

Economic Well-being of the Filipino Elderly*

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ABSTRACT

Sa resulta ng “1996 Philippine Elderly Survey (PES)”, ang unang pambansang sampol na kumakatawan sa mga nakakatandang mamayan ng ating bansa ay nagpakita ng pagkakaroon ng mga nakakatandang Pilipino ng mababang estadong pang-ekonomiya. Ang karamihan ay nag-aalala sa kanilang kalagayang pinansiyal. Sa kabila ng pagkakaroon ng hindi lamang iisang pinagkukunan ng kita, ang kanilang kita ay mababa lamang at nagkakaroon pa sila ng malaking gastos at pagkakautang. Sapagkat ang karamihan sa kanila’y tumatayo pa ring tagapamahala ng kanilang mga tahanan, patuloy pa rin silang nag-aambag ng makabuluhang bahagi sa panggastos sa tahanan.

Ang mga tulong mula sa mga anak at mga kamag-anak ang tinatayang pinakaimportanteng pinagkukunan ng kita ng mga kababaihang nakakatanda samantalang ang kita sa trabaho at bukid ang pinagkukunang naman ng mga kalalakihan. Kaunti lamang ang nakakatanda at karamihan pa ay mga lalaki ang may mga di-nanggagaling sa pamilya na pinagkukunan ng suporta katulad ng pensyon. Sa kabila ng pagkakaroon ng mababang kita, ang mga Pilipinong nakakatanda ay nagreport ng mataas na bahagdan ng pag-aari ng mga lupa’t bahay. Ang pagkakaroon din ng ibang ari-arian tulad ng alahas at iba pang kasangkapan ay karaniwan din.

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INTRODUCTION

The United Nations has declared 1999 as the "International Year of the Older People." This is significant considering that past attention on the younger sector of the population has somehow deflected attention from the older cohort relegating most of them to the margins of life. Associated with infirmities and low productivity, the elderly are often considered the surplus of the world that need to be shut in institutions to give way to the young which society admires and celebrates. Ironically these are the people who are most in need of care and attention given their waning health and their increasing withdrawal from the economic sphere.

In line with this international mandate, the Philippine government has initiated efforts to address the broad interests of the Filipino older people. A valuable step towards this end is the Philippine Plan of Action for the Older People. Along with this government effort are academic researches on the elderly which has given impetus to the infantile research on the elderly in the country. One such research is based on the 1996 Philippine Elderly Survey (PES), the first to derive a nationally representative sample of elderly in the country. This paper is a preliminary attempt to bring to fore findings of such study focusing on the economic well-being of older persons. It presents economic condition, vulnerabilities and preferences of the elderly with the hope of their being appreciated and integrated in society. The paper hopes to provide direction in terms of the necessary preparations needed in the face of a burgeoning elderly population.

DATA AND METHODOLOGY

This paper is based on the data provided by the 1996 PES which was collected by the University of the Philippines Population Institute (UPPI)/ Demographic Research and Development Foundation (DRDF). The sample consisted of 2,285 respondents aged 50 years old and older, of whom 1,131 were aged 60 years and older. The study was part of a comparative study on the elderly and near-elderly in four Asian countries (Philippines, Singapore, Taiwan and Thailand) aimed at investigating how rapid demographic change in these societies has affected the welfare of the elderly. For purposes of the study, the elderly (alternatively referred to as older person in this paper) includes those who are aged 60 years and over following the UN definition while the near-elderly includes those aged 50-59.

The general difficulty of collecting income data, exacerbated by the age factor in the 1996 PES necessitated the need to look at multiple dimensions of economic security of the elderly to be able to come up with a valid assessment of their economic well-being. To a certain extent, this has been achieved in the 1996 PES which collected a whole range of indicators including the sources and level of income and expenditures of the elderly. Other economic assets including ownership of current residence and the land where it stands, real estate, cash savings, jewelry, appliances and the like were likewise looked into. The study likewise explored the economic sufficiency of the elderly's social base gauged in terms of household (HH) income and the number of income earners (other than the elderly). Intergenerational transfers which include gifts of food and non-food or cash items between the elderly and his/her children and other relatives were likewise noted.

The study also gathered information on expenditures (or disbursements) in the elderly's HH and the manner in which these were managed i.e. were they pooled or do different HH members take care of assigned expenses? The elderly were asked about debts they incurred as well as their perception insofar as the sufficiency of their household income vis-a-vis expenditures were concerned. Given its relevance in assessing their current economic status, the elderly's practice and plans insofar as the transfer of their properties or assets to their children or desired heir were also looked into.

The study faced certain limitations however among which was the subjective nature of the information. Data was also limited by recall bias which was further complicated by the age factor. Anticipating such problems, the study employed certain strategies to enhance data quality such as the use of bracketing to assist in the recall. Different time frames were likewise utilized to estimate the various aspects of expenditures to minimize retrieval problems. For instance, weekly food consumption expenditure was gathered while expenditure on HH operating expenses were taken on a monthly basis.

Despite these measures intended to improve reporting accuracy, there was still a high level of refusal rate for income data. Results of the study indicate at least 4.4 percent of all respondents who either declared they did not know or did not have any response to the question on the level of their income in the year preceding the survey. The proportion increased with age (3 and 5.5 percent for ages 50-59 and 60+, respectively), and was higher among urban resident and female respondents (Table 1). Note

that that number of cases are not stated in the tables since consistently the same number of respondents are used in the analysis of this paper.

TABLE 1
LEVEL OF REPORTING INCOME VARIABLE
(% WHO CLAIMED DK OR NI)

VARIABLE	% Who Reported DK or NI	% Who Reported No Income
TOTAL	4.4	5.6
Marital Status		
Never Married	-	18.7
Married	4.0	1.3
Widowed	5.6	13.3
Divorced/Separated	1.8	14.5
Age		
50-59	3.0	3.1
60+	5.5	7.2
Residence		
Urban	7.7	7.1
Rural	1.5	4.5
Sex		
Male	3.9	3.0
Female	4.8	7.9

Unit of Analysis

Although the study included both the elderly and their successors (ages 50-59), this paper will mostly focus on the former with the data on the near-elderly employed only for comparative purposes. Generally, income, assets and expenditure data in the study were collected separately for the respondent and spouse (elderly couple). Other information particularly on income received in the previous year, share in household expenditures, debts, ownership of other assets were collected using the couple as the unit of analysis. Sources of income, home and land ownership were gathered separately for the respondent and spouse although these were still reported from the perspective of the respondent.

