

**COMPARATIVE RURAL INCOME DISTRIBUTION ANALYSIS
FOR BARANGAY PUNONG, PASSI CITY AND BRGY.TUBOD,
BINGAWAN, 1997.**

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ABSTRACT

Balane, Walter, Idul and , Ma. Reina Gallardo Montemor. "Comparative Rural Income Distribution Analysis For Barangay Punong , Passi City and Barangay Tubod, Bingawan, 1997"

This study was conducted in Brgy. Punong, Passi City and Brgy. Tubod, Bingawan. There were twenty four (24) respondents from Brgy. Punong, Passi City and forty one (41) from Brgy. Tubod, Bingawan. The analytical tools include the Income Decile, Gini-Coefficient and the Lorenz Curve.

It was found out that income earners belonging to deciles in Brgy. Punong, Passi City earn only 24.55% of the total annual household income earned for Brgy. Punong. While the upper deciles (6-10) earn 75.45% of the said income. On the other hand, the income earners belonging to deciles 1-5 in Brgy. Tubod, Bingawan earns 29.93% of the total annual household income earned for Brgy. Tubod, Bingawan. While the upper deciles earn 70.07% of the said income. It was observed that the income earners in the 10th decile earns 1,200% more than the income earners in the first decile in Brgy. Punong, Passi City. On the other hand, the income earners in the 10th decile earns 506% greater than the income earners in the 1st decile income earners in Region VI and Philippines earns 2.2% and 1.7% respectively. In Brgy. Punong, Passi City and Tubod, Binagawan they earn 2.3% and 4.5% of the total annual household income. The bigger percentage share the income earned by 1st decile income earners in Brgy. Tubod, Bingawan is indicative of the barangays' greater advantage vis-à-vis income distribution equality compared to that of Brgy. Punong, Passi City. It was found out that Passi City is Iloilo's highest income earner municipality. The income distribution in Brgy. Punong Grande, Passi City does not however show that high municipality income assures income equality distribution. The Gini-Coefficient ratios further justifies the indirect relationship of high municipal income earned and income distribution equality. The Gini-ratio of Brgy. Punong, Passi City is 0.3694 while that of Brgy. Tubod, Bingawan is 0.3313. Brgy. Tubod, Bingawan's estimate indicates a greater income distribution equality compared to that of Brgy. Punong, Passi City. Consequently, in the plotting of the Lorenz Curve, the curve for Brgy. Punong, Passi City is farther from the line of perfect equality compared to the one of Brgy. Tubod, Bingawan. The Gini-ratios of the Philippines and Western Visayas in 1997 were 0.4960 and 0.4414 respectively, which are relatively higher than the estimates of the two barangays. This is believed to be caused by sectoral homogeneity, which propose the concept that in areas where there is lack of mobility in the primary source of income, households heads are given less choice to move to another sector. Since both barangays are categorized as rural, although they differ in their extent of dependence to agriculture, the populace were deprived of the choices prided to those in urban areas. Thus, there is poor variety as to sources of income, household head and therefore income itself. Using the logarithmic transformed multiple regression, the following factors were found to be affecting significantly, the distribution of annual household income in Brgy. Punong, Passi City, the number of non-household member contributors (NHM) and the primary sources of income from professional work (PSY-PROF). For Brgy. Tubod, Bingawan, three variables resulted to be significant in affecting household income distribution namely; the number of non-household member contributor (NHM), primary sources of income from contributors (PSY-COMP) and highest educational attainment- college level (EDUC-CD).

Based on the results particularly on the decile income differentials and factors affecting income differentials, it is recommended that both national and local government should give focus on economic development and not only on economic growth so that vital problems will be addressed. It is important that the government will focus on its Poverty Eradication Program on the welfare of the smallest of the Philippine barangays. It is due time to initiate and maintain community based development projects and other barangay support system to empower the building blocks of the Philippine society.