

**F I N A L
R E P O R T**

**ST VINCENT AND THE GRENADINES
COUNTRY POVERTY ASSESSMENT**

2007/2008

LIVING CONDITIONS IN A CARIBBEAN SMALL ISLAND DEVELOPING STATE

*Volume 1
Living Conditions in
St. Vincent and the Grenadines*

FINAL REPORT

ST VINCENT AND THE GRENADINES COUNTRY POVERTY ASSESSMENT

2007/2008

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Volume 1 Living Conditions in St. Vincent and the Grenadines

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LIST OF ACRONYMS

BNTF	- Basic Needs Trust Fund
CARICOM	- Caribbean Community
CBOs	- Community-Based Organisations
CDB	- Caribbean Development Bank
CIA	- Central Intelligence Agency
CPA	- Country Poverty Assessment
CPI	- Consumer Price Index
CSME	- Caribbean Single Market and Economy
CXC	- Caribbean Examinations Council
DME-	Developed Market Economy
EC	- European Commission
EC \$	- Eastern Caribbean dollars
ECCB	- Eastern Caribbean Central Bank
ED	- Enumeration District
EPA	- Economic Partnership Agreement
EU -	European Union
FBOs	- Faith-based Organisations
GDP	- Gross Domestic Product
GIS	- Geographic Information System
GoSVG	- Government of St. Vincent and the Grenadines
HBS	- Household Budgetary Survey
HDI	- Human Development Index
HDR	- Human Development Report
HIV/AIDS	- Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
IA	- Institutional Analysis
ICT	- Information and Communication Technology
IDB	- Inter-American Development Bank
Kcal	- Kilocalorie
LDC	- Lesser Developed Country
LPG	- Liquefied Petroleum Gas
MDC	- More Developed Country
NAT	- National Assessment Team
NGO	- Non-government Organisation
ODA	- Overseas Development Assistance
OECD	- Organisation for Economic Co-operation and Development
OECS	- Organisation of Eastern Caribbean States

PPA	- Participatory Poverty Assessment
PWD	- Persons with Disabilities
R&D	- Research and Development
SIF	- Social Investment Fund
SLC	- Survey of Living Conditions
SME	- Small and Medium Sized Enterprises
STD	- Sexually Transmitted Diseases
TOC	- Team of Consultants
TOR	- Terms of Reference
UNDP	- United Nations Development Programme
US	- United States
VAT	- Value Added Tax
WINBAN	- Windward Islands Banana Growers' Association
WTO	- World Trade Organisation

EXECUTIVE SUMMARY

The Country Poverty Assessment (CPA) of St. Vincent and the Grenadines was undertaken to assess the current conditions affecting the welfare of people, and to recommend policies, strategies, action programmes and projects that would reduce the extent and severity of poverty. The present study has to be seen against the poverty assessment exercise which was conducted in 1996. Although the methodology utilised in the present study has been significantly updated, there is enough similarity to allow for comparisons between the two studies. The present study was funded by the European Union (EU), the United Nations Development Programme (UNDP) and the Government of St. Vincent and the Grenadines (GoSVG).

A National Assessment Team comprised of nationals of St. Vincent and the Grenadines and the Team of Consultants collaborated in the exercise. The CPA was comprised of four core components:

1. A National Survey of Living Conditions/Household Budgetary Survey (SLC/HBS);
2. A Participatory Poverty Assessment (PPA);
3. An Institutional Analysis (IA); and
4. A Poverty Mapping Exercise

A sample of 4.4 percent of the population was surveyed during the SLC/HBS. The PPA involved sixteen communities across the islands, and some 57 institutions were visited in the course of the IA.

Poverty is fundamentally about deprivation and can be defined as any situation in which an individual, a group, or community possesses less than some standard of living that is deemed generally as acceptable. The poverty line is a monetary measure of the minimum annual consumption expenditure, in dollar terms, that is needed to meet the basic food and non-food requirements of an average adult, at prevailing prices.

It is constructed by first establishing an *indigence line* or *food poverty line* which establishes what is the minimum expenditure required to maintain good bodily health on the part of the individual. This was estimated to be EC\$2446 per adult per annum or EC\$6.70 per adult per day. Secondly, an allocation for non-food requirements was derived by taking the reciprocal of the food share of the two poorest quintiles, which was added to the indigence line, to arrive at the *poverty line*. This established a poverty line of EC\$5523 per annum per adult or EC\$15.13 per day. The *vulnerability line*, which is

set at 1.25 times the poverty line (or 25% above it), measures the number of persons who may be above the poverty line (not poor), but are at risk of falling into poverty, as result of economic shocks or other types of disruption. The vulnerability line was EC\$6,904 per adult per annum or EC\$18.91 per adult per day.

The difficulties that the country has had in its programme of poverty reduction has to be seen against the decline in the banana industry in the latter years of the 20th century as a new regime was put in place in the main export market and as the rules of World Trade Organisation (WTO) became operative and the protection enjoyed was removed. The other sectors providing sources of earning foreign exchange were faced with difficulties also. Light manufacturing suffered as North American Free Trade Area was established. Offshore Financial Services in the Caribbean came under attack from the Organisation for Economic Co-operation and Development (OECD) countries. Tourism was buoyant from time to time but the sector is small relative to the rest of the economy of St. Vincent and the Grenadines.

In spite of the difficulties over the period 1995/96 – 2007/08, poverty seems to have fallen and indigence, even more so. This is seen in Table 1.

TABLE 1: COMPARISON OF 1995/96 AND 2007/08 POVERTY RATES

Poverty Indicators (1996 and 2007/08 Compared)	St. Vincent and the Grenadines	
	% Individuals 1995/96	% Individuals 2007/08
Poverty Headcount Index	37.5	30.2
Indigence Level	25.7	2.9
Vulnerability Level	n/a	48.2

Inequality, as measured by the Gini coefficient, fell from 0.56 to 0.402. As much as 44.3 percent of residents felt that conditions had worsened compared to the previous year, which might be explained in the context of the escalation of prices of basic food and energy that took place toward the end of 2007 and early 2008.

Comparisons between the two indigence estimates are methodologically more easily sustainable than between the poverty estimates. Even if there is debate over the percentage poor, there are other data that point to the improvement in living conditions. This is seen in Tables 2 and 3.

TABLE 2: CHARACTERISTICS OF HOUSEHOLDS BY CONSUMPTION QUINTILES 1995/96

Household Characteristics	ALL SVG	Per Capita Consumption Quintiles				
		I Lowest	II	III	IV	V Highest
Area:						
Urban-Percentage Residing	39.2	26.7	37.3	34.9	44.5	45.7
Rural-Percentage Residing	60.8	73.3	62.7	65.1	55.5	54.3
Sex of Head of Household:						
Male	56.0	46.7	57.8	45.8	60.0	63.6
Female	44.0	53.3	42.2	54.2	40.0	36.4
Average:						
Age of Head	47.2	46.4	47.8	49.6	45.5	47.5
Size of Household	4.1	5.3	4.8	4.8	3.6	3.0
Number of Children ¹	1.7	1.8	1.9	1.3	1.5	1.9
Persons per Bedroom	1.9	2.9	2.2	2.2	1.6	1.2
Number of Earners	1.1	1.2	1.0	1.0	1.2	1.2
Pit Latrines or Worse (%)	58.8	82.3	70.8	61.4	49.9	29.01
Electricity (%)	76.3	55.2	80.2	78.1	80.2	87.5

Source: St. Vincent and the Grenadines National Survey of Living Conditions, 1995

TABLE 3: CHARACTERISTICS OF HOUSEHOLDS BY CONSUMPTION QUINTILES 2007/08

Household Characteristics	ALL SVG	Per Capita Consumption Quintiles				
		I Lowest	II	III	IV	V Highest
Urban Percentage-Residing	51.1	47.1	40.5	52.2	55.1	60.3
Rural Percentage-Residing	48.9	52.9	59.5	47.8	44.9	39.7
Sex of Head of Household						
Male	47.9	50.6	46.1	47.3	46.5	49.0
Female	52.1	49.4	53.9	52.7	53.5	51.0
Average						
Age of Head	52	50	50	51	51	54
Size of Household	3.5	5.1	4.4	3.0	2.4	2.4
Number of Children Under 17	2.12	2.74	2.17	1.82	1.51	1.61
Persons per Bedroom	1.46	2.32	1.77	1.34	1.02	0.87
Number of Earners	1.66	1.89	1.74	1.67	1.46	1.47
% with:						
Pit Latrines or Worse (%)	31.2	54.4	41.5	28.2	22.1	9.6
Electricity (%)	88.8	78.6	92.0	89.7	91.2	92.6

¹ Less than age 17 years old

In the matter of the Millennium Development Goals, the country has made progress but lags behind its neighbours in respect of the Human Development Index. This can be seen in Table 4.

TABLE 4: COMPARABLE PERFORMANCE ON HDI BY OECS
AND OTHER SELECTED CARIBBEAN COUNTRIES

Country	HDI Rank 2008
Barbados	37
Cuba	48
Bahamas	49
Trinidad and Tobago	57
Antigua and Barbuda	59
St Kitts /Nevis	60
St Lucia	66
Dominica	77
Grenada	86
Jamaica	87
Belize	88
Suriname	89
St. Vincent and the Grenadines	92

Source: UNDP Statistical Update Dec 2008, available at <http://hdr.undp.org/en/statistics/>

In terms of the geography of poverty, the Georgetown and Sandy Bay census divisions, which together comprised 9.0 percent of the population, accounted for as much as 16.5 percent of the poor. At the same time information from the PPA show that Bottle and Glass in the Barrouallie census division is also a community in which there are significant levels of poverty.

The study found that there were also high levels of unemployment and underemployment. There is evidence, from the PPA, that some sections of the labour force have opted out of the formal labour market in favour of the underground economy. In one village, it was remarked:

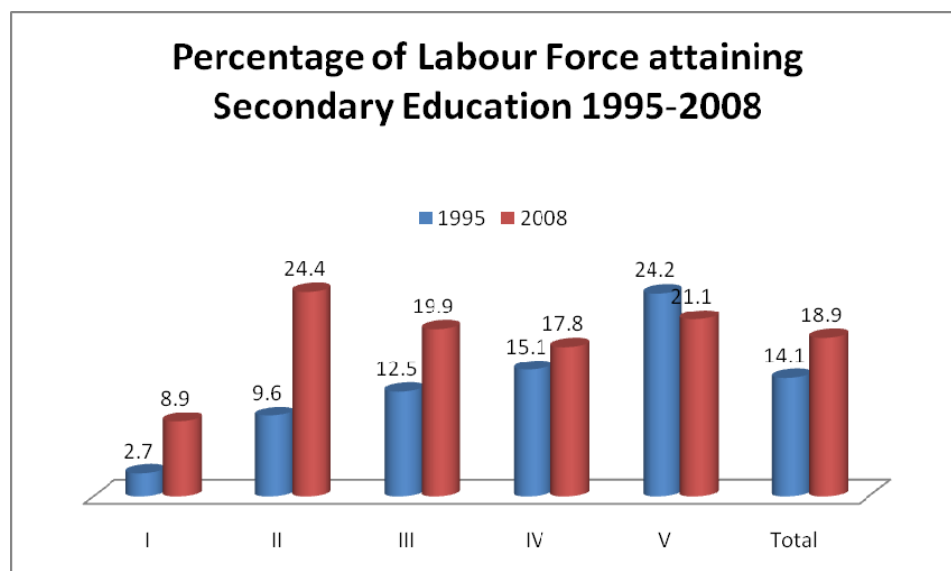
“Everybody here growing weed.”
“Nuff man a head to the mountain to plant ganja. That what they survive on.”
“If ganja wasn’t planting, nuff poverty would ah been here.”
“Once I get a bag of weed I can hustle it and make a dollar.”

The labour market was also segmented by sex, with implications for single headed households with females at the head. The majority of those in the lowest quintile were in elementary occupations, or work intermittently in the informal sector.

There were a number of subsidies in place, especially in the education system. By and large, there seemed to be some effort at targeting. In respect of school feeding, persons in receipt increased with declining socio-economic status, and the higher the quintile, the less likely that persons might have availed themselves of the meal service. Assistance with school books was also targeted at the poor.

In such areas as education and housing, there was major advance over the period. Secondary education was the area that attracted considerable investment and the impact is visible across the quintiles. This can be seen in Figure 1, which compares 1995/96 and 2007/08.

FIGURE 1: PERCENT OF LABOUR FORCE ATTAINING SECONDARY EDUCATION 1995/96 AND 2007/08



Box 1 summarises the main poverty indicators for 2007/08.

BOX 1: SUMMARY INDICATORS OF LIVING CONDITIONS IN ST. VINCENT AND THE GRENADINES (2007/08)

- *The annual Indigence Line and Poverty Line were estimated at EC\$2,445 and EC\$5,523 per adult respectively, in 2008.*
- *The Vulnerability line set (25 percent above the poverty line) was EC\$6,904 per adult per annum.*
- *30.2 percent of the population was deemed to be poor in 2008, and 2.9 percent was deemed to be indigent.*
- *An additional 18 percent, though not poor, were deemed vulnerable (defined as being at risk of falling into poverty in face of economic shock, or other disaster): altogether 48.2 percent of the population was below the vulnerability line.*
- *The highest incidence of poverty was found in the Georgetown/Sandy Bay Census Division – 55.6 percent of residents in this district were deemed to be poor.*
- *The lowest incidence of poverty was found in North Grenadines – 12.0 percent of residents in this district were deemed to be poor.*
- *The Poverty gap index for the country was 7.5.*
- *The Gini coefficient of inequality was estimated to be 0.4023.*
- *The richest 10 percent of the population accounted for 33.8 percent of total consumption expenditure, while the poorest 10 percent accounted for a mere 2.8 percent of total consumption.*
- *The lowest quintile allocated 45.1 percent of their expenditure on average to food; compared to the national mean of 35.4 percent.*
- *25.9 percent of household heads rated their social and economic circumstances as either “a little better” or “much better” at the time of survey compared to the year before; 44.3 percent felt that conditions had worsened.*
- *40 percent of individuals in the lowest quintile rated themselves as poor.*
- *Compared to 1995/96, the average age of heads of households had increased; the average size of household had fallen, the number of persons per bedroom had fallen; and the number of earners had increased. The percentage of households with pit latrines or worse had fallen: representing a significant improvement in socio-economic conditions.*
- *The national unemployment rate was 18.8 percent, but the unemployment rate of the poor was 25.3 percent.*
- *In the lowest quintile, as much as 28.2 percent of individuals were employed in elementary occupations.*
- *More than half of all labour force participants in the 15-19 age cohort came from the two lowest quintiles, suggesting that a greater premium was set on labour market participation than on education and training. In the lowest quintile, 79.5 percent of males in the labour force had passed no examination.*
- *16 percent of the population reported suffering from chronic lifestyle diseases. 49.3 percent of women had their first pregnancy between 15-19 years of age; of these 2.5 percent had their first child before their 15th birthday.*

The three elements of the assessment, one quantitative and other two qualitative, found broadly similar and consistent results. These are listed under some key headings and presented in Table 5.

TABLE 5: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Measured Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 30.2 percent. Calliaqua accounted for most of the poor (19.9%), followed by Georgetown/ Sandy Bay (16.5%). The Grenadines accounted for 3.7 percent of the poor. 	Most communities participating in the PPA were aware of poverty in their midst.	<ul style="list-style-type: none"> Most institutions were aware of poverty in the country and those engaged in the delivery of social services attempted to target the poor. Social services agencies sensed that their resources were inadequate in the face of the challenges faced.
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: Following a year of escalating food and energy prices, as much as 44.3 percent of residents felt that conditions had worsened when compared to the previous year. Only 40 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> Perceptions and experience with poverty differ by gender and population subgroup. Men generally viewed poverty in relation to their role as breadwinner and provider for their families. For men poverty is: "Struggling to make a living"; "No job, no money so can't provide." "Money is power and if you poor and have no money you powerless" Women generally viewed poverty as an inability to provide food and other basic needs for their children and family. Several women shared the perception that being in situations of poverty led them to be taken advantage of by men. Some of the women said poverty is: "not being able to provide for my children"; "when you don't have a dollar to pay the bills, send the children to school or to give them to buy lunch"; "doing anything you have to get something for your children – even having sex for money". The Youth participants generally said that they get support from their parents, but that being poor does expose them to various risks including involvement in illegal activities and risky sexual behaviours." 	<ul style="list-style-type: none"> The Ministry of National Mobilisation, Social Development, Gender Affairs, Non Governmental Organisational Relations, Persons with disabilities, Youth and Sports is the primary agency of the State with programmes for the Poor and Vulnerable, and cooperates with NGO Community in that regard. They evaluate cases of need on an individual basis. Marion House caters to poor and vulnerable children and other groups; Lewis Punnett Home and Thompson Home provide shelter for the Elderly.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 18.8 percent of labour force participants were unemployed. The unemployment rate in the poorest quintile was 23.7 percent. In the lowest quintile, 28.2 percent were engaged in elementary occupations. About 15 percent of the labour force was subject to underemployment (defined as working less than 35 hours per week). 	<ul style="list-style-type: none"> Community members shared the overall view that job opportunities are too few and wages are too low. Many persons admitted that they lacked the skills to get better paying jobs, but even those who did have skills did not appear to have the entrepreneurial drive to use their skills to become self employed. There is segmentation in the labour market along gender lines: women feel that they do not have "equal opportunities with men". 	<ul style="list-style-type: none"> Department of Labour: Employment Unit has not had much success in placing ex-farmers into other jobs, due to the limited availability of jobs in other sectors. Canadian Farm Labour Programme absorbs about 200 persons per annum. There is evidence of gender segmentation of labour market – men in construction, women in hotels and restaurants.
Education	<ul style="list-style-type: none"> Adult literacy is estimated to be 84 percent, with younger generations having higher literacy rates than their parents. Household heads are more educated – 8.6 percent of household heads had received training above the secondary level (post secondary and university) in 2007, compared to 3.2 percent of heads in 1995. 	<ul style="list-style-type: none"> People generally supported the view that education was important and provided the main opportunity for exit out of poverty. "Education is a way out of poverty"; "without education you can't move out of poverty"; and "people are more aware of the value of early childhood education". At the same time, it was widely felt that not enough persons take advantage of the opportunities being provided. Some parents admitted that they cannot always afford to send their children to school every day. 	<ul style="list-style-type: none"> The Government has invested heavily in Information Technology and Education. Beginning with Early Childhood Education, all levels of the school system are being upgraded. Programmes at the Community College have been expanded and adult continuing education is now widely available across the country. Additionally the teaching of foreign languages has been introduced at the primary level. Education accounts for about 20 percent of recurrent government expenditure. There is some concern about male under-performance in the classroom.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> 12.7 percent of males and 15.6 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. Most persons choose to visit a public health clinic or public hospital for medical attention when ill, irrespective of sex, or socioeconomic status. The service at Public Health facilities is generally regarded as satisfactory (88.5 percent of respondents), except that the wait time could tend to be somewhat long. Only 9.4 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> Chronic diseases appear to be very prevalent across communities. Health centres offer a wide range of services and most people rely on these services. Persons generally regarded the service at these health centres to be "good", but there are some concerns with the long wait times that are often necessary. "Sometimes you have to wait long to see the doctor" 	<ul style="list-style-type: none"> Primary health facilities are well distributed across the country. In 2006 the Nutrition Support Programme reached over 9,000 primary and pre-primary children through School Feeding Programme and another 1,000 through the Supplemental Feeding Programme in child clinics. The widespread abuse of drugs has resulted in the need for psychiatric services which are beyond the scope offered by the Ministry of Health. Information from National Insurance Services suggests that over 900 persons on file died as a result of HIV/AIDS related complications, since official recognition of the presence of the disease in SVG..
Disability	No data in SLC	<ul style="list-style-type: none"> Community Groups were unanimous that PWDs were among the more vulnerable in society, especially among poorer families. Many persons with disabilities did confirm that they receive financial assistance from the State. Some persons expressed concern over the lack of facilities to deal with or to treat a wide range of disabilities. 	<ul style="list-style-type: none"> National Society of Persons with Disabilities: Integration of persons with disabilities into the mainstream of education system, and encouragement of business among PWDs.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> Remittances accounted for 28.8 percent of all income to households in the lowest quintile and 22.1 percent of households incomes overall. 	<ul style="list-style-type: none"> Several of the communities including Greiggs, Paul's Avenue, Layou said they were heavily reliant on remittances – including money, foodstuffs and clothing. "If it wasn't for relatives in Tortola, dog better than we." "Plenty barrels does come with food and clothes at Christmas." "Thank God for good family and friends overseas" 	<ul style="list-style-type: none"> Chamber of Commerce sensitive to impact of remittances in driving domestic economic activity.
Physical Living Conditions	<ul style="list-style-type: none"> Just under 70 percent of households had supply of water seven days per week. However, only 36 percent of households in the Grenadines had seven day supply from public sources. About 85 percent of the population has access to electricity from a public source, and in the lowest quintile, 77.5 percent used electricity. The vast majority of households used Gas/LPG for cooking: 94.3 percent of those in the lowest quintile using this fuel. Only 1.8 percent of households used coal or wood. 	<ul style="list-style-type: none"> There is a good road network in most communities as a result of large scale road improvement and re-surfacing projects, but some roads are still to be outfitted with streetlights. Public utilities are widely available but accessibility is limited because of the high cost. In some communities residents said that they share electricity with neighbours. "Some people don't have electricity because they can't afford to buy the pole"; "Is a struggle to pay utility bills". Housing is substandard in some especially less urban communities, many of which do not have proper toilet facilities. Examples include Paul's Avenue, Ottley Hall and Fitzhuges. 	<ul style="list-style-type: none"> Central Water and Sewerage Authority estimates that about 96 percent of population of largest island the island of St. Vincent has access to safe supply of water. According to the Solid Waste Management Unit there is 100 percent coverage in terms of garbage collection, There is a "Culture of Littering", and the Solid Waste Management Unit does not appear to have the power to enforce the Litter Act of 1991. Some communities have benefitted from Government housing projects and other projects funded under the Basic Needs Programme.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 1.9 percent of individuals reported having been victims of crime. Stealing/robbery was the most common reported crime. 	<ul style="list-style-type: none"> Some communities are characterised by a subculture of crime, drug trafficking, and gun-related violence. Some residents admitted that marijuana cultivation is a common (though illegal) activity, that is of economic importance to the communities. Others in the communities saw the negative impact of these activities: "Too many rum drinkers and drug pushers." "Too many young children smoking." Alcoholism was also identified as a major problem in many communities. There was a specific concern about the impact that it has on relationships and family life. 	<ul style="list-style-type: none"> The police recognise that there is a "culture of violence" in society today. In particular, they face a major challenge in controlling the "Hills" in St. Vincent. The upsurge in use and transhipment of cocaine along a number of isolated beaches is difficult to patrol and monitor without helicopters. More resources are needed to deal with 'scourge' of marijuana cultivation. Marion House runs a Chemical Dependency Programme, which has made some headway in helping persons who are dealing with issues of alcoholism and drug abuse.
Teenage Pregnancy	<ul style="list-style-type: none"> Nearly 50 percent of females reported having had their first birth between the ages of 15-19. The percentage of women having their first birth during their teenage years declined as socio-economic status improved from 60.2 percent in the lowest quintile to 30.1 percent in the highest quintile. Of these, as many as 8.5 percent of those in the lowest quintile reported that they had their first birth when they were under the age of 15. 	<ul style="list-style-type: none"> Discussions with a number of School Principals and the records from a selection of secondary schools confirm that teenage girls generally become pregnant for older men rather than younger men; and their mothers appear to approve and/or encourage this type of activity in order to supplement household income. Many of these girls are under the age of 15. 	<ul style="list-style-type: none"> Police: Sexual offences have become prominent, and victims are mainly children. Mothers prepared to protect step-father abusers to protect source of income. Marion House: Youth Parents Programme; The Ministry of National Mobilisation, Social Development, Gender Affairs, Non Governmental Organisational Relations, Persons with disabilities, Youth and Sports: Programme for Teen Mothers Returning to School.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequity	<ul style="list-style-type: none"> SLC shows gender segmentation of labour market: Women need much higher levels of education to compensate for the segmentation and inherent bias in the labour market. Female headed households likely to be poorer. 	<ul style="list-style-type: none"> PPA shows gendered nature of family responsibilities. "Running from man to man in order to maintain your family." "If a man say not to use contraceptives you don't cause he providing the money." "Even if you working, he make more than you." 	<ul style="list-style-type: none"> Department of Labour: Oversight of the world of work. No formal legislation in place to deal with gender discrimination.
Natural Disaster	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> PPA showed that some households got emergency assistance after hurricanes Coastal erosion exacerbated by sand mining in Grenadines 	<ul style="list-style-type: none"> The response to disasters is based on an inter-departmental approach. In the case of hurricanes. The Ministries of Agriculture, Works and Transport, and Housing work alongside NEMO. The Red Cross and community churches also provide support. NEMO and the Ministry of National Mobilisation, Social Development, Gender Affairs, Non Governmental Organisational Relations, Persons with disabilities, Youth and Sports both offer assistance in the form of housing materials, in the case of major disasters. But funding for these programmes is on a case by case basis. Those in informal settlements do not receive assistance to restore housing, however in some instances provision is made for resettlement.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Democracy and governance	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> The previously physically and psychologically isolated groups in remote districts such as Sandy Bay and the islands of the Grenadines are being seen to be brought into the fold by improvements in physical infrastructure and technology penetration. 	<ul style="list-style-type: none"> There is no local government serving the islands of the Grenadines; governance is centralised on the mainland.
Economic and social structural change and poverty	<ul style="list-style-type: none"> Poverty and indigence levels have fallen; comparative social indicators show improvement in living conditions. 	<ul style="list-style-type: none"> Progress in the form of improvements in physical infrastructure and access to public services and facilities has been marred by degeneration of family values, and the rise of crime, drug use, drug abuse and drug trafficking. The community spirit is said to be dwindling. 	<ul style="list-style-type: none"> A number of Government agencies and a range of NGOs and CBOs involved in contributing to poverty reduction. Social challenges dwarf resources available.
Causes of poverty	<ul style="list-style-type: none"> Logistic regression suggests association of household size, level of education, sector of employment, and employment level. 	<ul style="list-style-type: none"> Lack of job opportunities, jobs and money Low wages Low levels of education and skill 	<ul style="list-style-type: none"> Government agencies involved in social sectors and NGOs continue to work towards reducing poverty and inequality.
Current policies and programmes in social protection	<ul style="list-style-type: none"> School Meals and Textbooks: It would appear that in spite of the support that has been introduced in recent years there were children in the lower socioeconomic groups who did not attend school every day. 	<ul style="list-style-type: none"> The State has a number of Programmes targeted at different sub-population groups, and access to these sources of assistance is usually based on specific criteria. NGOs (such as the Red Cross), FBOs (such as churches) provide assistance to needy individuals, in the form of donations mainly of food and clothing. 	<ul style="list-style-type: none"> There are a number of transfers and subsidies available to those in need of some support. There is a School Book and Uniform Programme in schools. A number of NGOs, CBOs and FBOs get subventions from the State, which help in achieving their objectives or carrying out their respective mandates.
Donor agencies and pro-poor interventions	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> A number of communities were aware of external support for programmes. 	<ul style="list-style-type: none"> External support for programme initiatives in infrastructure and micro enterprises has been available. Agencies involved were CDB with BNTF, EU with SIF and UNDP

Given the level of poverty discovered and the constraints faced by the country and the Government, amidst a world economic crisis, it is recommended that it strengthen its policies relating to:

- Programmes designed to expand the economy in areas where St. Vincent and the Grenadines can develop competitive exports of goods and services;
- Management of fiscal debt within the limits set by the ECCB;
- The improvement of fiscal operations to secure adequate resources to sustain the expansion of the physical and social infrastructure of the country as the platform for growth;
- The promotion of micro-enterprises and SMEs as the foundation of private sector development with wide participation of the national community in entrepreneurial endeavour;
- The continued expansion of such social infrastructure as housing for low income families, education and training, adult education, preschools, and wide exposure to information technology;
- The development and maintenance of a transfer budget to be used in targeting the poorest of the poor, including addressing cohort and gender specific vulnerability, and in providing social protection for those in need and, in particular, for those who have no other recourse but to rely on transfers from the state and other stakeholder in the country: coordination among agencies on a social benefits registry would ensure rationalisation of resources; and
- Creation of an environment in which citizens of the country can employ their talents at all times in developing their country, and in realising their potential, in a governance structure in which each has voice in the conduct of the affairs of the country and of their locality.

In redoubling its efforts at poverty reduction, it may care to attempt the following:

- Improve governance by introducing local government with special regard to the Grenadines;
- Cater to communities with special needs with area specific integrated development plans – such as communities within the Census Divisions of Sandy Bay and Georgetown;
- Promote wide participation in entrepreneurship;
- Retrofit the physical infrastructure in the light of global climate change, including using soft engineering like planting of trees and mangroves as a protective mechanism;
- Develop agri-business across wide swathe of agricultural activity;
- Promote organic agriculture;

- Adapt technology and innovation in agriculture;
- Inculcate public commitment to highest standards in environmental sanitation;
- Improve sewage disposal;
- Eliminate the underground economy;
- Facilitate community based tourism and strengthen community based conservation efforts;
- Promote local cuisine;
- Improve land administration;
- Reduce teen pregnancy;
- Mobilise domestic financial resources including 'in-shoring' resources from abroad;
- Eliminate gender segmentation; and
- Recommit to excellence in education.

St. Vincent and the Grenadines will need the assistance of the international community in continuing its efforts at poverty reduction. The Government, through its agencies, has mounted a vigorous programme of poverty reduction the fundament of which is to stimulate the growth of competitive industry and of new export activity. There are a number of agencies in the NGO community that have also been engaged in major programmes, to the extent that their resources allow it. The last eighteen months have been the most difficult in living memory, given the precipitous decline in the rate of growth in the international economy.

The transition through the difficult process of trade adjustment continues. The country will be able to overcome poverty only when it arrives at a sectoral composition that includes industry capable of generation substantial foreign exchange and/or can provide employment for the large numbers currently unemployed or under-employed. The country will need considerable support in building its platform for growth of competitive industry. Its poverty challenge is one side of the coin. Unemployment, underemployment and the growth of the underground economy are the other side of the coin. The international economic recession would have pulled more people below the poverty line: almost half the population was vulnerable before the onset of the crisis.

Although a small country in terms of population and physical size, St. Vincent and the Grenadines has had an impact, and can impact its neighbours and the wider region. In the absence of support, large numbers of its people are likely to migrate. Poverty in St. Vincent and the Grenadines will not be contained within the country, but will spill over directly or indirectly across its borders. Success at poverty reduction involves regional and international partners. As the country redoubles its efforts, it will need assistance from the international community in maintaining its programmes.

CHAPTER 1

BACKGROUND AND INTRODUCTION

1.1 BACKGROUND

A qualitative and quantitative analysis of Living Conditions in St. Vincent and the Grenadines in 2008 is provided in this Country Poverty Assessment (CPA). The overall objective of the Assessment was to assess the current conditions affecting the welfare of people in St. Vincent and the Grenadines, and to recommend policies, strategies, action programmes and projects that would reduce the extent and severity of poverty. In addition to the computation of the level of poverty, the CPA has sought to examine the processes that generate and maintain conditions conducive to poverty, existing responses to the poverty situation and the means available for effective poverty reduction. The present study has to be seen against the poverty assessment exercise which was conducted in 1996. Although the methodology utilised in the present study has been significantly updated, there is enough similarity to allow for comparisons between the two studies, and for deriving insights on the degree to which conditions might have changed.

For the most part, CPAs have been used in the design and formulation of a number of poverty reduction interventions and strategies in the Commonwealth Caribbean since the early 1990s, when formal studies of poverty were initiated. The Social Investment Funds (in Belize, Jamaica and Trinidad and Tobago), the Rural Enterprise Development Projects (in Belize, Dominica, Grenada and St. Lucia) and the Human Settlements Projects (in Belize and Grenada) have been developed on the basis of CPAs. Other studies similar to CPAs have also guided social policy reform and informed the redesign of various social projects in the Commonwealth Caribbean since the 1990s.

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1.2 DEFINING POVERTY

It is now well accepted that poverty can be defined as any situation in which an individual, a group, or community possesses less than some standard of living that is deemed generally as acceptable. This standard may be determined on the basis of either the material condition of other persons or groups in the society or on the basis of the gap

between what is possessed and some objective indicator of elementary human need. Poverty is fundamentally about deprivation.

In the last quarter of the 20th century, poverty assessment became an area of work that attracted considerable interest among academics and practitioners. However, as a field of specialised study, one can refer to the early work of a century before by Booth (1887)² among the working class of 19th century Britain, and then by Rowntree (1902)³. In recent years, the World Bank has become responsible for some of the most authoritative work on poverty, which is seen as an irony in some quarters, since it was the very programmes of the Bank, that countries were forced to adopt in the face of debt and fiscal crises that, allegedly, contributed to the exacerbation of poverty in the late 1970s and early 1980s, when much of the work started on poverty assessment. Severe critique led to the Bank's shifting to 'adjustment with a human face' and, it could be argued, it developed a methodology that has become the most widely used approach since then (Singer, 1989).⁴

Sen (1987) has been among the most influential in the expansion of the definition of poverty to the concept of entitlement and capabilities, which include not only food requirements, freedom from hunger and the like, but also the capacity for self-actualisation.⁵ This can be achieved by basic education, access to primary health care, a sense of personal safety, and the supply of information necessary to make informed choices and to participate in the running of the society. It includes what Sen (2000) has defined as human freedom, or the freedom of the individual to live the life that he or she desires.⁶ This helps us to recognise that poverty has to do with goods and services that influence wellbeing but are not directly under the control of the individual in a modern society. It also has to do with some intangibles that limit choices, and access to tangibles.

The reduction of poverty has become an important agenda item for the international community and progress in that regard is measured on a number of indicators, and not only on the basis of dichotomous and discrete statistics of the percentage of people who are poor and the percentage that are not poor. The United Nations Development Programme (UNDP) has institutionalised a practical measure that purports to better measure well-being through its Human Development Index, which is reported on in the

² Booth, Charles. (1887). "The Inhabitants of Tower Hamlets (School Board Division), Their Condition and Occupations," *Journal of Royal Statistical Society*, Vol. 50, pp 326-340.

³ Rowntree, B. Seebohm. (1902). *Poverty- A Study of Town Life*. London: MacMillan and Co. 2nd edition.

⁴ Singer, H. W., "The World Bank: Human Face or Facelift? Some Comments in the Light of the World Bank's Annual Report," *World Development*, Vol. 17, No. 8, pp1313-1316.

⁵ Sen, Amartya. (1987). *The Standard of Living*, Cambridge: Cambridge University Press.

⁶ Sen, Amartya. (2000). *Development as Freedom*, New York, USA: First Anchor Books (a division of Random House Inc.).

Human Development Report for almost two decades. Indeed, this has been further adapted in an assessment of human development in the Organisation of Eastern Caribbean States, and a Human Development Report for the OECS was published in 2002.⁷

The Human Development Index (HDI) retains all the properties of measurability. However, as a composite index, it includes components that take us beyond the use of one measure, namely per capita GDP, to the inclusion of other variables - education and health status - which, though subject to measurement, have elements that reflect qualitative features. The extension of the index to include security, and gender equity reflects the concern to embrace additional dimensions of well-being that are useful in poverty assessment and in the measurement of well-being but which are not as easily quantifiable. The fact that the present study incorporates a Participatory Poverty Assessment (PPA) and an Institutional Assessment (IA) as part of the process ensures that the profiling of poverty extends much beyond the identification of a poverty line, and the computation of the percentage of the population that falls below the line.