One possible limitation of gathering information for both the respondent and spouse however is the possibility of a response bias arising from

income reporting between male and female respondents as reflected in the study. Gender consistency of income report in the study was examined by comparing the income reports of married respondents (Tables 2 and 3). Although results are not very consistent, evidence tend to show husbands reporting higher income than wives. Sociological studies suggest that this can happen in cases where there is no full disclosure of information by the husband who does not report "extra" income to their wives and use this to support their vices. Hollsteiner (in Medina, 1991) reveals that if the husband's income is not fixed, he may choose to withhold some of it for his own independent spending. Such finding suggests some gender issues particularly on the issue of transparency with regard to financial matters.

TABLE 2
MEAN INCOME (FOR ELDERLY & SPOUSE) FOR THE PAST YEAR
AS REPORTED BY MARRIED MALE RESPONDENTS

AGE OF WIFE (Spouse of R)	AGE OF HUSBAND (R)					TOTAL
	50-54	55-59	60-64	65-69	70+	
50-54	69,808	41,065	38,295	*	*	51,337
55-59	-	37,865	91,268	20,666	*	56,186
60-64	*	26,051	45,404	19,112	16,386	31,988
65-69	*	*	16,364	25,390	29,749	26,137
70+	*	*	*	*	43,999	41,975
TOTAL	46,630	34,642	52,230	20,384	36,292	40,601

* < 10 cases

TABLE 3
MEAN INCOME (FOR ELDERLY & SPOUSE) FOR THE PAST YEAR
AS REPORTED BY MARRIED FEMALE RESPONDENTS

AGE OF WIFE (R)	AGE OF HUSBAND (R)					TOTAL
	50-54	55-59	60-64	65-69	70+	
50-54	31,498	65,571	44,362	*		41,220
55-59	*	42,175	33,133	18,282		37,304
60-64	*	*	30,670	38,596	18,039	31,275
65-69	*	*	*	47,090	21,730	31,324
70+	*	*	*	*	24,462	39,549
TOTAL	32,061	39,376	42,974	47,974	23,840	36,907

* < 10 cases

FINDINGS

Income levels

A small yet significant proportion (5.6 percent) of elderly in the study declared to have absolutely no income and expenditure (Table 1). This phenomenon is more preponderant among females, those who are not married, older and urban residents. What seems surprising however is that some 16.1 percent of this cohort declared they did not have any other member of their household who received income (data not shown) although a quarter among them (24.2 percent) incurred some debts which could be the source of their sustenance. While the same group is consistent in admitting that they did not contribute any amount for their HH expenditures what seems difficult to imagine is their claim of zero cost of HH operating expenses to include food expenditures. Although comprising a negligible proportion of the sample, this finding suggest the difficulty of gathering accurate and truthful income data.

While almost nine out of ten older people reported some income (more males than females), a low level of median income was reported coupled by a considerable level of indebtedness. Aggregate income level was measured using median rather than average given the high variability of income level reported which ranged from zero (no income) to as high as two million pesos. Results indicate that in the year prior to the survey, the elderly and spouse registered a median income amounting to P12,000 compared to P20,000 registered by their near-elderly counterparts. The male elderly, those in intact marital union and living in urban residences had a clear income advantage (Table 4). The urban edge may not necessarily translate to a better economic well-being however, considering the higher cost of living in urban areas which could erode its relative advantage. The widowed who exhibited the lowest income at P7,200 had incomes much lower than the 1994 per capita poverty threshold (P8,885) which represents the annual per capita income required or the amount to be spent to satisfy nutritional requirements (two thousand calories) (1996 Philippine Statistical Yearbook). The low income reported by the widowed confirms that there is a large reduction in family income when the husband dies since the man is usually the breadwinner of the family.

The health and wealth of the elderly are positively correlated with each step down the income ladder clearly associated with lower health status. The elderly with positive health assessment are more likely to report

TABLE 4
LEVEL OF INCOME OF ELDERLY AND SPOUSE
BY SELECTED BACKGROUND VARIABLES

VARIABLES	MEDIAN INCOME (In Pesos)
1. Age	
50-59	20,000
60+	12,000
2. Sex	
Male	14,139
Female	10,000
3. Marital Status	
Never married	10,000
Married	15,000
Widowed	7,200
Separated/Divorced	10,000
4. Residence	
Urban	15,000
Rural	10,000
5. Self-assessment of Health	
Excellent	18,264
Very good	15,000
Good	15,000
Fair	10,000
Poor	7,000

higher income levels which seems logical considering that the healthier ones are more able to work and work for extended hours compared with their counterparts with poorer health. On the other hand, those with unstable health conditions are less likely to work and if ever, choose types of work which will not strain their delicate health condition. Their poor health translates not only to lesser income but lower savings and higher health expenditures which could further deplete their already precarious financial resources. This is particularly so in the Philippines where health care expenditures comes out of pocket for the majority of the population.

The marginalized economic state of the older person is significant not only as it correlates with their physical health but their psychological state as well. In the study, inquiries were made about the emotional experiences of the elderly the week preceding the survey to measure dependency. This included asking their attitudes or reaction towards statements which have economic implications such as: "I felt I was a burden to others", "I worried about my financial status" and "I worried/

was saddened that my children did not have economically better lives.” Results presented in Table 5 indicate that the elderly with lower incomes were more likely to have such emotional experiences. Although it is difficult to establish the direction of the causal chain, it is likely that such despondency has been precipitated in part by the their economic state. This finding is significant in the light of a high prevalence of poverty in the country particularly among the older people.

