2 ) the observed tendency is less obvious, as increases in share occurred only in the 1960's over that of 1957, and declined somewhat in 1971.<sup>1/</sup> This implies that the secular rise in the relative importance of food in real terms in the 1960's occurred in the face of rising food prices. (Fig.1-A )

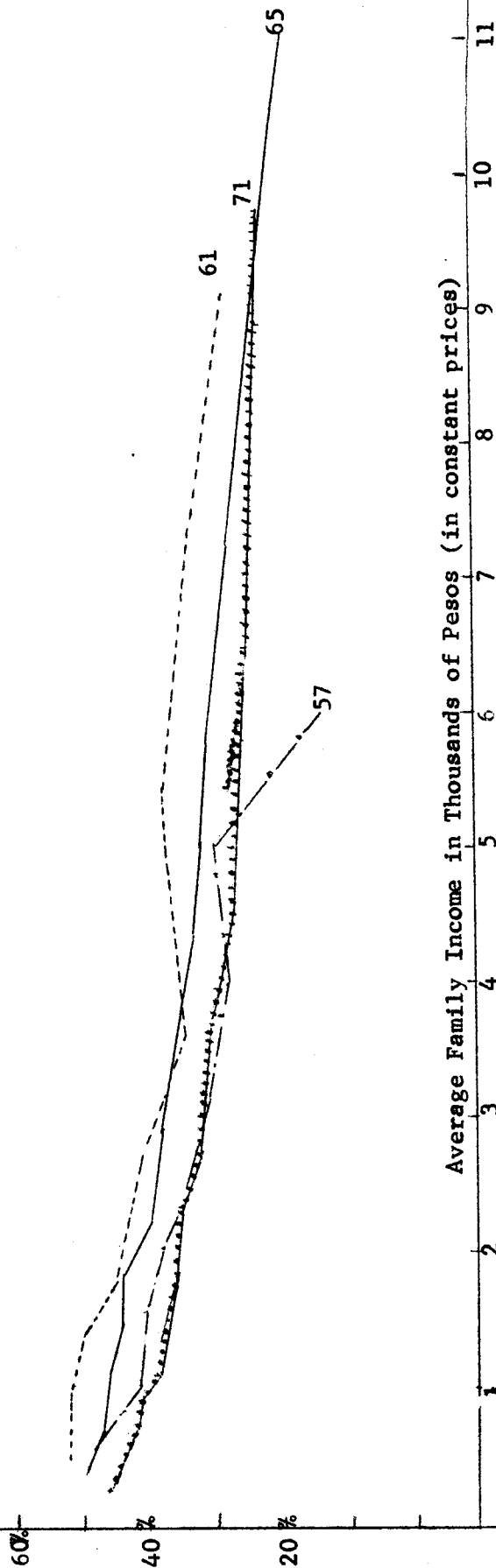
Before proceeding further, some inter-country comparisons may be in order. Taiwan's experience shows a decline in the share of food to aggregate consumption expenditures of around ten per centage points in a span of four years (1961-1964); for Japan a 12.7 per cent decline: 50.1 per cent in 1961 to 37.4 per cent in

---

<sup>1/</sup> This last observation, namely 1971 consumption expenditure data deflated by a price index, base 1957, needs to be qualified in the light of the difficulties inherent in comparing data deflated by a price index based fourteen years previous.

Figure I . Average Propensity to Consume of Philippine Families

A. F O O D



B. C L O T H I N G

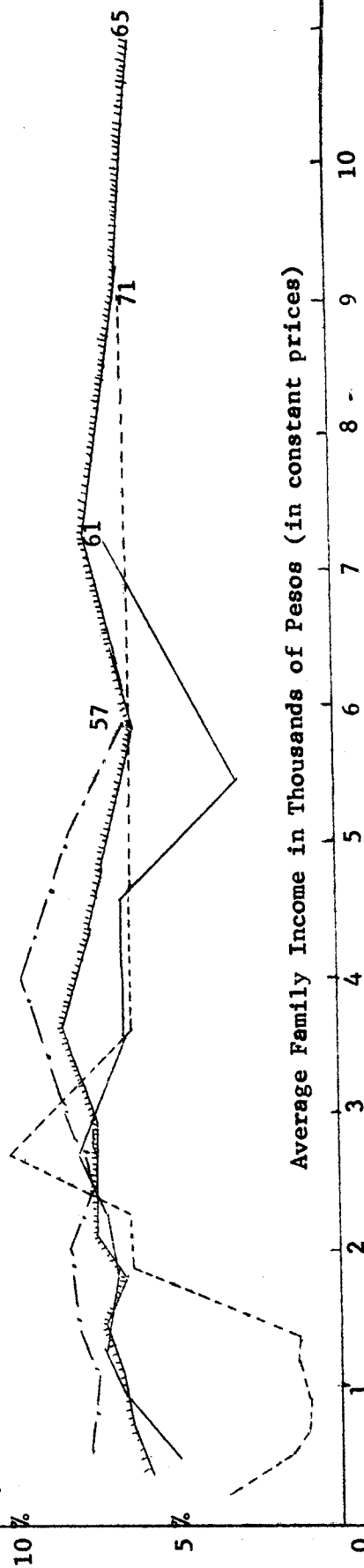
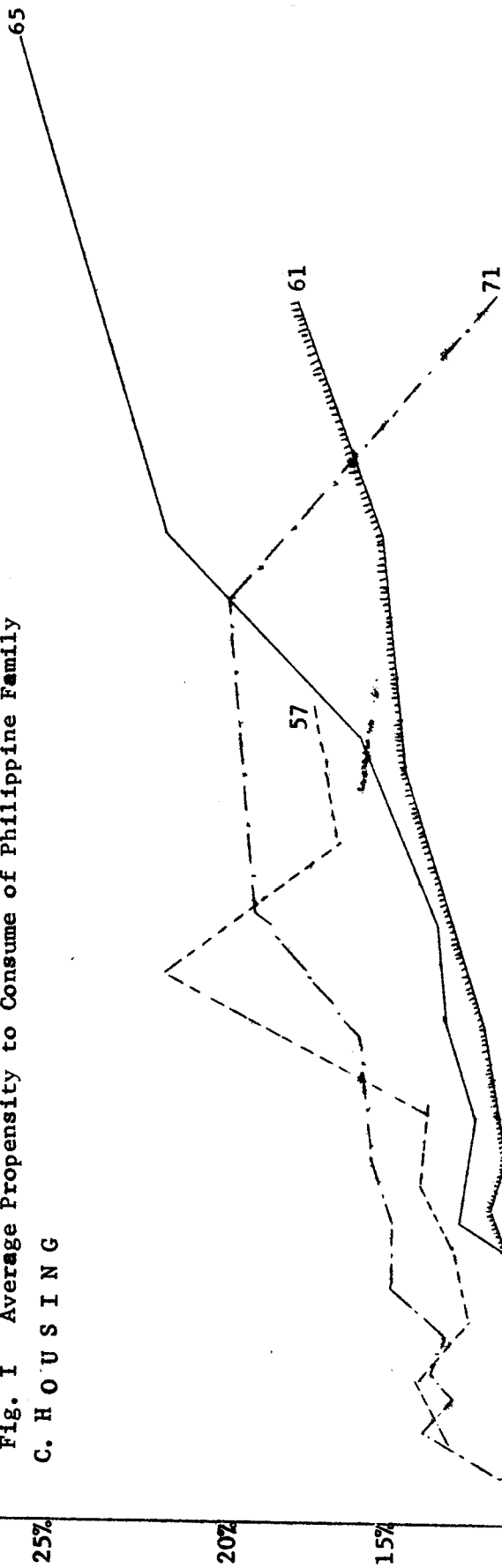
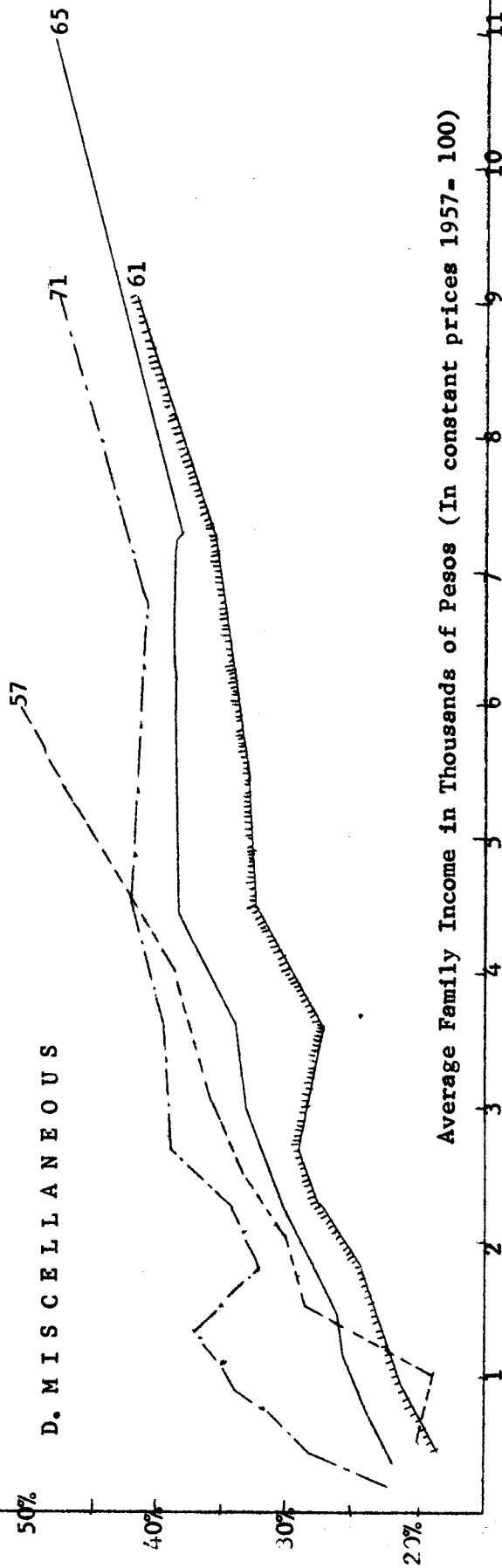