In sum, for the purpose of this study, the poor can be defined as those who suffer disadvantage, in that they lack possession of those goods, and facilities that are deemed to be necessary by society in achieving generally accepted social standard and physical need.⁸ However, this can be seen as a minimalist definition, unless the social standard is seen to embrace the non-quantifiable or more difficult to quantify components of needs.

1.3 TERMS OF REFERENCE

The specific objectives of the consultancy sought to:

1. Measure the extent and severity of poverty, including development of profiles that show the multi-dimensional nature of poverty, its patterns, distribution and geographical concentration;
2. Discover local definitions of poverty and perceptions of well-being, poverty and deprivation;
3. Identify and analyse the dynamic links between the following:
 - i. Economic development and growth policies on poverty and inequality;

⁷Organisation of Eastern Caribbean States, OECS Human Development Report 2002, www.oecs.org/webdocs/OECS%20HDR.pdf

⁸ Dennis A.V. Brown, *Surveys of Living Conditions, Reported Health and Poverty in the Caribbean*: SES, UWI, Mona, Forthcoming.

- ii. Employment, unemployment, and conditions in the formal and informal sectors and poverty (based on size, composition and changes in the structure of employment, sectoral distribution, role of women and adolescents and profitability);
 - iii. Poverty and the environment, including the effect on development and use of the natural resources sector (e.g., agricultural production, land use policy, financial and infrastructural support, environmental constraints and market access);
 - iv. Poverty and housing, including the presence of building codes and regulations, and the development of squatter settlements; and poverty and increased crime, substance abuse, and HIV/ AIDS;
 - v. Economic and social structural changes in the society and the generation, maintenance or reduction of poverty;
 - vi. The links between poverty and processes of social, economic, cultural, civil and political discrimination and exclusion, including analysis of the links between human rights and poverty;
 - vii. Poverty, natural hazards and disasters and disaster risk reduction;
 - viii. The relationship between governance and poverty, including democratic processes, participation of civil society in governance, government transparency and accountability, and the capacity within government to plan and deliver pro-poor and participatory programmes; and
 - ix. Poverty and gender equality with a focus on intra-household relations;
4. Analyse the determinants and underlying causes of poverty, including the macro, micro, sectoral, cultural, political, specificity, economic, social, environmental factors, and vulnerability, ill-being, well-being, assets and security;
 5. Evaluate the effectiveness of current policies and programmes in terms of their impact on poor and vulnerable groups in the population, highlighting the effectiveness of key social protection instruments;
 6. Assess the effectiveness of government's role and the role of donor organisations in promoting pro-poor, sustainable economic growth, and in ensuring access of the poor to basic services;
 7. Examine the role of NGOs and private sector providers in alleviating poverty;

8. Examine the affordability and effectiveness of social safety net programmes and other interventions, including non-formal mechanisms, intended to alleviate and reduce poverty;
9. Present preliminary recommendations that suggest poverty reduction actions that are prioritised and feasible for government and other stakeholders to undertake; and
10. Develop a programme of action that sets out strategic options for addressing critical factors that emerge from the research, and proposals for specific actions, including:
 - i. Improvements in existing social development programmes;
 - ii. Changes to social and economic policy;
 - iii. Institutional and legal frameworks;
 - iv. Investment projects; and
 - v. Emphasis on strengthening and enhancing effectiveness of efforts of government, NGOs, and CBOs to reduce poverty and to address its root causes.

1.4 THE PARTNERS

The primary agency with oversight of the Study was National Assessment Team (NAT) of St. Vincent and the Grenadines - which reviewed and monitored the work of the Team of Consultants (TOC) to ensure adherence to the Terms of Reference (TOR).

The European Union was the main source of funding for the study. The United Nations Development Programme (UNDP) and the Government of the St. Vincent and the Grenadines (GoSVG) co-funded the Study. The GoSVG also exercised additional responsibilities including:

- a. ensuring that the country retained ownership of the process;
- b. designating the National Assessment Team (the responsibilities of the NAT are outlined below);
- c. appointing a coordinator for the NAT, with full-time support staff, equipment and accommodation;
- d. committing adequate resources to the NAT and to conducting the assessment exercise.

Through the NAT, the GoSVG held overall responsibility for data gathering, data entry and other field activities related to CPA.

Thus, the NAT was the executing agency acting on behalf of the GoSVG. The NAT was led by a Chairperson, and comprised a core of persons from both the public and private sectors. The NAT also established sub-committees to implement the various aspects of the project.

The responsibilities of the NAT included:

- (a) planning and coordination of the CPA in collaboration with the TOC;
- (b) assisting in the implementation of the CPA, (including making written contributions on assessments of the reports);
- (c) working with the TOC in developing the survey instruments or adapting existing survey instruments for the CPA;
- (d) ensuring that cultural and other social aspects specific to St. Vincent and the Grenadines were adequately accounted for in the CPA;
- (e) assisting in the interpretation of survey and community research findings;
- (f) meeting regularly among themselves, or with the TOC and/or coordinator to discuss developments and address implementation issues with regard to CPA;
- (g) providing TOC with documents on national social and economic policy and conditions including national and sectoral plans, special reports and legislation;
- (h) assisting in the preparation of the draft and final CPA reports;
- (i) organising and participating in community and national workshops and consultations to review the draft and final CPA reports; and
- (j) assisting in the formulation of a draft poverty reduction programme for the country.

The TOC, held primary responsibility for effective project management and for ensuring that all output were of a consistently high quality. The TOC planned and executed various activities and participated in community workshops and consultations, met with stakeholders and was responsible for generating various reports and other outputs.

The TOC was also responsible *inter alia* for the following:

- a. Planning and implementing all aspects of the CPA methodology in collaboration with the NAT;
- b. Accessing existing statistical data and information available in the country, to maximise use of existing statistical systems and other secondary data in conducting the assessments;
- c. Establishing criteria for the selection of persons among NAT members, NGOs and CBOs to be trained;
- d. Strengthening the capacity of relevant agencies through appropriate training of NAT members and selected personnel;
- e. Ensuring timeliness, quality control of expected outputs at each stage of the process and consolidating the results of the process into the required assessment reports for consideration and acceptance by the relevant government officials, NGOs, CBOs and the EU;
- f. Ensuring the strategic involvement of all key stakeholders with a view to ensuring that the CPA provides policy makers, programme managers, NGOs, and communities with the information that they require;
- g. Monitoring the process and assisting the NAT in rapidly resolving implementation issues and constraints, advising and coaching NAT personnel in the execution of their tasks, and closing any gaps in the skills of NAT personnel; and
- h. Preparing reports for consideration by the country and EU as specified in the TOR.

1.5 STRUCTURE OF THE REPORT

The Report is presented in III volumes:

- Volume I: Main Report
- Volume II: The Participatory Assessment
- Volume III: Institutional Assessment

There is also a separate document incorporating the Technical and Statistical Appendices to the Main Report.

The Main Report (Volume I) addresses the key findings of the study.

CHAPTER 2

METHODOLOGY

The CPA was comprised of four core components:

- A National Survey of Living Conditions/Household Budgetary Survey (SLC/HBS);
- A Participatory Poverty Assessment (PPA);
- An Institutional Analysis (IA); and
- A Poverty Mapping Exercise.

The methodologies that were used are outlined briefly below and are explained fully in the Technical and Statistical Appendix. However, any CPA has to be set in the context of a Macro-Economic and Social Environment. Thus, the major features of the macro-economy as well as the social processes of the country were examined in setting the stage for the CPA.

2.1 SURVEY OF LIVING CONDITIONS (SLC)/AND HOUSEHOLD BUDGETARY SURVEY (HBS)

The survey was a combination of a survey of living conditions and survey of household income and expenditure. It represents a rich source of socio-economic information on the households that make up the population and is often regarded as an essential source of data for the determination of social needs and establishment of targets for development planning.

This survey had two main objectives; it was designed to collect information from the country's households and families on their buying habits (expenditures), income and other characteristics. Secondly, the survey would allow data users to relate the expenditures and income of consumers to the characteristics of those same consumers.

This combined survey is also used for the purpose of revising the list of goods and services in the consumer's "basket" and consequently the weighting patterns used in the CPI (Consumer Price Index). A change in the Consumer Price Index (CPI) is referred to as "the inflation rate" and is a key economic indicator. The "inflation rate" measures the changes in the purchasing power of money and is closely monitored by economic planners, policy makers, the business community and the labour unions, and, as well, by the monetary authorities.

In addition, this survey has provided:

1. Valuable data for an assessment of the impact of socio-economic policies on the conditions and levels of living of households.
2. Inputs for the compilation of national accounts of the household sector which is useful in the process of calculating the growth rate of the economy.
3. Statistics on the distribution of income and expenditure: this will help to determine the percentage of the wealth of St. Vincent and the Grenadines which is owned by each income group.
4. Information on the poor, their characteristics, expenditure patterns when compared to other groups in the society.
5. Information on household consumption of various goods and services.
6. Information to assess the cost of provision of health services and the level of satisfaction of the population with its provision.
7. Information to assess the cost of the provision and expenditure on education and the level of satisfaction obtained.

The sample for the SLC/HBS 2008 in St. Vincent and the Grenadines was selected from a sample frame derived from the 2001 census of population. It is a 'grand sample' from which samples of 4.4 percent, 8.8 percent, 13.2 percent can be selected depending on the number of replicates/sub-samples selected. The sample is made up of one sub-sample/replicate selected from the 'grand sample' of nine replicates name "a". This resulted in an expected sample size of 4.4 percent of the population of households.

For convenience, both in selecting the sample, and for field enumeration, a two stage stratified systematic random sample selection process was used. At the first stage, Enumeration Districts (EDs) were selected based on a sampling frame constructed from Census Enumeration Districts (EDs), the size of each ED included in the frame was measured in units of clusters of households, approximately ten to sixteen households per cluster.

2.1.1 Weights and Non Response Rates

Table 2.1 summarises the outcome of the SLC/HBS 2008 for St. Vincent and the Grenadines. "Expected" is the total number of questionnaires expected from the conduct of the survey. "Number Obtained" is the number of questionnaires (household and person) completed by the enumerators conducting the enumeration exercise. "Response

Rate” measures the number of questionnaires obtained divided by the number of questionnaires expected.

The difference between the number of questionnaires obtained and the number of questionnaires expected is a combination of refusals, no contacts etc at the selected households and growth in the population from the Census of 2001 to the present. Therefore, 74.7 percent of the expected number of interviews was completed overall. The overall response rate of the diaries was 69 percent of the response rate on the completed questionnaires.

2.1.2 SLC/HBS: Challenges Faced in the Field

SLC/HBS fieldwork activities were met with some challenges. Firstly, there was the withdrawal of several trained Enumerators who either dropped out of the conduct of SLC/HBS activities or did not even start SLC/HBS activities. This resulted in the conduct of two Supplementary Enumerator Training Workshops for the training of new Enumerators. These Supplementary Workshops were conducted by the Statistical Office at which 7 and 5 persons were trained at the first and second Supplementary Enumerator Training Workshops respectively. This slowed the process and added to the number of months required for the conduct of the SLC/HBS fieldwork.

Secondly, low response rates were experienced in the Grenadines. Consequently, in-country representatives finalised a public awareness campaign for the Grenadines. Specifically, during February and March of 2008 staff from the Statistical Office travelled to Canouan, Union Island and Bequia to undertake public awareness campaigns geared towards raising awareness of the CPA and its importance.

Thirdly, not enough enumerators were trained in the initial Enumerators’ Training. This coupled with the high drop-out rate affected timely completion of the fieldwork. There was need to conduct training on a second occasion for Editors and Coders because of drop-out. In addition, the time allocated to complete over 100 enumeration districts was insufficient given the number of enumerators available. The late arrival of equipment for processing (scanning etc.) was also a factor adding to the delay.

TABLE 2.1: SUMMARY OF OUTCOME OF THE SLC/HBS 2008 FOR ST. VINCENT AND THE GRENADINES.

Census Divisions	No. Expected	No. Obtained	Response Rate	Mid Year Population Estimate (2006)	Census Division Expansion Factors	Diaries Expected	Diaries Obtained	Diaries Response Rate
01 KINGSTOWN	179	118	66%	12515	37.25	236	119	50%
02 SUBURBS OF KINGSTOWN	148	122	82%	12173	26.29	244	135	55%
03 CALLIAQUA	292	208	71%	20675	33.4	416	178	43%
04 MARRIAQUA	98	84	86%	7637	21.95	168	159	95%
05 BRIDGETOWN	91	49	54%	6654	38.03	98	72	73%
06 COLONARIE	89	63	71%	6930	28.76	126	99	79%
07 GEORGETOWN/ 08 SANDY BAY	114	96	84%	9039	21.62	192	109	57%
09 LAYOU	82	62	76%	5864	26.06	124	86	69%
10 BARROALLIE	70	62	89%	5051	22.86	124	98	79%
11 CHATEAUBELAIR	71	68	96%	5622	20.37	136	129	95%
12 & 13 GRENADINES	130	87	67%	8112	37.91	174	25	14%
TOTAL	1364	1019	75%	100,272	n/a	2038	1209	59%

2.2 THE PARTICIPATORY POVERTY ASSESSMENT

The Participatory Poverty Assessments (PPAs) provide qualitative data to complement the quantitative data produced by the traditional Surveys of Living Conditions (SLC). The PPA allows the voices of people in poorer communities to be heard giving them the opportunity to share their perceptions and experiences of poverty and the coping strategies that they employ. In this way, our understanding of poverty, and of its characteristics and various dimensions, is enhanced. The data generated by PPAs thus provide a view of social reality of the poor.

The PPA was conducted in sixteen communities, twelve in St. Vincent and four in the Grenadines. The selected communities were:

A. St. Vincent

1. Barouillie: Bottle and Glass
2. Clare Valley
3. Fancy
4. Fitzhughes
5. Greiggs
6. Richland Park: Kelly
7. Richland Park: Shanty Town
8. Langley Park
9. Layou: Cemetery Hill
10. Orange Hill
11. Otley Hall
12. Paul's Avenue

The Grenadines

1. Grand Bay/Retreat
2. Clifton
3. Mayreau
4. Paget Farm

Residents in these communities had the opportunity to participate in a number of activities through which they articulated and shared their perceptions and experience of poverty and deprivation; reflected on and analysed the conditions under which they live; identified the strategies that they use to sustain their livelihoods; and articulated their concerns, needs and priorities. Over 1,300 persons participated in the exercise in its various stages.

2.2.1 Objectives of the PPA

The General Objectives of the PPA were to:

1. Generate a variety of data, but especially qualitative data, at the micro level, on the type, nature and distribution of poverty and deprivation in the communities selected for study.
2. Give deeper meaning to the quantitative data generated by the SLC/HBS and to the data collected in the institutional assessment

The Specific Objectives were to:

1. Collect concrete and specific data on living conditions in the communities in order to produce a multi-dimensional view of poverty and deprivation, its distribution and the factors that contribute its existence;
2. Increase understanding of poverty and deprivation based on the perceptions and experience of individuals, of households, and of different groups in the communities selected for study;
3. Identify the vulnerability and risks faced by poor individuals and households as they strive to sustain their livelihood;
4. Identify assets, resources, facilities, and services to which poor individuals, households and groups have access;
5. Obtain information from individuals, groups and households about:
 - a. The initiatives that they take to sustain their livelihood,
 - b. The constraints and obstacles that they encounter in their attempts to access available resources, facilities and services,
 - c. Their concerns, needs and priorities, and
 - d. The interventions and actions that in their view are needed in order to improve their living conditions and to alleviate and reduce poverty and deprivation; and
6. Generate data that can be used to formulate pro-poor policies that are informed by the voices of the poor.

Research activities were carried out at the individual, household and community levels. Teams of local research facilitators and members of the NAT were trained in the use of participatory research methods and these techniques were used to collect a wide range of information from community residents

Data collection involved the following methods and techniques:

- Transect walks, observation and informal interaction and conversations: Field Research Facilitators went on a number of walks in the communities, interacted and held conversations and discussions with residents and recorded their impressions and observations on a pre-prepared Observation Sheet.
- Observation Sheet: Field Research Facilitators recorded their impressions and observations of different aspects of life in the communities including physical features, population, economic activity, social interaction and relationships, level of wealth and poverty, and social problems.
- Interviews: interviews were conducted to obtain information from households, community leaders and poor individuals. In-depth interviews that extended over several hours were also conducted with a small number of poor individuals in some of the communities. This information provided insights and a close-up of poverty.
- Focus Group Discussions: a Focus Group Discussion Guide with specific topics to be discussed was used to conduct discussions with separate groups of males, females, youths under 25 years of age, elderly persons, unemployed persons and challenged persons in each community.
- Community Workshops: in community-based participatory research, workshops were used as a mechanism to simultaneously obtain a large amount of data from several people with the use of the Wheel of Well Being and Quality of Life Index.

2.2.2 Challenges, Constraints and Problems

The use of the participatory methodology presented the Field Research Facilitators with several challenges and constraints that affected their ability to conduct and complete the field work in the time expected. Initially their unfamiliarity with the approach was at first a limitation, but with ongoing training and support from the Coordinator they were able to conduct the PPA activities with some degree of success.

At the same time, many of the community residents, especially those in communities that were studied in the last CPA, were sceptical about becoming involved since, in their view, nothing had happened since the last poverty study, and no action had been taken to improve their situation. In addition, because of unfamiliarity with this approach and methodology, and concern about how the information they provided would be used, some residents were reluctant to participate. As a result, in their attempts to mobilise residents, some Research Facilitators were faced with many problems which were responsible for some of the small numbers that participated in some of the activities.

In spite of these constraints, the use of this methodology did generate a significant amount of good qualitative data that have been used to produce this report.

2.3 INSTITUTIONAL ASSESSMENT (IA)

Poverty reduction and alleviation depend in part, on the role performed by institutions in the society and the economy and their interventions in the lives of the poor and also of the non-poor. For the purposes of the Institutional Assessment, information was gathered, mainly of a qualitative nature, from organisations and institutions in St. Vincent and the Grenadines, that impact, or are likely to impact on living conditions. The assessment did not extend into an examination of their organisational structure and functioning but rather to the review of their specific interventions *vis-a-vis* poorer people in the society and living conditions in general.

In the Institutional Assessment, an open-ended semi-structured instrument was used to secure information from the respective organisations about their performance in respect of their mandates. The primary objective was to establish the extent to which their operations could be judged to be pro-poor. A score was allotted to each organisation on the basis of the information provided from the interview and from secondary data. These scores were assigned by the TOC to reflect level of effectiveness. A total of 57 institutions were interviewed.

2.4 THE MAPPING EXERCISE

Identification of the location of the poor is essential on the development of interventions, and in ensuring equity in the distribution of benefits, as well as in monitoring and evaluation of programmes. The assessment exercise involved a substantial mapping exercise. Personnel identified by the NAT were trained in Mapping in a workshop that included exposure to GIS, ArcGIS, Global Positioning Systems in field exercises, GIS and Census Mapping and the development of indicators using housing data sets, person data sets, and poverty scoring.

CHAPTER 3

GEOGRAPHY, HISTORY AND POPULATION

3.1 INTRODUCTION

St. Vincent and the Grenadines constitute the most archipelagic of the countries of the Eastern Caribbean. The largest island, St. Vincent, is the most northerly of a chain, which extends south to Palm Island. Seven smaller islands and twenty-eight islets form the archipelago. The islands together are comprised of a land mass of 389 square kilometres, with the largest island, St. Vincent, accounting for 344 square kilometres and the other islands, the Grenadines, accounting for 45 square kilometres.

St. Vincent is also the most mountainous, and is the location of one of the more active volcanoes in the Caribbean. La Soufriere has had periodic eruptions over the last century. In 1902, a major eruption led to a massive exodus of the population, following considerable loss of life. There have been more recent eruptions in 1971/72 and in 1979. While there was no loss of life in the more recent episodes, the sense of living in the shadow of the volcano has had its impact on the perception of people, especially in the north of St. Vincent. In the last eruption, it became necessary to relocate a substantial percentage of the population.

The islands lie in the path of the hurricanes which buffet the Caribbean Islands and the Caribbean littoral of Central America from June to November of every year. Hurricane Dean and Tropical Storm Omar were the last to wreak damage. While the country has not had a direct hit by a Category 3 or higher over the last fifteen years, the extent of devastation that Ivan caused in Grenada in 2004 has served as a warning as to what island states could anticipate in the context of global warming and sea-rise.⁹ Most people are convinced that the frequency and ferocity of storms have increased as a result of global climate change.

While, like the rest of the English speaking Caribbean, St. Vincent and the Grenadines has a British colonial past that has determined the structure of governance of the country, there are aspects of its history that makes it distinctive. Firstly, it was the location for one of the more famous episodes of resistance by the First Peoples of the region. This group, known as Caribs, are descendants of peoples who had migrated from the northern parts of South America, and were mainly of the Siboney people. They have left a considerable archaeological heritage by way of petroglyphs that have been

⁹ St. Vincent and the Grenadines did not escape in the passing of Ivan; the damage was considerable although not on the same scale as what applied in the devastation of Grenada.

found in various locations in St. Vincent, and to a lesser extent in the Grenadines (Adams, 2004).¹⁰

There is still a significant settlement of the original Carib population, although it might be smaller than that of Dominica. Indeed, the remaining community is more mixed which reflects the admixture of runaway slaves and their acceptance into the Carib community in the 17th and 18th centuries, giving rise to the phenomenon of the Black Caribs, subsequently known as the Garifuna, and whose presence predated colonial conquest. Their defeat by the British was marked by the deportation of most to the coast of Honduras in 1796 and the establishment of the Garifuna community in what is today the nation states of Belize and Honduras. There is still some level of social distinctiveness in this community which is resident mainly in the north east of the island.

Another feature of the country is that there was a small inflow of Indian indentured immigrants who were brought in at the end of slavery to deal with the shortage of labour. The numbers were never large enough to create the type of plural society that exists in Trinidad and Guyana, and with intermarriage and other liaisons, there has been relative absorption of the Asian phenotype into the population, contributing to some considerable groups of 'mixed race' people on the islands. Smaller groups of Portuguese were also introduced as indentured workers and were likewise absorbed into the society, although their European ancestry gave them a distinctive advantage in a society where approximation to the European phenotype conferred superior social status.

The end of slavery marked the first major turning point in the society following colonial conquest and the defeat of the Caribs by the British. Freed slaves sought a livelihood where possible, away from the plantation and in time developed peasant agriculture which competed with plantation agriculture for their labour. The terrain of St. Vincent was not as well suited to sugar-cane production as was the case with islands like Barbados and Antigua. Sugar-cane production slowed over the rest of the century, and by mid-20th century, bananas had become the most important cash crop in the economy, which remained heavily reliant on primary production.

Even before the decolonisation process in the Post World War II period, an emerging trade union leadership was the source for resistance against colonial domination and control. The Great Depression of the 1930s had exacerbated conditions under which the vast majority of the population lived. Indeed, it is this leadership that was to be in the forefront in the efforts to create a political Federation of the British West Indies, and was

¹⁰ Adams, Edgar, National Treasures: Identifying the National Heritage and Cultural Traditions of St. Vincent and the Grenadines, Adams, Kingstown.

the base of political party formation around which the electorate exercised its franchise on the adoption of universal suffrage.

Most of the population is resident on St. Vincent which is the seat of administration for the country. It has also been the main locus of economic activity since European conquest. However, in more recent times, the smaller islands – the Grenadines – have become nodes of economic activity, with the emergence of tourism as a growth industry on these islands which are better endowed than St. Vincent, with the natural amenities for traditional tourism of the sun, sea and sand variety.

3.2 GOVERNANCE

The country secured political independence from the United Kingdom in 1979. St. Vincent and the Grenadines is a vibrant functioning democracy with its political parties vying for the support of the electorate, in elections that are due constitutionally at least once every five years. Representatives of the people are voted into a unicameral Parliament. The Queen of England is the Head of State, and is represented by a Governor General. The present party in power has held the reins of power for the last eight years.

There is no local Government in St. Vincent and the Grenadines, with the implication that there is no formal system in place for decentralisation or devolution of decision-making to the individual islands, let alone to the Parishes on the largest island – St. Vincent. There is public discussion of Constitutional Reform, and the matter of devolution is on the agenda. There have been tensions in the past with separatist or irredentist sentiments being voiced in the Grenadines. The island of Mustique is unique in that much of it is under the control of a private company, the Mustique Company. The Government has a representative on the board, and exercises control over the island as with any other part of the country.

The country is a member of CARICOM, and of the Organisation of Eastern Caribbean States (OECS). In this latter regard, it has been an active participant in the creation of the Economic Union which is anticipated in the revised Treaty of Basseterre which established the Organisation of Eastern Caribbean States (OECS). Its Government has also been involved in discussions with regard to the deepening of economic ties with Trinidad and Tobago: the modalities of this deeper relationship are currently being investigated by a committee of experts. As a member of CARICOM, and being one of the Less Developed Countries (LDCs), the country qualifies or is likely to qualify for special assistance that is available to this group under the Revised Treaty of Chaguaramas: the

LDCs are expected to be at some disadvantage in the opening of trade between themselves and the More Developed Countries (MDCs) of the region.

St. Vincent and the Grenadines is member of a monetary system at the centre of which is the Eastern Caribbean Central Bank (ECCB), and shares a single currency, the Eastern Caribbean dollar, with member states of OECS. This currency remained pegged to the United States dollar. The fact of a currency union has meant that monetary policy requires the consensus of member states, and no member of the union can take unilateral action in respect of monetary policy. Thus, fiscal operations constitute the core of measures available to the Government in respect of directing economic policy in the country.

3.3 TRENDS IN POPULATION SIZE AND COMPOSITION

Based on the 2001 Housing and Population Census Report, the population of St. Vincent and the Grenadines stood at 106,253 in 2001. This represented a decline of 0.2 percent from the previous census year, as in 1991 there were 106,499 persons in St. Vincent and the Grenadines. It was also the first time since 1871, that a decline in the population was recorded as reflected in Table 3.1.

TABLE 3.1: POPULATION SIZE AND GROWTH 1871 - 2001

Date of Census	Male	Female	Total	Sex Ratio	Average Annual Increase
1871	16,865	18,823	35,688	0.90	
1881	19,047	21,501	40,548	0.89	486
1891	18,780	22,274	41,054	0.84	51
02-Apr 1911	18,345	23,532	41,877	0.78	82
24-Apr 1921	19,155	25,292	44,447	0.76	257
26-Apr 1931	21,208	26,753	47,961	0.79	351
09-Apr 1946	27,901	33,746	61,647	0.83	1,369
07-Apr 1960	37,561	42,387	79,948	0.89	1,830
07-Apr 1970	41,150	45,794	86,944	0.90	700
12-May 1980	47,409	50,436	97,845	0.94	1,090
12-May 1991	53,165	53,334	106,499	1.00	787
12-Jun 2001	53,626	52,627	106,253	1.02	-25

Source: St. Vincent and the Grenadines: Population and Housing Census 2001

Table 3.2 shows the percentage distribution of the population by census division. Across census divisions, on mainland St. Vincent, Calliaqua accounted for the highest percentage of the population across all three census years. In 2001 alone, Calliaqua accounted for 20.79 percent of the population. Kingstown and Kingstown Suburbs accounted for just under a quarter of the population (24.2%), and inclusive of Calliaqua, these three districts accounted for 45 percent of the population of St. Vincent and the Grenadines.

Sandy Bay accounted for the lowest percentage of the population in 2001 with 2.56 percent of the population residing here. Together, the Grenadines accounted for 8.11 percent of the population of St. Vincent and the Grenadines in 2001. The Grenadines are divided into the Northern and Southern Grenadines: thus, its 8.11 percent was comprised of 3.04 percent of the population in the Southern Grenadines, and 5.07 percent in the Northern Grenadines.

TABLE 3.2: PERCENTAGE DISTRIBUTION OF POPULATION BY CENSUS DIVISION – 1980, 1991 AND 2001

Census Division	1980	1991	2001
Kingstown	16.9	14.52	12.43
Kingstown Suburbs	8.8	10.1	11.77
Calliaqua	17.82	19.05	20.79
Marriaqua	8.59	8.32	7.67
Bridgetown	6.91	7.07	6.36
Colonarie	7.37	7.41	7.04
Georgetown	6.64	6.86	6.51
Sandy Bay	2.93	2.62	2.56
Layou	5.63	5.63	5.93
Barrouallie	4.77	4.88	5.1
Chateaubelair	6.24	5.68	5.73
Total Mainland	92.6	92.14	91.89
Northern Grenadines	4.84	5.18	5.07
Southern Grenadines	2.56	2.68	3.04
Total Grenadines	7.4	7.86	8.11
Total	100	100	100

Source: St. Vincent and the Grenadines, Population and Housing Census 2001

For the period 1991 to 2001, the census divisions of Kingstown, Marriagua, Bridgetown, Colonarie, Georgetown and Sandy Bay recorded negative percentage changes in population. Of these, the districts of Kingstown and Bridgetown had the largest decreases in population of 14.6 percent and 10.3 percent respectively. In the Grenadines, for the same period, the Northern Grenadines recorded a negative population change. The largest positive percentage change for the period 1991 to 2001 was in the census division of Kingstown Suburbs (16.3%) followed by the Southern Grenadines (13.1%). The former reflects the rural urban drift, while the latter is a result of the growth of tourism related activity in the Grenadines.

TABLE 3.3: POPULATION AND PERCENTAGE CHANGE BY CENSUS DIVISION - 1980, 1991 AND 2001

CENSUS DIVISION	POPULATION			% Change	
	1980	1991	2001	1980 – 1991	1991 - 2001
Kingstown	16,532	15,466	13,212	-6.4	-14.6
Kingstown Suburbs	8,609	10,757	12,508	25	16.3
Calliaqua	17,440	20,290	22,095	16.3	8.9
Marriagua	8,408	8,864	8,145	5.4	-8.1
Bridgetown	6,762	7,532	6,754	11.4	-10.3
Colonarie	7,210	7,890	7,482	9.4	-5.2
Georgetown	6,494	7,303	6,914	12.5	-5.3
Sandy Bay	2,867	2,793	2,716	-2.6	-2.8
Layout	5,510	5,993	6,303	8.8	5.2
Barrouallie	4,667	5,199	5,422	11.4	4.3
Chateaubelair	6,101	6,045	6,087	-0.9	0.7
Total Mainland	90,600	98,132	97,638	8.3	-0.5
Northern Grenadines	4,740	5,514	5,389	16.3	-2.3
Southern Grenadines	2,505	2,853	3,226	13.9	13.1
Total Grenadines	7,245	8,367	8,615	15.5	3
TOTAL	97,845	106,499	106,253	8.8	-0.2

Source: St. Vincent and the Grenadines, Housing and Population Census 1980, 1991 and 2001

3.4 AGE-SEX COMPOSITION

The age-sex composition of the population of St. Vincent and the Grenadines for the years 1991 and 2001 is shown in Table 3.4. The largest single group of the population (30.7%) was in the under 15 age group in 2001. However, this represented a decrease in

the number of persons within this age group from the previous census year; in 1991 there were 39,629 persons in the under 15 age grouping compared to 32,575 in 2001. Those 65 years and over represented 6.5 percent and 7.3 percent of the population in the years 1991 and 2001 respectively.

In 2001, there were more males than females in St. Vincent and the Grenadines. There were 102 males for every 100 females. Within all age groups, with the exception of those 65 years and over, there were more males than females. The sex ratio for those under the age of 15 years was 103; for the 15-29 age group, it was 103 and for those 30-34 years old it was 108. There were 102 males for every 100 females in the age group 45-64 and in the 65 and over age group, there were 78 males per 100 females. The fact that there were more females than males in this age group may be explained by the greater longevity of females compared to males.

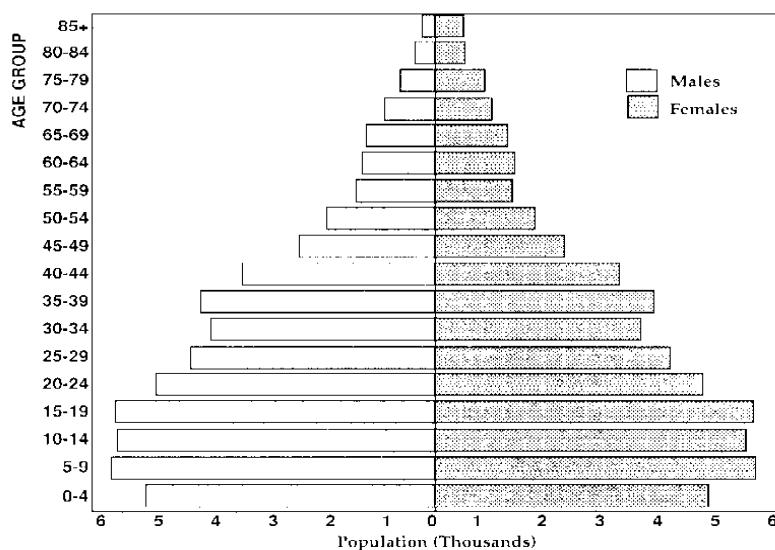
TABLE 3.4: POPULATION BY BROAD AGE GROUP AND SEX 1991 AND 2001

Age Group	1991			2001			% change		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Under 15	20,061	19,565	39,626	16,517	16,058	32,575	-0.2	-0.2	-0.2
15-29	15,973	15,448	31,421	15,001	14,522	29,523	-0.1	-0.1	-0.1
30-44	8,745	8,414	17,159	11,659	10,777	22,436	0.3	0.3	0.3
45-64	5,487	5,873	11,360	7,056	6,923	13,979	0.3	0.2	0.2
65+	2,887	4,029	6,916	3,393	4,347	7,740	0.2	0.1	0.1
Not Stated	12	5	17	0	0	0	-1	-1	-1
Total	53,165	53,334	106,499	53,626	52,627	106,253	0.9	-1.3	-0.2

Source: St. Vincent and the Grenadines: Population and Housing Census 1991 and 2001

An examination of the Population Pyramid for St. Vincent and the Grenadines in 2001 in Chart 3.1 reveals that it is convex in shape, which points to early indications of ageing in the society.