**TABLE 5
MEDIAN INCOME OF ELDERLY AND SPOUSE BY DESPONDENCY
MEASUREMENTS BY AGE**

DESPONDENCY MEASUREMENTS	50-59	60+
I felt I was burden to others		
Yes	15,000	8,943
No	20,800	12,498
I worried about my financial status		
Yes	20,000	10,000
No	30,000	15,000
I worried/was saddened that my children did not have economically better lives		
Yes	19,200	10,000
No	28,829	15,000

The economic deprivations of the elderly mirrors the poverty of the social milieu where they are embedded. In the study, the average elderly lives with a large HH where he/she is most likely the HH head (HHH) (Table 6). The high headship rate signifies the high esteem accorded to the old in our Philippine culture. Such position accorded them also gives older people an important position in defining the overall economic well-being of the HH where they belong. It is evident that despite their low incomes the elderly and spouse are most likely the highest income earners in their HH. The high rate of dependence on the elderly is exhibited by the significant proportion claim (42.2 percent) which reveals that they are the lone breadwinners in their HH. A lower proportion (31.8 percent) reported having another member of the HH besides them receiving income which usually includes a son, daughter or son-in-law. This finding suggests that it is usually the economically dependent children who continue to live with their elderly parents.

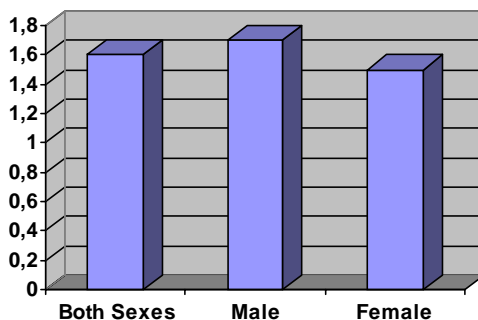
TABLE 6
ELDERLY'S HOUSEHOLD INCOME STATUS
AND HEADSHIP RATES

	PERCENT
1. Percent of Elderly Who are Head of Household	
Male	87.3
Female	44.6
2. Member of the Elderly's HH Who Earns the Most Income	
R (elderly)	37.2
Spouse	13.7
Son	19.2
Daughter	10.8
3. Who in the HH Makes Most of the Decision About How the Money Should be Spent and Other Things Related to Finances	
Elderly	48.2
Spouse	21.1
Son	7.6
Daughter	12.8
4. No. of People in HH Besides Elderly and Spouse Who Receive Income	
0	42.2
1	31.8
2	18.3
3+	7.8
5. Other People in the HH besides Elderly and Spouse Who Earn Income	
Son	35.5
Daughter(s)	14.2
Son(s) + daughter(s)	8.6
Son(s)-in-law	11.3
Grandchildren	4.5
Brothers/sisters	0.8
Daughter(s)/son(s)-in-law	7.9
Others/other combination	17.2

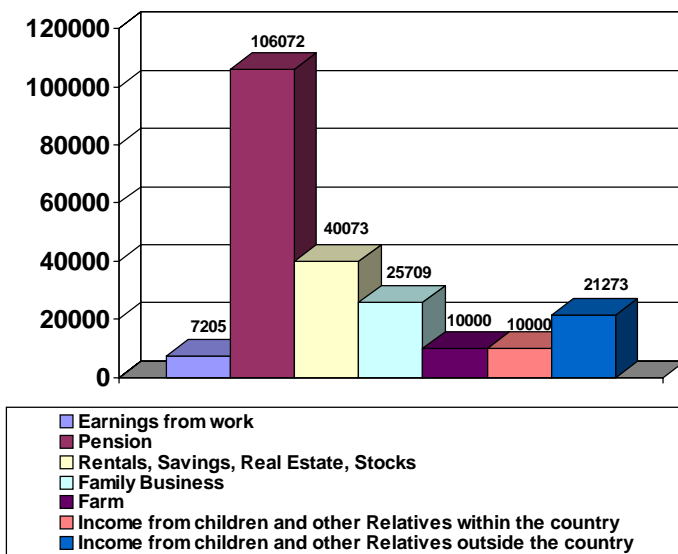
Sources of Income

The Filipino elderly derive their income from multiple sources with each elderly citing an average of almost two (1.7) sources (Figure 1). The male elderly exhibits a slight advantage in this regard. Significant differentials is also observed between the elderly and near-elderly in terms of the stability of their income sources. While both are highly dependent on their children, the younger and better educated near-elderly relies more on their work, farm and family business while their older counterparts are more dependent on their children and other relatives (Table 7). Such

**FIGURE 1
MEAN NUMBER OF INCOME SOURCES
OF THE ELDERLY BY SEX**



**FIGURE 2
MEDIAN ANNUAL INCOME OF ELDERLY
AND SPOUSE BY MOST IMPORTANT
SOURCE OF INCOME**



shifts could be a reflection of their withdrawal from the productive sector and other economic opportunities as a result of the age restrictions in the workplace as well as health factors. The foregoing findings is consistent with the common expectations where care for the aged is a domestic rather than a state concern and that children are expected to care and support their ageing parents.

Among the varied sources of income for the elderly, income from children/relatives within the country (29.9 percent), earnings from work (26.5 percent) and income from farm (22 percent) are considered most important (Table 8). Compare this with their younger counterparts where almost half (46.3 percent) consider their work as their most important income source. The multiplicity of sources may be due to the low incomes derived from each source (Figure 2). Except for the few elderly who depended on pensions, rentals, savings, real estate and stock where a decent level of income was exhibited, all other income sources registered insubstantial levels.

Gender differentials are likewise apparent. A greater proportion of males consider their work, farm and pension as their most important sources of income while more females depend on transfers particularly from children and other relatives. The male advantage in pension is reflective of the historic male edge in the formal employment sector due to their educational advantage although this may alter in the future considering the changing configuration of the education profile in favor of women.

The elderly in stable husband-wife family situation are economically better off is reflected by the high proportion among them who declared earnings from work and farm, as their main sources of income. While children/other relatives were cited as significant sources they are secondary in importance. For their counterparts not in a husband-wife family arrangements (widowed and separated), they depend more on transfers from children and other relatives. Quite expectedly, rural elderly are more likely to rely on their farm for income support than their urban counterparts (Table 8).