Fig. I Average Propensity to Consume of Philippine Family  
C. H O U S I N G



D. MISCELLANEOUS



Average Family Income in Thousands of Pesos (In constant prices 1957-100)

1964, as compared with roughly 60 per cent share in the late nineteenth and early twentieth centuries. One notes that for our lowest income families, the share of food is close to this figure for Japan. Similar studies in 1958 showed the relative importance of food to be around 36 per cent for the average American (roughly comparable to that of our upper-income families, earning \$8,000 or more) and 57 per cent for the average Indian.

[On the other hand, housing share in current prices declined significantly over time. In constant 1957 prices, though, its share declined only in the 1960's and rose significantly in 1971. This trend merely reflects the opposite movements in shares of that other major component, food. There is no evidence of such drastic decline in clothing share. In real terms the secular decline is discernible only for the lower and middle income families. The share of alcohol-tobacco shows a remarkable constancy over time (about 4 to 6 per cent) except for the extremely high-income families in 1971. For miscellaneous items, in current and constant prices (except for 1971 for more high income brackets) there has been secular decline for all income levels because of the corresponding rise in the share of food which these items are highly substitutable with. Their luxury nature makes them rather dispensable as the need for food and other more basic items becomes more acute. Relative importance in medical care is rather stable over time; so too for transportation-communication share except for 1971 for the upper income brackets, where an increased share appears.]

As discussed in some length in the introduction, locational differences are bound to affect the preference orderings of families. Table 1 groups families according to total Philippines, urban, and rural areas, thus providing a comparison of the possible effect of geographical or locational differences on family consumption behavior.

[The stress laid on food in the family budget is generally greater in the rural than in the urban areas, for all income levels, so that the decline in average propensity to consume food is faster in the urban than in the rural areas. Moreover, while a slight decline over time in the relative importance of food to the urban family budget is noted, there is a rise in the share of food in average rural consumption expenditures.] Again housing expenditure behavior stands out in relief against food as it presents an exactly opposite picture, being relatively more important to urban families and becoming increasingly so with time; there is however a secular decline in share in the rural family budget. Rural households also spend relatively more on clothing than their urban counterparts, although the relative share of this item declined over time for both urban and rural families. Locational differences do not appear to influence significantly the consumption of alcohol and tobacco, the proportion being roughly the same for families of both areas (4-5%), the average propensity declining at a faster rate in the urban than in rural areas. [In general, transportation and communications and medical care take up a greater proportion of urban household expenditures than that of rural households for all income levels; so too

with the miscellaneous items except for some income brackets in the upper half of the income ladder where rural households spend proportionately more.]

[ Families headed by white collar workers (WCW)<sup>2/</sup> generally consume more than households headed by blue collar workers (BCW) belonging to the same income and size group. This is true in the urban as well as in the rural areas as Table 3-a shows. Or in terms of locational differences, families belonging to the same occupational class, size, and income group and differing only in geographical location show a difference in absolute levels of consumption expenditures, urban households tending to spend more than their rural counterparts, be they white or blue collar workers.] The implication then is that, ceteris paribus, rural households have a higher average propensity to save than urban households and that BCW families save more than WCW families, regardless of geographical location.

These results seem to agree with a priori expectations. As suggested earlier in the theoretical framework, differences in degree of irregularity and uncertainty of income are bound to influence the saving behavior of households. Families who experience a greater regularity and certainty in their income flows will tend to save less than those whose incomes come in more irregularly. If one can assume then that urban and WCW families face a greater degree

<sup>2/</sup> Subsequently WCW for families headed by white-collar workers and BCW for families headed by blue collar workers.

of regularity and certainty in income receipts, then it becomes clear why the observed patterns are such as those cited above. It is also likely that the demonstration effect is weaker among rural blue collar families relative to urban WCW. Class barrier along occupational and locational lines is probably stronger in the rural areas. However, these conclusions have to be highly qualified in the light of possible existence of bias on income and consumption estimates between rural and urban families, and between white collar and blue collar worker families. Such a bias can be traced to differences in relative degrees of monetization of economic activity undertaken by these families. Thus a greater degree of underestimation can be expected for the non-salaried families as well as those from the rural areas because of the prevalence of non-cash income. In obtaining the income estimate for this group not all the problem of imputation can be solved.

All three factors, irregularity and uncertainty of income, weak demonstration effect, and underestimate of income for BCW and rural families would tend to make their savings rate higher than for their urban and WCW counterpart. But there is no way of isolating the effects of each factor except possibly by comparing the behavior of WCW and BCW in rural and urban sectors. In fact we find that the savings rate is higher for rural WCW and BCW than that of urban WCW and BCW. A more accurate comparison may be expected between urban and rural WCW families since the underestimation of income will not be so much for these workers. Their income is more easily reckoned. As previously noted, <sup>rural</sup> WCW families generally

spend less than urban WCW families.