CHART 3.1: ST. VINCENT AND THE GRENADINES POPULATION PYRAMID FOR 2001



Source: Statistical Office, St. Vincent and the Grenadines

TABLE 3.5: PERCENTAGE DISTRIBUTION OF POPULATION BY AGE GROUP AND SEX 1991 AND 2001

Age Group	1991			2001		
	Male	Female	Total	Male	Female	Total
0-4	11.6	11.1	11.4	9.6	9.2	9.4
5-9	13	12.9	13	10.7	10.9	10.8
10-14	13.1	12.7	12.9	10.5	10.4	10.5
15-19	11.6	11.4	11.5	10.6	10.7	10.6
20-24	9.4	8.9	9.1	9.3	9	9.1
25-29	9.1	8.7	8.9	8.1	7.9	8
30-34	7.4	7	7.2	7.5	6.9	7.2
35-39	5.1	5.1	5.1	7.8	7.4	7.6
40-44	3.9	3.7	3.8	6.4	6.2	6.3
45-49	3	3	3	4.5	4.4	4.5
50-54	2.7	2.9	2.8	3.6	3.4	3.5
55-59	2.3	2.6	2.5	2.6	2.6	2.6
60-64	2.3	2.5	2.4	2.4	2.7	2.6
65-69	1.9	2.6	2.3	2.3	2.5	2.4
70-74	1.5	1.9	1.7	1.7	2	1.8
75-79	1	1.4	1.2	1.2	1.7	1.4
80+	0.9	1.6	1.3	1.2	2.1	1.6
Not Stated	0	0	0	0	0	0

Source: St. Vincent and the Grenadines: Population and Housing Census 1991 and 2001

3.5 MIGRATION AND POPULATION GROWTH

Migration from the Caribbean to North America and, in particular, to the United States has been the most significant feature of the demographics of the region in the last half of the 20th century. St. Vincent and the Grenadines has been part of that trend, and the slowing and fall in its population can be attributed to the emigration factor. The net migration rate of St. Vincent and the Grenadines in 2008 was estimated to be 7.56 migrants for every 1,000 persons, according to the CIA World Factbook. This estimate is consistent with the fact that St. Vincent and the Grenadines has been known to be a 'sending country' within the region. While all of the Caribbean countries are 'sending' countries in respect of movement to the rest of the world and, in particular, to the United States, St. Vincent and the Grenadines is also a 'sending' country in respect of intra-regional movement. Within the OECS, then, flows are from St. Vincent and the Grenadines to destinations like Antigua and Barbuda, St. Kitts and Nevis as well as to the British Overseas Territories. The importance of these flows is underlined by the remittances to the country. One estimate by the Inter-American Development Bank (IDB) puts this at over 25 percent of GDP in the most recent year for which there are data.

In the current economic climate in the international economy, the IDB predicts that after years of double digit increases in remittances, there is now likely to be a decrease, even though there might be some tendency for Latin American and Caribbean immigrants to reduce their own consumption in order to maintain flows to their home countries.¹¹ With the rise in unemployment, their discretionary income and degrees of freedom will be seriously circumscribed. St. Vincent and the Grenadines is likely to experience a fall in remittance income.

On the basis of minimum wage rates applicable within the region, there was a prima facie case for movement from St. Vincent and the Grenadines to other countries of the region. This is seen in Table 3.6 which provides recent data on minimum wage rates in selected OECS countries.

¹¹ See IDB, 'IDB Estimates of 2008 Remittance Flows to Latin America and the Caribbean,' at <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=1662094>

TABLE 3.6: MINIMUM WAGE RATES JANUARY 2008

COUNTRY	MINIMUM WAGE RATES
Anguilla	EC\$400 per month for unskilled personnel
Antigua and Barbuda	EC\$6.00 per hour for all categories of workers.
Dominica	EC\$3.00 per hour for occupations such as shop clerk
Grenada	EC\$400 per month for Domestic Workers; EC\$400-700 per month for Housekeepers in Hotel Industry; EC\$1,200-1,500 per month for Hotel Administrators
Saint Kitts and Nevis	EC\$150 per week for full-time Domestic Workers; EC\$200 per week for Skilled Workers
Saint Lucia	EC\$300 per month for office clerks; EC\$200 per month for shop assistants; EC\$160 per month for messengers
St. Vincent and the Grenadines	EC\$25 per day for Agricultural Workers; EC\$30 per day for Industrial Workers

Source: Ministries of Labour/Labour Departments in respective countries

3.6 SOCIO-DEMOGRAPHIC CHARACTERISTICS OF RESIDENTS

Table 3.7 shows the religious affiliation of the population of St. Vincent and the Grenadines. In the last census year 2001, the largest single group were Anglicans with 17.7 percent of the population reported that they were Anglicans. Pentecostals accounted for the second highest group of adherents. The percentage of Pentecostals was only marginally lower than that of Anglicans as 17.6 percent of the population professed to be Pentecostals. Methodists, Seventh Day Adventists and Baptists (Spiritual) accounted for 10.8, 10.2 and 9.9 percent respectively of the population. Notably, 8.8 percent of the population reported that they were not attached to any particular denomination. This was the case more so for males than females as 12.4 percent of males reported being attached to no particular denomination, while only 5.1 percent of females reported such a status.

From 1991 to 2001 the percentage of residents who were Anglican declined from 26.6 percent to 17.7 percent. The same was true for Methodists as in 1991 15.2 percent of Vincentians reported that they were Methodist, while in 2001 10.8 percent noted that they were Methodists. The reverse is true for Pentecostals as there was an increase in the percentage of Pentecostals from the year 1991 to 2001.

TABLE 3.7 PERCENTAGE DISTRIBUTION OF POPULATION BY RELIGION AND SEX 1991 AND 2001

Denomination	1991			2001		
	Male	Female	Total	Male	Female	Total
Anglican	28.83	26.62	27.72	18.54	16.96	17.75
Baptist (Spiritual)	8.16	11.11	9.64	8.48	11.47	9.96
Brethren	1.28	1.48	1.38	1.13	1.41	1.27
Church of God	2.01	2.56	2.29	2.2	2.8	2.5
Jehovah's witness	0.49	0.63	0.56	0.52	0.73	0.62
Methodist	15.69	14.75	15.22	10.92	10.8	10.86
Pentecostal	9.36	11.49	10.42	15.65	19.61	17.61
Presbyterian/ Congregational	0.13	0.1	0.11	0.12	0.11	0.12
Roman Catholic	9.77	9.15	9.46	7.43	7.51	7.47
Salvation Army	0.21	0.24	0.23	0.23	0.31	0.27
Seventh Day Adventist	7.64	8.98	8.31	9.52	10.92	10.22
Rastafarian	1.4	0.27	0.84	2.51	0.43	1.48
Evangelical	2.52	3.13	2.82
Other	7.16	8.82	7.99	6.04	7.33	6.68
None	6.27	2.83	4.55	12.45	5.15	8.83
Not Stated	1.59	0.98	1.28	1.73	1.34	1.53
Total	100	100	100	100	100	100

Source: St. Vincent and the Grenadines, Population and Housing Census 2001

In 2001, the majority of the population (72.8%) of St. Vincent and the Grenadines belonged to the ethnic group African/Negro/Black. Mixed persons accounted for 20 percent of the population while Caribs and East Indians accounted for 3.6 and 1.4 percent of the population respectively. This can be seen in Table 3.8. No significant changes in the ethnic composition of the population of St. Vincent and the Grenadines were recorded between 1991 and 2001.

TABLE 3.8: PERCENTAGE DISTRIBUTION OF POPULATION BY ETHNIC GROUP AND SEX 1991 AND 2001

Ethnic Group	1991			2001		
	Male	Female	Total	Male	Female	Total
African/Negro/Black	78.2	75.9	77.1	74.3	71.4	72.8
Carib	3.0	3.3	3.1	3.5	3.6	3.6
East Indian	1.3	1.4	1.4	1.3	1.4	1.4
Chinese	0.0	0.0	0	0.0	0.0	0.0
Portuguese	0.5	0.5	0.5	0.6	0.6	0.6
Syrian/Lebanese	0.0	0.0	0.0	0.1	0.1	0.1
White/ Caucasian	0.9	0.9	1.0	0.8	0.8	0.8
Mixed	15.5	16.0	17.4	18.8	21.3	20.0
Other	0.1	0.1	0.1	0.1	0.1	0.1
Not Stated	0.5	0.4	0.4	0.5	0.7	0.6
All Groups	100	100	100	100	100	100

Source: St. Vincent and the Grenadines, Housing and Population Census 2001

CHAPTER 4

MACRO-ECONOMIC ANALYSIS

According to the IMF, the second half of the first decade of the 21st century witnessed a perceptible and positive change in the economy of St. Vincent and the Grenadines, with the highest rates of growth in the decade being achieved in this latter period.¹² However, the year 2008 saw a marked slowdown; growth in real GDP fell from 8 percent in 2007 to an estimated -0.51 percent in 2008. The ECCB noted a sharp slow-down in visitor arrivals and banana production in the last quarter of 2008: tourism and agriculture are two of the most important tradable sectors for St. Vincent and the Grenadines.

Table 4.1 provides information on GDP in real terms for the period 2004 to 2008. Significantly, bananas have continued on a downward trend. However, there has finally been positive movement in other agriculture which has helped to reduce the effect of the fall-out in the banana industry. Manufacturing, some of it geared to the regional economy, has suffered declines along with Hotel and Restaurants which reflect the tourism sector. Government services have been maintained and have grown, but there is inevitable day of reckoning when revenues fail to keep up with expenditures. In the most recent budget, there has been evident realism in the face of the economic difficulties that the country faces.

'In the context of the current global economic and financial crises, financing the 2008 Public Sector Investment Programme poses significant challenges for the Government'
(Minister of Finance, 2008).¹³

The country faces the challenge of continuing the wrenching changes necessary for readjusting and restructuring the economy, in the face of the most severe economic down-turn in the international economy since the Great Depression. Poverty reduction will have to be undertaken in the most inauspicious conditions for this objective.

¹² <http://www.imf.org/external/np/sec/pr/2009/pr0947.htm>

Table 5 Sectoral Distribution of Credits <http://www.eccb-centralbank.org/PDF/monetary/ms-svg.pdf>

The ECCU Economic Review 2008 <http://www.eccb-centralbank.org/News/eccupres29-01-09-org.asp>

¹³ Prime Minister and Minister of Finance, '2009 Budget Address, Saint Vincent and the Grenadines,' December 2008.

**TABLE 4.1: ST. VINCENT AND THE GRENADINES GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY,
AT BASIC PRICES IN CONSTANT(1990) PRICES (EC\$ M) 2004-2008**

SECTOR	2004	2005	2006	2007	2008p
Agriculture	68.26	65.57	70.31	79.25	74.07
Crops	46.93	45.64	49.02	54.70	54.41
Bananas	12.33	10.55	9.09	9.62	8.55
Other Crops	34.60	35.09	39.93	45.08	45.86
Livestock	5.70	5.81	5.93	6.10	6.22
Forestry	3.81	3.85	3.89	3.93	3.97
Fishing	11.82	10.27	11.47	14.52	9.47
Mining & Quarrying	1.80	1.85	2.06	2.35	2.39
Manufacturing	39.13	39.74	40.92	41.36	37.35
Electricity & Water	49.71	53.91	54.89	57.60	57.10
Construction	70.34	70.63	78.69	90.02	91.31
Wholesale & Retail Trade	132.04	137.90	147.27	154.26	151.92
Hotels & Restaurants	13.81	15.12	15.32	15.58	15.16
Transport	106.37	105.62	124.11	138.35	127.07
Road	76.62	75.97	89.56	101.97	93.67
Sea	20.02	20.63	24.40	27.58	25.34
Air	9.73	9.02	10.15	8.80	8.06
Communications	73.18	72.37	79.85	89.77	94.33
Banks & Insurance	65.34	72.11	76.31	81.50	79.08
Real Estate & Housing	17.14	17.40	17.74	18.28	18.55
Government Services	105.31	110.86	115.58	119.82	130.58
Other Services	13.10	14.41	14.91	15.66	16.44
Less Imputed Service Charge	61.84	65.88	71.98	76.40	72.84
TOTAL	693.69	711.61	765.98	827.40	822.52
GROWTH RATE	6.80	2.58	7.64	8.02	-0.59

P=provisional

SOURCE: St. Vincent & the Grenadines Statistical Office \ ECCB

The country, like most others in the Commonwealth Caribbean, has a large stock of debt with a debt to GDP ratio in excess of 60 percent. However, relative to its OECS neighbours, it is not among the most seriously indebted. An important factor in the reduction of debt has been the success the Government has had in the write-off of a major debt obligation by the Italian Government. However, debt while declining is still above the ratios set by the ECCB for member countries, and imposes a constraint on the degree to which the Government can attempt countercyclical measures in the face of the downturn in the international economy.

In the face of the escalation of oil and energy prices that occurred towards the end of 2007, the Government exercised caution in its fiscal operations, allowing some orderly pass-through of the increases to the population, given the difficulty in maintaining high levels of subsidies. However, there is likely to be a considerable challenge in continuing the process of debt reduction. Indeed its admission in respect of the PSIP anticipates the difficulty of financing necessary infrastructure without incurring more debt.

Table 4.2 provides data on sources of Revenue, over the period 1997 to 2008. The gradual reduction of Taxes on Income and Profit is noteworthy having moved from a high of 30 percent of current revenue in 1998 to an estimated 23 percent of current revenue in 2008.

Governments across the region have displayed this tendency of reducing corporate and individual income tax rates, and a greater reliance on indirect taxes. In the case of St. Vincent and the Grenadines a Value Added Tax (VAT) was introduced. The reduction of duties and tariffs on imported goods has also been a distinctive pattern.

TABLE 4.2: TOTAL PUBLIC SECTOR DISBURSED OUTSTANDING DEBT (DOD) ECCU (EC\$M)

COUNTRY	2004R	2005R	2006R	2007R	2008P
ANGUILLA	89.9	110.2	120.3	141.2	170.9
ANTIGUA AND BARBUDA	3,565.4	2,706.7	2,797.9	2,905.9	3,003.4
DOMINICA	879.8	951.7	951.9	933.7	917.3
GRENADA	1,528.6	1,637.6	1,712.3	1,770.8	1,850.0
MONTSERRAT	13.2	12.7	12.0	11.2	11.1
ST. KITTS AND NEVIS	2,003.4	2,215.7	2,379.6	2,479.6	2,483.6
SAINT LUCIA	1,514.3	1,613.4	1,742.5	1,906.6	1,912.9
ST VINCENT AND THE GRENADINES	955.8	992.2	1,040.8	1,026.9	1,110.0
TOTAL ECCU	10,550.3	10,240.2	10,757.2	11,175.9	11,459.2

Source: ECCB Annual Economic and Financial Review, 2008 (Table 6: page. 85)
<http://www.eccb-centralbank.org/PDF/aefr2008.pdf> (accessed 27.08.09)

4.1 INTERNATIONAL CONTEXT

The international economic experience of the last two years has demonstrated how highly integrated the economies of the world have become. Export-oriented economies like St. Vincent and the Grenadines are even more directly and readily impacted by the global slow-down which has been more pronounced than anything that has been experienced since the Great Depression. The subprime crisis which started in the United States in 2007, through its contagion effect, quickly reversed the demand pressures that had triggered an upward tilt in energy prices and in food, which had been prompted by burgeoning demand in India and China. The impact of the contagion has emphasised the fact that the United States is still very much the locomotive economy in the world economy, and India and China have not yet achieved the level of dominance that would allow the international economy to be decoupled from the United States and to continue on a path of growth.

The IMF predicts that global growth could fall to ½ percent or even turn negative in 2009, and notes that there is still considerable uncertainty over any prediction of outlook.¹⁴ However, most are agreed that the advanced economies will show negative growth in 2009, and may recover but with very slow rates in 2010, as can be seen in Table 4.3. Most of the advanced economies are likely to be in recession in 2009.

The turn-around depends heavily on ‘stimulus’ packages that they are prepared to implement: this is mainly an agreement to increase government expenditure in a Keynesian approach to macro-economic management. While the emerging and developing economies have been projected to grow by 3.3 percent in 2009, this might be contingent on their also attempting stimulus packages themselves. Late in 2008, the Chinese authorities announced a programme of public works and an expansion of major infrastructure, including in the rail network: however, this is hardly likely to compensate for the decline in economic activity occasioned by the fall in demand for Chinese exports across the world and in the advanced economies in particular.¹⁵

In the case of St. Vincent and the Grenadines the link to the North Atlantic economy through tourism, financial services and remittances suggests the possibility of decline in the rate of growth. Tourism was already experiencing an indifferent performance before the decline took place in discretionary incomes in the North Atlantic countries. Export agriculture can be expected to face even more competitive conditions in the market place in the light of shrinking or stagnation in demand.

¹⁴ <http://www.imf.org/external/pubs/ft/weo/2009/update/01/>

¹⁵ Economist, http://www.economist.com/world/asia/displaystory.cfm?story_id=12606998

The United Nations World Tourism Organisation expects the tourism industry to stagnate at best or to decline by 1 percent to 2 percent in the course of 2009, as a result of the economic crisis that has gripped the international economy: this is after some four years of growth in foreign travel.¹⁶ Tourism in the Grenadines is mainly high-end, and may not decline as sharply as in other countries of the Caribbean which are more reliant on the mass market.

Another source of foreign exchange inflows is remittances. A recent estimate done by the Inter-American Development Bank suggests that remittance income accounted for over one quarter of GDP of St. Vincent and the Grenadines (Table 4.4). Remittance income is dependent on the sector in which migrants work. Magnusson et al (Mexico, Selected Issues) show that in the case of Mexico, many have been engaged in the construction sector in the US and this relates to the local economy in the States with building booms e.g. Texas.¹⁷ In the case of St. Vincent and the Grenadines, there have been a number of workers engaged in the cruise ship industry and this too has been impacted by the global slow-down. It is unlikely that the country would escape a decline in remittance income.

TABLE 4.3: SUMMARY OF WORLD OUTPUT (PERCENT CHANGE, UNLESS OTHERWISE NOTED)

	2007	2008	Projections	
			2009	2010
World output	5.2	3.2	-1.3	1.9
Advanced economies	2.7	0.9	-3.8	0.0
United States	2.0	1.1	-2.8	0.0
Euro area	2.7	0.9	-4.2	-0.4
Japan	2.4	-0.6	-6.2	0.5
United Kingdom	3.0	0.7	-2.8	0.2
Canada	2.7	0.6	-1.2	1.6
Other advanced economies	4.0	2	-3.9	0.4
Newly industrialized Asian economies	5.6	2.1	-3.9	3.1
Emerging and developing economies	8.3	1	1.6	4.0
Africa	6.2	5.2	2.4	3.9
Sub-Sahara	6.9	5.4	3.5	5.0
Central and eastern Europe	5.4	2.9	-3.7	0.8
Commonwealth of Independent States	8.6	5.5	-5.1	1.2
Russia	8.1	5.6	-6.0	0.5

¹⁶ <http://www.un.org/apps/news/story.asp?NewsID=29685&Cr=touris&Cr1>

¹⁷ <http://www.imf.org/external/pubs/ft/scr/2009/cr0954.pdf>

	2007	2008	Projections	
			2009	2010
Excluding Russia	9.9	5.3	-2.9	3.1
Developing Asia	10.6	7.7	4.8	6.1
China	13.0	9.0	6.5	5.6
India	9.3	7.3	4.5	6.5
ASEAN-5	6.3	5.4	2.7	4.1
Middle EAST	6.3	5.9	2.5	3.5
Western Hemisphere	5.7	4.2	-1.5	1.6
World trade volume (goods and services)	7.2	3.3	-11.0	0.6
Imports				
Advanced economies	4.7	0.4	-12.1	0.4
Emerging and developing economies	14.0	9.0	-8.8	0.6
Exports				
Advanced economies	6.1	1.8	-13.5	0.5
Emerging and developing economies	9.5	6.0	-6.4	1.2
Consumer prices				
Advanced economies	2.2	3.4	-0.2	0.3
Emerging and Developing economies	6.4	9.3	5.7	4.7

Source: IMF- World Economic Outlook, April 2009

TABLE 4.4: REMITTANCES AS PERCENTAGE OF GDP IN SELECTED CARIBBEAN COUNTRIES 2006

Caribbean Countries	US\$M	Percent of GDP
Barbados	292	9.4
Cuba	983	
Dominica	181	
Dominican Republic	2,739	9.0
Grenada	162	31.2
Haiti	1,049	21.1
Jamaica	1,924	18.3
St. Vincent and the Grenadines	123	26.4
Trinidad and Tobago	655	3.3
Total	8,379	

Source: <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=1172190>

Tourism statistics for St. Vincent and the Grenadines are provided in Table 4.5. The bright spot in tourism over the period 2001 to 2007 has been in cruise ship arrivals. Stay-over visitors increased over the period 2003 to 2006, and then fell in 2007. The impact on

visitor expenditure was evident in the decline between 2006 and 2007 in spite of the substantial increase overall in the number of visitors. In the more recent period, the country would have witnessed a further fall as a result of the world wide decline in travel.

TABLE 4.5: SELECTED TOURISM STATISTICS FOR ST. VINCENT AND THE GRENADINES

Year	2001	2002	2003	2004	2005	2006	2007
Total Visitors	254,091	247,458	241,526	261,469	256,075	306,578	283,268
of which: Stay- Over Visitors	70,686	77,631	78,535	86,721	95,504	97,432	89,637
USA	19,361	22,412	22,194	25,106	27,153	28,598	26,642
Canada	3,929	5,268	4,918	5,219	6,187	6,542	6,745
UK	10,844	11,631	11,547	12,610	13,941	14,837	16,742
Caribbean	26,428	30,229	32,779	36,011	39,944	38,219	29,959
Other Countries	10,124	8,091	7,097	7,775	8,279	9,236	9,549
Excursionists	15,049	13,062	13,696	12,936	8,928	9,034	6,799
Cruise Ship Passengers	76,494	70,314	64,965	77,585	69,753	106,474	144,555
Yacht Passengers	91,862	86,451	84,330	84,227	81,890	93,638	42,277
Number of Cruise Ship Calls	n.a	264	245	225	182	263	279
Total Visitor Expenditure (EC\$M)	240.33	245.73	246.22	258.00	280.51	305.80	300.18

Source: Central Statistics Office, St Vincent & the Grenadines

Another major threat that is faced by St. Vincent and the Grenadines is in respect of its small financial services sector which has been promoted officially as another source for the earning of foreign exchange and the generation of government revenue. Over the last decade, Caribbean countries have been involved in putting measures in place as a result of a campaign by OECD countries against off-shore financial centres which have been accused of providing a safe haven for tax evasion and money-laundering. At best, the existence of off-shore financial centres has been seen as a source of tax competition. With the bail out that Governments in a number of advanced countries have been required to perform in recent months to save a number of major banking institutions, the attack has been renewed on off-shore financial centres since some of the rescued institutions have had close links with these centres. The question being asked is why should taxpayers – who ultimately are responsible for the bail-out – be required to save institutions that manage to assist in the conduit of resources to tax-havens and out of the reach of Governments that are organising the bail-out? Gordon Brown asked the rhetorical question of the US Congress in March 2009:

*'How much safer would everybody's savings be if the whole world finally came together to outlaw offshore tax havens?'*¹⁸

The recent agreement of Switzerland to introduce new rules on the sharing of bank data is seen as the beginning of the end of tax havens.

4.2 REGIONAL CONTEXT

The banana industry remains a vital sector in St. Vincent and the Grenadines, as in two other countries of the OECS sub-region namely St. Lucia and Dominica. The main market for its banana exports are the European Union (EU). However, the latter imports the greater share of its banana requirements from Central America, with which there are initiatives for greater freeing of trade. All three countries face a bleak future with their banana industries which, after years of restructuring since the formation of the EU and its integration into a single market, have not been able to arrive at a cost structure that allow them to compete openly with Central American producing countries.

The adjustment process has been long and painful. The adoption of the 'Fair Trade' label and its associated regime of production and distribution may be the only avenue open to farmers to protect their industry, in the face of further reduction in tariffs on bananas from Central America. The vulnerability of the country is seen in the continuing importance of the sector in terms of foreign exchange, employment and income, and the reliance on special market rules to retain any space in its main export market. The suspension/breakdown in the Doha Rounds may offer a slight respite to the country and its banana industry.

The deepening of the regional movement is another important development for the country. The Heads of the Governments of the OECS agreed in October 2007 to a period of discussion and review among the population, with the objective of improving public education in support of the integration process, with a revised Treaty of Basseterre. This anticipates freer movement of people, within the OECS, and much greater functional cooperation in addition to the freeing of trade. The initiatives being taken by the OECS countries are in the context of the CARICOM Single Market and Economy, but recognise that it is in the interest of the OECS to widen and deepen the bond among themselves, to better derive benefits in the wider movement. A single currency and harmonisation of a number of services, in addition to bulk purchasing of certain essential supplies suggest that these countries may achieve a higher degree of integration in short term compared

¹⁸ <http://www.taxresearch.org.uk/Blog/2009/03/04/gordon-brown-outlaw-offshore-tax-havens-2/>

to the process at the wider level of the CSME. The relatively freer movement of people in the OECS suggests that poverty in one member state is a matter of concern to every member state, given that the poor would have resort to mobility as a means of escaping poverty.

The commitment to deepening integration was very evident in the response of the countries through the ECCB to the collapse of the Stanford Financial Empire in Antigua and Barbuda, in February 2009. Five indigenous financial institutions put together a structure to take control of the Bank of Antigua Ltd. The collapse of Stanford Businesses in Antigua and Barbuda had posed a threat to the banking industry among the OECS countries.

The signing of the Economic Partnership Agreement (EPA), between the member states of the Region and the European Union has been another important development in the region. Discussion of the pros and cons stimulated considerable debate. The agreement is touted in some quarters as opening opportunities for the population of the region. There is the assumption that the region will have better access to the European Market. Given that the agreement is founded on reciprocity, much depends on the strategies pursued by member states and the initiatives taken by their populations to realise the potential benefits.

CHAPTER 5

KEY POVERTY AND VULNERABILITY INDICATORS

5.1 ESTIMATING THE POVERTY RATE, POVERTY SEVERITY AND POVERTY GAP INDICES

The poverty line is a monetary measure of the minimum annual consumption expenditure, in dollar terms, that is needed to meet the basic food and non-food requirements of an average adult, at prevailing prices. It is constructed in two stages. In the first stage, an estimate is derived of an indigence line or food poverty line which establishes what is the minimum expenditure required to maintain good bodily health on the part of the individual.

The indigence line used in this study gives the estimated level of expenditure for an average adult to meet the minimum food requirements which, according to scientific nutritional studies, are estimated to be necessary for maintaining a healthy existence. This is based on a basket of goods that at current prices, attains the minimum acceptable nutrition requirement (2,400Kcal) at the lowest possible cost. The estimated cost of securing this minimum standard on the basis of the prices of the foods available in the market place in St. Vincent and the Grenadines at the time of the study was EC\$2,446 per adult, per annum, or EC\$6.70 per day: the prices were derived from the data collected by the Statistics Department of St. Vincent and the Grenadines as part of the regular monthly data gathering on prices.

In the second phase, an adjustment is made for non-food needs. First the reciprocal of the food share of the two poorest quintiles is derived and the result is multiplied by the dollar value of the indigence line. The result is the poverty line which accounts for both food and non-food. The poverty line was estimated at EC\$5,523 per annum per adult, or EC\$15.13 per day.

The vulnerability line, which is set at 1.25 times the poverty line (or 25% above it), measures the number of persons who may be above the poverty line (not poor), but are at risk of falling into poverty, should any adverse economic shock or natural disaster occur. For St. Vincent and the Grenadines the vulnerability line was estimated to be EC\$6,904 per annum or EC\$18.91 per day.

Table 5.1, as shown below, summarises the respective poverty, indigence and vulnerability lines for St. Vincent and the Grenadines.

**TABLE 5.1: ESTIMATED POVERTY, INDIGENCE AND VULNERABILITY LINES
FOR ST. VINCENT AND THE GRENADINES**

Reference Line	St. Vincent and the Grenadines 2007/2008
Indigence Line (Annual in EC\$)	2, 446
Poverty Line (Annual in EC\$)	5, 523
Vulnerability Line (Annual in EC\$)	6, 904

Table 5.2 shows that the average family would need to spend at least EC\$1,182 per month or EC\$14,194 per annum at prevailing prices, to be able to escape poverty. The average family size is calculated on the basis of the Mean Adult Equivalent Household size which accounts for demographic variation in the composition of households, by sex and age, which have been known to influence consumption patterns.

TABLE 5.2: MEAN ADULT EQUIVALENT HOUSEHOLD SIZE AND CONSUMPTION ESTIMATES (EC\$)

	Mean Adult Equivalent Household Size	Indigence Line per month per adult EC\$	Poverty Line per month per adult EC\$	Minimum Required per month for an average Household EC\$	Annual Poverty Line per adult EC\$	Minimum Annual Required for an average Household EC\$
St. Vincent and the Grenadines	2.57	204	460	1,182	5,523	14,194

The headcount index is the most commonly used measure of the incidence of poverty. It measures the percentage of the population that is poor based on the estimated poverty line. The study revealed that 30.2 percent of the population is poor: this is the percentage of the population that did not meet the minimum annual consumption expenditure of EC\$5,523, required to satisfy the basic food, as well as non-food requirements. The indigence line in 1996 was EC\$1,062 per annum (current prices), as compared to EC\$2,448 per annum in 2008 (current prices). In 1996, the poverty headcount index was 37.5 percent and the indigence level was 25.7 percent (Table 5.3). Living conditions have improved since the last study: the indigence level has

significantly fallen to 2.9 percent in 2008. The study also revealed that an additional 18 percent of individuals are vulnerable or at risk of falling into poverty.

TABLE 5.3: COMPARISON OF 1995/96 AND 2007/08 POVERTY RATES

Poverty Indicators (1996 and 2007/08 Compared)	St. Vincent and the Grenadines	
	% Individuals 1995/96	% Individuals 2007/08
Poverty Headcount Index	37.5	30.2
Indigence Level	25.7	2.9
Vulnerability Level	n/a	48.2

*Source 1995/96 data: Poverty Assessment Report - St. Vincent and the Grenadines- Executive Summary pg xii
Volume 1 of 2 - Main Report (1996).*

According to the most recent Surveys of Living Conditions in the Region, the headcount index of St. Vincent and the Grenadines, though high based on international standards, is on par with some of its Caribbean neighbours (Table 5.4). While there are problems in making comparisons over space and time, the data do provide indicators of tendencies, and are broadly consistent with intuition.

TABLE 5.4: HEADCOUNT INDEX-SELECTED CARIBBEAN COUNTRIES

Country	SLC Year	Head Count Index (%)
*Antigua and Barbuda	2005	18.6
Bahamas	2001	9.3
Belize	2002	33.0
*BVI	2002	11.0
*Cayman Islands	2006	1.9
*Dominica	2002	32.7
*Grenada	1998	30.8
Guyana	1999	36.9
*St. Lucia	2005	28.8
Trinidad and Tobago	2005	16.7

**Source CDB; all others country poverty assessments of the respective country*

The headcount index is a measure of the prevalence of poverty, as it only provides us with the percentage of persons who are deemed to be poor. Though quite easy to interpret and communicate, the headcount index does not provide information on the

extent of poverty. This has serious implications for policy makers. Other measures such as the poverty gap ratio and the poverty severity ratio are therefore utilised.

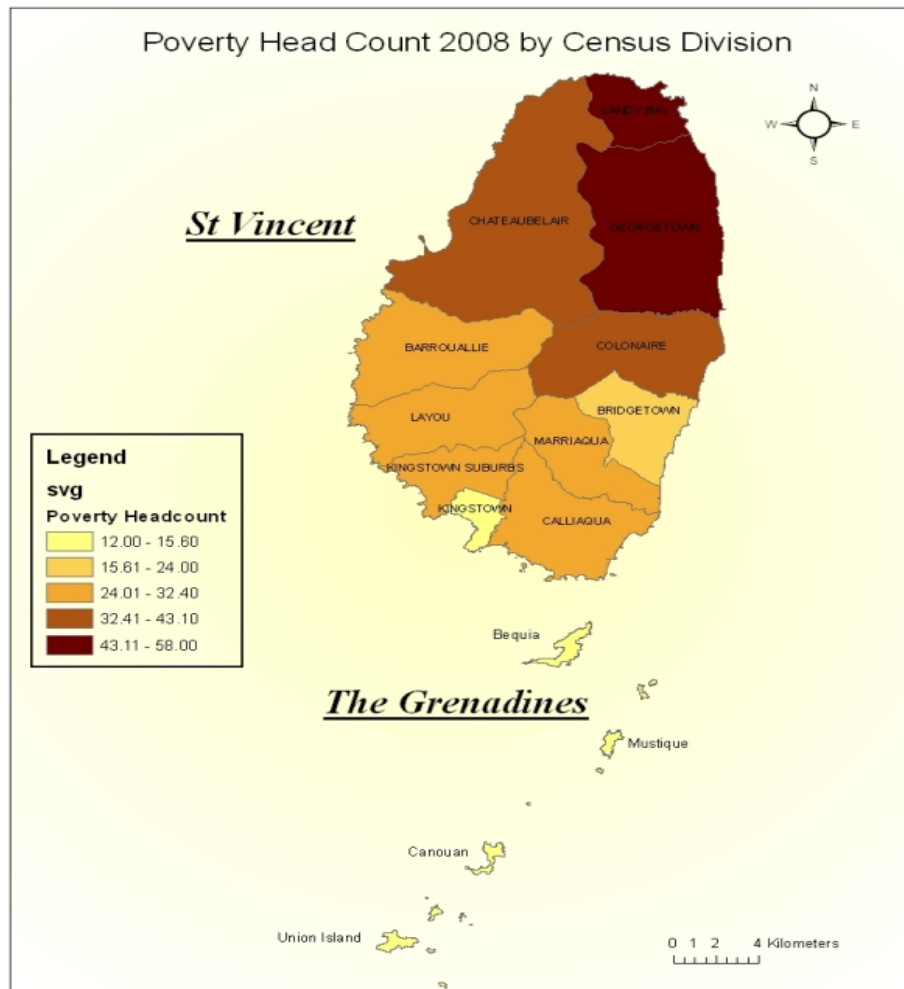
The poverty gap ratio gives the depth or intensity of poverty as it shows how far away the poor are from the poverty line. Policy makers are therefore able to ascertain the minimum cost of eliminating poverty using targeted transfers to bring the poor up to the level of the line. The poverty severity index, though similar to the poverty gap, places a higher weight to the poorest and takes into account the consumption distribution amongst them. This in turn reflects the degree of inequality among them.

Table 5.5 shows the headcount index, poverty gap ratio and poverty severity ratio for St. Vincent and the Grenadines by Census Division. Several areas had headcount indices that were above the national average. Maps 5.1 and 5.2 show the information pictorially. It is noteworthy that the poverty levels in the Grenadines were significantly lower than the average for the country.