The foregoing income configuration confirms the elderly's greater dependence on familial rather than non-familial support. This is likewise apparent from the low proportion relying on pensions. Although about a tenth of the elderly, received some form of pension, a lower proportion (7.6 percent) stated that it is their major source of income (Tables 7 and 8). This low proportion is also telling of the limited impact of existing pension and retirement benefits in the country.

TABLE 7
PERCENT WHO RECEIVED INCOME FROM THE FOLLOWING SOURCES
BY SELECTED BACKGROUND VARIABLES

SOURCES OF INCOME	AGE			AMONG 60+							
	50-59	60+	TOTAL 50+	SEX		RESIDENCE		MARITAL STATUS			
				MALE	FEMALE	URBAN	RURAL	NEVER MARRIED	MARRIED	WIDOWED	DIV/ SEP.
Earnings from work	53.6	29.5	40.3	36.4	24.7	26.3	32.0	31.0	32.6	24.5	46.9
Pension	3.9	9.7	7.1	14.3	6.3	14.4	6.2	10.3	9.3	10.4	6.3
Income from annuity or severance pay	1.0	0.7	0.8	1.2	0.4	1.1	0.4	-	1.2	0.2	-
From rentals, savings, real estate, stock	4.8	5.7	5.3	6.3	5.3	8.3	3.9	10.3	6.5	4.3	12.5
Income from family business	10.7	7.4	8.9	8.1	7.0	11.7	4.2	6.9	9.6	4.7	6.3
Income from farm	34.5	31.0	32.6	38.6	25.6	22.4	37.6	6.7	38.1	23.6	25.0
Income from children or other relatives outside HH, within the country	40.8	56.3	49.4	52.8	58.8	52.7	59.0	31.0	52.8	63.5	37.5
Income from children or other relatives from other countries	10.6	18.2	14.8	16.4	19.5	21.6	15.6	13.8	18.0	19.3	9.7

TABLE 8
MOST IMPORTANT SOURCE OF INCOME AMONG RESPONDENTS BY SELECTED BACKGROUND VARIABLES

MOST IMPORTANT SOURCE OF INCOME	AGE			AMONG 60+							
				SEX		RESIDENCE		MARITAL STATUS			
	50-59	60+	TOTAL 50+	MALE	FEMALE	URBAN	RURAL	NEVER MARRIED	MARRIED	WIDOWED	DIV./ SEP
Earnings from work	46.3	26.5	35.5	30.8	23.2	24.0	28.3	34.8	27.5	23.4	52.0
Pension	2.3	7.7	5.2	10.3	5.7	10.5	5.6	13.0	7.1	8.0	-
Annuity/Separation pay	0.1	0.4	0.2	0.4	0.3	-	-	-	-	-	-
Rentals	1.2	2.0	1.6	1.6	2.4	2.9	1.5	8.7	2.3	1.5	2.0
Income from family business	6.3	5.0	5.6	5.3	4.9	7.8	2.9	8.7	6.3	3.4	-
Income from farm	25.1	22.0	23.4	26.9	18.1	15.2	26.9	4.3	28.9	13.8	16.0
Income from children/relatives within the country	14.0	29.9	22.7	20.2	37.5	30.2	29.8	30.4	21.3	42.2	20.0
Income from children/relatives outside the country	4.7	6.5	5.7	4.5	8.0	8.6	4.9	-	6.0	7.7	-
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Children as sources of old age security

In an agricultural setting, high fertility tends to be the norm as children are viewed as a source of security during old age. This holds true among the Filipino elderly where high fertility and high dependence on children for economic support are apparent. While a direct link between their fertility and expectations of economic support from children cannot be clearly established in the data, indirect associations tend to point towards this direction.

The study reveals that 64.3 percent of elderly with at least 1 living child derived income from their children with 36.3 percent claiming their children to be their main source of income (Table 9). Besides the monetary flow, children are also sources of non-monetary support (such as food, clothing etc.) for the elderly. There appears to be a positive (though not monotonic) relationship between the number of living children and the proportion of elderly who derive income from them. A threshold level is observed (two living children) before which the proportion of support from children dramatically increases after which no significant increase is apparent. Whereas the proportion who derived income from children is 32.1 percent among those who have only one living child, the proportion jumped to 59.4 percent among those with two living children. Similarly, the proportions who cited their children as their most important source of income do not seem to vary significantly after the second living child. This threshold level has significant implications on the fertility levels. It implies that one does not have to bear more than two children since economic returns beyond this number is not substantially rewarding. Although this perception assumes a very economic approach to the value of children, it may not be totally valid in the Philippine culture where non-economic value of children prevails.

Generally, the study projects a very active flow of exchange between the elderly and their children in both monetary and non-monetary terms. Although not quite pronounced, intra- rather than inter-household exchanges seem more pronounced. The elderly regardless of sex are more likely to receive support from their co-resident children as compared with their non-co-resident children (Table10). The female elderly are also the more likely recipients of monetary and non-monetary support from their children compared to the male,- a finding which corroborates the findings in a study in Singapore (Chan, 1997). This finding may reflect the perception among" children that their mothers are in need of more support than their fathers.

TABLE 9
MONETARY AND NON-MONETARY SUPPORT FROM CHILDREN
BY NUMBER OF LIVING CHILDREN

NUMBER OF LIVING CHILDREN	% WHO DERIVE INCOME FROM CHILDREN	% WHO CONSIDER THEIR CHILDREN AS THEIR MOST IMPORTANT SOURCE OF INCOME	% WHO RECEIVED NON-MONETARY* SUPPORT FROM CHILDREN
1	32.1	27.5	71.2
2	59.4	36.9	87.1
3	57.1	32.2	93.4
4	57.8	29.9	88.3
5	62.8	39.2	79.5
6	69.5	35.5	91.0
7	73.3	39.0	90.1
8	62.7	40.0	86.1
9+	71.2	37.1	89.1
TOTAL	64.3	36.6	87.3

* Food, Clothes

TABLE 10
ELDERLY SUPPORT FROM CHILDREN

	SEX		BOTH SEXES	
	MALE	FEMALE	PERCENT	NUMBER
A. Co-Resident Children				
-% who received money from any co-resident children	83.9	88.1	86.3	(756)
-% who received any significant amount from any co-resident	24.5	24.4	24.4	(214)
-% who received non-monetary support* from any co-resident children	84.2	92.1	88.7	(777)
B. Non-Coresident Children				
-% who received money from any non-coresident children	74.8	82.2	80.5	(1151)
-% who received any significant amount from any non-coresident	20.8	21.2	21.1	(1154)
-% who received non-monetary support* from any non-coresident children	77.1	86.6	82.5	(1154)

* Non-monetary support includes food, clothing or small items

Ownership of Home, Land and other Asset

The study reveals a high rate of home and land ownership among the Filipino elderly. This is significant since it represents not only possession of fixed assets but an additional source of income particularly among the urban poor communities where it is a common practice to rent part of their space to generate income.

