

Employment Correlates of Multidimensional Poverty in the Philippines

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Abstract

Multidimensional poverty index (MPI) captures more welfare characteristics than the income- or expenditure-based poverty measures. It is an emerging social statistic, which must be understood to guide poverty alleviation policies. This paper finds robust employment characteristics on MPI using Bayesian averaging of classical estimates (BACE). The results indicate that being employed decreases MPI but length and nature of employment add to the MPI. Community public goods, as well as remittances, decrease the MPI, among other control variables considered. Priority through uplifting policy measures should be given more to laborers who are working for different employers than contractual workers if the aim is to reduce MPI.

Keywords: MPI, underemployment, BACE

JEL Classification: C11 E24 I32