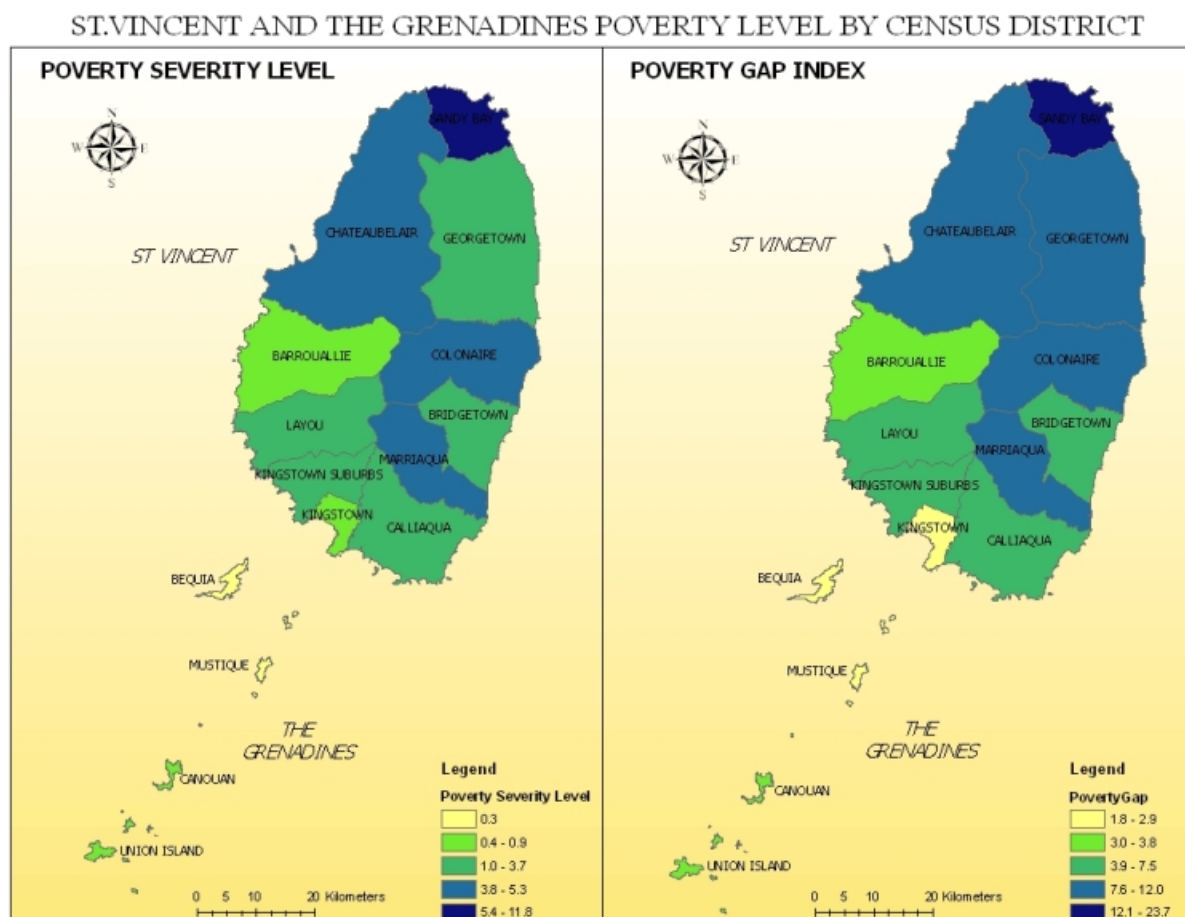
TABLE 5.5: HEADCOUNT, POVERTY GAP AND POVERTY SEVERITY BY CENSUS DIVISION

Census Division	Poverty Headcount	Poverty Gap	Poverty Severity
01 – KINGSTOWN	15.2	2.7	0.7
02 -SUBURBS OF KINGSTOWN	31.3	6.7	2.6
03 -CALLIAQUA	29.2	6.7	2.7
04 -MARRIAQUA	29.6	9.8	4.7
05 -BRIDGETOWN	24.0	6.6	2.7
06 -COLONARIE	40.2	12.0	5.3
07 -GEORGETOWN & SANDY BAY	55.6	16.7	7.1
09 -LAYOU	32.4	7.5	2.6
10 - BARROUALLIE	28.5	3.8	0.9
11 -CHATEAUBELAIR	43.1	11.2	4.8
12 - THE NORTH GRENADINES	12.0	1.8	0.3
13 - THE SOUTH GRENADINES	15.6	2.9	0.8
Total	30.2	7.5	3.0

MAP 5.1: ST. VINCENT AND THE GRENADINES POVERTY LEVEL



MAP 5.2: ST. VINCENT AND THE GRENADINES POVERTY GAP AND POVERTY SEVERITY



The distribution of consumption expenditure reflected in Table 5.6 shows that the richest 10 percent of the population commanded 33.8 percent of expenditure, while the poorest 10 percent commanded a mere 2.8 percent of expenditure. The level of inequality is reflected in the Gini Coefficient. The closer the Gini Coefficient is to zero, the lower the inequality, and the closer it is to 1, the higher the inequality. The Gini in this case was 0.4023. Moreover, it should be noted that the Gini had declined substantially since 1996 – from 0.56 to 0.402 in 2008.

TABLE 5.6: DISTRIBUTION OF CONSUMPTION IN ST. VINCENT AND THE GRENADINES

Deciles	Total Country					
	Population	%		% cumulative		Gini
		Consumption	Population	Consumption	Population	
1	10,065	2.753	10.04	2.8	10	0.003
2	10,129	4.209	10.10	7.0	20	0.010
3	9,867	4.836	9.84	11.8	30	0.018
4	9,949	5.587	9.92	17.4	40	0.029
5	10,051	6.341	10.03	23.7	50	0.041
6	10,057	7.152	10.03	30.9	60	0.055
7	10,053	8.268	10.03	39.1	70	0.070
8	10,004	10.911	9.98	50.1	80	0.089
9	10,120	16.152	10.10	66.2	90	0.117
10	9,956	33.790	9.93	100.0	100	0.165
Total	100,250	100.00	100.00			0.4023

The Lorenz Curve in Figure 5.1 shows a diagrammatical representation of the distribution.

FIGURE 5.1: ST.VINCENT AND THE GRENADINES LORENZ CURVE

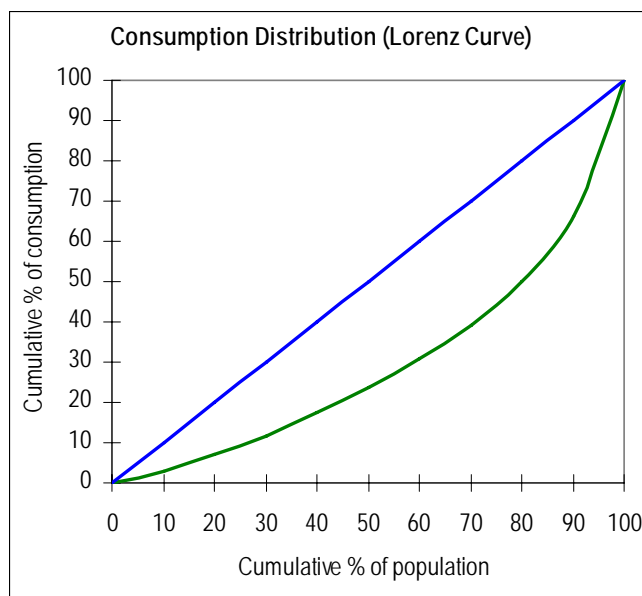


Table 5.7 provides some comparative data on the Gini coefficients for selected Caribbean countries. The country is trending to the lower tier in inequality among Caribbean countries.

TABLE 5.7: GINI COEFFICIENTS FOR SELECTED CARIBBEAN STATES

Country	SLC Year	Gini Coefficient
*Antigua and Barbuda	2005/2006	0.48
Bahamas	2001	0.46
Belize	2002	0.40
*BVI	2002	0.23
*Dominica	2002	0.35
*Grenada	1998	0.45
Guyana	1999	0.43
Jamaica	2005	0.38
*St. Kitts/Nevis	2000	0.37
*St. Lucia	2005/2006	0.42
*St. Vincent and the Grenadines	1996	0.56
St. Vincent and the Grenadines	2007/08	0.402
Trinidad and Tobago	2005	0.39

**Source: CDB sponsored study; all others respective Country Poverty Reports*

5.2 ECONOMIC SITUATION OF HOUSEHOLDS

Heads of households were asked to provide some indication of their current economic situation as compared to one year ago, before the conduct of the Survey. They were asked to rate their situation on a scale of 'much worse', a 'little worse', 'same', a 'little better now' and 'much better now'. As shown in Table 5.8, the largest single response was from those who felt that conditions were much worse- (23.5 percent) household heads. Also, 22.8 percent of households felt that their economic situation had remained the same when compared to a year ago. Heads of households who reported an improvement in their economic situation represented 25.9 percent of household heads. Overall, 25.9 percent who rated their economic situation as being better, but it was only 7.6 percent who agreed that their economic situation was much better.

In the PPA information provided by heads of households showed that single parent headed households and multi-generational households, especially those headed by females are among the poorest and that on the whole, nuclear households were better off than these households.

TABLE 5.8: ECONOMIC SITUATION OF HOUSEHOLD COMPARED TO 1 YEAR AGO BY QUINTILES (PERCENT)

Economic Situation	Household Quintiles					
	I	II	III	IV	V	Total
	%					
Much worse now	23.3	25.1	25.0	23.8	20.1	23.5
A Little worse now	21.7	19.2	20.8	19.1	23.4	20.8
Same	23.4	24.8	19.5	20.0	26.0	22.8
A Little better now	18.2	18.9	22.6	19.4	12.4	18.3
Much better now	6.8	4.4	4.2	11.7	10.9	7.6
Don't Know/Not Stated	6.7	7.6	7.9	5.9	7.1	7.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

Altogether as much as 44.3 percent of residents felt that conditions had worsened compared to the previous year. This response has to be seen in the context of the escalation of prices of basic food and energy that took place toward the end of 2007 and early 2008.

Household heads were also asked to rate their household on a scale of 1 to 5, where 1 is poor and 5 is rich. Only approximately 1 percent reported that their household was 'rich'. This was basically the same across quintiles with the exception of those in the second and fourth quintiles. Of those in the second quintile, no one felt that their household was rich. In the fourth quintile however, 2.3 percent of persons felt that their household was rich. The majority (38.1%) of persons noted that their household was in quintile three. 24.5 percent reported that their household was poor, with 40 and 10 percent of those in the lowest and highest quintiles respectively reporting such. This is demonstrated in Table 5.9.

TABLE 5.9: SUBJECTIVE RATING OF HOUSEHOLD ECONOMIC SITUATION BY QUINTILES (PERCENT)

Socio-Economic Rating	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Poor	39.9	26.8	25.5	19.8	10.3	24.5
II	28.0	30.1	30.1	21.7	22.0	26.4
III	23.3	33.2	34.0	44.3	55.8	38.1
IV	3.2	5.7	2.6	9.0	8.0	5.7
Rich	0.7	0.0	0.7	2.3	0.8	0.9
Not Stated	4.9	4.3	7.0	2.9	3.1	4.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

It is note worthy too, that 40 percent of those in the lowest quintile rated themselves correctly as poor, and less than one percent of the poorest quintile rated themselves as rich. This is consistent with information obtained in the PPA from heads of households

Comparisons between the SLC/HBS of 1995/96 and the SLC/HBS of 2008, based on the use of the poverty rates can be questioned since each poverty line reflects on internals, relative to the survey in question. Indeed it would be argued that it is only the indigence line that is based on a standard from outside of the sample. However, SLCs do generate considerable data that allow for some comparisons over time without any reference to poverty lines.

Tables 5.10 and 5.11 give the quintile distribution for the respective years on a number of critical variables that point to changes in living conditions.

The data show that in 2007/08 the average size of the household seemed to have fallen although the number of children might have increased; the number of persons per bedroom decreased. The percentage reliant on pit latrines fell substantially. Thus although there might have been differences in the structure of the two surveys, the available evidence points to an improvement in living conditions over the time period.

TABLE 5.10: CHARACTERISTICS OF HOUSEHOLDS BY EXPENDITURE QUINTILES 1995

Household Characteristics	Per Capita Consumption Quintiles					
	ALL SVG	Poorest	II	III	IV	V
Area:						
Urban-Percentage Residing	39.2	26.7	37.3	34.9	44.5	45.7
Rural-Percentage Residing	60.8	73.3	62.7	65.1	55.5	54.3
Sex of Head of Household:						
Male	56.0	46.7	57.8	45.8	60.0	63.6
Female	44.0	53.3	42.2	54.2	40.0	36.4
Average:						
Age of Head	47.2	46.4	47.8	49.6	45.5	47.5
Size of Household	4.1	5.3	4.8	4.8	3.6	3.0
Number of Children ¹⁹	1.7	1.8	1.9	1.3	1.5	1.9
Persons per Bedroom	1.9	2.9	2.2	2.2	1.6	1.2
Number of Earners	1.1	1.2	1.0	1.0	1.2	1.2
Pit Latrines or Worse	58.8	82.3	70.8	61.4	49.9	29.01
Electricity	76.3	55.2	80.2	78.1	80.2	87.5

Source: St. Vincent and the Grenadines National Survey of Living Conditions, 1995. Quintiles are based on per capita consumption.

¹⁹ Less than age 17 years old

TABLE 5.11: CHARACTERISTICS OF HOUSEHOLD BY EXPENDITURE QUINTILES 2007/08

Household Characteristics	ALL SVG	Quintiles				
		Poorest	II	III	IV	V
Urban Percentage-Residing	51.1	47.1	40.5	52.2	55.1	60.3
Rural Percentage-Residing	48.9	52.9	59.5	47.8	44.9	39.7
Sex of Head of Household						
Male	47.9	50.6	46.1	47.3	46.5	49.0
Female	52.1	49.4	53.9	52.7	53.5	51.0
Average						
Age of Head	52	50	50	51	51	54
Size of Household	3.5	5.1	4.4	3.0	2.4	2.4
Number of Children Under 17	2.12	2.74	2.17	1.82	1.51	1.61
Persons per Bedroom	1.46	2.32	1.77	1.34	1.02	0.87
Number of Earners	1.66	1.89	1.74	1.67	1.46	1.47
%						
Pit Latrines	31.2	54.4	41.5	28.2	22.1	9.6
Percentage with Electricity	88.8	78.6	92.0	89.7	91.2	92.6

5.3 PERFORMANCE ON THE MILLENNIUM DEVELOPMENT GOALS

The international community committed itself in 2000 to an agenda of poverty reduction encapsulated in the Millennium Development Goals, which established some measurable targets to be achieved by the year 2015. There are eight main goals, eighteen targets and some 48 indicators. The Commonwealth Caribbean countries have displayed relatively good performance on some of these indicators which is not unexpected, given their relative status on the Human Development Index. The Region has adapted the targets in recognition of the fact that in their original form, they would hold out little challenge to most of the Commonwealth Caribbean. The original goals are outlined in Table 5.12.

TABLE 5.12: ORIGINAL UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS AND TARGETS

Goal	Target
Goal 1. Eradicate extreme poverty and hunger	➤ Halve, between 1990 and 2015, the proportion of people who suffer from hunger
Goal 2. Achieve universal primary education	➤ Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
Goal 3. Promote gender equality and empower women	➤ Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015.
Goal 4. Reduce child mortality	➤ Reduce by two thirds, between 1990 and 2015, the under-five mortality rate
Goal 5. Improve maternal health	➤ Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio
Goal 6. Combat HIV/AIDS, malaria and other diseases	➤ Have halted by 2015 and begun to reverse the spread of HIV/AIDS. ➤ Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.
Goal 7. Ensure environmental sustainability	➤ Integrate the principles of sustainable development into country policies and programmes and reverse the losses of environmental resources. ➤ Halve by 2015 the proportion of people without sustainable access to safe drinking water. ➤ By 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers.
Goal 8. Develop a Global Partnership for Development	➤ Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. ➤ Address the special needs of the least developed countries ➤ Address the special needs of landlocked countries and small island developing States. ➤ Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. ➤ In cooperation with developing countries, develop and implement strategies for decent and productive work for youth ➤ In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries ➤ In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

Table 5.13 provides some evidence of St. Vincent and the Grenadines on the MDGs adapted for Caribbean specific conditions. Many of the performance indicators are based on the SLC/HBS. Other data from relevant reports and secondary sources were used in deriving the information for this table.

TABLE 5.13: PERFORMANCE OF SVG ON THE CARIBBEAN-SPECIFIC MDGS

Goal 1. Eradicate extreme poverty and hunger		
Target 1	Indicators	Status
Halve, between 1990 and 2015, the proportion of people who fall below the poverty line	1. Proportion of households living below the poverty line;	30.2 percent of individuals and 20.8 percent of households were below the poverty line (2007/08 SLC)
	2. Poverty gap ratio	The poverty gap ratio is 7.5 and the poverty severity ratio is 3.0 (2007/08 SLC)
	3. Share of poorest quintile in national consumption	The lowest quintile accounted for 9.8 percent of national consumption and the fifth accounted for 50.0 percent (2007/08 SLC)
	4. Proportion of employed living in households that are below the poverty line, by sex (of household head)	74.7 percent of those persons over 15 years that were below the poverty line were employed (2007/08 SLC)
Target 2	Indicators	Status
Halve, between 1990 and 2015, the proportion of people who suffer from hunger	5. Prevalence of under weight children by sex	From the period 1995-2000, there were 10 percent of infants with low birth weight. Between 2000 and 2001 there were 241 infants under five years who had low birth weight (<2,500g).
	6. Proportion of population below minimum level of dietary energy consumption by sex	2.9 percent of individuals were consuming at levels below the indigence line or minimum dietary energy consumption (2007/08 SLC).
Target 3	Indicators	Status
Halve, between 1990 and 2015, the proportion of persons without access to basic services	7. Proportion of population with access to electricity by sex of head of households	88.8 percent of households used electricity as the main type of lighting in 2007/08.
	8. Proportion of households using pit latrines by sex of household	In 2007/08, 31.3 percent of households used pit latrines (2007/08 SLC).

Goal 1. Eradicate extreme poverty and hunger		
<i>Target 4</i>	<i>Indicators</i>	<i>Status</i>
Halve, between 1990 and 2015, the proportion of persons living in inadequate housing	9. Proportion of population in inadequate housing by sex of head of household	
Goal 2. Achieve universal primary and secondary education		
<i>Target 5</i>	<i>Indicators</i>	<i>Status</i>
Ensure that, by 2015, children everywhere (boys and girls alike) will be able to complete a full course of primary and secondary schooling, up to Grade 12	10. Net enrolment ratio in primary education by sex	The net enrolment ratio in primary education was 99.8 for both sexes in 2007.
	11. School attendance among primary school children by sex	6 percent of children of primary school age were out of school in 2007.
	12. Proportion of pupils starting Grade 1 who reach Grade 5 by sex	The primary completion rate was 80.6 for boys; 103.6 for girls and 92.0 for both sexes. (2005)
	13. Net enrolment ratio in secondary education by sex	In 2007, the net enrolment ratio for males was 72.5 percent, and for females, it was 84.3.
	14. Proportion of pupils who reach Grade 12 (fifth form) in secondary school by sex	School life expectancy from primary to tertiary education in 2008 was 12 years.
	15. Proportion of students who matriculate at Grade 12 with passes in at least two subjects English (or official language of country) and Mathematics by sex	
	16. Literacy rate of 15-24 year-olds by sex	Literacy rate for 2004 was 88.1 (persons 15 years and over)
	17. number of primary and secondary schools addressing gender stereotyping in the curriculum	

Goal 2. Achieve universal primary and secondary education		
Target 5	Indicators	Status
	18. Percentage of schools with age appropriate curricula	All primary and secondary schools have age appropriate curricula.
	19. Percentage of trained teachers in primary and secondary schools	In 2007/08 academic year, there were approximately 86.95 percent trained teachers in government primary schools. There were approximately 77.6 percent trained teachers in secondary schools (2007).
	20. Average number of children in class by grade by school	
Goal 3. Promote gender equality and empower women		
Target 6	Indicators	Status
Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	21. Ratio of girls to boys in primary, secondary and tertiary education	The ratio of girls to boys at the primary level was 0.90, at the secondary level it was 1.09 in 2007.
	22. Ratio of literate women to men of 15-24 years	In 1991, the literacy rate of males was 88.2 and for females it was 89.5.
	23. Proportion of students who take Maths and Science examinations at Grade 12 by sex	
Target 7	Indicators	Status
Eliminate gender disparity in income and occupational opportunities at all levels and in all sectors, no later than 2015	24. Share of women in wage employment in the non-agricultural sector	39.9 percent of women were in wage employment in the non-agricultural sector in 1990.
	25. Average national income of men and women by sector of employment	
	26. Employed persons by occupational status by sex	In 2001, Elementary occupations accounted for the largest percent of workers (20.5%) followed by service workers (14.5%) where 18.8 percent of females were engaged in compared to 11.9 percent of males. The occupational status of most males was that of craft and related trade workers (20.1%), while for females it was elementary occupations (22.3%) followed by Clerk (19.1%).
	27. Proportion of seats held by women in national parliament	17.4 percent of seats in national parliament held by women. (2008)
	28. Proportion of women holding office in government	

Goal 3. Promote gender equality and empower women		
<i>Target 8</i>	<i>Indicators</i>	<i>Status</i>
Reduce by 60 percent by 2015, all forms of gender based violence	29. Incidence of reported physical abuse by sex of the abused	
	30. Existence of integrated national action plans to eliminate gender based violence by 2010	In 1981, St. Vincent and the Grenadines signed the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).
	31. Type of crime by age and sex of offender and age and sex of victim	
	32. Age and sex of persons who report experiencing physical violence in the past year at the hands of an intimate partner	
	33. Percentage of sexual assault cases completed through the court process in a 12-month period of the date of charge	As much as 2.5 percent of mothers had had their first birth at under 15 years of age: child sexual abuse cases have been rare: usually unwillingness of mothers of girls to appear as witnesses cited as the problem in securing convictions (SLC 2007/08).
Goal 4. Reduce child mortality		
<i>Target 9</i>	<i>Indicators</i>	<i>Status</i>
Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	34. Under-five mortality rate by sex	The under five mortality rate for both sexes was 20 deaths/1000 live births in 2006. It was 28.3 in 1998.
	35. Infant mortality rate by sex	The infant mortality rate was 17 deaths/1000 live births in 2006 and 19.2 deaths/1000 live births 2001.
	36. Proportion of children 1-5 years of age who have received complete immunization coverage (BCG, three doses of DPT and oral polio, measles)	100 percent of children 1 - 5 years were immunised against measles in 2007. 100 percent of children 1- 5 years were immunised against DPT and 103.4 percent were immunised against BCG.
	37. Number of children injured through, violence by sex and age	
	38. Number of children killed through violence, by sex and age of victim and perpetrator	

Goal 5. Improve Maternal health		
Target 10	Indicators	Status
Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	39. Maternal mortality ratio per 1,000 population	The maternal mortality ratio in 2007 was 1 per 1000 live births.
	40. Proportion of births attended by skilled health personnel	96.0 percent of births were attended to by a skilled health personnel in 2007.
Target 11	Indicators	Status
Universal access to reproductive and sexual health services through the primary healthcare system by 2015	41. Proportion of contraceptive demand satisfied	Contraceptives widely available for purchase.
	42. Adolescent fertility rate	In 2007, the adolescent birth rate per 1000 women was 58.9.
Goal 6. Combat HIV/AIDS, malaria and other diseases		
Target 12	Indicators	Status
Have halted by 2015 and begun to reverse the spread of HIV/AIDS	43. HIV prevalence among pregnant women aged 15-24 years	HIV prevalence among pregnant women aged 15 – 24 years was 13 percent in 2007.
	44. Condom use, rate of contraceptive prevalence	In 2005, the contraceptive use rate of persons aged 15-49 was 58 percent of currently married women.
	a. Condom use at last high risks sex by sex	The contraceptive prevalence rate was 35.6 percent in 2006.
	b. Percentage of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS by sex	In 2005, 99 percent of the general population age 15-24 years heard of HIV/AIDS
	c. Contraceptive prevalence rate	
	45. Condom use as a proportion of overall contraceptive use by persons, ages 15-24, in consensual unions by union type	Of the 15-24 year olds with more than one sexual partner, approximately 20 percent did not use a condom in their most recent sexual encounter.
	46. Ratio of school attendance of orphans to school attendance to non-orphans (10-14)	Data not available.
	47. Proportion of children orphaned by HIV/AIDS by age group	Data not available

Goal 6. Combat HIV/AIDS, malaria and other diseases		
Target 13	Indicators	Status
Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	48. Prevalence and death rates associated with malaria	Malaria related mortality rate is 0.0 percent.
	49. proportion of population in malaria risks areas using effective malaria preventive and treatment measures	Not applicable
	50. Prevalence and death rates associated with tuberculosis	The tuberculosis prevalence rate per 100,000 population was 46.6 in 2006. The tuberculosis death rate per 100,000 population was 5.3 in 2006.
	51. Proportion of tuberculosis cases detected and cured under DOTS	The tuberculosis detection rate was 50.2 percent in 2006 and the treatment success rate was 85.7 percent in 2004.
	52. Existence of programmes that take into account the gender dimensions of power in the transmission and treatment of HIV/AIDS	No such programmes available at time of report.
	53. Prevalence of chronic diseases by sex and age	15.6 percent suffered from chronic lifestyle diseases. (2007/08 SLC)
	54. Provision of support services for primary caregivers	Some programmes available e.g. Home Help for the Elderly, although not sufficiently widespread
Goal 7. Ensure environmental sustainability		
Target 14	Indicators	
Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	55. Proportion of land area covered by forest	The proportion of land area covered by forest was 27.4 percent in 2005.
	56. Ratio of area protected to maintain biological diversity to surface area	Nationally protected areas account for 11.3 percent of total land area.
	57. Energy use (kg oil equivalent) per GDP (PPP)	639 kg of oil equivalents per capita in 2006.
	58. Carbon dioxide emissions per capita	There were 1.67 metric tons of carbon dioxide emissions per capita in 2004.
	59. Proportion of population using solid fuels (with access to secure tenure)	In 2003, 31 percent of the population was using solid fuels.

Goal 7. Ensure environmental sustainability		
Target 15	Indicators	Status
Halve, by 2015, the proportion of people without sustainable access to safe drinking water and improved sanitation	60. Proportion of population with sustainable access to an improved water source	In 2001, 93 percent of the population had access to an improved water source.
	61. Proportion of urban population with access to an improved sanitation	In 2001, 96 percent of the population had access to improved sanitation.
Target 16	Indicators	Status
Have achieved by 2020, significant improvement in the lives of at least 70 percent of persons living in poor communities	62. Proportion of households with access to secure tenure	79.5 percent of households owned their homes with or without a mortgage (2007/08 SLC).
Target 17	Indicators	Status
Construct and Implement a vulnerability index for the Caribbean within the next five years, which is sensitive to economic, social and environmental threats	63. Percentage of coral reefs destroyed by human activity	The reefs at the Tobago Cays area have undergone physical damage from fishing gear, boat anchors and localised pollution from yachts.
	64. Percentage of coral reefs destroyed by natural disasters	Data not available
	65. Incidence of natural disasters	From the period 1970 to 1999 there were 9 natural disasters in St. Vincent and the Grenadines with 5 fatalities. More recently, there was hurricane Omar in 2008 which caused flooding, and damage/destruction to vehicles, jetties and fishing boats.
	66. Economic losses resulting from natural disasters	Economic loss as a percent of GDP (2005) was 16.5 percent.
	67. Social dislocation resulting from natural disasters	In 1979 there was an eruption of La Soufriere which led to thousands of people being evacuated.
	68. Existence of a sustainable framework for the collection, processing and analysis of data relevant to the construction of a Vulnerability Index	

Goal 8. Develop a global partnership for development		
<i>Target 18</i>	<i>Indicators</i>	<i>Status</i>
Develop further an open, ruled-based predictable, non-discriminating trading and financial systems	69. Net ODA as a percentage of OECD/DAC donors' gross national product (targets of 0.7 percent in total and 0.15 percent for LDCs)	
	70. Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation)	Proportion of ODA to basic education was 25.06 percent, 0.65 percent to water and 0.07 percent to primary health care in 2008.
	71. Proportion of ODA that is untied	
	72. Proportion of ODA for environment in Small Island Developing States	
	73. Proportion of ODA for transportation in land locked countries	
	74. Proportion of exports (by value and excluding arms) admitted free of duties and quotas	In 2008, 13 percent of imports were admitted free of duties and quotas.
	75. Services as a proportion of total exports	Export of services as a proportion of total export of goods and services was 72.9 in 2008.
<i>Target 19</i>	<i>Indicators</i>	<i>Status</i>
Address the special needs of the Least Developed Countries, LDCs (includes tariffs and quota free access for LDCs' exports; enhanced programme of debt relief for HIPC and cancellation of official bilateral debt; and more generous programmes of debt relief for countries committed to poverty reduction)	76. Average tariffs and quotas on agricultural products and textiles and clothing from developing countries	
	77. Domestic and export agriculture subsidies in OECD countries	
	78. Sanitary and phytosanitary rules implemented by developed countries which exceed the standards specified by international organisations	
	79. Cost of implementing sanitary/ phytosanitary measures as a percentage of the total value of exports for which these measures are required	
	80. Proportion of ODA provided to help build trade capacity	
	81. Proportion of official bilateral HIPC debt cancelled	

Goal 8. Develop a global partnership for development		
Target 20	Indicators	Status
Address the special needs of landlocked countries and SIDS	82. Debt service as a percentage of export of goods and services	Debt service as a percentage of exports of goods and services and net income was 10.7 percent in 2007.
	83. Proportion of ODA provided as debt relief	
Target 21	Indicators	Status
Deal problems of developing countries, through national and international measures in order to make debt sustainable in the long term comprehensively with the debt	84.. Unemployment rate by age group and sex	In 2007/08, the unemployment rate was 18.8 percent.
	85. Proportion of population with access to affordable essential, approved drugs on a sustainable basis	
Target 22	Indicators	Status
In cooperation with developing countries, develop and implement strategies for decent and productive work for youth, women and especially vulnerable groups	86. Telephone lines per 1,000 people	There were 1,103.5 mobile phones per 1,000 people and 165 residential telephone lines per 1000 people.
	87. Personal computers per 1,000 people	In 2007, there were 84 personal computers/1,000 people.
	88. Ratio of personal computers to students in primary and secondary school	
	89. Use of internet by government to provide information to the population	Some limited information available on Government and other departmental websites

Sources: Millennium Development Goals: <http://mdgs.un.org/unsd/mdg/Data.aspx>

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Australian Institute of Marine Science

CHAPTER 6

THE FACE OF POVERTY AND VULNERABILITY

This chapter seeks to document and discuss some other attributes of poverty and vulnerability than have been identified in Chapter 5. The Chapter seeks to identify who are the poor in St. Vincent and the Grenadines, where they live and the main characteristics which increase the risk of being poor in St. Vincent and the Grenadines.

6.1 GEOGRAPHIC DISTRIBUTION OF POVERTY

The largest percentage of the poor in St. Vincent is located in Calliaqua (19.9%) followed by the census division of Georgetown and Sandy Bay (16.5%). The Grenadines accounted for 3.7 percent of the poor. However, Calliaqua's dominance is consistent with the share of the population that live in this location. It merely maintained its share among the poor as existed among the population. Georgetown and Sandy Bay which together comprised 9.0 percent of the population accounted for as much as 16.5 percent of the poor. The Disparity Ratio gives the relationship between representation in the population and representation among the poor. Thus, Calliaqua is just slightly below one (1). Where the ratio is much above one (1), the area has a higher representation among the poorer than among the population. Thus, Georgetown and Sandy Bay followed by Chateaubelair and Colonaire are the poorer census divisions of the country. The Grenadines followed by Kingstown are the better-off areas of the country.

TABLE 6.1: DISTRIBUTION OF THE POOR/NON-POOR BY CENSUS DIVISION 2007/08

Census Division	Socio Economic Status			
	Poor	Non-Poor	Total	Disparity Ratio
	%			
Kingstown	6.3	15.2	12.5	0.504
Suburbs of Kingstown	12.6	12.0	12.1	1.041
Calliaqua	19.9	20.9	20.6	0.966
Marriaqua	7.5	7.7	7.6	0.986
Bridgetown	5.3	7.2	6.6	0.803
Colonaire	9.2	5.9	6.9	1.333
Georgetown/Sandy Bay	16.5	5.7	9.0	1.833
Layou	6.3	5.7	5.8	1.086
Barrouallie	4.7	5.2	5.0	0.940
Chateaubelair	8.0	4.6	5.6	1.429
The Grenadines	3.7	10.0	8.1	0.457
Total	100.0	100.0	100.0	1.000

Settlement patterns that have evolved from pre-Columbian times up to the present are reflected in the geography of poverty, and wealth in the society at the beginning of the 21st century. The Sandy Bay census division is home to some of the Carib communities, the descendants of the Caribs who were defeated by the British in the 18th century, and who because of physical isolation and social exclusion, have remained at some social distance from the rest of the society for many years. Georgetown Census Division, while having a Carib presence as well, is an area that was previously heavily reliant on sugar production in the first half of the 20th century and then to some extent on banana production. The decline in competitiveness of the sector has hurt this area of the country, and the poverty level is indicative of the impact of the fall-out in the banana industry, and the difficulty experienced in the transfer of farmers into other types of agriculture.

6.2 HOUSEHOLD SIZE

Table 6.2 shows average size of household by the mean number of individuals and on the basis of Adult Equivalence. The average number of persons per household was three. However, among the poorest 20 percent it was five persons, and the number fell from the poorest quintile to the richest quintile. The presence of large numbers of children was reflected in the rebasing of household size by Adult Equivalence. The pattern of declining size remains, but the presence of children reduces the average of the five person household in the lowest quintile to 3.73 individuals.

TABLE 6.2: MEAN ADULT EQUIVALENT HOUSEHOLD SIZE

	I	II	III	IV	V	Total
	Mean	Mean	Mean	Mean	Mean	Mean
Size of Household	5	4	3	2	2	3
Adult Equivalence Household Size	3.73	3.22	2.51	1.74	1.63	2.57

The data revealed a relatively consistent pattern, with household in the lower quintiles tending to be larger than households in the higher quintiles. The PPA has documented the nature of family formation among poorer people in St. Vincent and the Grenadines, and how mating and fertility are intertwined in creating a proclivity to larger family size.

6.3 EMPLOYMENT STATUS OF THE POOR

In St. Vincent and the Grenadines the national unemployment rate was 18.8 percent at the time of the Survey. As shown in Table 6.3 we can see that the majority (74.7%) of the poor are indeed employed.

TABLE 6.3: EMPLOYMENT STATUS OF THE POPULATION 15 YEARS AND OVER
BY SOCIO-ECONOMIC STATUS

Employment Status	Socio Economic Status		
	Poor	Non-Poor	Total
	%		
Employed	74.7	83.6	81.2
Unemployed	25.3	16.4	18.8
Total	100.0	100.0	100.0

With an unemployment rate of 25.3 percent, or some 6 percent above the national average the poor were more likely to be unemployed than the non-poor. With a larger number of dependents and with a high probability of lower level skills for labour market participation, the probability of poverty is readily apparent.

6.4 DEMOGRAPHIC CHARACTERISTICS OF THE POOR

Persons in the age group of 0 to 19 years of age account for 48.2 percent of the poor. On the other hand, and remarkably persons 60 years of age and older accounted for 13.2 percent of the population, they accounted for 8.4 percent of the poor.

The emerging picture is that children in St. Vincent and the Grenadines have a high probability of being born to poorer households, a function of mating and fertility patterns among poorer people. The data from the PPA show that many people believe that children are the ones that are most seriously affected by poverty.

"Poverty affect children most cause they have to depend on parents for everything."

"I poor so can't give the children what they need, proper food and clothes."

"Can't afford the money for her to continue her education."

TABLE 6 4: DISTRIBUTION OF THE POPULATION BY AGE AND SOCIO-ECONOMIC STATUS

Five Year Age Groups	Socio Economic Status		
	Poor	Non-Poor	Total
	%		
0-4	9.3	7.1	7.8
5-9	13.2	8.8	10.1
10-14	13.4	9.3	10.6
15-19	12.3	9.5	10.3
20-24	9.2	7.0	7.7
25-29	7.1	7.6	7.5
30-34	5.6	5.9	5.8
35-39	6.1	5.6	5.7
40-44	4.4	6.8	6.1
45-49	5.6	6.8	6.4
50-54	3.1	6.0	5.2
55-59	2.2	4.3	3.6
60-64	2.2	3.6	3.2
65 and Over	6.2	11.7	10.0
Total	100.0	100.0	100.0

The distribution of the poor by sex reveals that women were marginally more likely to be among the poor than their male counterparts: this was however not statistically significant.