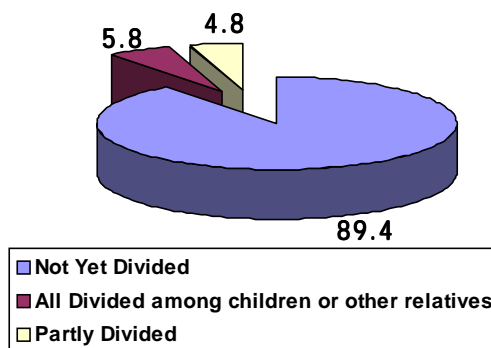
Table 11 reflects the home ownership among the elderly by selected background variables. Data reveal a high rate of home ownership with almost three quarters (74.3 percent) declaring ownership of their current place of residence. This level is net of those who declared joint-ownership with their children. Children of the elderly also reflect a high rate of ownership (13.1 percent) of the elderly's current place of residence. Another 10 percent of the elderly claimed ownership of a house other than their current place of residence. This high level of home ownership among the old is a phenomenon apparently shared by other countries in the region such as Thailand where the corresponding figure is 89 percent.

Elderly males, rural residents and those who are married exhibit higher levels of ownership of their current residence than their counterparts. The rural advantage may be a reflection of the relative availability and accessibility of housing materials in these areas not to mention the abundance of land to build it on.

Compared to homeownership, a much lower proportion declared ownership of the land where their current residence stands (Table 12). Only about 64.9 percent of the older people claimed ownership to both their house and the lot where their residence is located (Table 13). Quite a significant proportion (about 18 percent) can be categorized as *de facto* squatters since their current residence is located either on a government or private property. This group represents a very vulnerable group of elderly population who confront the perpetual threat of eviction and fear of losing their home.

As in the case of Thailand, the remarkably high ownership rate of residence can be explained by the common practice of transferring property after the death of the owner. Almost 9 out of 10 elderly in the study have not yet divided up their property and other assets among their heirs at the time of the survey which could also reflect the elderly's need to hold on some tangible source of security in their old age (Figure 3).

FIGURE 3
STATUS OF PROPERTY AND ASSETS
OF ELDERLY AND SPOUSE



As the results suggest, there is a very low transfer of property as parents age which tends to highlight both the economic and emotional value attached to inheritance in general. It is worthwhile to mention that in the context of the Filipino culture, it seems unethical for a child to sell an inherited property particularly when the parents are still alive. Even after their parent's death, it is a common practice to keep the property for sentimental reasons and may not be disposed off unless one is confronted with compelling financial constraints.

Besides house and lot, the study inquired into the elderly's ownership of other assets. Like income data, asset data were gathered using the couple as the unit of analysis. A relatively low level of ownership is noted with 41.3 percent (data not shown) of respondents having no other asset at all. For those who reported ownership of asset, a multiplicity of ownership is shown with each owning 1.3 assets on the average (Table 14). The elderly showed high ownership of jewelry and appliances (40.7 percent) followed by real estate properties (36.9 percent) (Table 15). The low ownership of cash savings with the male exhibiting an advantage augurs well with the low income levels reported by the elderly.

Ownership of other assets is closely related with income level and source (Tables 14 and 16). Results show that those who own other assets

TABLE 11
OWNERSHIP OF CURRENT RESIDENCE BY SELECTED BACKGROUND VARIABLES

OWNER OF CURRENT RESIDENCE	AGE			AMONG 60+							
				SEX		RESIDENCE		MARITAL STATUS			
	50-59	60+	TOTAL 50+	MALE	FEMALE	URBAN	RURAL	NEVER MARRIED	MARRIED	WIDOWED	SEP/ DIV
Respondent	22.8	33.9	28.9	30.1	36.5	33.2	34.4	26.7	15.4	57.4	53.1
Spouse	3.0	1.7	2.3	1.1	2.2	2.0	1.5	-	2.6	0.8	-
Both Respondent and Spouse	56.9	38.7	46.8	50.2	30.4	34.2	42.1	-	65.8	7.5	3.1
Respondent, spouse and children	1.9	3.0	2.5	2.1	3.7	3.8	2.4	-	2.3	4.0	3.1
Parents and/or siblings	5.2	1.7	3.2	1.1	2.0	3.3	0.4	23.0	1.2	1.0	3.1
Son/daughter	2.3	13.1	8.3	9.3	15.9	11.1	14.7	3.3	7.0	21.4	18.8
Other relatives/clan/ancestor	3.5	3.2	3.3	2.7	3.8	4.9	2.1	33.4	2.2	2.9	6.3
Others*	4.4	4.7	4.7	3.4	5.5	7.5	4.5	13.6	3.5	5.0	12.5
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
% who own another house	11.8	10.0	10.8	11.0	9.5	10.7	9.6	6.5	10.0	10.4	9.4

* Includes government or employer; son-in-laws, non-relatives, donations etc.