With respect to behavior on individual items, Table 3-b gives the percentage distribution of average family expenditures of WCW and BCW families for total Philippines, urban, rural according to expenditure items, income class, and family size.

[Philippine BCW households generally spend proportionately more on food, clothing, alcohol-tobacco and cereals than WCW families, although the trend is not very clear with regard to protein and other foods. On the other hand, WCW families spend relatively more on housing, medical care, transportation-communication, education and miscellaneous items. This can again be partly explained by the difference in the degree of regularity and uncertainty of income flows that affect the consumption of specific items. Households who receive their incomes rather irregularly cannot be expected normally to spend heavily on consumption items like <sup>"durables"</sup> education and housing that require a regular outlay over time.]

While the results are not so conclusive, there appear some differences in share that may be attributed to locational factors. For instance, BCW families in urban areas seem to spend more on clothing and medical care than their rural counterparts; similarly for the <sup>urban</sup> ~~rural~~ WCW families more than the <sup>rural</sup> ~~urban~~ WCW households. Another item is education which takes up a larger proportion of rural WCW family expenditures than that of BCW families, while this is not altogether obvious for urban WCW families when

compared with urban BCW families.

✓ Holding income constant and comparing the expenditures of Philippine families of varying sizes, (Table 3-b) there appears to be a rising share of food, although the trend is far from stable. The trend of housing share is similarly erratic, but whatever pattern is discernible points to a negative response to family size. Like food, clothing shows some evidence of its relative importance being slightly enhanced by size increase, especially for the highest income bracket. Education share also shows a rather strong responsiveness to size, especially for the white-collar families who spend, as mentioned earlier, relatively more on this item than the blue collar families. The trends for alcohol-tobacco, medical care, and transportation-communication are, however, too erratic to enable one to discern a pattern.

✓ Again responding positively to size are food and cereals for white and blue-collar families, regardless of geographical location, while housing share varies inversely. Clothing share seems to be directly related with size in the rural areas but shows a rather unstable trend among urban families. In contrast education shows a strong positive relationship with size in the urban areas, while this cannot be said for rural families. Widely fluctuating shares are experienced by transportation-communication, medical care, and alcohol-tobacco as family size increases for both types of families in both geographical areas.

## 2. Family Characteristics

Tables 4 to 7 give a summary view of some characteristics of Philippine families: the distribution of families by income class, by size and by location - urban, rural and whether headed by white and blue collar workers, over the four survey years 1957, 1961, 1965, and 1971.

As seen in Table 4 there seems to be an improvement in the income received by families. There has been a substantial decline over time of the percentage of families in the four lowest income brackets (income of less than P500 to P2000) from 81.9 per cent in 1957 to 41.3 per cent in 1971. However, these incomes are all in current prices so that the gain for the lower income groups must be adjusted for price increases. Consumer price index "rose" from its base of 100.00 in 1957 to 110.3 in 1961, to 137.6 in 1965 and from 100.0 to 160.0, base 1965, from 1965 to 1971. (The index in 1971 base 1957 is 220.4). The value in the 1957 prices of the lower end of the four income brackets - 500, 1000, 1500 and 2000 - is as follows:

<u>1957</u>	<u>1961</u>	<u>1965</u>	<u>1971</u>
500	453	363	227
1000	907	727	454
1500	1360	1090	681
2000	1813	1453	907

Though the proportion of families receiving nominal income of P2000 or less dropped by 1.98 times, the proportion which received P2000 or less in real terms remained at about 75 per cent.

The big gainers seem to be in the highest income bracket of p5000 or over. Only 3.9 per cent of families were in this bracket in 1957; this rose to 5.7 per cent in 1961, to 9.5 per cent in 1965, to 21.1 per cent in 1971. The Gini coefficient computed for 1961, 1965, and 1971 are .498, .495, and .485 respectively showing an insignificant improvement (.013) in the distribution over the last survey year. In fact there has been a worsening of the proportion of income received by the four lowest income brackets, from, 47.3 per cent in 1957 to 39.0 per cent in 1961, to 24.0 per cent in 1965 or a ratio of proportion of income received to proportion of families of .58 , .51 , and .40 respectively.

From Table 5 we have the percentage distribution of families by size, from size 1 to 10 or more, over the same four survey years. The modal size is from 4 to 6. There has not been much change in the distribution: the percentage of families with five or less members was 50.8 per cent in 1957, 49.1 per cent in 1961, 46.9 per cent in 1965 and 49.8 per cent in 1971. The average family size for the Philippines increased slightly as a consequence of the acceleration of the population growth from the 50's to the 60's (from 5.9 in 1957 to 6.2 in 1965) a change that is probably too small to be significant. The last Census reports a slight drop in the growth rate from 3.2 to 3.1 around 1970, thus the drop in average size or a rise in the proportion of smaller families.

The trend in the distribution of families by location and occupation group given in the various surveys does not confirm

the urbanization being experienced in the country. In fact the data from the BCS surveys picture a decline in the number of families in urban areas from about 34 per cent in 1957 to 29 per cent in 1971. This contradiction might be explained by a change in the definition of urban and rural areas in the surveys, though the reports do not say so. The proportion of white collar workers rose through time and in both urban and rural areas.

These tables describe but just a few characteristics of Philippine families. Other characteristics will be discussed in the remaining sections of the paper.

### 3. Income Elasticities Over Time

The linear and double-log forms of the equation

$$\log C_1 = a + bY + e$$

are fitted on average family expenditures as well as per capita expenditures on each consumption item, using BCS grouped data. They have also been tried on deflated and undeflated data. While the results for each set did not vary significantly, the data expressed in current prices (undeflated) generally yielded higher  $R^2$  's. Hence undeflated data are used throughout the study.

In general a better fit (higher  $R^2$  's) is obtained by using the double-log specification, which implies a constant income elasticity of consumption for most items. ✓ The  $R^2$  's are very high, showing that 90 per cent or more of the variation in consumption of each item can be attributed to income variation. Since only

location is controlled in these regressions, the possible effects of occupation and size are still reflected in the intercept and in the income coefficient. Such possible effects will be highlighted in the second set of regression using data from the 1971 survey.

The value of the intercepts and the expenditure elasticities indicate the necessity or luxury nature of each item. A necessity expenditure has a positive intercept since the item is purchased — no matter how low the income; the larger the value of the intercept and the smaller the income coefficient (in the double-log form, the elasticity) the more urgent the consumption item. Thus such items can be expected to constitute a decreasing proportion of income (i.e. falling apc) as income rises. The converse is true of luxury items (elasticity greater than 1 and rising apc). The use of such a norm is undoubtedly fraught with many difficulties, especially in the light of the data limitations earlier noted. Moreover, the implicit assumption is that the behavior of families at low incomes is the same as for the entire income range, which may not necessarily be true. Thus there are some instances when the strict categorization of commodities into "necessities" or "luxuries" based on the size of the elasticity, becomes untenable. Such instances will be pointed out as often as is necessary.

\* Table 8 shows that all items except food have negative intercepts, implying that only food is a strict necessity in the budget of an average Filipino household. Among food groups, cereal

is practically the only item that shows a positive constant term, almost double that of total food. In contrast, protein-rich foods and other foods have generally negative intercepts, especially in the rural areas. Cereals also have the lowest expenditure elasticity among the different food groups. All other items except beverage and tobacco (which registers the lowest income elasticity of all items, lower even than that of food) have both negative intercepts and greater than unitary elasticities, attesting to their rather low position in the scale of urgency of the average Filipino household. In particular, \* transportation and communication expenditures seem to be the most dispensable item (highest negative intercept and highest expenditure elasticity) followed by miscellaneous items and medical care.