TABLE 6.5: DISTRIBUTION OF THE POPULATION BY SEX AND SOCIO-ECONOMIC STATUS

Sex	Socio Economic Status		
	Poor	Non-Poor	Total
	%		
Male	49.2	47.3	47.9
Female	50.8	52.7	52.1
Total	100.0	100.0	100.0

6.5 PHYSICAL LIVING CONDITIONS OF THE POOR

Table 6.6 which shows the main material used for outer walls of the dwelling by socio-economic status. The data reveal that the indigent were more likely to have outer walls of Wood or Timber than any other group. However, it should be remembered though, that with indigence at just about 3 percent, a relatively small number of people would have lived under such conditions. Concrete and Concrete Blocks represented the main materials in use for all groups.

TABLE 6.6: MAIN MATERIAL OF OUTER WALLS OF DWELLING BY SOCIO-ECONOMIC STATUS (PERCENT)

Material of Outer Walls	Socio-Economic Status				
	Indigent	Poor	Vulnerable	Non Vulnerable	Total
	%				
Wood/Timber	39.6	14.2	15.7	11.4	13.1
Concrete/Concrete Blocks	45.8	67.6	71.4	74.5	72.2
Wood & Concrete	3.7	12.4	8.1	7.5	8.4
Stone	.0	.0	.0	.6	.4
Brick/Blocks	.0	1.7	3.7	3.8	3.3
Plywood	10.9	1.6	1.2	1.2	1.5
Makeshift	.0	.0	.0	.0	.0
Other/Don't Know	.0	2.4	.0	.6	.8
Not Stated	.0	.0	.0	.6	.4
Total	100.0	100.0	100.0	100.0	100.0

Ownership without a mortgage was the tenancy of dwelling for the majority of both the indigent (56.8%) and the poor (62.5%). 14.2 percent of the poor compared to 3.4 percent of the indigent noted that they owned their dwelling with a mortgage. 17 percent of the indigent did report that they were living rent free. None of the indigent admitted to have been squatting while 4.3 percent of the poor admitted to such.

TABLE 6.7: TENURE OF DWELLING BY SOCIO-ECONOMIC STATUS (PERCENT)

Tenancy of Dwelling	Socio-Economic Status				
	Indigent	Poor	Vulnerable	Non Vulnerable	Total
	%				
Owned With Mortgage	3.4	14.2	13.9	21.8	18.9
Owned Without Mortgage	56.8	62.5	64.8	59.3	60.6
Rented-Furnished	.0	.0	.0	2.4	1.6
Rented-Unfurnished	3.7	9.4	11.5	7.7	8.5
Rented Government	.0	.0	.0	.0	.0
Rented Private	3.7	.0	.0	.5	.4
Leased	9.7	6.3	5.9	3.2	4.3
Rent Free	17.0	2.7	.0	.7	1.3
Squatted	.0	4.3	2.7	3.3	3.4
Other	.0	.0	.0	.0	.0
Not Stated	5.7	.5	1.1	1.0	1.0
Total	100.0	100.0	100.0	100.0	100.0

Table 6.8 reflects the type of toilet facilities by socio-economic status. Only 7.4 percent of the indigent had water closets linked to a sewer/septic tank/soak-away, while 48.1 percent of the poor had such facilities. The majority (80.7%) of the indigent and almost half of the poor (48.9%) used pit-latrines. 'Other' was given as the type of toilet facility only by those who were indigent, while none who were indigent reported that they did not have any type of toilet facility. However information obtained in the PPA show that in two of the communities studied, there were several households that had no toilet facility at all.

TABLE 6.8: TYPE OF TOILET FACILITIES BY SOCIO-ECONOMIC STATUS (PERCENT)

Toilet Facility	Socio-Economic Status				
	Indigent	Poor	Vulnerable	Non Vulnerable	Total
	%				
W.C. Linked to sewer	.0	8.0	7.3	13.9	11.6
W.C. Linked to Septic tank/Soak-away	7.4	40.1	55.0	63.1	56.6
Pit-latrine	80.7	48.9	37.1	20.8	29.5
Ventilated Pit-latrine	.0	1.5	.0	.8	.8
Other	6.3	.0	.0	.4	.4
None	.0	1.5	.6	.8	.9
Not Stated	5.7	.0	.0	.1	.2
Total	100.0	100.0	100.0	100.0	100.0

6.6 CAUSATION AND ASSOCIATION

The factors that cause poverty or are associated with poverty always attract attention in poverty assessment. While causes of poverty are open to debate, the association of certain factors and poverty can be established. Logistic regression analysis was employed in the present study in elucidating this examination. This logistic regression model for St. Vincent and the Grenadines builds on earlier work done by Henry and St Catherine, 2004. The full exposition of the model and its use in this study can be found in the Appendix.

The variable in focus, in the present exercise, namely poverty, takes one of two conditions for every household in the micro-dataset under consideration (St. Vincent and the Grenadines SLC 2008) that is, poor or non-poor. In the case of St. Vincent and the Grenadines, the poverty headcount index is based on the results of the SLC/HBS completed in 2008. The logit model applied in this study seeks to establish the chances for a given household of being poor, given various conditioning factors usually including, but not restricted to, age, gender, adult equivalent household size²⁰,

²⁰ The use of adult equivalent scales in this study improves the specification of the absolute poverty line when compared to a per capita measure by according higher relative weights to adults over children. This study however does not explore the possibility of economies of household size in consumption which has been show in some studies to be significant (Ranjan Ray 1999).

education, sector of employment, Census Division, unemployment and being out of the labour force.

The choice of exogenous variables is based on variables with inherent natural contrast, such as the unemployed in contrast to the employed and non participants in the labour force, for gender, it is male versus female headed households, with due regard to the data available in the micro dataset for St. Vincent and the Grenadines.

The application of the model generated some interesting results. In addition to the unremarkable tautology that the chances of being among the poor decreases as a household moves up on the quintile distribution, female headship was found to be a major factor contributing to poverty of the household. Also, each additional adult equivalent increases the chances of being poor: the larger the household size, the greater the level of deprivation, therefore. Household wealth defined in terms of number of rooms occupied by the household reduces the chances of being poor.

Having primary education as compared to no education contributes immensely to the reduction of poverty and the chances of being poor fall incrementally with the attainment of secondary education. The use of the Census Division variable shows that the chances of being poor are the highest for Layou, followed by Calliaqua, while being in the Grenadines reduces the probability of being poor by a considerable margin. The marital status of household head as 'legally married' reduces the probability of being poor.

Generally, the model performed well and confirms what research and theorising on Caribbean society have established over the years. Good education, stable family background, and small family size are associated with higher socio-economic status.

CHAPTER 7

LABOUR MARKET ISSUES

7.1 INTRODUCTION

The structure and functioning of the labour market are important determinants of the life chances of individuals and thus of households in the society. St. Vincent and the Grenadines, as a modern society with a long history as a participant in the international division of labour, has evolved from its involvement as a plantation society and economy, to a small island state exporting primary products to the metropolitan economy and to the regional economy. Its more dynamic sectors, tourism services and off-shore financial services, along with some limited manufacturing constitute its tradable sector. The earnings from these sectors along with the internal demand and supply of non-tradables are the fuel that drives the overall economic system generating government revenues, and supporting government expenditures and provide the base for employment and incomes at the household level.

There are formal sector jobs and employment that are created by these forces. However, there are institutional factors that from time immemorial, have led to different arrangements for earning of income outside formal contracts of employment. One of these is the informal sector, which allows for a free and unfettered exchange of goods and services between providers and the population at large, without the requirement for the observance of official rules relating to such arrangements as National Insurance and Value Added Tax. In the case of St. Vincent and the Grenadines, there is an underground economy involved in the production and sale of marijuana, and other illegal drugs. While these two latter may not provide what is considered 'employment', there is evidence from the PPA and the IA, that participation in these sectors is seen by several respondents in the PPA as a way of generating income for the household.

*"If ganga wasn't planting, nuff poverty would ah been here."
Once I get a bag of weed, I can hustle and make a dollar."*

At any point in time, income to households derive from various sources, some of which are related to work and levels of effort in the formal labour market, but also from participation in the informal and even the underground economy. Thus, working time might be allocated across a range of activities which are not picked up in a survey that focuses on formal employment. Households in rural St. Vincent and the Grenadines, in the course of the PPA mentioned their income sources:

"We do farming and rear pigs and cow."

"We depend on farming."

"My boyfriend plant weed and give me \$500 - \$600 sometimes."

There is also income from participation in labour markets abroad, which form part of the decision space of households. As early as the mid-19th century in the years after Emancipation, external migration came to be seen as one avenue for improving one's life chances. Migration has been significant enough to have created a large Vincentian Diaspora across the region and across the World. Migration might be temporary and entirely autonomous, with different members of the household in labour markets elsewhere on a temporary basis. Migration can be long term, in that the migrant elects to spend working life abroad and to return at the end of the period for retirement back home. Of course, migration might be permanent, in that return is not contemplated. There is officially sponsored temporary migration in the Farm Labour Programme with Canada which provides income for a number of persons in the Caribbean, including Vincentians.

**TABLE 7.1: WORKERS TRAVELLING TO CANADA'S FARM LABOUR PROGRAM
FROM THE CARIBBEAN, 2000-2006 (NUMBER)**

Country	2000	2001	2002	2003	2004	2005	2006
Barbados	549	584	576	427	428	379	316
Trinidad/ Tobago	1573	1597	1481	1463	1465	1444	1190
Dominica	85	81	80	93	106	166	102
Grenada	31	37	57	61	73	65	60
St. Lucia	88	105	88	131	120	162	161
St. Kitts/ Nevis	24	24	26	18	19	34	18
St. Vincent and the Grenadines	--	184	181	188	184	214	240

Source: Downes, Andrew (2007). *The Canadian Seasonal Agricultural Workers' Program: the Experience of Barbados, Trinidad and Tobago and the OECS*, 2007. Accessed at http://www.nsi-ins.ca/english/pdf/CSAWP_Andrew_Downes.pdf

The demographic data based on the last Census demonstrate that the migration option has continued to hold considerable significance in the economy and society of St. Vincent and the Grenadines. Remittance income is high, estimated at over 20 percent of household income, according to the SLC, but at 6.7 percent of GDP, based on estimates

of UNDP.²¹ The measured labour market does not cover all the activities on which the population may care to direct their working time and this applies to those who may find themselves at risk of poverty and seek to escape it, as indicated in comments in the PPA by villagers in North Leeward:

"Everybody here growing weed."

"Nuff man a head to the mountain to plant ganja. That what they survive on."

"I can't work for thirty five dollars, crack is more money."

"I sell Marijuana to buy school supplies."

Some who have been affected by the decline of the banana industry have engaged in their own crop substitution which has become the norm in some locations with implications for the nature of the labour market and the use of working time, especially by young men. The Police admit that their efforts at eradication of marijuana production have not yet been successful and have a sense that large sections of some communities are involved.

Another important feature of the labour market is the fact that it is segmented along gender lines. Some types of employment are deemed suitable only for males and others for females. This applies even within the underground economy.²² The rewards are also different and invariably lower for women than for men, even when they are in the same occupational category, which means, in effect, that female headed households are structurally destined to receive lower incomes than male headed households.

The Government, through the Ministry of Labour, intervenes in the labour market mainly through the setting of Minimum Wages which is done from time to time. There are also rules prescribing conditions of services and safety at the work-place which ensure that workers have some minimum protection even if there are no trade unions representing them. The country is a signatory to the key Conventions of the ILO and has sought to ensure that its legislation relating to labour relations keeps up with best practices. Through the adoption of a Labour Market Information System, it is hoped that the Ministry can contribute to the improvement in the fluidity of the labour market, by identifying shortages and reducing slack where there is excess supply.

²¹ See Crisis Update No. 4: the Decline of Remittances - <http://pnud.economiccluster-lac.org/CrisisUpdate/CrisisUpdateNo4.pdf> accessed May 27, 2009.

²² Women are apparently hired to do the weeding.

7.2 SLC LABOUR MARKET DATA

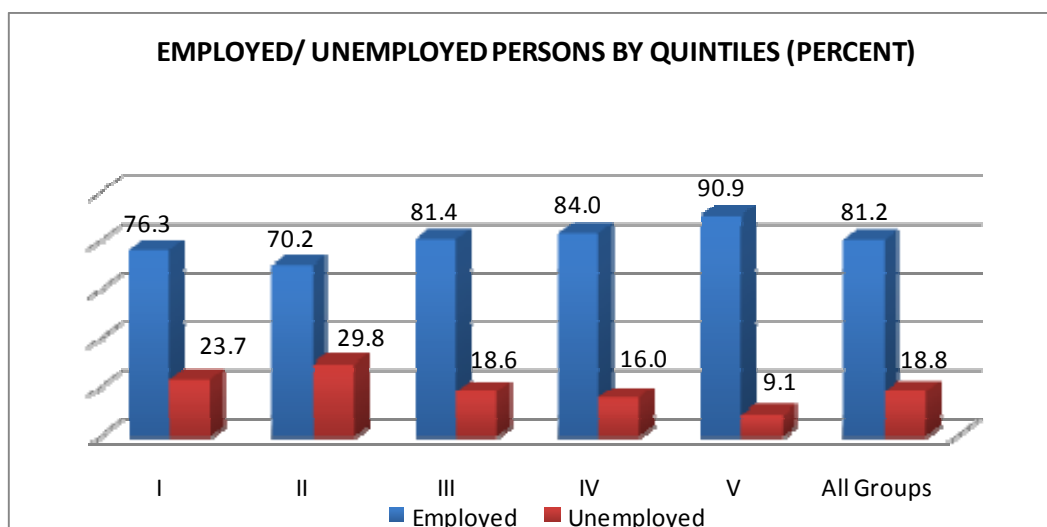
Table 7.2 shows some labour force indicators for St. Vincent and the Grenadines. During the conduct of the Survey, the size of the labour force was estimated to be 46,354. The unemployment rate declined with improved socio-economic status. Those in the first two quintiles had unemployment rates that were higher than the national average of 18.79 percent. Also, those in the lowest quintile with 39 hours per week had a lower number of mean hours worked in the reference week as compared to those in the highest quintile with 42 hours. Long term unemployment was also much higher among the lower quintiles as compared to those in the higher quintiles.

TABLE 7.2: ST. VINCENT AND THE GRENADINES SUMMARY LABOUR FORCE INDICATORS

Employment Status	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
Size of Labour Force	8,057	8,500	8,965	10,258	10,574	46,354
No. Employed	6151	5,964	7,295	8,619	9,617	37,646
No. Unemployed	1,907	2,536	1,670	1,639	957	8,708
Unemployment Rate (%)	23.67	29.84	18.63	15.98	9.05	18.79
Mean No. Hours Worked in Reference Week	39	37	39	38	42	39
Long term unemployment % (Labour force participants that have not worked in past 12 months)	18.4	28.3	16.6	15.6	7.9	16.9

In Figure 7.1, the employment status of labour force participants is shown. In totality, 18.8 percent of persons were unemployed. Generally, across quintiles, unemployment declined with improved socio-economic status from the lowest to highest quintile, except that those in the second quintile had the highest percentage of within-group unemployed 29.8 percent. Those in the highest quintile had an unemployment rate of just under half of the national average at 9.1 percent.

FIGURE 7.1: EMPLOYMENT STATUS OF LABOUR FORCE PARTICIPANTS



Those in the lower socio-economic group were very aware of their lack of preparation in securing decent incomes in the existing labour market.

"I am poor because I am unemployed."
"I don't have a good quality job and cost of living high."
"You work hard, get pay, but you still ain't have nothing."

As shown in Table 7.3, the largest percentage of employed persons was in respect of sales/services. Approximately 20.8 percent of those employed were in this occupational grouping. This sector might have included the informal sector, which is characterised by unrestricted entry among those seeking to participate: the result is that there is considerable sharing of work as evidenced by large numbers offering the same items or services at very low rates of remuneration and highly variable hours of working time. The large numbers of street hawkers in Kingstown with a tray of fruits, vegetables or cigarettes and biscuits are the outward visible evidence of the phenomenon of underemployment and of the role of Sales and Services in sharing employment and income.

Elementary occupations accounted for 19.1 percent of all occupied persons, while 14.2 percent of persons were engaged in craft. Most critically, in the lowest quintile, as much as 28.2 percent were engaged in elementary occupations: lower levels of income would have been the lot of those in such occupations. Those in the occupational grouping "professional", "clerical" and "skilled/agricultural" accounted for 7.3 percent, 7.4 percent 7.1 percent of employed persons respectively.

TABLE 7.3: OCCUPATION OF EMPLOYED PERSONS BY QUINTILES (PERCENT)

Occupation	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Legislator/Manager	.8	.9	2.4	2.2	9.4	3.6
Professional	4.1	4.1	3.9	10.0	11.5	7.3
Technical	3.3	5.0	3.0	6.1	5.7	4.8
Clerical	5.4	5.2	8.9	9.0	7.3	7.4
Services/Sales	19.4	23.1	21.8	18.0	22.1	20.8
Skilled/Agricultural	11.9	8.7	7.8	5.7	3.9	7.1
Craft	14.5	12.3	16.8	12.8	14.3	14.2
Machine Operator	4.2	6.3	5.5	4.5	6.6	5.5
Elementary	28.2	22.1	19.9	20.3	10.0	19.1
Not stated	8.2	12.3	10.1	11.3	9.2	10.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

More than half of labour force participants in the 15-19 age cohort came from the two lowest quintiles. This can be seen in Table 7.4. In effect, there was a greater premium set among the poorest forty percent on participation in the labour market. The opportunity cost of participation in the educational system was too high. This implies that remaining in school and securing good educational qualifications was an option that could be exploited more readily by those in the higher income groups than by those in the lower socio-economic groups.

At the other end of the age cycle, the higher socio-economic groups would have included a larger percentage of persons with higher levels of education and training who could remain in the labour force longer, if they so desired as compared to those in the lower income groups, with a lower level of training and skills and subject to competition from younger workers with greater energy. An elderly unskilled worker has no obvious competitive advantage over a younger worker, who is also unskilled.

TABLE 7.4: DISTRIBUTION OF LABOUR FORCE PARTICIPANTS BY FIVE YEAR AGE GROUPS AND BY QUINTILES

Five year age groups	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
15-19	26.1	29.2	18.9	14.6	11.2	100.0
20-24	24.7	17.2	21.0	21.0	16.2	100.0
25-29	18.7	22.9	21.0	22.2	15.2	100.0
30-34	13.2	24.8	24.0	22.2	15.7	100.0
35-39	20.5	17.9	14.6	15.4	31.6	100.0
40-44	15.8	15.1	18.5	28.7	22.0	100.0
45-49	14.0	18.1	12.9	27.8	27.3	100.0
50-54	12.8	9.3	20.9	24.9	32.1	100.0
55-59	12.5	13.3	20.9	21.2	32.1	100.0
60-64	9.2	18.9	24.3	20.8	26.7	100.0
65 and Over	16.4	9.8	19.0	15.3	39.6	100.0
Not Stated	.0	.0	.0	.0	.0	.0
Total	17.4	18.3	19.3	22.1	22.8	100.0

Employed persons by industry within the various socio-economic groups are shown in Table 7.5. Outside the nondescript category 'Other', the single largest industry group was the Construction Sector, which accounted for 15 percent of employment, followed by the Agriculture and Fishing Sector (13.5%). The Tourism Sector, which is reflected in Hotel and Restaurants, accounted for only 4.5 percent of employment, with those in the higher quintiles being more likely to be employed in this sector. The Services Sector accounted for 13.1 percent of employment. Those in the lowest quintile were reliant mainly on the Agriculture and Fishing, Construction and Services Sectors for employment.

TABLE 7.5: DISTRIBUTION OF EMPLOYED BY INDUSTRY AND BY QUINTILES

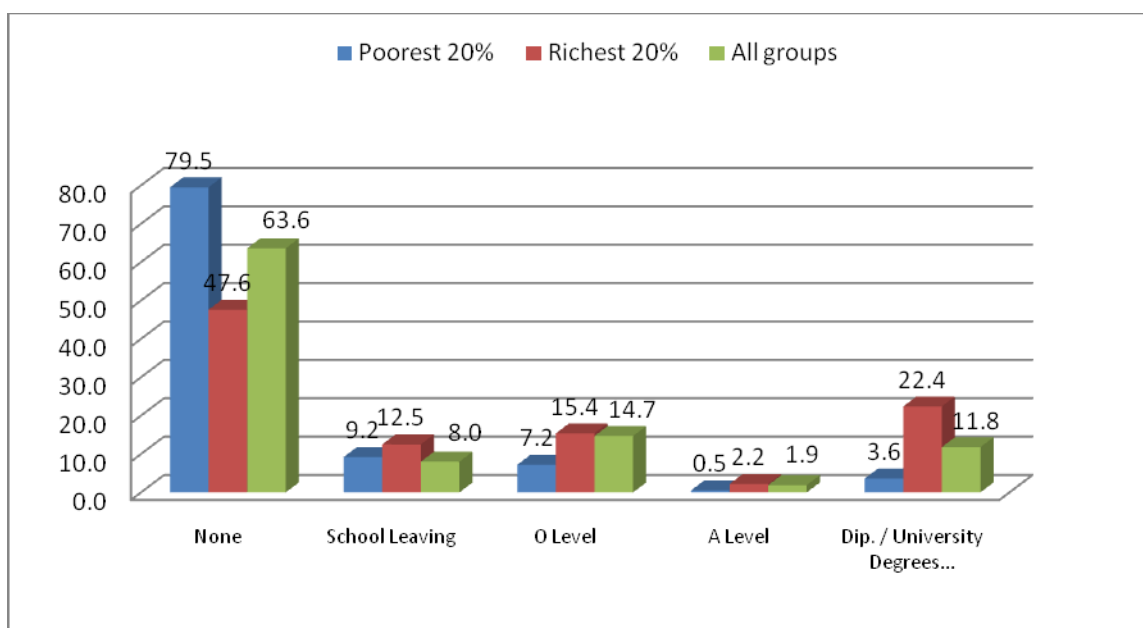
Industry	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Agriculture & Fishing	21.4	16.0	12.8	12.9	7.9	13.5
Manufacturing	0.0	2.9	3.0	3.0	6.2	3.3
Construction	21.0	14.5	19.2	13.1	10.1	15.0
Wholesale & Retail	5.7	7.2	6.9	8.5	8.7	7.6
Hotel and Restaurant	3.5	3.9	4.3	5.5	5.0	4.5
Transportation	2.3	1.9	2.9	4.3	5.4	3.6
Services	12.5	14.8	14.2	9.2	15.1	13.1
Admin./Social Security	5.1	3.4	5.0	8.5	5.8	5.8
Education/Social Work	3.7	5.0	3.4	7.6	7.5	5.7
Other	20.2	22.1	23.2	23.4	22.4	22.4
Not Stated	4.9	8.2	5.3	4.1	5.9	5.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

St. Vincent and the Grenadines places great store on credentials and the passing of examinations. Data on examinations passed for males and females are shown in Figures 7.2 and 7.3. Very large percentages of male as well as female labour force participants had passed no examination. In the lowest quintile, 79.5 percent of males had passed no exam and for females, the percentage was 59.2 percent. Overall however, males (63.6%) were more likely to not have passed any examination than females (50.9%). This hints at differences in commitment to educational objectives in the educational system and begs the question why males perform worse in the educational system, all things being equal, than females.

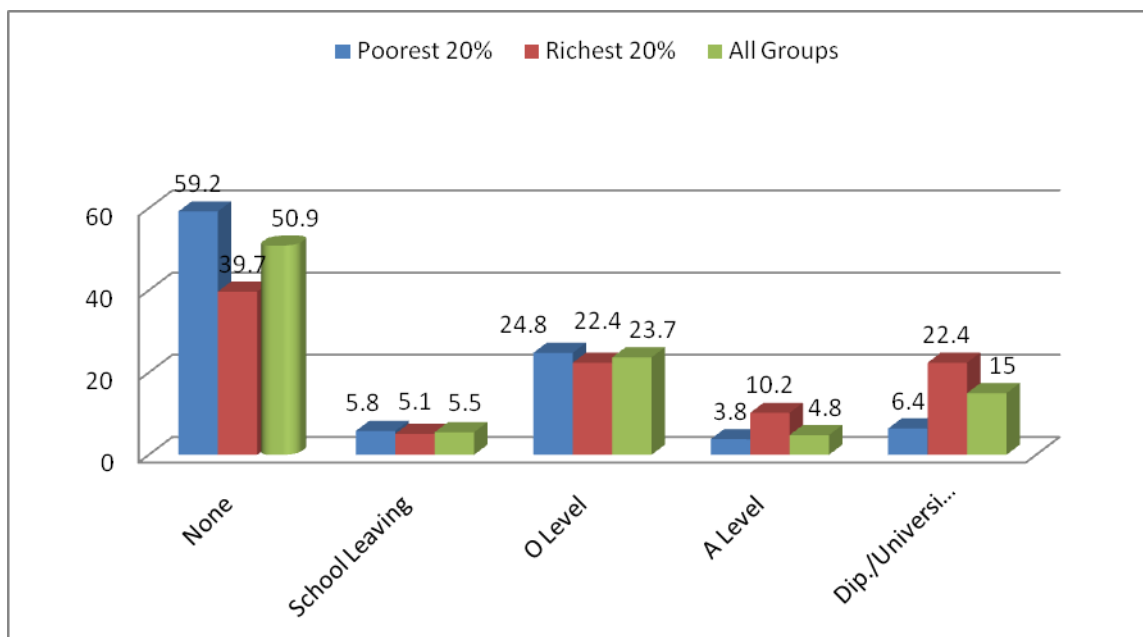
While the data on performance in examinations suggest the educational level of males as well as females is generally low, they also show that more females have passed examinations but that significant numbers of females are employed in low status low paying jobs in the informal sector. Since passing examination and receiving credentials is used as a strategy for obtaining jobs that provide a “good” salary, this raises the question as to why such a large number of females are employed in low paying jobs in the service sectors and in the informal economy.

O Levels were the most dominant qualification achieved by both males and females. The next important qualification for both males and females was the Diploma/Associate Degree. Undergraduate degrees and Post-graduate degrees together accounted for less than 3 percent of the qualifications achieved for both males and females, and not unexpectedly, the two lowest quintiles are not represented among the holders of such qualifications. Of greatest significance, is that these data demonstrate that the country is starting from a low base, at best, and has to build the stock of high level human capital necessary for international competition in the 21st century, and to ensure that its people can participate in the more rewarding areas in the international division of labour. Figures 7.2 and 7.3 provide some of the supporting information.

**FIGURE 7.2: DISTRIBUTION OF MALE LABOUR FORCE PARTICIPANTS
BY HIGHEST EXAMINATION PASSED BY QUINTILES (%)**



**FIGURE 7.3: DISTRIBUTION OF FEMALE LABOUR FORCE PARTICIPANTS
BY HIGHEST EXAMINATION PASSED BY QUINTILES (%)**



The distribution of labour force participants by type of worker is shown in Table 7.6 and additional tables in the Statistical Appendix. A large percentage of persons did not state their sources of employment. It can be assumed that if they were indeed employed, this might have been in the informal or in the underground economy. It can be seen that the private sector accounts for 40.3 percent of total employment, which is the most significant type of employment. The table shows that males were more reliant upon employment in the private sector than their female counterparts who were found to be more reliant upon employment within the Government Sector. This sector is more universalistic and subject to the application of norms of hiring based on credentials relevant to the task at hand. Self employed persons, with and without employees, accounted for 15.3 percent of labour force participants with females being less reliant than males on this type of employment.

TABLE 7.6: DISTRIBUTION OF LABOUR FORCE PARTICIPANTS BY SEX AND BY TYPE OF WORKER

Sex	Status in Main Job	Per Capita Consumption Quintile					
		Poorest	II	III	IV	V	Total
		%					
Male	Paid Employee – Government	12.6	9.4	14.5	12.0	19.5	14.0
	Paid Employee – Statutory	3.3	.7	4.8	5.6	2.2	3.5
	Paid Employee – private	51.5	55.1	45.7	42.3	34.7	45.0
	Self employed without employees	7.2	5.0	15.0	19.5	15.7	13.1
	Self employed with employees	1.3	5.4	2.6	4.2	10.7	5.0
	Unpaid family worker	1.9	1.1	.8	.0	1.0	.9
	Other	.4	.0	1.4	1.0	1.8	1.0
	Not Stated	21.8	23.3	15.1	15.3	14.4	17.5
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Paid Employee – Government	14.5	13.7	20.2	23.3	20.2	18.6
	Paid Employee – Statutory	5.0	.0	2.7	4.7	3.8	3.2
	Paid Employee – private	37.5	30.5	34.2	35.0	38.9	35.1
	Self employed without employees	6.7	5.1	10.2	11.9	15.7	10.2
	Self employed with employees	.0	.5	.6	.8	7.0	2.0
	Unpaid family worker	.8	.8	.0	.5	1.6	.8
	Other	.0	.0	.5	.0	1.2	.4
	Not Stated	35.5	49.5	31.5	23.9	11.5	29.9
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	Paid Employee – Government	13.4	11.8	17.2	17.2	19.8	16.1
	Paid Employee – Statutory	4.0	.3	3.9	5.1	3.0	3.3
	Paid Employee – private	45.6	41.5	40.4	38.9	36.6	40.3
	Self employed without employees	7.0	5.1	12.8	16.0	15.7	11.7
	Self employed with employees	.8	2.7	1.7	2.6	9.0	3.6
	Unpaid family worker	1.4	1.0	.4	.2	1.3	.8
	Other	.3	.0	1.0	.5	1.5	.7
	Not Stated	27.6	37.7	22.7	19.3	13.1	23.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 7.7 shows that the highest quintile accounted for the largest share of government employees. The same is true in respect of persons who were self-employed. There was a more or less equal distribution of persons in various quintiles employed in the private sector.

**TABLE 7.7: DISTRIBUTION OF LABOUR FORCE PARTICIPANTS BY SEX AND TYPE OF WORKER -
SUM TO 100 PERCENT ACROSS QUINTILES**

Type of Worker	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Paid Employee – Government	14.5	13.4	20.6	23.6	28.0	100.0
Paid Employee – Statutory	20.9	1.7	22.5	34.4	20.5	100.0
Paid Employee – private	19.7	18.9	19.4	21.4	20.7	100.0
Self employed without employees	10.3	7.9	21.0	30.1	30.6	100.0
Self employed with employees	3.7	13.6	9.0	16.3	57.4	100.0
Unpaid family worker	29.3	20.7	9.5	5.8	34.7	100.0
Other	6.3	.0	27.4	17.0	49.3	100.0
Not Stated	20.5	29.6	18.8	18.3	12.8	100.0
Total	17.4	18.3	19.3	22.1	22.8	100.0

If working less than 35 hours per week is seen as an indicator of underemployment, then underemployment was not much below the level of unemployment. Together, they suggest substantial supply of labour services that remained idle, in terms of formal sector work, but might have been applied to productive work.

TABLE 7.8: DISTRIBUTION OF PERSONS EMPLOYED BY SEX AND BY NUMBER OF HOURS WORKED BY QUINTILES (PERCENT)

Sex	Hours Worked	Per Capita Consumption Quintile					
		Poorest	II	III	IV	V	Total
		%					
Male	None	5.2	10.9	6.0	11.9	5.8	7.9
	1-24	4.9	11.5	4.7	6.0	5.0	6.1
	25-34	11.5	2.6	3.4	6.1	6.5	6.1
	35-40	47.0	41.6	49.7	37.4	38.1	42.4
	Over 40	31.4	33.3	36.2	38.5	44.6	37.5
	Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	None	4.9	14.4	3.6	6.6	4.0	6.4
	1-24	13.8	11.7	17.1	7.4	8.2	11.1
	25-34	6.6	6.3	10.7	7.4	7.2	7.7
	35-40	56.9	41.0	43.8	44.7	49.7	47.0
	Over 40	17.8	26.6	24.9	33.9	30.9	27.9
	Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	None	5.1	12.5	5.0	9.6	4.9	7.3
	1-24	8.3	11.6	9.8	6.6	6.4	8.3
	25-34	9.6	4.3	6.5	6.7	6.8	6.8
	35-40	50.8	41.3	47.3	40.6	43.5	44.4
	Over 40	26.2	30.2	31.5	36.5	38.3	33.3
	Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0

In sum, the country has experienced high levels of unemployment and underemployment, and the lowest socio-economic groups in the society were more likely to be afflicted by the problem. The labour market is the most important locus in the formal economy for securing income for households. The decline of the banana industry in recent years led to some flight from the rural sector. The development of alternative productive agriculture has been posed a challenge to the institutional

structures of St. Vincent and the Grenadines, which in the context of strapped fiscal constraints, might not have been able to respond immediately to the requirements of trade adjustment.

Meanwhile, other tradable sectors have not been able to grow quickly enough to absorb workers released by the declining banana sector. Construction activity absorbed some workers mainly males, but its growth has depended on Government infrastructure investment - a function of revenues and of loans by Government - and investment by the domestic private sector, including the demand for housing by returning nationals. Faced with unemployment and/or underemployment, labour reacted with a resort to entry into sectors which could share work – Sales and Services including in the informal sector – and in underground activity planting marijuana in the hills, and in other types of criminal activity – prostitution, gambling and drug-running.

“When you are unemployed you are more vulnerable to accept offers that the drug lords make to you.”

“Poorness make you do that because of no other alternative.”

“You know women does do a little thing with what God give them, especially in desperate times.”

CHAPTER 8 EDUCATION

8.1 INTRODUCTION

After years of lagging behind its neighbours in respect of performance on key educational indicators, there has been, in the more recent past, an attempt to introduce improvements across a wide swathe of areas and to encourage greater commitment on the part of the general public to educational objectives. Indeed, the poverty reduction strategy of the Government has as one of its pillars, the general improvement of educational levels. This has involved:

- Major expansion in the number of places in Early Childhood Education;
- Introduction of foreign languages at primary level;
- Introduction of computers in primary level education;
- Teacher Training as a requirement for teaching at the primary level;
- Upgrading of school plant at the primary level;
- Thrust to universalise secondary education and to modernise the curriculum;
- Expansion of programmes at the Community College and an increase in the enrolment in an expanded range of programmes; and
- The increase in numbers in tertiary institutions abroad.²³

More recently, the Government has invested in Information Technology, with the objective of bringing the vast majority of the population into the Information Age with a view to equipping the population with the wherewithal to participate in the Knowledge Economy of the 21st century. To this end, a National Institute of Technology was formed in 2002, which provides exposure in Information Technology, to a range of publics.

The thrust of the Government in the field of education has not gone unnoticed. In the PPA, a number of observers commented on the improved opportunities available to young people. There was a general recognition of the importance of education and of educational qualifications.

***"I don't have the qualifications to get a job. I never went to secondary school."
"Without education you can't get a good job."***

²³ Office of the Cabinet, Poverty Reduction in St. Vincent and the Grenadines,

Although there has been some frustration at the fact that there are persons who, in spite of their qualifications, have failed to secure good jobs, most participants agreed on the utility of education and of the improved access in the more recent past.

"There are more education opportunities now than before."

"People are more aware of the value of early childhood education."

"There are now more qualified people."

"Some young people not making use of the opportunities."

This chapter examines some of the data on educational performance of the country as revealed by the research.

8.2 SLC ESTIMATES ON EDUCATIONAL PERFORMANCE

8.2.1 School Enrolment:

Table 8.1 shows persons who are enrolled in school by age. Some 33.3 percent of children 0-4 were enrolled in pre-school: since only about half of the cohort would have been old enough to attend pre-schools, this percentage suggests that more than half of the children aged 3 – 4 years of age might have been enrolled. In the age group 5-9 as well as in the 10-14 age group, almost all persons were enrolled. . There was full school enrolment among those in the highest quintile in the 5-9 age group. The data show that there is an underlying universalism in enrolment.