** 82.8% of elderly claimed to have built their own house

71.6% of elderly can either sell or mortgage house currently residing

% renting in urban areas = 5.1%

TABLE 12
OWNERSHIP OF LAND WHERE R LIVES ON

OWNER OF LAND WHERE R LIVES ON	AGE			AMONG 60+							
				SEX		RESIDENCE		MARITAL STATUS			
	50-59	60+	TOTAL 50+	MALE	FEMALE	URBAN	RURAL	NEVER MARRIED	MARRIED	WIDOWED	SEP/ DIV
Respondent	15.9	24.1	20.5	20.2	26.9	23.2	24.9	6.3	12.5	39.6	40.0
Spouse	6.7	4.8	5.6	3.8	5.6	6.0	3.8	-	6.0	3.3	6.7
Respondent & Spouse	32.3	24.2	27.8	31.6	19.0	21.6	26.3	-	40.6	5.6	-
Respondent, spouse & children	0.3	1.0	0.7	0.6	1.4	1.1	1.0	-	0.3	2.1	-
Son/daughter	0.9	7.5	4.5	4.9	9.2	7.7	7.3	-	3.8	12.5	10.0
Government owned with rights	1.7	2.5	2.1	2.1	2.7	3.3	1.7	-	2.2	3.1	-
Government owned without rights	5.7	5.7	5.7	5.3	6.0	6.6	5.0	9.4	6.0	5.6	-
Private/vacant lot	9.9	9.7	9.8	10.5	9.1	7.9	11.1	6.3	10.6	9.1	10.0
Renting	6.9	4.7	5.7	4.2	5.2	8.0	2.1	6.3	4.0	5.6	6.7
Clan / ancestors	4.9	3.6	4.2	3.8	3.3	2.7	4.2	12.5	3.7	2.7	6.7
Other relatives/other	14.8	12.2	13.4	13.0	11.6	11.9	12.6	59.2	10.6	10.8	19.9
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 13
PERCENT DISTRIBUTION OF ELDERLY BY OWNERSHIP OF HOUSE
CURRENTLY LIVE ON AND THEIR LAND LIVE ON

OWNER OF LAND CURRENTLY LIVE ON	OWNER(S) OF HOUSE			
	R, Spouse or Both	R, Spouse & Children	Son/ Daughter	TOTAL
-Respondent, Spouse or Both	64.9	47.4	24.5	53.1
-Respondent, Spouse and Children	2.8	18.5	42.9	8.4
-Government owned with rights	1.8	2.6	6.5	2.4
-Government owned without rights	5.5	2.6	4.8	5.7
-Renting	3.1	7.9	3.0	4.7
-Private/vacant	9.9	10.5	6.5	9.6
-Other relatives/Others	12.0	10.5	11.8	16.1
TOTAL	100.0	100.0	100.0	100.0

particularly cash savings are more likely to exhibit higher income levels compared to those who declared not owning assets. Those who reported rentals and family business as their most important source of income also exhibit the highest ownership of other assets while those relying on children/relatives for their subsistence exhibited the lowest rate of other asset ownership while owning one asset on the average. This presents the diversity in the income levels of the elderly with some economically better off sector although the majority are generally experiencing economic deprivation.

Debts and Expenditures

Given the tight financial state that the elderly find themselves in, it is not surprising to note that a good number of them registered some financial liability. The elderly are less likely to incur debts compared to their near-elderly counterparts. Whereas 38.7 percent among the elderly claimed to have some debts, the corresponding figure is 57.6 percent for the near-elderly (Figure 4). Differential analysis also reveals the economically better-off sector of the elderly population are more likely to be indebted. While the reverse pattern may be expected, the findings seem more rational in the sense that those with higher income and assets are more creditworthy and thus are more likely to be given access to loans and credits.

FIGURE 4
PERCENT WITH DEBT BY LEVEL
AMONG ELDERLY AND MEAN ELDERLY

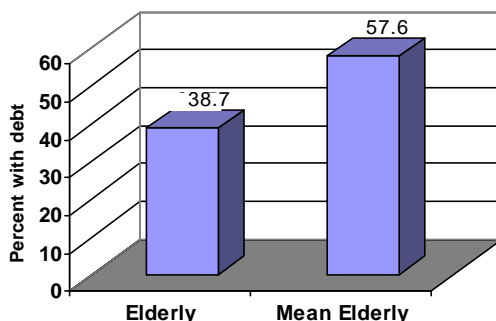


TABLE 14
PERCENT OF ELDERLY WITH AT LEAST ONE "OTHER" ASSET

MOST IMPORTANT SOURCE OF INCOME	PERCENT	MEAN NUMBER OF ASSETS
Earnings from work	56.5	1.2
Pension	78.2	1.8
Annuity/separation pay	75.0	2.4
Rentals	95.7	2.4
Income from family business	89.5	2.4
Income from farm	67.7	1.5
Income from children/relatives within the country	47.4	0.9
Income from children/relatives outside the country	76.7	1.6
TOTAL	61.7	1.3

TABLE 15
OTHER ASSETS OF ELDERLY OF THE FILIPINO ELDERLY BY SEX

PERCENT OF ELDERLY WHO HAVE THE FOLLOWING "OTHER" ASSETS	SEX	
	MALE	FEMALE
Real estate	36.9	33.2
Cash savings	12.3	8.7
Interest in a business, farm or fisheries	20.8	19.2
Jewelry, appliances	40.7	40.6

TABLE 16
MEDIAN INCOME OF ELDERLY AND SPOUSE BY OWNERSHIP OF
ASSETS AND SEX OF ELDERLY AGE

OWNERSHIP OF THE FF. ASSETS	MALE	FEMALE
Real estate		
Own	20,000	14,400
Not own	10,000	9,000
Cash savings		
Own	48,817	43,524
Not own	12,000	10,000
Intereset in a business, farm or fishery		
Own	24,928	16,299
Not own	12,000	10,000
Jewelry, appliances and other valuables		
Own	24,000	17,280
Not own	10,000	6,584

Sources of debts indicate the elderly's greater dependence on informal rather than formal sources. This is reflected by the popularity of the sari-sari store as their credit source (Table 17). Sources personally known to them including relatives and friends are likewise approached in times of financial want. Only a few have access to the formal sources such as banks (6.4 percent), GSIS/SSS (0.5 percent) or cooperatives (2.5 percent) which may be due to the difficulty of securing the necessary requirements and the need for some collateral. That some elderly are more likely to approach a usurer (3.1%) than the formal sources of credit is a clear indication of the inaccessibility of the latter as a source of support. It is significant to mention that a substantial proportion of the elderly rely not just on one but a combination of these financial sources.