One also notes a slight change in intercepts from 1957 to 1971 rising for food and cereals and becoming more negative for most other items (except for medical care which fell from its 1957 value and stayed relatively constant at -2.3). This rise in intercept of food is accompanied by a fall in expenditure elasticity and a corresponding rise in the elasticity of other items especially of transportation and communication, clothing, miscellaneous items, proteins and other foods. This corroborates for the Philippines the observed tendency over time or across countries, as revealed in budget data studies,<sup>3/</sup> for average income to be associated negatively

---

<sup>3/</sup>Brown and Deaton, Model of Consumer Behavior, p. 1173.

with the elasticity of food expenditures. Such secular behavior is however explained more in terms of the increasing consumption level of the commodity than of income.

Generally the same pattern is observed among urban and rural families. Highest intercepts (positive) are recorded for food and lowest for transportation and communication, and miscellaneous items. Food, however, has a higher expenditure elasticity in the rural than in the urban areas<sup>4/</sup> except for 1965, while transportation and communication and miscellaneous items are more responsive to income in the urban areas, the difference becoming even more marked over time. On the other hand, housing is more income elastic in the urban than in the rural areas, while clothing exhibits smaller constant terms (negative) and greater elasticities in the rural than in the urban areas.

One notes also that the  $R^2$  is lowest for medical consumption in the rural areas (0.67 while in general  $R^2$ 's are in the 0.90 level). This is ~~the~~ understandable since medical facilities are less available in some rural areas. This being the case, income will only partly explain expenditure on medical care.

#### 4. The Effect of Family Size on the Level and Composition of Family Expenditure

Family size definitely has an effect on the level of expenditures of families as well as on the composition of their consumption expenditures.

---

<sup>4/</sup>One would have expected otherwise, based on the earlier observation made that average propensities to consume food in the rural areas is higher than that in urban areas. In this case, as in clothing, the necessity-luxury classification based on a comparison of elasticities, is not consistent with priori expectations.

The figures in Table 9 show that bigger-sized families belonging to the same income bracket tend to spend, on the average, absolutely more than the smaller-sized families.

✓ The main effect of size and age composition of the family on its consumption is through its effect on income per capita or standard of living. ✓ Otherwise, we have the effect of age composition on demand for particular items. This is referred to in the literature as the specific effect. Furthermore, we can assume some economies of scale in consumption of some items such as for sub-categories of food, shelter, fuel and the like. There is a fairly extensive application of Prais and Houthakker's model which isolates the income from specific effects.

Two problems are encountered where a more vigorous econometric model to estimate these effects was considered for the Philippine study. First is that the Bureau of Census survey did not ask for a fine breakdown of family age composition; instead it asked for the number of members who were above and below 18 years of age. Hence we only have two age groups. Also the difference in income and specific effects of an infant and an 18-year old can be very large and so it would not <sup>be</sup> meaningful to find the specific and income effects of family composition for such age groupings. It would have been desirable too to have individual observations but these are not available for our study. Instead we had extracted tables giving grouped observations of consumption and income for families of various sizes headed by white and blue collar workers in rural and urban areas.

Thus the data constraints do not permit the estimation of specific effects of family size and composition as suggested in earlier works. A less accurate estimation is done by grouping families by size so that the income elasticity obtained does not reflect family size effects. Comparison of the properties of the Engel curves of families of different sizes will give some information on the effect of family size on consumption behavior. Allen applied this analysis to U.S. data, fitting Engel curves of the form  $C_i = a + bY$  to each set of families. The sets of families consisted of a couple with one, two . . . n children.

Given the basic consumption function

$$\frac{C_i}{n_i} = a + b \frac{Y}{n}$$

where  $n_i$  is the equivalent adult scale for commodity i, and  $n$  the equivalent adult scale for income assumed to remain constant for all commodities, we may regress

$$C_i = an_i + b \frac{n_i}{n} Y$$

The effect of family composition on consumption will be reflected in the changes in the value of the parameters as family composition varies. As  $n_i$  increases, the constant  $a$  increases as a multiple of  $n_i$ , but  $b$  increases less slowly than  $a$  since  $b$  is multiplied by the ratio  $\frac{n_i}{n}$ . The larger is the value of  $n_i$ , the larger the value of the intercept and the  $b$ . If  $n_i$  rises less slowly than  $n$ , the income coefficient will decline. But  $a$  will tend to increase with  $n_i$ . This behavior of  $a$  would be true where an increase in size

results in substitution between total consumption and saving, and not between different consumption items. In the case where family income is low and where little or no saving is made, the fall in the standard of living as size increases will result in substitution between commodities in the family's consumption basket. The specific effect will be obscured by the income effect. Necessary items will exhibit the normal specific effects such as obtained by Allen, that is, the intercept will be increasing, depending on the strength of the specific effect. Such is what we observe of the movement of the  $a$ 's and  $b$ 's for food, especially cereals, the only necessary items in the consumer basket. For all other items, the intercept decreases with size, with  $b$  remaining mostly constant, except for protein-rich food and education where  $b$  increases with size, and for transportation and miscellaneous items where  $b$  decreases with size.

As described earlier the BCS age distribution is only for ages below and above 18. But from the National Demographic Survey, we were able to obtain the distribution of families for five age brackets. Family size is found to be positively related to the proportion of children in the family. (Table 11). The specific effect of children may then be inferred from changes in the consumption parameters as family size increases. Thus, we tried, in spite of the danger of confounding the specific and income effects, to include size  $N$  as another independent variable in the consumption function. The coefficient of size ( $b$ ) in the following equation then partly reflects the specific effect.

$$C_1 = a + b_1n + b_2C$$

The regression results are given in Table 12 together with the results of the simple regression  $C_1 = a + bC$ .

The regression coefficients of size are not significant for other food, protein food, beverage, tobacco, housing and medical care. Among the items only food, cereals, clothing and education have positive regression coefficients; transportation and miscellaneous expenditures are negatively related to family size.

When size was added as another explanatory variable, the absolute value of the intercept (in general) decreased as should have happened. The value of the regression coefficients of income changed slightly as another explanatory variable was added to the regression equation. This fact implies non-independence between income and size.

##### 5. Effect of Location, Occupation of Household Head, Family Size on the Composition of Family Expenditures

In the preceding section, size effects on expenditure behavior of different consumption items have been investigated by comparing the regression parameters of families grouped according to size. This was done to avoid the possible multicollinearity between size and total consumption expenditures in a multiple regression, involving these two independent variables. Similarly, locational and occupational effects were examined by grouping families according to size, location and occupation of household head and running single regressions using the four forms of the equation: linear, double-log, semi-log, and log inverse. Only the "best" results are presented.

In general the linear form of the equation gives better fits (except for alcohol/tobacco, where the double-log formulation shows slightly better results). Thus only the results of the linear specification are reproduced in Table 13. Generally too, the equation is worst in explaining the consumption behavior of families of extreme sizes, i.e. of eleven members or more. Again, food, cereals and occasionally protein, and alcohol/tobacco come out as the only items in the budget of all families of various characteristics that have less than unitary elasticities.

Intercepts of Engel curves for food and their slopes (which are highest for this item compared with all other items in the family budget) tend to rise with increase in family size. Intercepts are highest for urban white families and increase with size, although their slopes and their expenditure elasticities (the lowest compared with other family types) fall. In contrast is the behavior of rural-blue families which generally register the lowest intercepts for all sizes, the highest regression coefficients and elasticities which tend rather to increase with size. For rural white and urban blue families, expenditure elasticities are relatively stable for all sizes, indicating a rather stable share of food in total consumption expenditures for small and big families alike.