As much as 64 percent of those in the age group 15-19 were enrolled. It is noteworthy that in the two lowest quintiles there was a lower percentage enrolled in school than in the higher quintiles. Moreover, in the older age cohorts, it was those in the higher quintiles who were more likely to be enrolled in an institution, or to be enrolled in some form of programme. Those in the lower quintiles could not afford the opportunity costs of school attendance. The attendance of those in this age group, together with those 20-24 and 25-29 increased with improved socio-economic status. The literacy rates of those 15 years and over is reflected in Table 8.2. It shows that irrespective of age group as well as socio-economic status, most persons were literate.

At the same time information provided in the PPA indicates that there are several heads of poor households who have only primary education and that there are several people in some of the communities who are functionally illiterate, but that in spite of the existence of adult education and literacy programmes participation in these is very low. At the same time several persons also identified the need for skills training and other types of adult education programmes.

TABLE 8.1: SCHOOL ENROLMENT BY AGE GROUP AND QUINTILES

Persons attending School as Percentage of Relevant Age Group	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
0-4	27.7	22.5	46.1	30.4	42.1	33.3
5-9	95.3	93.3	97.1	95.0	100.0	95.9
10-14	95.0	95.7	100.0	98.6	97.0	97.1
15-19	57.2	57.8	72.3	70.4	66.9	64.0
20-24	7.3	4.3	10.0	7.0	15.2	8.5
25-29	1.6	6.0	11.1	11.8	12.3	8.7
30-34	2.8	1.7	5.3	8.2	6.5	4.7
35-39	2.0	0.0	3.1	0.0	4.4	2.2
40-44	2.9	2.7	0.0	0.0	8.5	2.8
45-49	0.0	8.0	0.0	2.6	0.0	2.2
50-54	3.2	3.7	0.0	0.0	0.0	0.8
55-59	0.0	0.0	0.0	0.0	0.0	0.0
60-64	0.0	0.0	0.0	6.1	0.0	1.2
65 and Over	4.0	0.0	0.0	0.0	0.0	0.5
Total	36.6	34.1	36.2	27.0	22.6	31.3

TABLE 8.2: LITERACY LEVEL-PERSONS 15+ BY AGE GROUP AND QUINTILE

(Basic Literacy) Can Read and Write-As a Percentage of Relevant Age Group	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
15-19	96.9	100.0	97.5	97.1	100.0	98.2
20-24	95.2	97.2	97.4	98.6	90.0	95.9
25-29	96.4	98.6	95.6	95.1	97.4	96.5
30-34	94.7	98.5	98.3	90.0	100.0	96.3
35-39	93.2	96.3	85.5	85.6	98.3	93.2
40-44	91.5	92.5	94.1	91.3	98.2	93.6
45-49	95.0	91.5	97.4	90.2	93.2	92.8
50-54	73.5	93.7	96.2	88.2	100.0	91.9
55-59	95.6	84.3	90.4	94.2	100.0	94.3
60-64	89.1	100.0	91.9	100.0	100.0	96.5
65 and Over	63.3	81.0	87.9	92.4	92.7	86.6
Total	84.0	88.3	88.7	89.5	93.0	88.7

8.2.2 Distance Education

Given the special circumstances of the country, and given the advances taking place in information technology, distance education offers a possibility of correcting for the challenge of access that the country has faced in providing the opportunity for the population to secure access to post-secondary and tertiary education. Interestingly, some 2 percent was enrolled in distance education programmes. Across quintiles, those in the highest quintile accounted for most of the persons who were indeed enrolled in distance education programmes. This is shown in Table 8.3.

TABLE 8.3: PERSONS ENROLLED IN DISTANCE EDUCATION PROGRAMME BY QUINTILES (PERCENT)

Enrolled In Distant Education Programme	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	.8	2.6	1.0	.9	5.8	2.0
No	91.3	87.6	87.9	89.9	81.9	88.1
Not Stated	7.9	9.8	11.1	9.2	12.3	9.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

8.2.3 Days at School

The level of school attendance of persons 5 to 15 years can be seen in Table 8.4. The majority of persons attended school for five, out of a possible 5 days during the reference week, with those in attendance for five days increasing with improved socio-economic status. Overall, as much as 11.2 percent of 5 to 15 year olds did not attend school in the reference week and this declined with improved socio-economic status. It would appear that in spite of the support that has been introduced in recent years – in the form of school meals and school textbooks – there were children in the lower socioeconomic groups who could not put in a full attendance.

School holidays/School Closed were given as the reason for non-attendance at school by 55.5 percent of those who did not attend school. Illness (7.9%), financial problems (2.1%) and working (1.1%) were also reasons why persons did not attend school and were reasons given only by those in the first three quintiles. Interestingly, 5.7 percent of those who did not attend school said that they did not, as it was *not worth going*. Moreover, truancy seemed to have been a problem limited to only the first quintile (the poorest 20 percent).

TABLE 8.4: PERSONS 5-15 YEARS - NUMBER OF DAYS ATTENDED SCHOOL IN LAST WEEK BY QUINTILES (PERCENT)

No. Days Actually Went To School/Classes	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
0	17.3	11.5	7.3	10.8	5.6	11.2
1	0.4	0.0	0.0	0.7	1.3	0.4
2	0.4	2.3	1.4	0.0	1.3	1.1
3	4.7	1.4	2.8	2.2	2.2	2.8
4	3.2	0.8	2.2	0.8	2.6	2.0
5	73.6	82.0	86.3	85.4	86.9	82.1
Not Stated	0.4	2.0	0.0	0.0	0.0	0.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 8.5: REASON FOR NOT ATTENDING SCHOOL IN LAST WEEK BY QUINTILES (PERCENT)

Reason Did Not Attend School During Last Five School Days	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Illness	10.9	.0	25.8	.0	.0	7.9
Financial Problems	2.2	6.4	.0	.0	.0	2.1
Transportation Problems	.0	.0	.0	.0	.0	.0
Working	1.4	.0	3.8	.0	.0	1.1
Home duties	.0	.0	.0	.0	.0	.0
Not worth going	2.2	16.0	3.8	.0	8.0	5.7
School closed/holidays	55.4	53.8	40.0	80.7	41.9	55.5
Truant/Delinquent (no reason)	7.2	2.3	.0	.0	.0	3.0
Menstrual Problems	.0	.0	4.8	.0	.0	.8
Other	20.5	21.5	21.9	19.3	50.2	24.0
Not Stated	.0	.0	.0	.0	.0	.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

8.2.4 School Feeding Programme:

The school feeding programme is now well institutionalised. Some 49.5 percent of students reported that there was a school feeding programmes at their school. Accessing of the school feeding programme increased with declining socio-economic status as 41.3 percent of those in the highest quintile reported having a school feeding programme at their school, compared to 54.8 percent in the lowest quintile.

TABLE 8.6: SCHOOL FEEDING PROGRAMME REPORTED BY QUINTILES (PERCENT)

School Feeding Programme	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	54.8	56.6	47.1	43.6	41.3	49.5
No	41.5	37.9	45.9	47.6	42.9	43.0
Not Stated	3.7	5.6	6.9	8.8	15.8	7.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 8.7 shows persons receiving meals or snacks from the school feeding programme at their school. 29.2 percent of persons reported that they received meals/snacks, and again, as in the case of the presence of a school feeding programme, persons in receipt of such increased with declining socio-economic status. Those paying for the school meal service can be seen in Table 8.8. As shown, the higher the quintile, the less likely that persons they might have availed themselves of the meal service.

TABLE 8.7: PERSONS RECEIVING MEALS OR SNACK FROM SERVICE BY QUINTILES (PERCENT)

Receives Meal Or Snack From This Service	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	39.8	28.1	29.9	23.4	19.2	29.2
No	23.6	39.1	29.3	37.1	31.9	31.8
Not Stated	36.6	32.8	40.8	39.5	48.9	39.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 8.8: PERSONS PAYING FOR SCHOOL MEAL SERVICE BY QUINTILES (PERCENT)

Pay For School Feeding Service	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Not Stated	36.3	31.9	40.5	38.8	49.2	38.6
Yes	42.1	31.7	34.0	26.4	18.8	31.9
No	21.6	36.4	25.5	34.8	32.0	29.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

8.2.5 Textbooks

The majority of students - 67.4 percent - had all textbooks required for school for exclusive use. Persons were more likely to have such books for exclusive use the higher their socio-economic status. A marginal percentage of students had to share textbooks with other members of their family, while 16.7 percent of students only had some of the books. Those who had none of the required textbooks accounted for 6.9 percent of persons. Only 4.6 percent of persons reported that they were receiving books from their school at no cost. This is reflected in Table 8.10.

TABLE 8.9: PERSONS HAVING ALL REQUIRED TEXTBOOKS BY QUINTILES (PERCENT)

Has All Textbooks Required For School	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes, Has Books for Exclusive Use	57.7	68.2	68.8	70.8	75.6	67.4
Yes, but shares with other family members	.6	2.3	1.0	.5	1.5	1.2
Has Only Some Books	25.9	19.0	15.0	14.8	3.6	16.7
Has None	9.0	4.8	9.0	6.0	4.5	6.9
Not Stated	6.8	5.7	6.2	8.0	14.8	7.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 8.10: PERSONS RECEIVING BOOKS FROM SCHOOL COST FREE BY QUINTILES (PERCENT)

Books Provided By School At No Cost	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	3.8	5.5	2.8	8.5	2.8	4.6
No	78.7	77.9	74.1	70.7	73.2	75.3
Not Stated	17.5	16.6	23.1	20.8	24.0	20.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

Less than 50 percent of parents made use of book loan facility at their child's/children's school, while those who did not, accounted for 54.7 percent. This can be seen in Table 8.11. However, the 'not stated' category was almost 15 percent.

TABLE 8.11: PARENTS MAKING USE OF BOOK LOAN FACILITY BY QUINTILES (PERCENT)

Made Use Of Loan Book Facility	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	28.7	37.1	30.9	30.8	22.2	30.5
No	57.6	50.0	54.0	53.7	59.1	54.7
Not Stated	13.6	12.8	15.0	15.6	18.7	14.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

8.2.6 Transport

One of the challenges that the country has confronted is the matter of transport costs to school. The Government has taken a number of initiatives to assist poorer children in respect of the costs of school attendance. Firstly, there has been an ongoing programme of building schools to ensure a better geographic distribution of school places across the country: this applies equally to secondary as to primary school places. There is also a programme in place to assist children in need with transport costs. The high levels of attendance noted above are in part the result of these initiatives. Table 8.12 provides information on the number of minutes taken to travel to school by children and by socioeconomic status.

As much as 60 percent of students in the lowest socio-economic group had to travel for no more than 15 minutes to get to school, and this was slightly below the national average of 62 percent. Most importantly, overall, 43.1 percent of all students walked to school and, among the poorest 20 percent, 55.8 percent could walk to school. In the same group, however, 39 percent had to take a bus/mini bus to school as against the national average of 40 percent (Table 8.13).

TABLE 8.12: DISTANCE FROM SCHOOL (IN MINUTES) BY QUINTILES (PERCENT)

Distance From School (Minutes)	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Under 10	23.1	24.6	21.8	24.0	32.4	24.6
10-15	36.5	35.3	40.1	39.2	37.9	37.8
16-20	12.4	10.0	10.4	12.3	6.2	10.5
21-30	17.2	21.1	20.0	14.3	14.7	17.8
31-40	3.3	2.0	2.1	2.9	1.3	2.4
41-50	3.1	3.8	4.2	3.3	3.0	3.5
51 to 60	2.1	2.9	1.1	1.7	2.2	2.0
Over 1 Hour	2.3	0.3	0.3	2.1	2.3	1.4
Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
Not Applicable	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 8.13: MODE OF TRAVEL TO SCHOOL BY QUINTILES (PERCENT)

Way Normally Gets To School	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Walking	55.8	54.2	43.5	28.0	23.4	43.1
Cycling	0.5	0.0	0.0	0.0	0.0	0.1
Taxi	0.0	0.0	0.0	0.0	0.0	0.0
Bus/Mini Bus	38.5	35.0	46.1	51.5	26.2	40.0
Private Transport	0.7	2.3	5.7	11.4	34.4	8.9
Other	0.5	1.7	.4	1.1	2.5	1.1
Not Stated	4.0	6.8	4.3	7.9	13.5	6.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

In the remote north-east, there are now secondary education facilities available, such that students from Fancy would not need to travel to Georgetown to access secondary education. There is a Secondary School in Bequia and another in Union Island. A new Secondary school was being constructed in Union Island at the time of the Assessment. This is expected to significantly reduce the difficulties faced by students in the Grenadines some of whom have been attending secondary school in St. Vincent.

8.2.7 Longitudinal Change

The conduct of CPAs in the 1995 and in the present decade allows for a comparison of the advances that the country has made in the field of education. This can be done by examining the level of education attained by heads of households by socio-economic status for the two years, as an indication of longitudinal change.

Tables 8.14 and 8.15 demonstrate that there has been some change in the educational profile of the population, to the extent that the education levels of heads of households can be used as an indicator. In 1995, 81.8 percent of household heads had had no more than primary level education. Just under 15 percent had had some amount of secondary level education and only 1.5 percent had achieved university level education. In the lowest quintile, 97.3 percent had gone no further than primary and only 2.7 percent claimed to have gone to secondary school.

While the changes by 2009 have not been dramatic, it must be recalled that it is in the present decade that some of the more critical initiatives for upgrading the levels of education of the work-force have been implemented. By 2009, the percentage with secondary had increased to 18.9 percent, and significantly, the percentage with tertiary had increased to 4.5 percent and with post-secondary to 4.1 percent. Those with only primary level education had fallen to 68.8 percent.

TABLE 8.14: HIGHEST LEVEL OF EDUCATION ATTAINED BY HEADS OF HOUSEHOLDS BY QUINTILES 1995

Level of Education	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Primary	97.3	88.0	86.3	81.1	66.1	81.8
Secondary	2.7	9.6	12.5	15.1	24.2	14.1
Post Secondary		1.2	1.3	0.9	4.0	1.7
University				1.9	4.0	1.5
Other				0.9	1.6	0.6
Not Stated		1.2				0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 8.15: HIGHEST LEVEL OF EDUCATION ATTAINED BY HEADS OF HOUSEHOLDS BY QUINTILES 2008

Level of Education	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Primary	85.4	71.2	74.3	69.7	56.3	68.8
Secondary	8.9	24.4	19.9	17.8	21.1	18.9
Post Secondary		0.7	1.4	5.2	8.2	4.1
University	0.6		1.6	2.7	11.3	4.5
Other	0.7	1.2	0.6			0.4
Not Stated	4.4	2.5	2.3	4.5	3.1	3.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Figures 8.1 to 8.4 demonstrate the changes that have occurred over the period. They also emphasise the fact that the two highest quintiles are the ones that have benefited most in the expansion of opportunity at the Post-Secondary and Tertiary Levels. This begs the question whether there is tendency for those in the higher quintiles to secure an advantage on expanded opportunity for higher level education, or whether the achievement of middle and higher income status has been the result of opportunity to pursue Post Secondary or Tertiary Education. The data do not permit of an answer to this conundrum, but do show, at least, that the country has experienced some upgrade in the educational level of its population.

FIGURE 8.1: PRIMARY AS HIGHEST LEVEL OF EDUCATION 1995 AND 2008

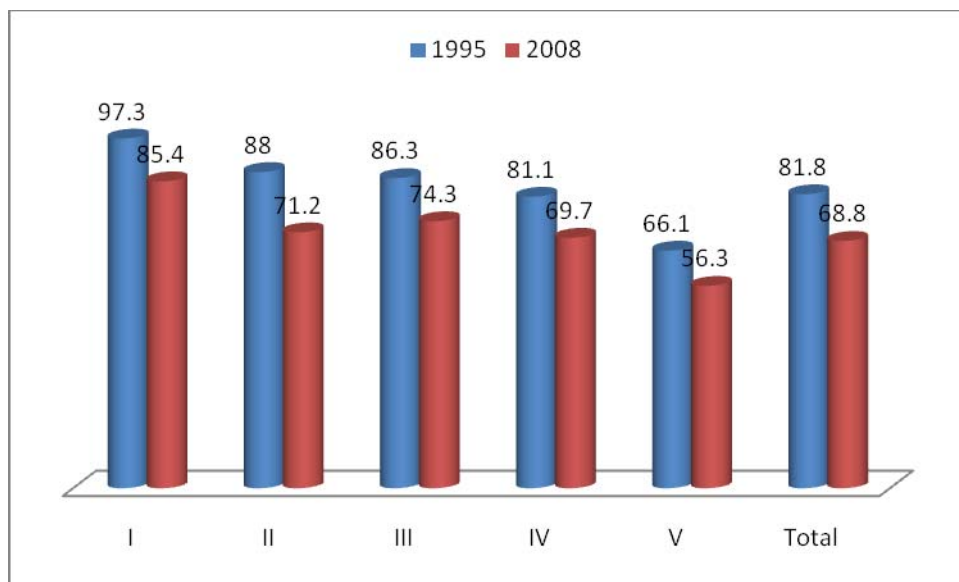


FIGURE 8.2: SECONDARY AS HIGHEST LEVEL OF EDUCATION 1995 AND 2008

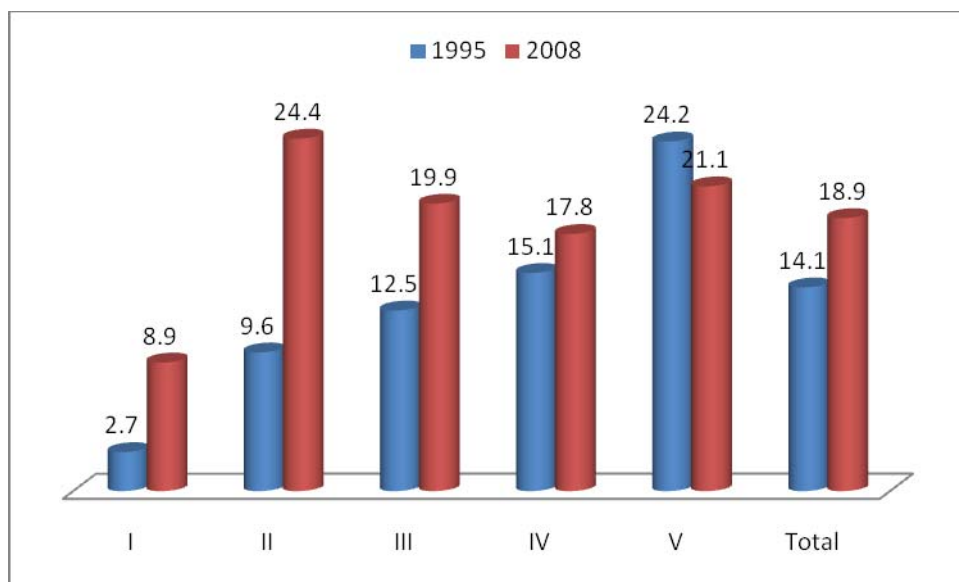


FIGURE 8.3: POST SECONDARY AS HIGHEST LEVEL OF EDUCATION 1995 AND 2008

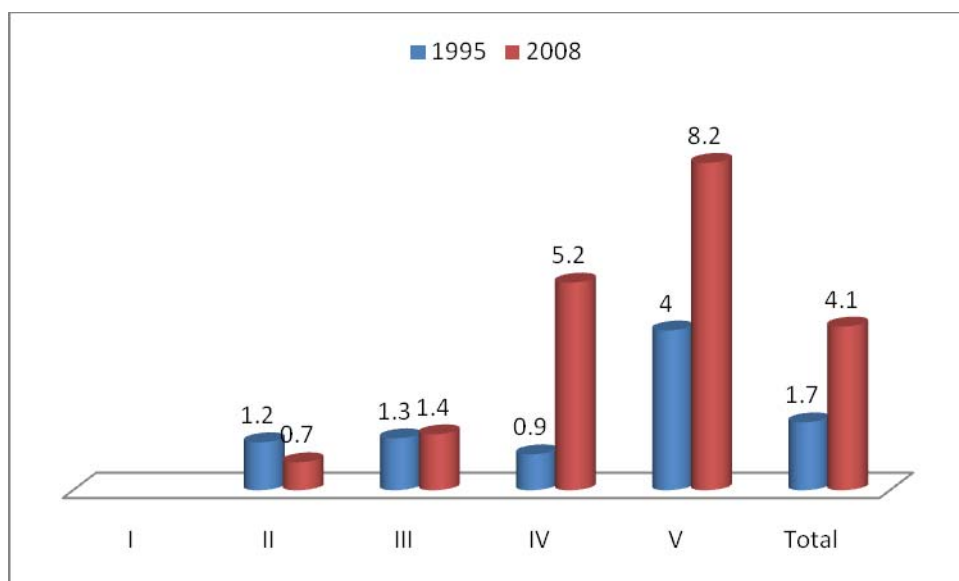
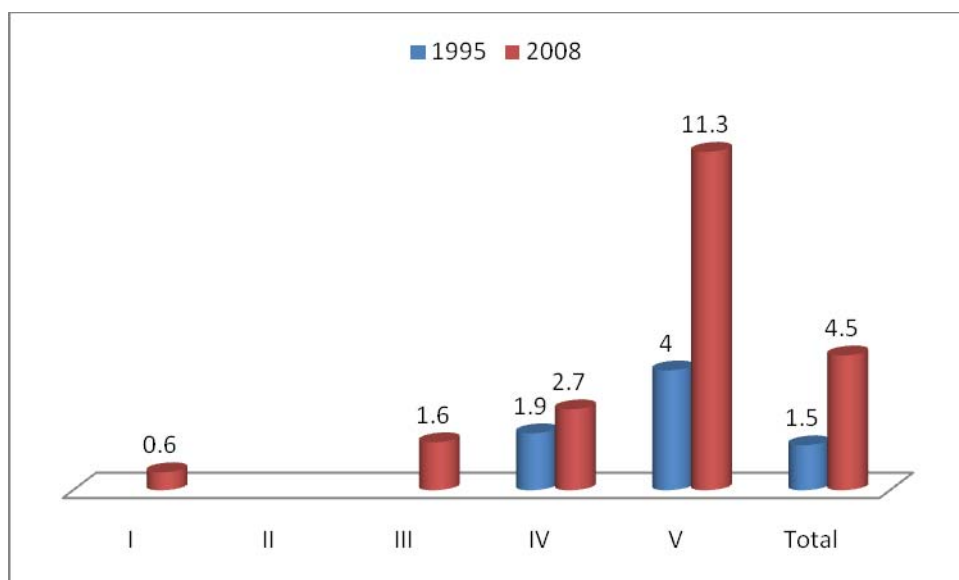


FIGURE 8.4: UNIVERSITY EDUCATION AS HIGHEST LEVEL 1995 AND 2008



In sum, the data from SLC have established that the investment in education in recent years has started to impact at the lowest socio-economic levels. The budget for education absorbs over 20 percent of Government Expenditure on the recurrent side. The country has made important strides in correcting its relative under-performance *vis-a-vis* its neighbours. On the other hand, there is still the problem of male underperformance to

be addressed and this has been evident in the performance of male students as compared to female students, in terms of the attainment of the highest grade completed.

The expansion of programmes in respect of Adult Education and post-secondary education should result in a much larger percentage of the labour force acquiring secondary and tertiary level education and training which should correct the lower level of educational stock of the human capital of the country. As can be seen in the Appendix (Table 25B), St. Vincent and the Grenadines is still at the stage where 66.2 percent of its adult population has passed no examination, which puts the country at some disadvantage in joining the knowledge economy of the early 21st century. However, there is a substantial percentage of people who are aware that educational opportunity abounds and by dint of personal effort, they can take advantage of a number of programmes, as a way of escaping poverty.

"I want to upgrade my education."

"I always wanted to go back to school."

"Education is what going to make it."

"I was from a poor family and didn't get the attention that I trying to give my boys."

At the same time data from the PPA show that participation in adult education and literacy programmes is low and that these programmes are not available in every community.

"People who really need help do not turn up to training and to classes offered."

In addition persons identified the need for a wide range of adult and community education programmes including topics like parenting, life skills, and family planning.

CHAPTER 9

HEALTH AND POVERTY

9.1 INTRODUCTION

Any review of the health status of the Commonwealth Caribbean over the last half of the 20th century would demonstrate that the countries have succeeded in eliminating most contagious diseases. The epidemiological profile has shifted and resembles very much developed economies with chronic diseases being the main area of challenge. Diabetes, hypertension, and cancer are prevalent, and obesity has become a major health risk including among children.

However, there is one area where contagion has remained a problem and this is the HIV/AIDS pandemic in which regard, the Commonwealth Caribbean and the region as a whole is second only to Sub-Saharan Africa in terms of the incidence of the disease. The strong stigma that still abounds has frustrated the interventions made by public health authorities.

At first, Governments were slow in mounting public awareness and other initiatives to encourage behaviour change. With the assistance of the international community, and especially the Clinton Foundation, anti-retroviral drugs are available to manage the disease, and HIV positive persons can have access to a range of services free of charge. Moreover, screening in maternity clinics and in the public health centres, has allowed for the reduction of parent to child transmission.

This is the backdrop to the examination of health and poverty in St. Vincent and the Grenadines. Information from the IA has pointed to a number of critical health issues. Firstly, and on the positive side, St. Vincent and the Grenadines has primary health facilities well distributed across the country, and although there is personnel shortage, support by Cuba has closed some of the gaps. Like other Caribbean countries, St. Vincent and the Grenadines continues to lose health personnel to the North Atlantic and to the rest of the Region in such locations as the British Virgin Islands, Turks and Caicos and the Cayman Islands.

The major challenges identified in the IA include problems of low birth weight and under-nutrition in children under five years of age, which is being addressed by the Nutrition Unit of the Ministry of Health. The spread of drug abuse has resulted in a need for psychiatric services that are not available from the Ministry of Health. The PPA

has identified a number of behaviour patterns that can create a challenge for the health authorities: abuse of girls, transactional unprotected sex, violence, including gun violence, marijuana production and drug abuse. This section examines specifically the link between poverty and health status and more generally with socio-economic status.

9.2 HEALTH DATA

9.2.1 Perceptions of Ill Health:

There are gender differences in respect of perceptions of ill health. Females were more likely to report ill health than males as shown in Table 9.1.

Males are less likely than females to admit to ill health and to visit a medical practitioner when ill. Men in the poorest quintile are particularly affected since they generally cannot “afford” to be ill or to take time away from work and so tend to report low levels of ill health. Health condition improves with socio economic status, but in the case of males it is also correlated with better reporting; thus while reported ill health for females falls as socioeconomic status improves, that of males appears to increase.

TABLE 9.1: DISTRIBUTION OF REPORTED ILL HEALTH IN REFERENCE MONTH BY SEX AND QUINTILES

Sex	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Male	33.4	39.8	40.0	43.2	43.9	40.8
Female	66.6	60.2	60.0	56.8	56.1	59.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

In the PPA, most persons who participated in the focus group discussions were of the view that poverty does affect health. According to them some of the causes of ill health include inability to afford to eat a proper diet on a regular basis, the stress and worry of how to survive and provide for their families, and the lack of money to afford good medical care and medication.

“We have obese people too much French fries.”

“You can’t afford to buy the food for a balanced diet.”

“The stress and worry of having to provide and you can’t.”

“Poverty affect my health, we only go to the doctor when we really sick, sick, cause we have no money.”

9.2.2 Chronic Disease:

Table 9.2 shows the distribution of persons suffering from chronic lifestyle diseases by quintiles. As much as 15.6 percent of persons noted that they were suffering from a chronic lifestyle disease. The prevalence of chronic diseases increased from the lowest quintile to the highest quintile. A possible explanation for this may be the fact that as socioeconomic status improves, one has the means to secure information related to health status. On the other hand, those in the higher quintiles may be more educated and more knowledgeable about epidemiological issues. Females (18.3%) were more likely to suffer from such diseases than their male counterparts (12.7%) which may also be as a result of men not engaging in health status information seeking activities. Males were also less likely to lose pay on account of illness. For both sexes though, only about 21 percent lost pay on account of illness. This is reflected in Table 9.3.

TABLE 9.2: PERSONS SUFFERING FROM CHRONIC LIFESTYLE DISEASES BY SEX AND QUINTILES

Suffer From Chronic Diseases	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Male (% of cohort)	5.8	11.7	10.9	14.7	20.9	12.7
Female (% of cohort)	16.5	14.4	16.1	18.6	26.1	18.3
Both Sexes (% of cohort)	11.1	13.1	13.6	16.8	23.6	15.6

TABLE 9.3: DAYS WITHOUT PAY ON ACCOUNT OF ILLNESS BY QUINTILES (PERCENT)

Days Without Pay (Both Sexes)	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
None	76.4	82.8	70.9	76.1	82.7	78.3
1-5	14.9	12.3	19.2	12.4	9.5	13.1
6-15	4.4	3.8	7.1	4.8	6.3	5.4
16-29	1.2	0.5	0.9	1.0	0.6	0.8
30+	3.1	0.5	1.9	5.7	1.0	2.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

9.2.3 Source for Care:

Of those persons who suffered some illness, 41.5 percent had visited a health practitioner (Table 9.4). Females were more likely to have visited a health practitioner than males, as 45.5 percent of females, compared to 35.7 percent of males had visited a health practitioner due to illness. Reasons given for not having visited a health practitioner for care are shown in Table 9.5. Just over 80 percent of those who did not visit a health practitioner noted that “there was no need to”. Only 2.8 percent reported that their reason for not visiting a health practitioner was that it was too expensive. However in the PPA this was one of the reasons why several poor individuals and elderly persons said that they were unable to afford to visit health professionals, especially private doctors.

TABLE 9.4: PERSONS VISITING HEALTH PRACTITIONER ON ACCOUNT OF ILLNESS BY SEX AND QUINTILES (PERCENT)

Visited Health Practitioner (% of cohort)	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Males reporting illness	56.2	32.3	36.3	32.6	31.6	35.7
Females reporting illness	51.1	31.5	49.0	42.6	51.3	45.5
Both Sexes Reporting illness	52.8	31.8	43.9	38.3	42.7	41.5

TABLE 9.5: REASON FOR NOT VISITING HEALTH PRACTITIONER BY SEX AND QUINTILES (PERCENT)

Reason for not visiting Health Practitioner	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
No Need	72.8	87.8	70.8	81.5	83.1	80.3
Too expensive	9.7	3.3	3.2	.0	1.6	2.8
Too far	.0	.0	2.2	.9	.0	.5
Untreatable	.0	.0	.0	2.2	.8	.7
Other	16.0	9.0	16.9	12.9	9.2	12.1
Not Stated	1.5	.0	7.0	2.6	5.3	3.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 9.6 shows the place first visited for medical attention. Most persons (66.6%) opted to visit a public institution as their first place of seeking medical attention. Those visiting a public institution however, declined with increased socioeconomic status. Just over 30 percent had visited a private doctor, whether locally or abroad, and this increased from the lowest to the highest quintile, with as much as 49.5 percent of those in the highest quintile visiting a private doctor. Some 2 percent noted that their first place for seeking medical attention was at a pharmacy/chemist. Reasons for the place first visited for medical attention are outlined in Table 9.7. Males in higher consumption quintiles were more likely than their female counterparts to first visit a Public Hospital (see additional Tables in the Statistical Appendix).

TABLE 9.6: FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES (PERCENT)

Place First Visit Made	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Public Hospital	19.1	16.4	11.7	18.3	15.7	16.2
Private Hospital	0.0	0.0	0.0	0.0	0.0	0.0
Health Centre	64.2	57.5	57.3	51.6	32.2	50.4
Private Doctor/Dentist Abroad	6.0	9.4	8.4	5.8	13.5	9.0
Private Doctor/Dentist	6.1	14.6	21.4	20.2	36.0	21.4
Traditional Healer	1.4	0.0	0.0	0.0	0.0	0.3
Hospital Abroad	0.0	0.0	0.0	0.0	0.0	0.0
Pharmacy/Chemist	1.4	2.1	1.2	2.2	2.6	2.0
Other	1.8	.0	.0	1.9	.0	.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Although there was a low response rate on this question, of those who responded, the majority (8.2%) gave their reason as cost. Distance also played a role in the first place visited for medical attention as 7.7 percent noted their reason as closer location.

TABLE 9.7: REASON FOR VISITING FIRST PLACE VISITED FOR MEDICAL ATTENTION BY SEX AND QUINTILES (PERCENT)

Reason Individual Went There First	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Availability of Procedure	1.2	5.0	10.6	8.9	9.2	7.3
Cost (Cheaper)	9.1	4.4	5.7	15.1	6.0	8.2
Most Efficient/Competent Staff	1.4	1.6	3.3	7.5	10.7	5.7
Privacy	1.1	1.6	.0	3.5	2.3	1.8
Proximity (Closer, Location)	5.1	17.2	7.9	6.5	5.7	7.7
Visit Due (My Doctor)	5.8	11.1	4.6	7.6	7.4	7.1
Not Stated	76.4	59.0	67.9	51.0	58.8	62.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Overall, doctors and nurses/health care workers were the most likely to have provided medical attention to persons at their first point of contact with the health system (Table 9.8). Attendance by doctors increased with socioeconomic status, but this is not unexpected since persons in higher quintiles were more likely to have attended a private doctor/dentist than persons in the lower quintiles. Nurses and health care workers first attended to 36.2 percent of those seeking attention, while doctors attended to 61.4 percent of persons.

TABLE 9.8: PERSON PROVIDING MEDICAL TREATMENT AT PLACE VISITED BY SEX AND QUINTILES (PERCENT)

Person Who Attended Individual At First Visit	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Nurse/ health care worker	37.9	45.5	40.3	40.0	25.4	36.2
Pharmacist	1.4	2.1	.0	1.9	2.6	1.7
Healer	1.4	.0	.0	.0	.0	.3
Doctor	59.2	52.4	59.7	56.3	72.0	61.4
Midwife	.0	.0	.0	.0	.0	.0
Other	.0	.0	.0	1.9	.0	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

9.2.4 Waiting Time for Care and Level of Satisfaction:

Most persons (22.6%) had to wait between 11 minutes and 30 minutes before receiving medical attention (Table 9.9). Table 9.10 shows the level of satisfaction with treatment received. Over 88 percent of those who received medical attention, were satisfied with the treatment they received, (either very satisfied or satisfied) while 11.5 percent were dissatisfied. In general, persons appear to have been satisfied (either satisfied or very satisfied) with the treatment they received.

**TABLE 9.9: LENGTH OF TIME SPENT WAITING BEFORE RECEIVING MEDICAL TREATMENT
AT PLACE VISITED BY QUINTILES (PERCENT)**

Time Spent Waiting For Medical Attention	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
None	13.9	13.0	14.3	13.3	23.0	16.4
1-10 Min	24.5	18.9	21.2	12.6	19.2	19.2
11-30 Min	13.6	30.2	32.4	15.7	23.6	22.6
30 Min to 1 Hour	17.4	7.8	6.2	18.8	10.9	12.5
1-2 Hours	9.2	15.7	12.2	23.1	13.3	14.7
2-4 Hours	13.9	10.1	6.6	14.2	8.7	10.6
Over 4 Hours	7.4	4.3	7.1	2.3	1.3	4.1
Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 9.10: LEVEL OF SATISFACTION WITH TREATMENT RECEIVED BY SEX AND QUINTILES (PERCENT)

Level of Satisfaction With Treatment	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Very satisfied	40.9	39.9	49.3	36.2	51.1	44.2
Satisfied	49.6	49.1	44.5	51.0	33.4	44.3
Dissatisfied	8.1	8.4	4.7	8.2	13.0	8.9
Very dissatisfied	1.4	2.6	1.5	4.6	2.4	2.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

In the exercise of choices and the options that poorer people pursue, perceptions of efficacy and of costs come into play. The primary health care system is open to everyone but there are some user charges designed to avoid abuse of the system. Some of the poor see these small charges as deterrents possibly because of their economic circumstances.