The study inquired about the level of expenditures and how these were handled in relation to available income. Although income and expenditures have different time frames with the income variable taken annually, expenditures was estimated on a monthly basis. Adjustments were made to make them comparable. Another limitation of these estimates was that income was taken for the year prior to the survey while expenses refers to the year the survey was conducted. Estimates were likewise affected by the seasonality of expenditures which could affect the figures provided.

TABLE 17
PERSON FROM WHOM ELDERLY BORROWED MONEY

BORROWED MONEY FROM	50-59	60+
Relative	11.4	12.3
Friend	9.9	9.6
Sari-sari store	29.9	38.0
Usurer (five-six)	4.1	3.1
Bank	7.5	6.4
GSIS/SSS	3.0	0.5
Cooperative	4.9	2.5
Others/combination of any of the above categories	29.3	27.6
TOTAL	100.0	100.0

Generally, pooling of HH resources is the most acceptable mode of managing HH resources with no apparent differential across certain background characteristics (Table 18). About 45 percent of the elderly pool their family income while 28.6 percent manage expenses using a combination of pooling and assigning expenses among HH members. Pooling is particularly more apparent in rural and intact HHs. Male respondents are also more likely to claim pooling their resources. Less pooling is observed among HH members of never married and divorced respondents. Compared to the elderly, the near-elderly HH are more likely to pool their resources rather than cover assigned expenses. This may be due to the fact that the former are more likely to have children who have reached employment ages and therefore are ready to assume certain economic responsibilities.

Pooling of resources indicates a more cooperative way by which the HH needs are met. Such approach seems a logical coping mechanism for an economically unstable group since economically dependent members can benefit from the support of the economically better-off members. Elderly respondents who claimed to pool their HH income reported a median pooled income of P3,000 which is just enough to cover their monthly cost of operating the HH (data not shown). Most of the HH expenditures (about 89 percent) are spent on food implying that incomes are so low that they are mostly dedicated for the satisfaction

TABLE 18
MODE OF MANAGING HOUSEHOLD INCOME TO MEET HOUSEHOLD EXPENDITURES
BY SELECTED BACKGROUND VARIABLES

MODE OF MANAGING HOUSEHOLD INCOME*				AMONG 60+							
				SEX		SEX					
	50-59	60+	TOTAL 50+	MALE	FEMALE	URBAN	RURAL	NEVER MARRIED	MARRIED	WIDOWED	DIV/SEP
Pool Income	49.9	41.8	45.1	46.5	38.8	36.9	45.8	37.5	44.3	40.0	31.3
Cover assigned expenses	19.6	29.6	25.6	29.1	30.0	28.8	30.6	31.3	26.1	32.8	37.5
Some pooling and some assigned	30.5	28.6	29.4	24.4	31.2	34.3	23.6	31.3	29.6	27.2	31.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

* Asked only of respondents where there are other income earner in the HH besides Respondents and Spouse.

P3,000 - median monthly pooled household income.

of the most basic necessity. Contrast this with the 1994 Family Income and Expenditure Survey (FIES) which reported a 47.8 percent share of total food expenditures to total expenditures for the entire country. The difference is clearly an indication of the the relatively lower economic standing of older people vis- a-vis national standards.

A significant proportion of the elderly contribute to the HH of the operating expenditures. While in absolute terms, their contribution may be considered low, in relative terms this is substantial. Their monthly mean contribution of P1,517 cover more than half (53.8 percent) of the monthly HH operating expenses while the corresponding figures for the near-elderly are P2,052/month and three quarters (75.1 percent), respectively (Table 19). Clearly, even with low incomes, the older people are still bringing in significant help and assistance for the sustenance of their HH.

The amount of contributions that the elderly make for their HH expenditures is associated with age and their source of income. Elderly couples contribute significantly less than their near-elderly counterparts (Table 19). Contribution to HH expenditures is also dependent on their most important source of income. Those with very stable incomes (e.g. annuity and family business) reported the highest levels of financial contribution while the less financially well-off groups such as those who depend on their children reported the lowest level of contribution (Figure 5). What is significant to note is the latter's ability to contribute despite their apparently low and unstable incomes. Perhaps this provides a glimpse of the Filipino elderly's notion of well-being which is not only limited to his/her personal welfare but encompassing that of the entire family or HH. This concept seems to explain the active intergenerational flow of resources observed in the elderly HHs. Such network of support likewise reflects the elderly's role as a mechanism or conduit for the redistribution of family income in order to maximize overall family well-being. In a sense, the elderly by serving as a channel for family resources serves as an economic broker for the entire family.

When the elderly were asked about their perception regarding their HH financial status, they seem to project a poor economic condition. Majority claimed to be facing considerable difficulty in meeting their HH expenses. About 30 percent declared to have just enough means to foot their bills while a low proportion (8.9 percent) reported relative ease in meeting their HH expenditures (Figure 6).

TABLE 19
ELDERLY'S CONTRIBUTION TO HOUSEHOLD EXPENSES

AGE	Mean Contributions by R & Spouse/Month (P)	Contribution Made by Elderly & Spouse to HH Monthly Operating Expenses (%)	Monthly Expenditure on Food as a Prop'n of Total HH Operating Expenditure in R's HH
50-59	2,051.70	75.1	88.7
60+	1,517.26	53.8	89.1
TOTAL	1,890.23	63.81	88.9