Cereals: Coefficients of determination for cereals are lower than for the general food classification especially for the extreme size of eleven or more members. Poor fits are registered by urban-white households, in whatever form of the equation tried (1222 - 0.59).

This means that neither total consumption expenditures nor income solely explains the behavior of cereal consumption expenditures of families headed by white-collar workers residing in urban areas.

Moreover, previous results are underscored: cereals are clearly a strict necessity in the family budget of households in whatever geographical setting or occupation status of head, registering the highest constant terms among all consumption items, and very low regression coefficients (0.02 - 0.089). In general too, larger families consider cereals a more urgent item than do small families, as evidenced by their higher intercepts, lower  $b$  value and elasticities at means. No outstanding differences in behavior seem to appear among different family types.

White collar worker families especially in the urban areas consider protein a relatively more urgent item than do blue collar households, size tending to enhance the necessity nature as expenditure elasticities decline with size. Generally however, elasticities remain rather stable for all sizes for their rural counterparts. Among blue collar worker families, proteins are more of a luxury, becoming more so with increases in family size.

Housing: Intercepts are mostly negative and expenditure elasticities greater than one, except for the extremely large-sized families, (although this has to be accepted with caution as the fitting power of the equation is poorest on these sizes). Regression coefficients are higher for white collar families, both rural and urban,

than their blue collar counterparts. The results thus tend to underscore once more the luxury nature of housing. Size tends to reduce the expenditure elasticities of rural households and increase them for urban families, declining only for families with nine members or more. This means that the bigger-sized rural households are less responsive to housing needs as income rises than smaller-sized families in the same geographical setting, while urban families become more income responsive to housing as family size grows, except for size nine and above.

Clothing: In contrast to housing consumption behavior, increase in family size serves to reduce the necessity nature of clothing among rural households and thus it becomes more of a luxury (intercepts becoming more negative, regression coefficients and elasticities rising with size) while urban white families react somewhat differently to clothing needs; as family size grows, it loses some of its luxury nature and becomes more urgent. The same is true for urban blue families until size 7-8, beyond which income elasticities tend to rise.

Alcohol and Tobacco: This item is an exception in that the double-log form performed relatively better (though only slightly so) than the linear form of the equation, indicating a constancy of the expenditure elasticities. Although the trend is not very clear there seems to be a negligible rise in elasticities as size increases, for all family types. We recall here the earlier observation that alcohol and tobacco account for a relatively constant share of total

expenditures of families belonging to the same income class and differing only in size.

Education: Fitting prowess of the linear form of the equation is rather poor for some sizes indicating that variables other than income or total consumption expenditures are probably responsible for variations in family expenditures on education. Like miscellaneous items this is a strongly luxurious item and seems to become increasingly more so with size except for urban blue families whose elasticities for bigger sized families are generally lower than those of the smaller sized households.

Miscellaneous Items and Medicare: These clearly are luxury items. Although the trend is too erratic, there is probably a tendency for size to make these items less urgent in the family budget as necessary items become more urgent with additions to family membership and press for a greater share of family expenditure.

Transportation/Communication: Intercepts are generally negative for this item for all sizes, especially in the urban areas. All elasticities are greater than one. No definite trend in income responsiveness is apparent among white-collar worker families. Size reduces the urgency of transportation/communication expenditures for rural blue families and increases it among urban blue families (i.e. intercepts in absolute value and elasticities rise among rural blue families, and conversely for urban blue families).

In general the results on a more aggregative level of families are confirmed by the similarity of results when families are further distinguished according to location, occupation of head, and size. As expected behavioral differences are observed among different family types. For instance, with regard to food, urban WCW families show opposite movements in regression parameters when compared with rural BCW families, while for rural WCW and urban BCW families they are similar. For cereals, however, no marked difference among family types appear except that size tends to increase the numerical value of the constant terms and reduce the elasticities. This implies that the need for cereals becomes more urgent as size increases. Housing regression parameters show quite opposite movements when compared with those of food, having negative intercepts and greater than unitary elasticities. Moreover, these differ depending on locational, occupational, and size characteristics of families; likewise for clothing. The rest of the items, medical care, and transportation-communication, alcohol-tobacco, education, and miscellaneous items in general maintain the previously observed behavior on the more aggregative level; however, the effects on the coefficients of controlling the different family characteristics are too erratic to enable a general tendency to be observed.

#### 6. Variation in Quality of Food Consumed

The empirical analysis of consumption was carried out for broad groupings of consumption items such as food and clothing. The regression

estimate of the Engel curve showed varied income elasticities of expenditure for each grouping ranging from less than unity to greater than unity. The values of the regression estimated - constant term and the regression coefficients - imply the necessary or luxury nature of each group of consumption items. The inferior nature of some items in a grouping is subsumed in the other (the majority) items in the group which have positive income elasticity. The increase in the value spent as income increases reflects both increases in quantity consumed and in improvement in quality.

It is possible to undertake a more precise analysis of food consumption using the National Food and Agricultural Council 1970-71 national surveys of food consumption. These surveys took the quantity (in kilogram) consumed of the more common varieties of cereals, fish, meat, fruits and vegetables. The surveys report very definite variation in the consumption propensity among individual items and groupings of items.

The survey identified the inferior food items in the Philippines. These include corn grits and corn meal, almost all varieties of third class fish; and camote tops, kangkong and malunggay among vegetables; Tjeremas variety of rice; one variety of first class fish and a few varieties of second class fish. All other items are regarded as normal goods; these would include all dairy, wheat, fruits and other vegetables.

In Table 14 we listed the average consumption in kilos for four income classes. Only items which have extreme values of marginal

consumption propensities are included. In Table 15 the quantity and expenditure elasticities computed by the Food and Agricultural Council are presented. It is interesting to see that, as expected, the expenditure elasticities are larger than the quantity elasticities since the former include, in addition to quantity changes price variations that reflect quality differentiation. For items which are generally homogeneous, for instance eggs, the difference in elasticities is not significant. Among normal goods, dairy, wheat products and all kinds of meat have the highest income elasticities. Except for cheese, an import item, all elasticities are smaller than unity.

The variation in income elasticity among available food items implies a changing composition of the food basket as income increases. Inferior items would tend to disappear from the diet, and items with relatively low income elasticity would be dominated by items with high income elasticity. Meat, crustacean, dairy products and first-class variety of fish would assume a greater weight in the food basket; and wheat products would overwhelm rice. This pattern of consumption would be of interest to nutritionists as it might happen that the inferior goods and those with relatively lower income elasticities are better sources of nutrients than their substitutes. ✓ This is true for the only inferior vegetables - camote tops, kangkong and mclunggay. According to the Philippine Food Table, these are the most nutritious vegetables, being rich sources of all vitamins and minerals needed by the body.