"I have sugar and headache I can't get treatment because I don't have the \$5.00 to pay at the clinic."

"If you do not have the money to purchase stamps or buy medication you badly off."

"Sometimes the hospital don't have medications, me no work nowhere to buy it at the private pharmacy."

"Even if you go to the public doctor you may not have the \$5.00 to buy the stamp to get the medication."

There is also the risk of indifferent service from health service providers, as seen with a patient who was among the less satisfied:

"The doctor don't study what you say to them, they does just write up the prescription."

"If you want good medical attention you have to get money to go to the private doctor."

9.2.5 Health Insurance:

Only 9.4 percent of the population was covered by health insurance (Table 9.11). As anticipated, those with health insurance increased across quintiles. Only 3.5 percent of those in the lowest quintile had health insurance while 23.1 percent in the highest quintile had insurance. There were also a higher percentage of males than females that were covered by health insurance, with 10.4 percent of males as compared to 8.5 percent of females being covered. This might have been due to the fact that males were dominant in those formal sectors where the health insurance is the norm.

TABLE 9.11: INSURANCE COVERAGE STATUS BY SEX AND QUINTILES (PERCENT)

Sex	Covered By Health Insurance	Per Capita Consumption Quintile					
		Poorest	II	III	IV	V	Total
		%					
Male	Yes	4.3	6.2	6.5	10.3	24.3	10.4
	No	94.2	92.8	92.4	87.7	73.5	88.1
	Not Stated	1.5	1.0	1.1	2.0	2.2	1.6
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Yes	2.6	4.0	4.0	10.1	22.0	8.5
	No	96.5	95.1	95.2	87.5	76.4	90.2
	Not Stated	1.0	0.8	0.8	2.4	1.6	1.3
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	Yes	3.5	5.0	5.2	10.2	23.1	9.4
	No	95.3	94.1	93.9	87.6	75.0	89.2
	Not Stated	1.2	0.9	0.9	2.2	1.9	1.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0

9.3 FERTILITY

Table 9.12 shows union status of persons 15 years and over. Most females fifteen years and over are either legally married (23.7%) or not in a union (37.0%). The proportion of women in legal marriages increased with socio-economic status: 12.3 percent of those in the lowest quintile were in a legal marriage as compared to 35.9 percent of those in the highest quintile. Meanwhile the reverse is true for those in a common law and visiting unions.

TABLE 9.12: UNION STATUS PERSONS 15+ BY QUINTILES (PERCENT)

Present Union Status	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Legally married	12.3	17.8	22.4	26.6	35.9	23.7
Common Law union	18.1	16.7	17.8	12.2	11.4	15.0
Visiting partner	14.4	14.0	10.6	12.0	7.5	11.5
Married but not in union	.8	.4	.8	1.8	2.1	1.2
Legally separated and not in a union	.0	.2	.2	.0	.8	.3
Widowed and not in union	2.6	1.9	4.1	4.3	5.4	3.8
Divorced and not in union	.0	.8	1.5	1.0	2.0	1.1
Not in a union	44.4	40.5	35.0	36.4	30.8	37.0
Don't know/Not stated	1.6	2.8	1.1	1.0	1.7	1.6
Not Stated	5.7	5.0	6.5	4.7	2.3	4.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

At the time of the survey, females in the lowest quintile (3.1%) were more likely to be pregnant than those in the highest quintile (1.6%) (Refer to Table 9.13). This may be on account of greater access to information and use of birth control as well as the adoption of family planning by females in the highest quintile than females in the lowest quintile. Information provided by some women in the PPA indicates that poorer women because of their dependence on men for their survival may not be allowed to choose to use family planning methods.

“If a man say not to use contraceptives you don't cause he providing the money.”

“If the man say no condoms, you don't think in the long term.”

The attendance of pregnant women at public health clinics is reflected in Table 9.14. Here we see that the majority (96.8%) of pregnant females attended public clinics. Those pregnant women who did not attend public health clinics (3.2%) all came from the lowest quintile and accounted for 16.8 percent of those in that quintile. The fact that such a large percentage attended public health clinics suggest that this service is readily accessibly, and that those who did not attend need to be educated as to the benefits of neo-natal care.

TABLE 9.13: FEMALES 15-49 YEARS CURRENTLY PREGNANT BY QUINTILES (PERCENT)

Currently Pregnant	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	3.1	2.6	5.8	2.2	1.6	3.1
No	90.2	91.5	85.1	92.2	93.1	90.4
Not Stated	6.7	5.9	9.2	5.6	5.3	6.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 9.14: PREGNANT WOMEN ATTENDING PUBLIC HEALTH CLINICS (PERCENT)

Attending Public Health Clinic	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Yes	83.2	100.0	100.0	100.0	100.0	96.8
No	16.8	.0	.0	.0	.0	3.2
Not Stated	.0	.0	.0	.0	.0	.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

9.3.1 Teenage Pregnancy:

Teenage pregnancy seems to be widespread as evinced in the fact that nearly 50 percent of females had their first birth between the ages of 15-19. The percentage of women having their first birth in their teenage years declined as socio-economic status improved. Of women with children, from 60.2 percent in the poorest quintile had their first child in their teens compared to 30.1 percent of women in the highest quintile. Notably, 2.5 percent of females stated that their first birth occurred when they were under 15 years of age and among those in the poorest quintile as many as 8.5 percent of females reported that they had their first birth when they were under the age of 15.

Data obtained during the PPA also clearly show that teenage pregnancy was identified as a serious problem in ten communities in St Vincent and in two in the Grenadines. This not only has serious implications for the reproductive health and education of young females, but is evidence of sexual abuse of minors and of statutory rape which is a criminal activity. Information from the Institutional Analysis suggests that there is some provision for young girls to return to school after giving birth. In several cases identified in the PPA, the perpetrators are older men, some of whom contribute to the household income.

"Is men sending the daughter to school, buying the books and giving her money."

"Some of the girls are as young as thirteen and fourteen years are being impregnated by older men."

However there was little evidence that male perpetrators of this crime had been brought before the courts.

TABLE 9.15: AGE AT FIRST BIRTH BY QUINTILES (PERCENT)

Age at First Birth	Per Capita Consumption Quintile					
	Poorest	II	III	IV	V	Total
	%					
Under 15	8.5	.6	.7	1.6	.9	2.5
15-19	60.2	52.4	59.0	40.5	30.1	49.3
20-24	26.3	28.5	23.9	38.0	36.4	30.3
25-29	2.4	10.9	12.6	12.5	10.8	9.8
30+	.0	3.0	2.5	4.4	19.1	5.2
Not Stated	2.6	4.5	1.3	3.0	2.7	2.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

In sum, the epidemiological profile of the country changed considerably in the latter half of the 20th century. Chronic diseases are now the prevalent illnesses to be dealt with, and the primary health care system is reasonably well geared to manage some of the problems, and most of the poor rely heavily on the public system.

CHAPTER 10

PHYSICAL LIVING CONDITIONS

10.1 INTRODUCTION

Governments in the Caribbean have long assumed a major role in the provision of housing for the low income groups in the society. In large part political parties are assessed by the electorate on the basis of their record in this area of their allocations. The realisation of public policy objectives in housing poses an even greater challenge in the evolving scenario faced by countries of the region. Firstly, while housing construction is labour intensive and is likely to impart some momentum in the operation of the economy, it is also highly import intensive. This means that there is a major foreign exchange component in large-scale programmes to increase the number of housing units.

Secondly, there is the problem of global climate change and sea rise that have to be addressed. Hurricanes have increased in frequency and appear to be of greater intensity. Building construction has to comply more strictly with codes and must be able to withstand Category 3 Hurricanes at the minimum. In effect, low income housing is not necessarily cheap. Nor is the supporting infrastructure that has to be put in place.

There is also the need for retrofitting of the existing infrastructure to deal with such challenges as coastal erosion and flooding and other effects of disaster that high vulnerable countries have had to contend. St. Vincent and the Grenadines is vulnerable not only to hurricanes and storm episodes but to volcanic eruptions and to earthquakes. Thirdly, fiscal constraints limit the subsidy that can be applied to the provision of housing by the state. This chapter assesses the physical living conditions in St. Vincent and the Grenadines.

10.2 HOUSING CONDITIONS

10.2.1 Outer Walls:

The majority of households in St. Vincent and the Grenadines live in homes constructed with outer walls of concrete or concrete blocks (72.2%). However, the poor are less likely to live in such homes than the non-poor. Wood/timber or wood and concrete were more in evidence in households in the lowest quintile. Yet, even among those in the lower quintiles concrete or concrete blocks still accounted for the majority of housing units - over 60 percent in the lowest quintile. It is among those living in wood/timber, wood

and concrete and in homes of plywood, and among the poorest 20 percent that might be found some of the worst housing conditions. Such households might be particularly vulnerable to major weather episodes.

TABLE 10.1: MAIN MATERIAL OF OUTER WALLS OF DWELLING BY QUINTILES (PERCENT)

Material of Outer Walls	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Wood/Timber	17.2	15.8	13.8	11.6	7.0	13.1
Concrete/Concrete Blocks	64.3	73.1	70.7	74.4	78.4	72.2
Wood & Concrete	12.0	7.1	7.9	7.7	7.3	8.4
Stone	0.0	0.0	0.0	0.6	1.2	0.4
Brick/Blocks	1.6	2.5	5.0	3.4	4.0	3.3
Plywood	2.6	1.4	1.7	1.1	0.4	1.5
Makeshift	0.0	0.0	0.0	0.0	0.0	0.0
Other/Don't Know	2.3	0.0	0.9	0.6	0.3	0.8
Not Stated	0.0	0.0	0.0	0.6	1.3	0.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

10.2.2 Roofing

The nature of roofing materials used is an indicator of the quality of the housing. Here again one finds dominance of type used: galvanised iron sheets accounted for the vast majority of materials used - 92.1 percent for the population as a whole. Among the poorest quintile, 90.1 percent used such roofing. The only other materials used were concrete, possibly an indicator of a new trend in dealing with hurricanes, and shingles of asphalt which are in use of mainly in the highest socio-economic group.

TABLE 10.2: MAIN MATERIAL OF ROOF OF DWELLING BY QUINTILES (PERCENT)

Roof Material	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Sheet Metal (galvanize)	90.1	95.3	94.0	91.9	89.2	92.1
Shingle Asphalt	0.0	0.4	0.6	0.0	4.1	1.0
Shingle Wood	0.0	0.0	0.0	0.6	0.5	0.2
Shingle Other	0.0	0.0	0.6	0.0	0.6	0.3
Tile	0.0	0.0	0.0	0.0	0.0	0.0
Concrete	7.4	4.4	4.1	5.7	4.9	5.3
Makeshift/Thatched	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.9	0.0	0.6	0.0	0.0	0.3
Don't Know	1.6	0.0	0.0	1.8	0.8	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

10.2.3 Tenure

The nature of tenure is another variable that reflects socio-economic status generally. Table 10.3 shows that 60.6 percent of households owned their homes without a mortgage arrangement, and 18.9 percent had a mortgage. Even in the poorest quintile, some 13.7 percent owned with a mortgage, which suggests that the use of mortgages in acquisition of homes is now well institutionalised. Those that owned without a mortgage are likely to be a highly disparate group, which included some, especially in the lower quintiles in accommodation units that were below par, and others who have the discretionary resources to be free of mortgages and to live in good quality accommodation. Rented accommodation accounted for just 10 percent of all accommodation, and was used across all socio-economic groups. It is note worthy that as much as 3.4 percent of the population confirmed that they were squatting, with 4.1 percent of those in the lowest quintile in such arrangements.

TABLE 10.3: TENURE OF DWELLING BY QUINTILES (PERCENT)

Tenancy of Dwelling	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Owned With Mortgage	13.7	12.3	21.8	20.1	26.8	18.9
Owned Without Mortgage	61.2	67.0	59.7	63.0	52.2	60.6
Rented-Furnished	0.0	0.3	1.4	1.8	4.5	1.6
Rented-Unfurnished	8.6	10.3	7.6	7.0	8.9	8.5
Rented Government	0.0	0.0	0.0	0.0	0.0	0.0
Rented Private	0.4	0.4	0.3	0.5	0.6	0.4
Leased	6.9	5.7	3.3	4.6	1.0	4.3
Rent Free	4.2	0.4	1.1	0.0	0.9	1.3
Squatted	4.1	2.9	3.7	2.5	3.7	3.4
Other	0.0	0.0	0.0	0.0	0.0	0.0
Not Stated	1.0	0.7	1.3	0.6	1.4	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

10.2.4 Toilet Facility

Table 10.4 shows that while the majority of households used water closets either linked to sewer system or to a septic tank – 68.2 percent, just over 30 percent of households still used pit latrines either ventilated or not. In the lowest quintile, indeed, the majority – 53 percent – used some type of pit latrine and the use of this type of toilet facility fell as socio-economic improved.

TABLE 10.4: TYPE OF TOILET FACILITIES BY QUINTILES (PERCENT)

Type of Toilet Facility	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
W.C. Linked to sewer	7.5	5.9	12.2	13.4	19.2	11.6
W.C. Linked to Septic tank/Soak-away	36.9	52.6	58.6	64.0	70.8	56.6
Pit-latrine	51.6	41.1	26.7	19.6	8.3	29.5
Ventilated Pit-latrine	1.4	0.0	0.5	1.0	1.3	0.8
Other	0.6	0.0	1.0	0.5	0.0	0.4
None	1.4	0.4	1.0	1.5	0.0	0.9
Not Stated	0.6	0.0	0.0	0.0	0.4	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Another good indicator of housing conditions is the degree to which households have to share facilities. Table 10.5 shows that as much as 3.3 percent of households share toilet and bathroom facilities. In the course of the PPA, there were concerns expressed by some communities about the quality of housing in their respective communities:

*"Plenty houses here have no toilet."
"I does bathe by the neighbour."*

TABLE 10.5: HOUSEHOLDS SHARING FACILITIES WITH ANOTHER HOUSEHOLD BY QUINTILES (PERCENT)

Facilities Shared	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Kitchen (1)	1.3	.8	1.6	0.6	0.4	1.0
Toilet/Bathroom (2)	4.1	3.8	3.5	3.8	1.3	3.3
Water (3)	1.5	.6	3.2	2.5	5.1	2.6
Any combination of 1, 2 or 3	2.8	.8	4.4	2.5	3.5	2.8
None	88.2	93.5	85.9	89.4	89.3	89.2
Other	1.5	0.4	1.0	1.3	0.0	0.8
Not Stated	0.6	0.0	0.3	0.0	0.4	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

Most households had access, through service piped into the dwelling, the yard or a nearby stand pipe. Even in the poorest quintile, 83.7 percent had access through one of these sources (Table 10.6).

Some 69 percent of the population confirmed a supply of water seven days per week, and even in the lowest quintile, 65 percent had access to seven days per week. This can be seen in Table 10.7. Other factors than socio-economic status would explain why households did not have access to water for all seven days of the week.

TABLE 10.6: MAIN SOURCE OF WATER BY QUINTILES (PERCENT)

Main Source of Water	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Public, piped into dwelling	42.2	59.9	61.0	61.4	62.7	57.4
Public, piped into yard	30.2	19.0	11.6	6.6	6.1	14.7
Public standpipe	11.3	4.1	3.2	2.3	.4	4.3
Public well/tank or truck	1.3	0.0	0.6	1.9	2.5	1.3
Private, piped into dwelling	4.9	7.4	11.4	12.9	14.1	10.1
Private catchment not piped	1.2	2.5	1.3	6.9	1.3	2.6
Private catchment piped	3.5	3.3	5.4	6.4	7.4	5.2
Other	5.0	3.8	5.4	1.6	5.1	4.2
Not Stated	0.6	0.0	0.0	0.0	0.4	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 10.7: DAYS HAVING WATER IN TAP PAST WEEK BY QUINTILES (PERCENT)

Days Water in Tap	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	25.2	15.1	22.7	24.6	22.1	21.9
One	1.4	0.0	0.4	1.6	1.6	1.0
Two	0.0	0.4	0.3	0.0	0.0	0.1
Three	0.0	0.6	1.1	0.0	0.6	0.5
Four	0.6	0.6	0.0	0.4	0.4	0.4
Five	2.0	5.1	2.3	2.2	1.9	2.7
Six	2.5	0.4	0.9	2.0	0.9	1.3
Seven	64.9	74.5	69.1	66.2	70.2	69.0
Don't Know	2.4	1.5	1.6	1.9	2.2	1.9
Not Stated	0.9	1.7	1.5	1.3	0.0	1.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

There is evidence that some poorer households whether because of tradition or because of attempt to save on water bills, might have continued to rely heavily on rivers to provide for their needs for water. Distressingly, in spite of upstream contamination, some fail to purify the water prior to use. One community member commented that,

“I does use water from the river, but I don’t boil it.”

The river is still an important medium for washing in some communities as can be seen in the photograph below.



Table 10.8 provides information on the type of fuel used for cooking. The vast majority of households used Gas/LPG for cooking, even in the lower socio-economic groups overall: 96.1 percent of the population used this fuel with 94.3 percent of those in the lowest quintile using this fuel. Only 1.8 percent of households used coal or wood. The escalation in the price of energy in the latter half of 2007 and in early 2008 would have hurt poorer people immensely.

TABLE 10.8: TYPE OF COOKING FUEL USED MOST BY QUINTILES (PERCENT)

Main Cooking Fuel	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Coal	0.7	0.8	0.6	1.4	0.4	0.8
Wood	1.8	1.1	0.5	1.4	0.0	1.0
Gas/LPG/Cooking Gas	94.3	96.5	98.5	94.5	97.0	96.1
Kerosene	0.0	0.0	0.0	0.0	0.4	0.1
Electricity	0.0	0.8	0.0	0.0	0.5	0.3
No Cooking	2.2	0.0	0.0	2.2	1.3	1.1
Other	0.5	0.8	0.5	0.0	0.0	0.4
Not Stated	0.6	0.0	0.0	0.6	0.4	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

The age of homes is provided in Table 10.9 and distributed by quintile. Some 27.8 percent live in homes built before 1980. Just 7.6 percent of homes were built since 2000. This latter group might be comprised of homes that have incorporated the standards more appropriate to St. Vincent and the Grenadines in the light of global climate change and an increasing frequency of violent hurricanes.

TABLE 10.9: YEAR DWELLING BUILT BY QUINTILES (PERCENT)

Year Dwelling Built	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Before 1970	17.1	15.1	16.1	23.6	14.3	17.2
1970 – 1979	9.6	9.8	11.6	7.5	14.6	10.6
1980 – 1989	12.6	20.4	16.0	15.5	15.1	15.9
1990 – 1995	10.7	14.7	11.3	15.5	15.4	13.5
1996 – 2000	11.9	9.5	5.6	7.6	9.6	8.9
2001	1.5	1.3	1.8	1.4	0.6	1.3
2002	1.7	0.8	1.4	0.4	0.6	1.0
2003	2.2	.4	2.1	2.0	1.2	1.6
2004	0.4	0.0	1.0	0.4	2.3	0.8
2005	1.0	2.1	0.5	0.3	0.6	0.9
2006	1.4	1.4	0.3	0.4	1.8	1.1
2007	0.0	0.9	0.8	1.6	1.3	0.9
Don' Know/Not Stated	29.8	23.6	31.4	23.7	22.7	26.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

The photograph below provides an example of a home built before 1970 which will need to be replaced, and is part of the 17.2 percent of accommodation that might be below par.



The type of lighting used by quintile is provided in Table 10.10. The programme of electrification has been relatively successful. Some 85 percent of the population has access to electricity from a public source, and in the lowest quintile, roughly three-quarters or 77.5 percent used electricity.

TABLE 10.10: TYPE OF LIGHTING USED BY QUINTILES (PERCENT)

Type of Lighting	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Gas	0.6	0.0	1.0	2.0	1.2	1.0
Kerosene	10.0	4.9	2.8	2.6	1.0	4.3
Electricity - Public	77.5	86.0	84.5	87.9	88.0	84.8
Electricity - Private Generator	1.1	6.0	5.1	3.3	4.6	4.0
Other	9.5	2.7	5.4	2.6	4.4	4.9
None	0.8	0.4	1.2	1.1	0.0	0.7
Not Stated	0.6	0.0	0.0	0.4	0.8	0.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

In sum, while there has been considerable advance in the improvement of physical living conditions, there are large sections of the population that need to have their housing situation addressed. There will be need to develop ingenious arrangements to organise the financing for housing of lower socio-economic groups, in the midst of high unemployment and underemployment

CHAPTER 11

SELECTED CROSS-CUTTING FACTORS AND LIVING CONDITIONS

11.1 INTRODUCTION

There are a number of cross-cutting issues that impact on households and quality of life. This chapter examines three of these with data and information gleaned from the IA, the PPA and the SLC/HBS, namely:

- Gender;
- The Environment; and
- Crime and Violence.

11.1.1 The Gendered Nature of Poverty

It is now widely recognised that poverty is gendered because males and females become poor through different processes, and experience poverty and is affected by poverty differently. Consequently while it is important to disaggregate data by sex and to obtain relevant quantitative data, this alone is insufficient to identify and examine the separate realities of males and females or to identify gender issues that must be addressed in order to ensure that poverty alleviation programmes will be based on the particular needs of poor females as well as of poor males.

Separate focus discussions with men and with women provided opportunities for them to reflect on their experience of being poor and to talk about the impact of poverty on their lives, and increased understanding of and insights into their different realities. . The information that they provided show the links between gender and poverty. It also shows that although there are some similarities in the experiences of poor women and poor men, on how poverty affects them and on their survival strategies, that there are also significant differences. Their information also provides insights into gender discrimination, unequal distribution of power and the division of labour along gender lines within households, and gender segmentation of the labour market.

11.1.2 Gender Roles

Because men and women experience poverty differently, and this determines the extent to which they can play their gender roles as expected by society. In the course of the PPA, men expressed their sense of powerlessness at not being able to provide for their families and said that poverty eroded their self esteem and made them vulnerable.

*"I can't take care of my responsibilities."
"Can't meet the expenses of children education in high school."
"Poverty ahs rocked me, I feel vulnerable."
"I want to hide, don't want to go home."*

Poverty also prevents women from playing their gender roles of nurturing and caring as expected by society.

"Cant' provide for the children , can't feed them, give them clothes."

On the other hand women admitted to "doing anything" so as to provide for their children and said that this often results in involvement in transactional sex and being exploited by men.

*"Poverty make me have plenty children from several men."
"Several children and have to beg to support them."
"Running from man to man to maintain your family."*

At the same time the burden of child care and home management can limit their efforts to improve their situation and move out of poverty. This is especially so for single female parents who are solely responsible for meeting the needs of their children without any support from their fathers.

*"We have to do everything."
"What's the use of being a mother and can't provide for your children?"
"You want a job and somebody might give you work, but no one there to hold the child and the money not enough to pay for day care, so you can't go to work."
"If I didn't have children I would have achieved my goals long time."*

11.1.2 Gender Relations

Information obtained from women and men who participated in PPA activities indicates that poverty affects relations in negative ways. Some men were of the view that it prevented them from having and maintaining relationships because it prevented them from giving women what they want and expect.

*"It affect me when it come to pleasing the ladies."
"If I had my own place she wouldn't have leave me."*

Women said that being poor and/or being in a relationship with a poor man affected their relationships

"Nice guys make you think you too poor for them."

A significant number of gender relations are also characterised by conflicts, verbal abuse and domestic violence. However some women decide not to resort to the police even when physically abused because of ultimate dependence on a man for financial resources.

"Depending on men for money."

"Accepting domestic violence."

"Staying in abusive relationships to take care of yourself and the children."

Some women are successful in unions of equality and can negotiate contraceptives.

"We use protection when we have sex because you don't want any more children you can't afford."

However, many poor women are unable to do so.

11.1.3 Mating and Fertility Patterns

The SLC and the PPA established that a high percentage of children are still being born to teen mothers. Teen pregnancy and birth sets off a cycle of poverty that may actually be repeated among the daughters of women who had their first child in their teens. In the PPA, serial mating was also evident among several poor women and poor men. The father is often an older man, who may not limit his fathering to this one woman. She may seek to end her dependence on him, when support is offered by another man, thus subjecting herself to serial mating and all the attendant risks. There were cases identified in the PPA in which girl children of such women are themselves exposed to abuse, and may even give birth to babies. Dependence on the man as the source of support results in the woman and daughter refusing to allow criminal charges to be brought against the man.

11.1.4 Gender and the Labour Market

The data from the SLC show major segmentation in the labour market. There are male jobs and female jobs. Wages may reflect gender discrimination in spite of rules set by the Ministry of Labour proscribing discrimination. There are few opportunities for women to gain employment in lucrative "male" jobs like construction. This is linked to education

and training systems and programmes that continue to train women in "female" activities like sewing and cooking and craft the economic returns of which are low.

"Women can't get jobs in construction and that is where all the jobs are."

The net result is that women have to compete among themselves for a limited number of jobs which remain as 'islands' of low wages but with fierce competition among them for the available jobs. To the extent that they are single mothers, the lower remuneration ensures that their households are at greater risk of poverty, with implications for their children.

Where they fail to secure limited employment, transactional sex becomes, unfortunately, an option to which they might succumb.

"When you scrunt the men say nothing for nothing."

"We could contract AIDS or STDs, or get unwanted pregnancies."

"We take risks because we have to take care of our children."

"We know it not good and we could get disease or get arrested but what else we going do?"

The link between education and employment is critical. The greater commitment to education demonstrated by girls compared to boys may be related to this phenomenon. Education is the means of escape, especially since as the SLC shows, women need much higher levels of education to compensate for the segmentation and inherent bias in the labour market.

11.1.5 Gender and Institutions

Gender inequalities are reinforced and perpetuated by societal institutions and it is through the work of institutions and organisations that initiatives are taken to alleviate and reduce poverty. In the course of the IA, it was established that many institutions involved in working with poorer women are not unmindful of gender segmentation of labour markets and of training. Women are painfully aware of systems stacked against them:

"Women don't have equal opportunities."

"Men have better opportunities."

"Opportunities for women are limited."

"The system doesn't provide opportunities or allow you to achieve your goals."

The institutions in place lack the resources necessary to mount an appropriate response to the problem. For example, to overcome the bias created in labour market segmentation, there is need for:

- Sensitive training programmes in areas where women have been excluded;
- Changed arrangements in the work-place given that the needs of men and women are different;
- Complementary support by way of day care services for women with children, given that they would not have the wherewithal to secure such services without the benefit of employment.

The Division of Gender Affairs, in this regard, is not equipped to handle this challenge, neither are the NGOs and CBOs. The problems posed by lack of gendered responses afflict not only women. The mere provision of training programmes for disaffected youth has proven inadequate to enlist their participation in the face of ineluctable role models of apparent success of some of those engaged in drug-dealing.

11.2 ENVIRONMENT

The observance of the principles of environmental sustainability in the development and transformation of the country involves a range of cross-cutting issues which the country will need to manage, or risk destroying potential for income and employment which contribute to poverty reduction.

11.2.1 Amenity Resources and Tourism

The Grenadines have emerged as a high end market in international tourism offering sun, sea and sand in idyllic locations that are these islands. The islands are low lying with a high water table. There is a push to expand the sector in the Grenadines and there is the view that one or two larger establishments might serve the purpose of crowding in other necessary infrastructure in establishing the marque.

However, larger establishments require the influx of a larger work-force. Sewage disposal becomes a technical challenge. There has been overcrowding of the limited accommodation available for workers from elsewhere. The demands of an expanding work-force has triggered the construction of accommodation units for rentals, not all of which have observed planning guidelines.

Thus, in addition to the difficulty in managing sewage disposal, there is the overcrowding and the threat of un-controlled development, both of which depreciate the tourism product in the first place. There is concern among technical personnel lest the prospective developments lead to destruction of the reef systems and to the loss of what was the very attraction of the Grenadines in the first place. In other words, the

country runs the risk of putting in jeopardy its most essential asset in creating income and employment for some number of nationals.

There is the culture of the open sink displayed on largest island, St. Vincent, that is not compatible with the idea of promoting the eco-tourism. In a few communities, the absence of toilets and latrines leads to disposal of faecal waste on beaches, let alone the discarded entrails of fish etc in communities which are very dependent on fishing.

Moreover, there is still the practice of disposal of garbage in streams which might have been tolerable when household waste had a much lower content of packaging material that are not biodegradable. Another problem has been sand mining, especially in the Grenadines, where it has exacerbated coastal erosion.

11.3 CRIME AND VIOLENCE

The PPA identified crime and violence as a major problem in the society. A number of observers in the course of the IA and PPA averred to the increase in crime. There were also questions in the SLC that focused on crime. Table 11.1 reflects the victims of crime and shows that those who were not poor (1.9%) were marginally more likely than those who were poor (1.7%), to be victims of crime. Overall, 1.9 percent of individuals reported having been victims of crime.

TABLE 11.1: VICTIMS OF CRIME BY QUINTILE BY SOCIO-ECONOMIC STATUS (PERCENT)

	Socio Economic Status		
	Poor	Non Poor	Total
Victim Of Crime In Last 12 Months	%		
Yes	1.7	1.9	1.9
No	94.4	94.8	94.7
Not Stated	3.8	3.3	3.4
Total	100.0	100.0	100.0

The nature of crimes suffered is disaggregated in Table 11.2. As much as 23.8 percent of persons reported that they were victims of stealing/robbery. Those who were not poor were more likely than those who were poor to have been victims of this type of crime. Assault and battery were more likely to be committed against the poor, 12.2 percent of

the poor reported assault/battery compared to 6.4 percent of the non-poor. Rape, attempted rape and malicious damage were other crimes that were more likely to have affected the poor.

TABLE 11.2: NATURE OF CRIME BY QUINTILE BY SOCIO-ECONOMIC STATUS (PERCENT)

Nature Of Main Crime	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Insulting Words	5.0	0.0	1.4
Rape	4.1	2.8	3.2
Attempted rape	4.1	.0	1.2
Grievous Bodily Harm	4.1	2.0	2.6
Stabbing	0.0	1.7	1.2
Fighting	0.0	3.9	2.8
Assault and Battery	12.2	6.4	8.1
Gun Shot Wounds	0.0	1.9	1.4
Stealing/Robbery	6.4	30.7	23.8
Stolen Property	0.0	4.2	3.0
Malicious Damage	5.0	2.8	3.4
Other	0.0	9.4	6.7
Not Stated	59.1	34.2	41.2
Total	100.0	100.0	100.0

Only 63.8 percent of those who experienced crime said that they reported it to the police, with those who were poor more likely to not report the crime to the police (Table 11.3). Most persons noted that they had not reported the crimes suffered because they had “*no confidence in the administration of justice*”; this expressed lack of confidence was greater among those who were not poor. Another 12 percent noted that they were “*afraid of the perpetrator*” (Table 11.4). Most persons (21.1%) said that the crime was “*not serious enough*” to be reported to the police.

TABLE 11.3: CRIME REPORTED TO POLICE BY SOCIO-ECONOMIC STATUS (PERCENT)

Crime Reported To Police	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Yes	55.1	66.3	63.8
No	44.9	23.0	28.0
Not Stated	.0	10.7	8.2
Total	100.0	100.0	100.0

TABLE 11.4: WHY CRIME NOT REPORTED TO POLICE BY SOCIO-ECONOMIC STATUS (PERCENT)

Reason Crime Not Reported To Police	Socio Economic Status		
	Poor	Non Poor	Total
	%		
No confidence in the administration of justice	29.2	40.3	35.1
Afraid of the perpetrator	25.6	.0	12.0
Perpetrator household member/relative	.0	.0	.0
Not serious enough	28.6	14.5	21.1
Other	16.6	45.2	31.8
Total	100.0	100.0	100.0

When asked about the level of satisfaction with the handling of crimes by the police (Table 11.5), most persons said they were either dissatisfied (23.6%) or very dissatisfied (26.8%).

**TABLE 11.5: SATISFACTION WITH HANDLING OF CRIME BY POLICE
 BY SOCIO-ECONOMIC STATUS (PERCENT)**

	Socio Economic Status		
	Poor	Non Poor	Total
Satisfied With Handling Of Matter By Police	%		
Very satisfied	32.9	12.2	16.3
Satisfied	29.8	28.3	28.6
Dissatisfied	13.5	26.1	23.6
Very dissatisfied	.0	33.4	26.8
Not Stated	23.7	.0	4.7
Total	100.0	100.0	100.0

In many communities there is a sub-culture characterised by the drug trade and by violence and crime. In the PPA many community residents identified crime and violence, including gun violence, as common activities and it appears that it is mainly young men who are involved in these activities and that the violence is linked to their involvement in the drug trade.

“There was a shootout, if you had come earlier you would hear the shots.”

“Miss the shootout was right here, look the blood still on the ground.”

“I get shoot in me shoulder, look the bullet still there.”

Several persons, especially the elderly expressed concern about their feelings of insecurity.

“I don’t feel safe anymore, I does lock up from five o’clock.”

The increase in crime and violence partly driven by the trade in narcotics, and the decline in the sense of security revealed in the PPA, are not conducive to private sector investment which is a necessary condition for growth and transformation of the economy of the country. The combating of crime and the growth of the underground economy has to compete for scarce resources needed for physical and social infrastructure. Meanwhile the expansion of markets to neighbouring countries yields large returns, notwithstanding the risks, which are difficult to resist among some sections of the society.

In sum, measures designed to reduce poverty have to be contextualised against these cross-cutting issues in St. Vincent and the Grenadines. Poverty reduction is not about the provision of transfers. It is instead about difficult developmental challenges in a society in transition, which is linked to the international economy through traditional exports that have fallen on hard times in the market place, and is seeking to reorganise its links with new exports and new services that are competitive and give its people an opportunity of decent income and employment.

Where the formal structures of governance do not respond in timely fashion, large sections of society develop their own responses, not all of which are consistent with the longer term development objectives of the country, and of ordinary citizens, in their more studied assessments of their vision for the society. Poor policing might encourage citizens to take the law into their own hands, or to develop informal systems of justice.

There is also enough evidence from the data to show that it is critical to address issues like gender, crime and violence and environmental issues when developing strategies for poverty reduction. Data from the SLC, PPA and IA suggests that measures designed to reduce poverty have to be contextualised against the cross-cutting issues of gender, the environment and crime and violence.

CHAPTER 12

SUMMATIVE OVERVIEW OF LIVING CONDITIONS

Living Conditions in St. Vincent and the Grenadines have significantly improved relative to conditions that existed in 1995. This progress and the factors responsible for it have to be seen in the context of the suite of measures taken since the last study of living conditions, as well as the evolving economic and social processes in St. Vincent and the Grenadines itself. In effect, it is the result of conscious policies on the part of the GoSVG, on the one hand, and also of measures and initiatives taken by the formal private sector, and by households to improve the quality of their lives. Inevitably, there would have been households which, might have failed to improve their conditions or whose plight may have worsened. Because of a number of structural and socio-psychological factors; these households will need to remain in focus in any poverty reduction strategy.