FIGURE 5
ELDERLY'S MEDIAN CONTRIBUTION TO HOUSEHOLD EXPENDITURES BY MOST IMPORTANT SOURCE OF INCOME

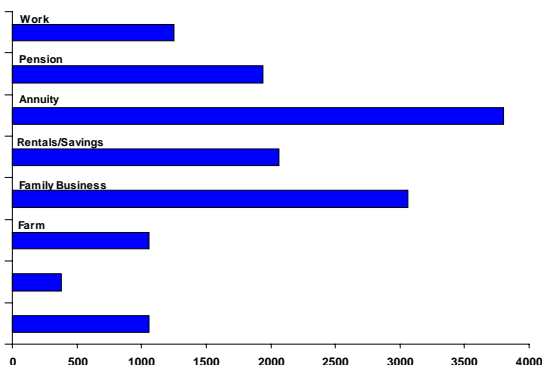


FIGURE 6
ELDERLY PERCEPTION REGARDING HOUSEHOLD INCOME AND EXPENDITURES

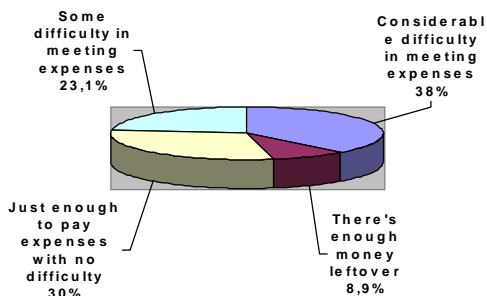


TABLE 20
ELDERLY PERCEPTION/ATTITUDE TOWARDS THEIR ECONOMIC
STATUS BY SELECTED BACKGROUND VARIABLES

VARIABLES	PERCEPTION/ATTITUDE		
	I felt I was a burden to others	I worried about my financial status	I worried/saddened that my children did not have economically better lives
Age			
50-59	18.3	80.4	64.1
60+	25.4	67.2	64.2
Total 50+	22.2	73.2	64.1
Sex (60+)			
Male	22.9	70.2	62.3
Female	27.1	65.2	65.5
Residence (60+)			
Urban	24.5	64.9	62.3
Rural	26.2	69.0	65.5
Marital Status (60+)			
Never Married	39.3	60.0	-
Married	22.2	67.4	65.2
Widowed	28.5	66.8	63.3
Divorced/Separated	32.3	77.4	53.3

The extent of the financial burden of the elderly is likewise pictured in the high proportion who claimed some concern about their finances. About 80 and 67 percent of the near-elderly and elderly, respectively worried about their financial status (Table 20). Despite the elderly male's income advantage, a greater proportion among them expressed concern regarding their financial status compared with their female counterparts. This could be an expression of the pressure they feel as the main breadwinner of the families. A higher proportion of ruralites as well as the divorced/separated were also noted to feel a greater financial pinch.

A deeper understanding of the elderly's poor self-assessment with respect to their economic well-being seems to be an expression of the family's economic condition. Such altruistic nature of the elderly is again reflected in the high proportion (64 percent) among them who expressed concern that their children did not have better economic lives. This finding is consistent with the altruism hypothesis advanced

by Becker (in Lillard and Willis, 1997) which posits that family members have altruistic feelings towards one another as a key ingredient in explaining many aspects of family behavior. The feeling of being a burden to others may also be related to economic concerns. While in the context of the Philippine culture children are expected to take care of their parents in their old age, some parents do not seem very comfortable with such an arrangement as manifested by their feeling of being a burden to their children.

CONCLUSION

Demographic transitions in our country, the historical decline in mortality and fertility have fashioned an irreversible future scenario marked by an increasing number and proportion of elderly population in the Philippines. Besides this quantitative change, the future generation of elderly will also project a different qualitative profile than their forebears. As a consequence of past policies towards expanding educational opportunities, the incoming cohort of elderly will be better educated and thus are expected to be more active in the labor force. Concomitant with this is the expected gains in health condition marked by their increasing longevity. Thus the future elderly will be expected to outlive their predecessors. While the improved longevity particularly among women is a reason to celebrate, it nevertheless poses serious health implications knowing that health needs progress with advancing age.

These quantitative and qualitative shifts are important to recognize insofar as they impinge on the economic well-being of our elderly. Current data indicate that despite the seemingly structural advantage of the Filipino elderly (e.g., almost a universal proportion are intimately connected with their families either by living together or via monetary and non-monetary support) they are in a precarious economic condition. In the 1996 PES, they reported very low levels of income, much lower than the poverty threshold reported in the country for the same period. This outcome is quite expected considering that most of them depend on transfers from their children for their main source of income. Earnings from work and farm, albeit also an important source of revenue to many appears secondary in importance. Only about a tenth were recipients of pension pay which validates the fact that care for the elderly in the country rests largely in the hands of the family than that of the state.

Faced with economic constraints, a good number of the older persons continue to eke out a living to support not only themselves but other

members of their HH. Except those working in the formal sector who are severed from the labor force involuntarily, it is likely that many of them especially those in the primary sector will continue working perhaps until such time that an alternative mechanism of support is available. While their sustained participation in the LF has its gains, its impact on their health condition must not be overlooked. This assumes significance in the face of an apparent lack of health care safety nets for the elderly in the country, indexed further by the lack of available gerontological health facilities as well as low health insurance coverage.

The active inter-generational exchange support noted in the study is proof that the elderly is not only a recipient but a provider of support as well—their low economic status notwithstanding. The significant proportion among them remain in the position of HH head makes the older person occupy a central position in the web of familial exchange of support. Indeed, this proves the elderly to be an economic asset rather than a burden as they are normally pictured. It would seem that continuous and selfless investment that the elderly pour on the other HH members is at the same time a preparation for their old age. By investing on the younger generation in terms of good relationship and service, the elderly are provided with a sense of security about their future, trusting that the goodness they sow will be reaped in their twilight years. In this way, the elderly can find and derive meaning in the state of life that they find themselves in.

This view of the elderly as ‘assets’ in society should not distract us from the ‘not so rosy’ economic condition that a majority of them find themselves in. This is primarily because the study shows how the economic woes are linked with despondency. This suggests that so much more has to be done to give our elderly a satisfying life. Providing answers to their economic vulnerability is just the initial step towards this end. The results of this study depicting the economic burden faced by the elderly therefore provides a challenge primarily to the government in terms of making the necessary preparations to face the increasing needs of our future ageing population. As the world in general (particularly the developed world) is poised to meet the needs of this emerging demographic phenomenon, the Philippine government (and NGOs as well) response should be no less. This is important particularly since the study notes that the economic burden is closely interrelated with other elderly concerns such as health, psychological and social factors which are essential elements in defining overall well-being.

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