## 7. Aggregate Consumption - Saving Function

Average family consumption expenditure per income class  $\bar{C}$  was regressed on the average family income of each class, for four survey years to estimate an aggregate consumption-saving function. We obtained the following results:

Table 16  
Regression Estimate of Aggregate Consumption Function

Year	a	b	t	R <sup>2</sup>	$\frac{S}{NI}$
1957	.913	.859	68.755	.997	
1961	2.173	.724	28.607	.987	
1965	3.142	.631	17.849	.969	
1971	3.999	.547	17.033	.966	

The equation  $\log \bar{C} = a + b \log \bar{Y}$  was used in the regression. We note a rise in the intercept and a decline in the value of the consumption elasticities through the period covered by the survey years. This fact may be interpreted also as a rise in the saving elasticity from .161 to .453 from 1957 to 1971. The intercept of the consumption function also rises through time. Since the average family income and  $a$  are both increasing through time, the value of the first term,  $\frac{-a}{Y}$  in the average saving function would vary depending on the relative change in income as fast as in the case of a constant  $a$ .

We compared the aggregate consumption-saving parameters of families headed by blue and white collar workers in urban and rural

areas. We fitted the function for families belonging to the three size sets - size 5-6, 7-8, and 9-10. The results are given in Table 17.

In general rural families headed by blue collar workers have the lowest marginal propensity to consume. In urban areas, families headed by blue collar workers have lower marginal propensity to consume than those headed by white collar workers. The behavior of rural white workers does not follow a definite pattern as shown in the Table \_\_\_\_\_. The higher consumption propensity of white collar workers could not be so clearly explained from differences in the marginal propensities of the various items between blue and white collar workers. The pattern of propensities is not so clear. However, we see on Table 1 that white collar workers have higher levels of consumption of each item and for each income class.

Here again the inferences on levels of saving and expenditures have to be qualified because of data limitations. The possibility of understatement of family income as well as expenditures would tend to be greater in rural areas, larger sectors of which are yet non-monetized and receiving (and consuming) more income in kind. Understatement of income would probably be less for white collar workers since their income come mostly from salaries. Comparing the behavior of urban white collar workers and that of rural white collar workers could be meaningful. We find urban WCW have lower saving rate than their rural counterpart, in three dominant family sizes - 3-4, 5-6, 7-8. Can we say this fact supports the relative income effect? For most size groups the savings rate of rural BCW is also lower than urban BCW. Assuming that the

understatement of income is relatively larger for rural and BCW families, their actual savings rates must even be relatively higher than the observed rates.

In this chapter we presented an empirical picture of Philippine families consisting of distribution of families by income class, by size, by white and blue collar workers, and those in urban and rural areas. As much as possible, the trend in the various distribution was provided. This was followed by an analysis of the consumption behavior, in the aggregate and for different types of families - those headed by blue and white collar workers in urban and rural areas for four survey years, 1957, 1961, 1965, and 1971. The analysis was carried out essentially through fitting Engel curves to the various groups of families and for different consumption items. Hence we are able to see the trend in consumption behavior for the different groups of families for different consumption items. From these surveys, we also fitted aggregate consumption (saving) function for the different groups of families. The 1971 survey gave us a more detailed classification of families including that by size. We tried to infer, though in a very crude manner, the specific effects from the Engel curves run on different sets of families, each set consisting of a given size.

TABLE 1

Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
TOTAL	1957	415.11	733.93	1150.59	1553.70	1971.95	2410.37	3010.35
	1961	724.21	1036.51	1423.38	1823.19	2139.33	2439.46	3222.80
	1965	1153.73	1534.41	1941.31	2236.78	2706.89	2997.21	3739.15
	1971	1635.21	2006.17	2454.17	2948.73	3376.18	3789.23	4314.18
FOOD	1957	234.60 <sup>2/</sup>	393.09	582.61	753.78	879.35	1020.87	1156.11
		(56.51)	(51.99)	(50.63)	(48.45)	(44.59)	(42.35)	(38.40)
	1961	475.18	663.57	889.37	1034.55	1167.89	1278.30	1487.92
		(65.61)	(64.02)	(60.36)	(56.74)	(54.19)	(52.40)	(46.16)
	1965	775.69	990.24	1210.90	1363.00	1638.24	1675.44	2020.15
CEREALS		(67.23)	(64.53)	(62.37)	(61.03)	(60.52)	(55.90)	(54.02)
	1971	1132.74	1326.49	1573.48	1832.50	2048.87	2250.10	2462.03
		(69.27)	(66.12)	(64.19)	(62.14)	(60.68)	(59.38)	(57.06)
	1957							
PROTEIN	1957	217.00	298.00	375.48	393.24	420.61	456.19	473.43
		(29.96)	(28.75)	(25.50)	(21.69)	(19.69)	(18.69)	(16.09)
	1965	397.64	479.79	536.67	578.62	680.79	674.37	738.35
		(34.46)	(31.26)	(27.64)	(25.87)	(25.15)	(22.49)	(19.74)
	1971	585.00	662.83	722.68	746.81	843.03	881.37	915.04
		(35.81)	(33.03)	(29.41)	(33.39)	(24.96)	(23.25)	(21.21)
	1957 <sup>1/</sup>							

<sup>1/</sup> no data available<sup>2/</sup> The numbers between parentheses are percentage share of each expenditure item to average family expenditures.

Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971

Item	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000 over		15000-19999	20000 +
						14999			
TOTAL									
	1957	3554.55	8236.786						
	1961	3885.10	4599.22	6061.30	7038.07	10966.46			
	1965	4386.58	5502.32	6105.12	7659.32	14744.57			
	1971	5166.59	6093.21	7348.12	9006.73	11563.83		16146.55	18464.54
FOOD									
	1957	1417.98	2/2138.42						
		(39.89)	(25.96)						
	1961	1839.73	2218.81	2663.50	2729.30	3556.73			
		(47.35)	(48.24)	(43.94)	(38.77)	(32.43)			
	1965	2230.54	2654.77	2845.40	3178.62	4757.74			
		(50.84)	(48.24)	(46.60)	(41.50)	(32.26)			
	1971	2838.64	3165.21	3647.21	4102.19	5014.70		6479.00	6300.28
CEREALS									
	1957 <sup>1/</sup>								
	1961	558.91	620.32	663.32	656.93	835.00			
		(14.39)	(13.00)	(10.89)	(9.39)	(7.60)			
	1965	801.94	848.20	877.38	880.82	1075.28			
		(18.28)	(15.41)	(14.37)	(11.49)	(7.29)			
	1971	992.59	1052.89	1107.78	1147.05	1262.76		1483.81	1448.65
		(19.21)	(17.27)	(15.07)	(12.73)	(10.91)		(9.81)	(7.84)
PROTEIN									
	1957 <sup>1/</sup>								

**Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
PROTEIN	1961	125.00 (17.26)	192.00 (18.52)	256.32 (17.40)	320.56 (17.59)	369.37 (17.23)	397.64 (14.20)	505.78 (17.19)
	1965	299.42 (25.95)	259.06 (16.88)	352.61 (18.16)	421.00 (17.41)	471.94 (17.43)	482.55 (16.09)	1353.01 (36.18)
	1971	289.91 (17.72)	361.16 (18.00)	454.15 (18.50)	469.31 (20.98)	664.63 (19.68)	750.77 (19.81)	837.23 (19.40)
OTHER FOOD	1961	133.00 (18.36)	173.00 (16.69)	259.16 (17.60)	318.74 (17.50)	375.78 (17.50)	424.48 (17.40)	505.78 (17.20)
	1965	63.39 (5.49)	251.39 (16.38)	321.61 (16.56)	367.00 (16.41)	482.78 (17.83)	518.32 (17.30)	254.86 (6.81)
	1971	257.23 (15.73)	302.49 (15.07)	398.65 (16.24)	411.95 (15.95)	541.21 (16.03)	617.96 (16.30)	709.76 (16.45)
BEVERAGE AND TOBACCO	1957	17.89 (4.03)	42.25 (5.58)	53.88 (4.68)	79.05 (5.08)	101.03 (5.12)	103.69 (4.30)	183.72 (6.10)
	1961	45.80 (6.32)	68.75 (6.63)	100.13 (6.79)	129.32 (7.09)	143.05 (6.68)	126.85 (5.19)	182.31 (5.65)
	1965	63.39 (5.49)	84.31 (5.49)	108.50 (5.58)	127.34 (5.69)	151.89 (5.61)	167.84 (5.59)	179.90 (4.81)
HOUSING	1971	100.24 (6.12)	183.51 (9.14)	239.45 (9.75)	323.85 (10.98)	393.07 (11.64)	424.18 (11.19)	211.39 (5.36)
	1957	70.38 (16.95)	129.73 (17.16)	191.12 (16.61)	272.35 (17.50)	366.70 (18.59)	444.74 (18.43)	619.03 (20.56)
	1961	100.90 (13.93)	121.88 (11.75)	180.56 (12.25)	271.38 (11.92)	339.47 (13.86)	385.43 (15.79)	805.70 (24.99)

**Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971**

Item	Year	10000 over					15000-19999	20000 +
		4000-4999	5000-5999	6000-7999	8000-9999	14999		
PROTEIN	1961	652.07 (16.80)	967.67 (20.27)	910.07 (14.99)	987.33 (13.99)	1339.25 (12.19)		
	1965	679.26 (15.48)	842.70 (15.31)	956.59 (15.66)	1258.99 (16.42)	1708.66 (11.58)		
	1971	1010.15 (19.55)	1146.62 (18.81)	1321.83 (18.66)	1618.45 (17.96)	2045.05 (17.68)	2736.43 (16.94)	2644.28 (14.32)
	1957 <sup>1/</sup>							
OTHER FOOD	1961	632.65 (16.29)	825.48 (17.29)	1092.11 (18.00)	1086.07 (15.39)	1372.21 (12.50)		
	1965	753.74 (17.18)	952.85 (17.31)	1017.52 (16.66)	1046.00 (13.65)	1973.80 (13.38)		
	1971	835.91 (16.17)	965.69 (15.84)	1167.60 (15.88)	1336.68 (14.84)	1706.89 (14.76)	2258.76 (13.98)	2207.35 (11.95)
	1957							
BEVERAGE AND TOBACCO	1961	197.93 (5.09)	238.57 (5.18)	309.42 (5.10)	282.07 (4.00)	296.38 (2.70)		
	1965	179.67 (4.09)	258.87 (4.70)	225.44 (3.69)	275.73 (3.59)	412.43 (2.79)		
	1971	265.99	337.73	320.44	349.21	165.33	491.43	550.86
	1957							
HOUSING	1961	795.64 (20.47)	949.53 (20.64)	1286.23 (21.21)	1770.10 (25.15)	2974.89 (27.12)		
	1957	530.89 (14.93)	1994.40 (24.01)					

**Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
<b>HOUSING</b>	1965	137.16 (11.88) <sup>2/</sup>	194.68 (12.68)	259.62 (13.37)	299.36 (13.38)	358.03 (13.22)	461.57 (15.40)	584.68 (15.63)
	1971	201.42 (12.31)	264.91 (13.20)	325.94 (13.28)	391.40 (13.27)	469.39 (13.90)	522.52 (13.78)	694.23 (16.09)
<b>TRANS/COML.</b>	1957	4.77 (1.14)	11.01 (1.45)	23.90 (2.07)	32.37 (2.08)	52.39 (2.65)	78.35 (3.23)	96.11 (3.19)
	1961	7.87 (1.08)	12.50 (1.20)	23.56 (1.59)	47.36 (2.59)	40.56 (1.89)	53.67 (2.20)	67.63 (2.09)
	1965	13.83 (1.20)	19.93 (1.29)	30.9 (1.59)	42.45 (1.89)	65.10 (2.40)	65.94 (2.19)	97.45 (2.60)
	1971	21.46 (1.31)	16.14 (0.80)	24.27 (0.98)	35.17 (1.19)	36.81 (1.09)	50.75 (1.33)	105.21 (2.43)
<b>CLOTHING</b>	1957	31.02 (7.47)	55.78 (7.37)	91.72 (7.97)	126.97 (8.16)	147.81 (7.49)	200.48 (8.31)	288.96 (7.60)
	1961	39.36 (5.43)	72.92 (7.03)	107.49 (7.29)	131.14 (7.19)	162.27 (7.58)	204.92 (8.40)	214.66 (6.66)
	1965	63.39 (5.49)	93.51 (6.09)	123.99 (6.38)	151.92 (6.77)	168.16 (6.21)	269.80 (6.99)	254.86 (6.81)
	1971	61.59 (3.76)	22.40 (1.11)	33.62 (1.36)	37.17 (1.36)	48.23 (1.42)	54.29 (1.43)	287.31 (18.24)
<b>MEDICARE</b>	1957	8.35 (2.01)	14.46 (1.91)	29.08 (2.52)	33.62 (2.16)	52.39 (2.65)	64.52 (2.67)	76.32 (2.53)
	1961	8.59 (1.18)	13.54 (1.30)	23.56 (1.59)	32.78 (1.79)	44.84 (2.09)	43.91 (1.79)	55.87 (1.73)
	1965	18.44 (1.59)	22.99 (1.49)	27.12 (1.39)	35.75 (1.59)	40.69 (1.50)	44.96 (1.50)	67.46 (1.80)
	1971	25.69 (1.57)	32.49 (1.61)	39.75 (1.61)	61.79 (2.09)	69.68 (2.06)	86.10 (2.27)	75.96 (1.76)

**Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971**

Item	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000 over	
						14999	20000 +
HOUSING	1965	727.45 (16.58)	947.34 (17.21)	1224.67 (20.05)	1937.81 (25.30)	4448.41 (30.16)	
	1971	846.94 (16.39)	1004.46 (17.30)	1333.07 (18.14)	1942.57 (21.56)	2611.35 (22.58)	4926.51 (26.68)
TRANS/COMM.	1957	147.31 (4.14)	424.80 (5.15)				
	1961	104.79 (2.69)	124.05 (2.69)	176.18 (2.90)	260.93 (3.70)	348.87 (5.00)	
	1965	96.41 (2.19)	148.71 (2.70)	213.26 (3.49)	252.76 (3.30)	810.14 (5.49)	
	1971	137.13 (6.44)	213.06 (10.38)	277.43 (6.72)	282.21 (6.62)	469.87 (6.47)	984.56 (6.42)
CLOTHING	1957	290.95 (8.18)	504.00 (6.11)				
	1961	271.69 (6.99)	152.03 (3.30)	436.83 (7.20)	472.50 (6.71)	647.67 (5.90)	
	1965	350.57 (7.99)	396.57 (7.20)	383.85 (6.28)	520.84 (6.80)	824.87 (5.59)	
	1971	332.94 (6.44)	633.05 (10.38)	494.28 (6.72)	596.66 (6.62)	749.26 (6.47)	1186.80 (6.42)
MEDICARE	1957	117.84 (3.31)	151.20 (1.83)				
	1961	65.98 (1.69)	81.11 (1.76)	97.07 (1.60)	119.87 (1.70)	274.43 (2.50)	
	1965	70.12 (1.59)	126.68 (2.30)	140.14 (2.29)	130.20 (1.69)	309.32 (2.09)	
	1971	109.16 (2.11)	191.53 (3.14)	149.54 (2.03)	180.17 (2.00)	242.18 (2.93)	401.67 (2.17)

**Average Family Expenditures by Expenditure Item, by Income Class  
Philippines 1957 - 1971**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
MISCELLANEOUS	1957	48.11 (11.58) <sup>2/</sup>	118.42 (15.66)	178.26 (15.49)	257.55 (16.55)	372.30 (18.87)	497.71 (20.64)	650.11 (21.59)
	1961	46.52	83.34	148.72	176.67	241.25	346.39	408.71
	1965	(6.42)	(8.04)	(10.09)	(9.69)	(11.27)	(14.19)	(12.68)
		81.83	128.76	180.18	214.47	284.79	371.65	535.96
	1971	(7.09)	(8.39)	(9.28)	(9.59)	(10.52)	(12.40)	(14.33)
		92.06	150.41	197.40	255.29	298.74	401.63	494.37
		(5.62)	(4.48)	(8.03)	(8.65)	(5.88)	(10.59)	(11.45)



**Average Family Expenditure by Expenditure Item, by Income Class**  
**Rural 1957 - 1965**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
<b>TOTAL</b>	1957	362.63	631.75	1041.13	1422.34	1728.27	2198.56	2426.06
	1961	716.79	1030.13	1429.79	1721.51	1982.54	2339.64	2653.89
	1965	1146.65	1505.24	1866.56	2236.45	2551.05	2696.62	3409.64
<b>FOOD</b>	1957	234.44 (64.64)	362.81 (57.42)	568.47 (54.60)	749.73 (52.71)	850.184 (49.19)	1051.23 (47.81)	1070.50 (44.12)
	1961	476.68	661.35	869.01	989.88	1085.39	1234.03	1380.33
	1965	(66.50) 764.44 (66.67)	(64.20) 978.94 (65.03)	(60.77) 1180.85 (63.26)	(57.50) 1330.36 (59.48)	(54.74) 1587.77 (62.23)	(52.74) 1583.39 (58.71)	(51.97) 1929.85 (56.60)
<b>CEREALS</b>	1957							
	1961	220.78 (30.80)	301.83 (29.30)	381.00 (26.64)	399.39 (23.19)	429.80 (21.67)	480.54 (26.53)	529.88 (19.95)
	1965	397.91 (34.70)	484.21 (32.16)	539.98 (28.92)	582.03 (26.02)	707.92 (27.75)	694.42 (25.75)	763.76 (22.40)
<b>PROTEIN</b>	1957							
	1961	117.56 (16.40)	180.27 (17.49)	245.44 (17.16)	301.27 (17.50)	328.78 (16.58)	380.23 (16.25)	447.74 (16.85)
	1965	172.61 (15.05)	235.64 (16.98)	242.58 (16.96)	375.23 (16.77)	450.04 (17.64)	156.72 (5.81)	579.64 (17.00)
<b>OTHER FOOD</b>	1957							
	1961	137.63 (19.20)	180.27 (17.49)	242.58 (16.96)	289.22 (16.80)	326.80 (16.48)	373.23 (15.95)	405.35 (15.26)
	1965	193.91 (16.91)	240.60 (15.98)	297.08 (15.91)	373.10 (16.68)	427.28 (16.74)	445.83 (16.53)	586.46 (17.20)

**Average Family Expenditure by Expenditure Item, by Income Class  
Rural 1957 - 1965**

Item	Year	4000-4999	5000-5999	6000-7999	8000-9999	10000-14999	15000-19999	20,000 +
<b>TOTAL</b>	1957	3479.00	4408.5					
	1961	3614.83	3959.05	5475.71	6181.25	8514.33		
	1965	3747.41	4603.10	4581.62	5895.21	8747.63		
<b>FOOD</b>	1957	1403.36	1357.80					
		(40.34)	(30.79)					
	1961	1796.75	1908.67	2718.88	2615.75	3367.00		
		(49.70)	(48.21)	(49.65)	(42.31)	(39.54)		
	1965	2055.27	2320.76	2396.08	2690.43	3598.81		
		(54.84)	(50.41)	(52.30)	(45.63)	(41.14)		
<b>CEREALS</b>	1957							
	1961	607.38	628.33	701.65	711.25	879.00		
		(16.80)	(15.87)	(12.81)	(11.50)	(10.32)		
	1965	846.06	855.27	908.85	804.14	1120.75		
		(22.57)	(18.58)	(19.83)	(13.64)	(12.81)		
<b>PROTEIN</b>	1957							
	1961	567.58	659.95	855.18	964.75	1397.00		
		(15.70)	(16.67)	(15.61)	(15.60)	(16.4)		
	1965	664.00	696.71	716.06	780.5	1313.44		
		(17.71)	(15.73)	(15.63)	(13.23)	(15.01)		
<b>OTHER FOOD</b>	1957							
	1961	625.46	624.38	1156.65	1329.5	1091.00		
		(17.30)	(15.77)	(21.12)	(21.5)	(12.81)		
	1965	549.00	788.78	775.75	1111.64	1173.31		
		(14.65)	(16.70)	(16.93)	(18.85)	(13.41)		

**Average Family Expenditure by Expenditure Item, by Income Class  
Rural 1957 - 1965**

Item	Year	under 500	500-999	1000-1499	1500-1999	2000-2499	2500-2999	3000-3999
BEV. AND TOBACCO	1957	17.19 (4.74)	31.94 (5.05)	46.83 (4.49)	71.95 (5.05)	89.03 (5.15)	98.33 (4.47)	103.89 (4.28)
	1961	45.16 (6.29)	67.99 (6.59)	97.03 (6.78)	134.28 (7.79)	138.64 (6.99)	114.30 (4.88)	164.24 (6.18)
	1965	60.53 (5.27)	84.21 (5.59)	102.76 (5.50)	123.66 (5.52)	128.94 (5.05)	156.72 (5.81)	170.48 (4.99)
HOUSING	1957	66.42 (18.31)	113.32 (17.93)	167.04 (16.04)	239.53 (16.84)	300.25 (17.37)	321.25 (14.61)	418.00 (17.22)
	1961	98.92 (13.79)	133.92 (13.00)	185.30 (12.97)	242.73 (14.09)	289.16 (14.58)	321.89 (13.75)	389.45 (14.66)
	1965	127.78 (11.14)	181.95 (12.08)	241.03 (12.91)	362.44 (16.20)	278.11 (10.90)	345.86 (12.82)	443.25 (13.00)
TRANS / COMB.	1957	4.69 (1.29)	9.43 (1.49)	22.89 (2.19)	27.66 (1.94)	43.64 (2.52)	65.56 (2.98)	82.15 (3.38)
	1961	7.88 (1.09)	11.33 (1.08)	24.26 (1.69)	27.54 (1.59)	37.63 (1.89)	41.99 (1.79)	55.63 (2.09)
	1965	24.66 (2.15)	19.55 (1.29)	26.16 (1.40)	36.24 (1.62)	60.68 (2.37)	51.34 (1.9)	68.19 (1.99)
CLOTHING	1957	3.16 (0.87)	50.35 (7.96)	93.81 (9.01)	130.42 (9.16)	146.64 (8.48)	207.61 (9.44)	222.32 (9.16)
	1961	40.86 (5.70)	74.17 (7.20)	109.87 (7.68)	137.72 (7.96)	168.35 (8.49)	235.27 (9.97)	235.79 (8.87)
	1965	61.65 (5.37)	93.23 (6.19)	125.18 (6.70)	151.37 (6.76)	166.87 (6.54)	208.05 (7.71)	248.90 (7.30)