12.1 ECONOMIC AND SOCIAL BASIS OF POVERTY REDUCTION SINCE 1996

The CPA of 1996 identified the following as the primary causes of poverty in St. Vincent and the Grenadines:

- The fall in the earnings of the Banana Industry, because of drought conditions which reduced output, and because of new rules introduced by the EC at that time: there was a consequential impact on small farmers;
- The decline in wage competitiveness of St. Vincent and the Grenadines in respect of export-oriented light manufacturing and assembly operations, at the very moment when the country was seeking to diversify its export base;
- The slow response time in the creation of new internationally competitive activities, or in increasing existing activities to take up the slack caused by the decline in the two main tradable sectors;
- The difficulty in creating productive capacity to support alternative economic activity;
- The fact that Government needed to rely on fiscal measures solely, in developing a countercyclical response in the face of the down-turn in the key sectors;
- The limited reach of the existing safety-net, relative to those in need because of limited fiscal capacity; and
- Structural and institutional constraints and problems that predated the banana crisis in the mid 1990s, which would have been responsible for the poverty conditions of groups and communities like the Carib Community of Sandy Bay.

These factors can be summarised in terms of the structural realities of the economy of St. Vincent and the Grenadines in its interface with the international economy, and its internal operations as a society and as an economic unit in which the product of the society is shared among the residents according to the rules of the market system and to procedures designed by the state to deliver to citizens goods and services mainly on the basis of non-market criteria.

The main recommendations of the Report focused on getting the economy on the path to economic growth, through:

1. Macro-economic management;
2. Income and employment generation through the tradable sectors – non-Banana Agriculture, Tourism/Ecotourism, and other services with potential for markets abroad, and Manufacturing; and
3. Stimulation of Micro-enterprises.

These were to be the basis for driving economic activity. There were also recommendations to upgrade the physical infrastructure to support this thrust. A complement to all of the above was the investment in human resources through programmes for a general upgrading at all levels of the educational system, but with special regard to the Post Secondary and Tertiary Level Education and also to Pre-primary Education.

There were recommendations also for improving the delivery of social services and for the monitoring of transfers from time to time, to ensure that the poorest and most vulnerable were targeted at all times, with a view to affording them a decent existence. In effect, then, poverty reduction was to be achieved through growth and development on the one hand, and redistribution out of the proceeds of the expansion of the economy.

12.2 ST. VINCENT AND THE GRENADINES POVERTY REDUCTION STRATEGY 2002

The formal response of the Government came in the form of a Poverty Reduction Strategy (PRS), published in 2002, which proposed a framework comprised of policies, which accepted most of the recommendations of the CPA as the point of departure for action. The Government proposed to:

- Stimulate Growth, Trade and Investment through improved macro-economic management; expansion and diversification of the sources of economic growth starting with Agriculture and Fisheries and the Tourism Sectors; facilitation of

the development of SMEs, strengthening natural resource management, and promotion of rural development;

- Expand employment opportunities;
- Invest in human resources; and
- Improve the social and physical infrastructure.

In some senses, it can be said that the decade of the 1990s has been a harbinger of the challenges that the economy of St. Vincent and the Grenadines has faced in the first decade of the new millennium and which explain the present level of poverty and the nature of existing living conditions in St. Vincent and the Grenadines today.

The small export-dependent economy faced the travails of trade adjustment with limited institutional capacity to reorient its productive sector in creating new and more competitive exports against the backdrop of declines in its main tradable sectors. The performance of the latter, in the final analysis, conditions most of the other critical variables that drive the process of economic transformation and social development. In effect, the growth of the tradable sector is a necessary condition for the sustainable expansion of the economy.

12.2.1 Sources of Growth

Even in the absence of a formal macro-economic model of the economy of St. Vincent and the Grenadines, it is possible to map changes over the last eight years. Table 12.1 provides the distributional shares of the sectors of the economy, as a percentage of GDP. It can be seen that the combined share of three important sectors among the tradables – Agriculture, Manufacturing and Hotels and Restaurants – fell from 18.70 percent in 2001 to 12.59 percent in 2008. If one assumes that the sector Banks and Insurance includes the Offshore Financial Services Sector and that this represented the majority of the sector, then the tradable sector inclusive of Banks and Insurance would have fallen from 25.89 percent in 2001 to 23.52 percent in 2008, a less precipitous fall.

**TABLE 12.1: ST. VINCENT AND THE GRENADINES GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY
(2004-2008), SHARE OF GDP (%)**

Sector	2004	2005	2006	2007	2008
Agriculture	8.18	8.23	7.75	7.95	7.35
Crops	5.88	6.18	5.78	5.91	5.55
Bananas	1.68	1.48	1.19	1.09	0.79
Other Crops	4.20	4.69	4.59	4.82	4.76
Livestock	0.66	0.63	0.59	0.57	0.56
Forestry	0.59	0.56	0.52	0.47	0.46
Fishing	1.05	0.86	0.87	0.99	0.78
Mining & Quarrying	0.23	0.23	0.23	0.25	0.25
Manufacturing	5.85	6.02	4.86	4.60	4.23
Electricity & Water	5.87	5.57	5.24	5.59	5.59
Construction	12.63	12.10	14.28	15.46	15.51
Wholesale & Retail Trade	19.06	19.42	19.45	19.63	20.62
Hotels & Restaurants	2.23	2.29	2.11	2.07	1.95
Transport	14.12	13.44	14.37	14.42	12.84
Road	10.53	9.82	10.54	10.81	9.63
Sea	2.31	2.37	2.55	2.62	2.33
Air	1.27	1.25	1.28	0.99	0.88
Communications	6.30	5.64	5.66	5.76	5.87
Banks & Insurance	9.99	11.73	11.05	10.50	10.27
Real Estate & Housing	2.22	2.16	2.06	1.96	1.94
Government Services	18.55	18.97	18.77	18.48	20.25
Other Services	2.01	2.08	2.02	2.00	2.16
Less Imputed Service Charge	7.25	7.87	7.85	8.67	8.82
TOTAL	100.00	100.00	100.00	100.00	100.00

SOURCE: St. Vincent & the Grenadines Statistical Office \ ECCB

A country that is reliant on the export sector for its growth and which commits to the reorganisation and diversification of the sector would expect to see the sector grow in gross terms as a share of GDP or at least maintain its share. The general trend, however, has been downward. The country has not yet achieved the capacity for dynamic growth in its tradable sector. The task of growing a dynamic export sector remains, and the external conditions have become even more difficult. A quick review of the recent performance of the tradables sector highlights the problem.

Agriculture: The sector remains an important contributor to GDP, to employment and to foreign exchange earnings. There is also some evidence that the sector is contributing through forward linkages, to an emerging processing subsector in manufacturing. The initiatives taken by the key stakeholders in the sector – Ministry of Agriculture, WINFA, SVBGA – have started to yield fruit in slowing the decline in the sector. The category ‘Other Crops’ in Agriculture has been the most dynamic component within the subsector.

Information Technology: As part of its industrial and transformation strategy, the Government has promoted Information Technology, as an element of the infrastructure and as the platform facilitating the growth of other sectors and as a possibility in its own right of stand-alone activity geared to supplying services to the international economy. This initiative is relatively recent, and while very promising and already contributing to upgrading of skills, including among public sector employees, has not yet been a major source of employment expansion.

Manufacturing: This sector has shown a sluggish performance over the last seven to eight years. A few processing operations geared to the sub-regional market – flour and rice – dominate the sector. The thrust to reduce duties in the context of the CARICOM Single Market and Economy (CSME), exposes these operations to greater competition in the sub-regional market. It is a moot point whether such operations developed in the era of import substitution can subsist in their present form.

Offshore Financial Services: The Offshore Financial Services Sector faces the onslaught of new measures being proposed by a number of Developed Market Economies (DMEs) which have had as a result of the sub-prime crisis, to bail out banking and other financial service institutions, which might have had links to Offshore Financial Services of countries like St. Vincent and the Grenadines and the Cayman Islands. The G20 Meeting of March, 2009, showed some unanimity in the attacks on the countries which are seen to be engaged in ‘harmful’ tax competition. The upgrading of legislation to place the probity of operations beyond reasonable doubt would be a factor in the

sustainability of the sector, the most important contribution of which is in the potential revenue and foreign exchange earnings that can be derived by the Government.

International Tourism: The subprime crisis has led to a fall in tourist arrivals worldwide, and has exacerbated a perceptible shift away from stopover tourism to cruise tourism, the benefits of which are far less in terms of the spend per visitor. St. Vincent and the Grenadines has not been immune to the inconsistent performance of the sector. The return of the world economy to a path of growth would result in some benefit to the tourism sector of the country. The challenge the country faces is in putting the structures in place to derive a greater share of the income that can be derived from the sector in the next phase of its expansion.

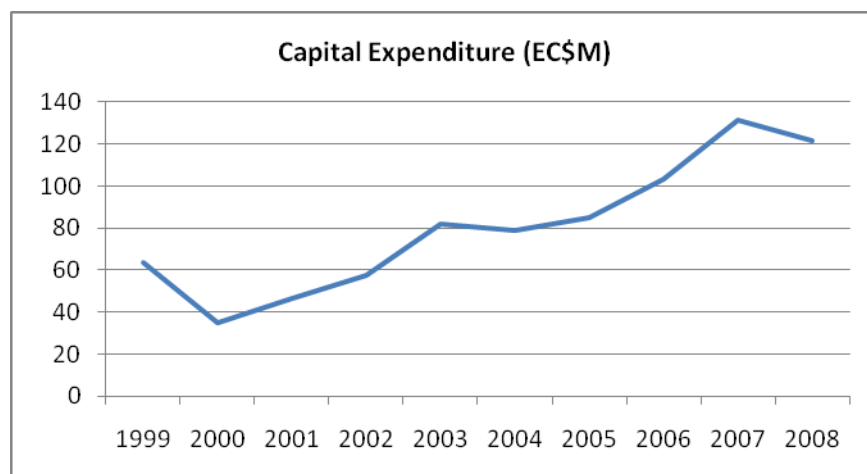
There are other issues that the country faces in stimulating its tradable sectors. These include:

- The deepening of the OECS Economic Union and the CSME;
- The Economic Partnership Agreement (EPA) that has recently been signed between CARICOM and the European Union (EU).

The bright spot in the growth of the economy over the period 2001 to 2008 has been the Construction Industry. The sector increased its share from 11.9 percent to 17.0 percent of GDP. This was second only to Wholesale and Retail Trade. Both of these non-tradable sectors are highly reliant on imported inputs. The expansion of the infrastructure by the Government with the support of loans and grants was one factor in the expansion of Construction.

The path of capital expenditure of the Government is illustrated in Figure 12.1. The capital expenditure was largely directed at expanding the infrastructure – roads, school buildings and other facilities. Another factor in the growth of the Construction Sector would have been remittance income and also inflows by returning retirees seeking to construct homes. Construction activity stimulates a demand for male labour in the context of a segmented labour market, with implications for a number of male headed households in the society.

FIGURE 12.1: GOVERNMENT CAPITAL EXPENDITURE SVG EC\$M (1999-2008)



The large Diaspora of Vincentians is a reflection of the fact that a substantial section of the population sought the migration option in the face of sluggish growth in the domestic economy in an earlier time period. The decline in the population between 1999 and 2001 attests to this exodus. Historically, Caribbean societies have displayed a high propensity to external migration. The level is a function of the rate of growth in the economy. Among the OECS countries, St. Vincent and the Grenadines has remained a sending country over the last two decades: in terms of inflows and outflows, the net result has been negative in terms of population size, but positive in terms of inflows of remittances.

Table 12.2 triangulates the findings based on the SLC, the PPA and the IA. PPPA involved over 1300 persons. Thus while the approach was qualitative in nature, the PPA can be relied on for the insights it provides on the various issues. The IA, on the other hand, reported on the views and actions of various agencies, as outlined by representatives. By and large, there is a basic consistency in the information generated as can be seen in Table 12.2.

TABLE 12.2: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Measured Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 30.2 percent. Calliaqua accounted for most of the poor (19.9%), followed by Georgetown/ Sandy Bay (16.5%). The Grenadines accounted for 3.7 percent of the poor. 	Most communities participating in the PPA were aware of poverty their midst.	<ul style="list-style-type: none"> Most institutions were aware of poverty in the country and those engaged in the delivery of social services attempted to target the poor. Social services agencies sensed that their resources were inadequate in the face of the challenges faced.
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: Following a year of escalating food and energy prices, as much as 44.3 percent of residents felt that conditions had worsened when compared to the previous year. Only 40 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> Perceptions and experience with poverty differ by gender and population subgroup. Men generally viewed poverty in relation to their role as breadwinner and provider for their families. For men poverty is: "Struggling to make a living"; "No job, no money so can't provide." "Money is power and if you poor and have no money you powerless" Women generally viewed poverty as an inability to provide food and other basic needs for their children and family. Several women shared the perception that being in situations of poverty led them to be taken advantage of by men. Some of the women said poverty is: "not being able to provide for my children"; "when you don't have a dollar to pay the bills, send the children to school or to give them to buy lunch"; "doing anything you have to get something for your children – even having sex for money". The Youth participants generally said that they get support from their parents, but that being poor does expose them to various risks including involvement in illegal activities and risky sexual behaviours." 	<ul style="list-style-type: none"> Ministry of National Mobilisation, Social Development, NGO Relations, Family, Gender Affairs and Persons with Disabilities is the primary agency of the State with programmes for the Poor and Vulnerable, and cooperates with NGO Community in that regard. They evaluate cases of need on an individual basis. Marion House caters to poor and vulnerable children and other groups; Lewis Punnett Home and Thompson provide shelter for the Elderly.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 18.8 percent of labour force participants were unemployed. The unemployment rate in the poorest quintile was 23.7 percent. In the lowest quintile, 28.2 percent were engaged in elementary occupations. About 15 percent of the labour force was subject to underemployment (defined as working less than 35 hours per week). 	<ul style="list-style-type: none"> Community members shared the overall view that job opportunities are too few and wages are too low. Many persons admitted that they lacked the skills to get better paying jobs, but even those who did have skills did not appear to have the entrepreneurial drive to use their skills to become self employed. There is segmentation in the labour market along gender lines: women feel that they do not have "equal opportunities with men". 	<ul style="list-style-type: none"> Department of Labour: Employment Unit has not had much success in placing ex-farmers into other jobs, due to the lack of availability of jobs in other sectors. Canadian Farm Labour Programme absorbs about 200 persons per annum. There is evidence of gender segmentation of labour market – men in construction, women in hotels and restaurants.
Education	<ul style="list-style-type: none"> Adult literacy is estimated to be 84 percent, with younger generations having higher literacy rates than their parents. Household heads are more educated – 8.6 percent of household heads had received training above the secondary level (post secondary and university) in 2007, compared to 3.2 percent of heads in 1995. 	<ul style="list-style-type: none"> People generally supported the view that education was important and provided the main opportunity for exit out of poverty. "Education is a way out of poverty"; "without education you can't move out of poverty"; and "people are more aware of the value of early childhood education". At the same time, it was widely felt that not enough persons take advantage of the opportunities being provided. Some parents admitted that they cannot always afford to send their children to school every day. 	<ul style="list-style-type: none"> The Government has invested heavily in Information Technology and the Education Revolution. Beginning with Early Childhood Education, all levels of the school system are being upgraded. Programmes at the Community College have been expanded and adult continuing education is now widely available across the country. Additionally the teaching of foreign languages has been introduced at the primary level. Education accounts for about 20 percent of recurrent government expenditure. There is some concern about male under-performance in the classroom.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> 12.7 percent of males and 15.6 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. Most persons choose to visit a public health clinic or public hospital for medical attention when ill, irrespective of sex, or socioeconomic status. The service at Public Health facilities is generally regarded as satisfactory (88.5 percent of respondents), except that the wait time could tend to be somewhat long. Only 9.4 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> Chronic diseases appear to be very prevalent across communities. Health centres offer a wide range of services and most people rely on these services. Persons generally regarded the service at these health centres to be "good", but there are some concerns with the long wait times that are often necessary. "Sometimes you have to wait long to see the doctor" 	<ul style="list-style-type: none"> Primary health facilities are well distributed across the country. In 2006 the Nutrition Support Programme reached over 9000 primary and pre-primary children through School Feeding Programme and another 1000 through the Supplemental Feeding Programme in child clinics. The widespread abuse of drugs has resulted in the need for psychiatric services which are beyond the scope offered by the Ministry of Health. Information from the National Insurance System suggests that over 900 persons on file died as a result of HIV/AIDS related complications, since official recognition of the presence of the disease in SVG.
Disability	No data in SLC	<ul style="list-style-type: none"> Community Groups were unanimous that PWDs were among the more vulnerable in society, especially among poorer families. Many persons with disabilities did confirm that they receive financial assistance from the State. Some persons expressed concern over the lack of facilities to deal with or to treat a wide range of disabilities. 	<ul style="list-style-type: none"> National Society of Persons with Disabilities: Integration of persons with disabilities into the mainstream of education system, and encouragement of business among PWDs.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> Remittances accounted for 28.8 percent of all income to households in the lowest quintile and 22.1 percent of households incomes overall. 	<ul style="list-style-type: none"> Several of the communities including Greiggs, Paul's Avenue, Layou said they were heavily reliant on remittances – including money, foodstuffs and clothing. "If it wasn't for relatives in Tortola, dog better than we." "Plenty barrels does come with food and clothes at Christmas." "Thank God for good family and friends overseas" 	<ul style="list-style-type: none"> Chamber of Commerce sensitive to impact of remittances in driving domestic economic activity.
Physical Living Conditions	<ul style="list-style-type: none"> Just under 70 percent of households had supply of water seven days per week. However, only 36 percent of households in the Grenadines had seven day supply from public sources. About 85 percent of the population has access to electricity from a public source, and in the lowest quintile, 77.5 percent used electricity. The vast majority of households used Gas/LPG for cooking: 94.3 percent of those in the lowest quintile using this fuel. Only 1.8 percent of households used coal or wood. 	<ul style="list-style-type: none"> There is a good road network in most communities as a result of large scale road improvement and re-surfacing projects, but some roads are still to be outfitted with streetlights. Public utilities are widely available but accessibility is limited because of the high cost. In some communities residents said that they share electricity with neighbours. "Some people don't have electricity because they can't afford to buy the pole"; "Is a struggle to pay utility bills". Housing is substandard in some especially more remote communities, many of which do not have proper toilet facilities. Examples include Paul's Avenue and Otley Hall and Fitzhuges. 	<ul style="list-style-type: none"> Central Water and Sewerage Authority estimates that about 96 percent of population of largest island the island of St. Vincent has access to safe supply of water. According to the Solid Waste Management Unit there is 100 percent coverage in terms of garbage collection, There is a "Culture of Littering", and the Solid Waste Management Unit does not appear to have the power to enforce the Litter Act of 1991. Some communities have benefitted from the housing projects and other projects funded under the Basic Needs Programme.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 1.9 percent of individuals reported having been victims of crime. Stealing/robbery was the most common reported crime. 	<ul style="list-style-type: none"> Some communities are characterised by a subculture of crime, drug trafficking, and gun-related violence. Some residents admitted that marijuana cultivation is a common (though illegal) activity, that is of economic importance to the communities. Others in the communities saw the negative impact of these activities: "Too many rum drinkers and drug pushers." "Too many young children smoking." Alcoholism was also identified as a major problem in many communities. There was a specific concern about the impact that it has on relationships and family life. 	<ul style="list-style-type: none"> The police recognise that there is a "culture of violence" in society today. In particular, they face a major challenge in control of the "Hills" in St. Vincent. The upsurge in use and transshipment of cocaine along a number of isolated beaches is difficult to patrol and monitor without helicopters. More resources are needed to deal with 'scourge' of marijuana cultivation. Marion House runs a Chemical Dependency Programme, which has made some headway in helping persons who are dealing with issues of alcoholism and drug abuse.
Teenage Pregnancy	<ul style="list-style-type: none"> Nearly 50 percent of females reported having had their first birth between the ages of 15-19. The percentage of women having their first birth during their teenage years declined as socio-economic status improved from 60.2 percent in the lowest quintile to 30.1 percent in the highest quintile. Of these, as many as 8.5 percent of those in the lowest quintile reported that they had their first birth when they were under the age of 15. 	<ul style="list-style-type: none"> Discussions with a number of School Principals and the records from a selection of secondary schools confirm that teenage girls generally become pregnant for older men rather than younger men; and their mothers appear to approve and/or encourage this type of activity in order to supplement household income. Many of these girls are under the age of 15. 	<ul style="list-style-type: none"> Police: Sexual offences have become prominent, and victims are mainly children. Mothers prepared to protect step-father abusers to protect source of income. Marion House: Youth Parents Programme; There is now a Programme for Teen Mothers Returning to School.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequity	<ul style="list-style-type: none"> SLC shows gender segmentation of labour market: Women need much higher levels of education to compensate for the segmentation and inherent bias in the labour market. Female headed households likely to be poorer. 	<ul style="list-style-type: none"> PPA shows engendered nature of family responsibilities. "Running from man to man in order to maintain your family." "If a man say not to use contraceptives you don't cause he providing the money." "Even if you working, he make more than you." 	<ul style="list-style-type: none"> Department of Labour: Oversight of the world of work. No formal legislation in place against the gender discrimination.
Natural Disaster	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> PPA showed that some households got emergency assistance after hurricanes Coastal erosion exacerbated by sand mining in the Grenadines 	<ul style="list-style-type: none"> The response to disasters is based on an inter-departmental approach. In the case of hurricanes. The Departments of Agriculture, Works, and Ministry of Housing work alongside NEMO. The Red Cross and community churches also provide support. NEMO offers assistance in the form of housing materials, in the case of major disasters. But funding for these programmes is on a case by case basis. Those in informal settlements do not receive assistance to restore housing.
Democracy and governance	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> The previously physically and psychologically isolated groups in remote districts such as Sandy Bay, Carib Community, Bequia and Grenadines are being seen to be brought into the fold by improvements in physical infrastructure and technology penetration. 	<ul style="list-style-type: none"> There is no local government serving the islands of the Grenadines.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Economic and social structural change and poverty	<ul style="list-style-type: none"> Poverty and indigence levels have fallen; comparative social indicators show improvement in living conditions. 	<ul style="list-style-type: none"> Progress in the form of improvements in physical infrastructure and access to public services and facilities has been marred by degeneration of family values, and the rise of crime, drug use, drug abuse and drug trafficking. The community spirit is said to be dwindling. 	<ul style="list-style-type: none"> A number of Government agencies and a range of NGOs and CBOs involved in contributing to poverty reduction. Social challenges dwarf resources available.
Causes of poverty	<ul style="list-style-type: none"> Logistic regression suggests association of household size, level of education, sector of employment, and employment level. 	<ul style="list-style-type: none"> Lack of job opportunities, jobs and money Low wages Low levels of education and skill 	<ul style="list-style-type: none"> Government agencies involved in social sectors and NGOs are agreed on continuing challenge of poverty reduction
Current policies and programmes in social protection	<ul style="list-style-type: none"> School Meals: It would appear that in spite of the supports that that have been introduced in recent years – school meals and school books – there were children in the lower socioeconomic groups who could not attend school every day. 	<ul style="list-style-type: none"> The State has a number of Programmes targeted at different sub-population groups, and access to these sources of assistance are usually based on specific criteria. NGO's (such as the Red Cross), FBOs (such as churches) provide assistance to needy individuals, in the form of donations mainly of food and clothing. 	<ul style="list-style-type: none"> There are a number of transfers and subsidies available to those in need of some support. There is a School Book and Uniform Programme in schools. A number of NGOs, CBOs and FBOs get subventions from the State, which help in achieving their objectives or carrying out their respective mandates.
Donor agencies and pro-poor interventions	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> A number of communities were aware of external support for programmes. 	<ul style="list-style-type: none"> External support for programme initiatives in infrastructure and micro enterprises has been available. Agencies involved were CDB with BNTF, EU with SIF and UNDP

12.3 SUMMARY

In sum, GoSVG has sought to address the challenge of poverty reduction within the limits set by the factors constraining the transition of the economy from its reliance on a restructured and slimmed banana industry, diversification of its tradable sectors into internationally competitive industry built on diversified agriculture, a reoriented fisheries subsector, agri-business, Offshore Financial Services, tourism oriented to the higher end of the market, and informatics. The first decade of the 21st century has been one of the most turbulent in recent history.

While there has been creditable performance in these main export sectors, it has not been adequate to provide the level of transformation to sustain viable employment and income growth.

Within the limits of the resource constraints, the Government has continued to expand the infrastructure, physical in terms of roads and other facilities, and social, in terms of education, training, and health of the population. The physical infrastructure has been demanding given the topography of the largest island and the costs of providing access roads to villages in the remote mountain fastness of St. Vincent.

The major thrust of the government within this development paradigm has come in the present decade and taken time to yield fruit in terms of enhanced rates of growth from the impact of human resource development. At the same time, the Government has sought to modernise its delivery of transfers and to ensure their better targeting at the poor and vulnerable. Such areas as school books, transport to school, access to basic primary health care across the nation. It has also sought to improve benefits to some groups – the elderly poor and persons with disabilities.

There do remain major challenges to address, beyond managing the transition to a competitive economy. The high level of unemployment and underemployment in the face of an informal economy and an underground economy sends signals to restive youth that are in conflict with the broad social and economic policy of a formal economy with a productive work-force geared to face the challenge of participating in the international division of labour, with higher level skills and knowledge. This is the back drop for the renewal of effort at the twin objectives of poverty reduction, improved social equity on the one hand, and the transition to vibrant and international competitive economy which in the final analysis, is the source for sustained poverty reduction either through the productive endeavours of the citizens themselves, or their protection from poverty and vulnerability when their circumstances require transfers from the rest of the society.

CHAPTER 13

POVERTY REDUCTION: REDOUBLING THE EFFORT

There is clear evidence that GoSVG has pursued pro-poor policies and strategies in the present decade in seeking to arrest and reduce poverty in the country. The measures adopted largely followed in spirit, where not the specifics of the recommendations made in the CPA of 1995/96.). The international economy, which sets the parameters within which the country has to pursue its development objectives, has not been auspicious to a small primary producer seeking to diversify and transform. Yet, in spite of the travails posed by the trading system to St. Vincent and the Grenadines, and its foreign exchange earning sectors, there has been a reduction in abject poverty, and some improvement in living conditions measured on selected indicators like housing conditions access to education and primary health care facilities.

As the country prepares to embark on the second decade of the 21st century, it has to continue in broad measure, the outline of the strategy that it has developed and pursued since the first half of the present decade. There will be need to 'tweak' measures, the most important of which include the following:

- Programmes designed to expand the economy in areas where St. Vincent and the Grenadines can develop competitive exports of goods and services;
- Management of fiscal debt within the limits set by the ECCB;
- The improvement of fiscal operations to secure adequate resources to sustain the expansion of the physical and social infrastructure of the country as the platform for growth;
- The promotion of micro-enterprises and SMEs as the foundation of private sector development with wide participation of the national community in entrepreneurial endeavour;
- The continued expansion of such social infrastructure as housing for low income families, education and training, adult education, preschools, and wide exposure to information technology;
- The development and maintenance of a transfer budget to be used in targeting the poorest of the poor and in providing social protection for those in need focusing on cohort specific vulnerability, and, in particular, for those who have no other recourse but to rely on transfers from the state and other stakeholder in the country; and

- Creation of an environment in which citizens of the country can employ their talents at all times in developing their country, and in realising their potential, in a governance structure in which each has voice in the conduct of the affairs of the country and of their locality.

There are a number of other cross-cutting measures that are needed in the 'tweaking' of the present paradigm. One such is the role to be played by Science and Technology. The country is 'coming from behind' in the field of education and training, compared to most of its neighbours in the Region and surely in comparison with East Asian countries. This affords it the opportunity of identifying the extent of the leapfrog necessary in catching up.

This will be based on the human resources of the country and requires the engagement of all the people in realising that the growth potential of the country and thus, of themselves, can be reduced to what is happening in their heads, and how that is used to transform their space and thus their lives. Thus, the issue is not only the provision of education and training facilities, but also the engagement of the individual at the level of the psyche such that the improvement in the physical facilities is complemented or, rather prefaced by a thirst for learning and for knowledge in real time. Investment in education and training has to be supported by such a perspective of knowledge acquisition and knowledge management.

The existing tax structure determines the degree to which the country can support its own developmental objectives. The enormity of the task dwarfs its resource base. Yet it has to contribute within its limitations. There is need to revisit the taxable capacity of the country and to identify those tax measures that are likely to yield revenues and avoid being regressive by being more impactful on the poor. In the presence of fiscal constraints, there may be need to contain wage and salary increases in the public service in the short to medium terms. The review of the fiscal system is paramount, therefore.

The country has made progress, and this is recorded in Box 13.1 which summarises the findings of the study on the main indicators. However, comparative data show that it has been lagging behind some of its neighbours.

The government has to be cognizant of falling behind in human development, as a primary area of concern. Over the past decade St. Vincent and the Grenadines has fallen in the Human Development Index Ranking of countries, presented each year in the Human Development Report (HDR). Table 13.1 shows that St. Vincent and the Grenadines has regressed relative to other countries in its performance on the HDI since 1997 – in 1997 St. Vincent and the Grenadines ranked 57th out of 180 countries, but in 2008 the rank fell to 92nd out of 179 countries.

BOX 1: SUMMARY INDICATORS OF LIVING CONDITIONS IN ST. VINCENT AND THE GRENADINES (2007/2008)

- *The annual Indigence Line and Poverty Line were estimated at EC \$2,445 and EC \$5,523 per adult respectively, in 2008.*
- *The Vulnerability line set (25 percent above the poverty line) was EC \$6,904 per adult per annum.*
- *30.2 percent of the population was deemed to be poor in 2008, and 2.9 percent was deemed to be indigent.*
- *An additional 18 percent, though not poor were vulnerable (defined as being at risk of falling into poverty in face of economic shock, or other disaster): altogether 48.2 percent of the population was under the vulnerability line.*
- *The highest incidence of poverty was found in the Georgetown/Sandy Bay area – 55.6 percent of residents in this district were deemed to be poor.*
- *The lowest incidence of poverty was found in North Grenadines – 12.0 percent.*
- *The Poverty gap index for the country was 7.5.*
- *The Gini coefficient of inequality was estimated to be 0.4023 in 2008.*
- *The richest 10 percent of the population accounted for 33.8 percent of total consumption expenditure, while the poorest 10 percent accounted for a mere 2.8 percent of total consumption.*
- *The lowest quintile allocated 45.1 percent of their expenditure on average to food; compared to the national mean of 35.4 percent.*
- *25.9 percent of household heads rated their social and economic circumstances as either “a little better” or “much better” at the time of survey compared to the year before; 44.3 percent felt that conditions had worsened.*
- *40 percent of individuals in the lowest quintile rated themselves as poor.*
- *Compared to 1995/96, the average age of heads of households had increased; the average size of household had fallen, the number of persons per bedroom had fallen; and the number of earners had increased. The percentage of households with pit latrines or worse had fallen: representing a significant improvement in socio-economic conditions.*
- *The national unemployment rate was 18.8 percent, but the unemployment rate of the poor was 25.3 percent.*
- *In the lowest quintile, as much as 28.2 percent of individuals were employed in elementary occupations.*
- *More than half of all labour force participants in the 15-19 age cohort came from the two lowest quintiles, suggesting that a greater premium was set on labour market participation than on education and training. In the lowest quintile, 79.5 percent of males in the labour force had passed no examination.*
- *16 percent of the population reported suffering from chronic lifestyle diseases. 49.3 percent of women had their first pregnancy between 15-19 years of age; 2.5 percent had their child before their 15th birthday.*

TABLE 13.1 SVG PERFORMANCE ON THE UNDP - HDI

HDR Year	HDI Rank	HDI Index HDI	SUBINDICES		
			GDP Index	Education Index	Health Index
2007/08	93	0.761	0.70	0.82	0.77
2005	87	0.755	0.69	0.81	0.77
2000	79	0.738	0.64	0.77	0.8
1997	57	0.836	0.92	0.81	0.78
STATISTICAL UPDATE (Dec-08)	92	0.766	0.71	0.817	0.772

Source: United nation Human Development Report, Various Years

TABLE 13.2: HDI- COMPARABLE PERFORMANCE BY OECS AND OTHER REGIONAL COUNTRIES

Country	HDI Rank 2008
Barbados	37
Cuba	48
Bahamas	49
Trinidad and Tobago	57
Antigua and Barbuda	59
St Kitts /Nevis	60
St Lucia	66
Dominica	77
Grenada	86
Jamaica	87
Belize	88
Suriname	89
St Vincent and the Grenadines	92

Source: UNDP Statistical Update Dec 2008, available at <http://hdr.undp.org/en/statistics/>

Additionally, declining levels of sustainability are indicated by a lower value for the sustainability index. According to the OECS Development Report 2002, the index of sustainability is calculated on the basis of sub-indices:

- Real changes in health and education expenditure;
- Level of food poverty;
- Changes in the grade level pass rates for CXC English and mathematics;
- Level of crime;

- Housing conditions (access to potable/improved water);
- Population stability;
- Gross capital formation as a percent of GDP;
- Changes in productivity;
- The level of savings as a percent of GDP;
- Credit efficiency.

(Source: Caribbean Economic Overview 2002: Macroeconomic Volatility, Household Vulnerability, and Institutional and Policy Responses)

13.1 IMPROVING GOVERNANCE

The country is addressing Constitutional Reform. An important issue for a multi-island archipelagic state is the level of decision-making that is devolved to the respective island communities.

While the modernisation of communications has helped considerably in reducing the sense of remoteness of the residents in the Grenadines from the centre of decision-making in St. Vincent, there is still a feeling of marginalisation from the largest island.

The establishment of Local Councils invested with decision-making powers over matters that are of direct concern to communities would not only encourage their involvement, but would improve the sense of responsibility for the environment.

Moreover, citizens would be better empowered to ensure that those charged with or employed for providing services to local areas do indeed deliver on their responsibility.

TABLE 13.3: IMPROVING GOVERNANCE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Devolution/Decentralisation of Decision-making Process	I	Create local Councils to give voice and influence implementation of programmes at local area	Ensure greater participation of residents especially in Grenadines in their own affairs	Prime Minister's Office	Decisions more consonant with wishes of population at local level	Prime Minister's Office

13.2 CATERING TO COMMUNITIES WITH SPECIAL NEEDS

The communities of the north-east have suffered historic isolation. The first CPA established that the levels of poverty were highest in this district, and greater than anywhere else in the country. Although there have been major investments in the physical infrastructure in recent years, there is need for sustained programmes, based on socio-economic sub-regional planning to correct for social disadvantage such communities might have experienced over the years.

A similar approach seems necessary in developing an appropriate intervention in areas of the North Leewards where large sections of the community have succumbed to the attraction of operating in the underground economy through the cultivation and sale of marijuana. The eradication of this form of livelihood would require social investments in the community along with a quality of policing that renders cultivation exceedingly difficult and risky.

TABLE 13.4: COMMUNITIES WITH SPECIAL NEEDS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Integrate communities with historic challenges into mainstream	S	Provide resources to overcome any remaining barriers posed by historic isolation	Eliminate structural factors responsible for intergenerational poverty	Ministry of National Mobilisation and NGOs	Communities like Owia and Sandy Bay more properly centred in the main stream and in keeping with wishes of those community	Reports of Ministry of National Mobilisation

13.3 FACILITATING ENTREPRENEURSHIP

In recent years, there has been a deeper appreciation of the role of micro-enterprises and small businesses in the liberating potential and creating space for more enterprising citizens. GoSVG has provided resources for SMEs. There is need to place far greater reliance on domestic capital or entrepreneurs in creating new possibilities. Programmes to encourage an orientation to business and enterprise should be started in the school system, so that more students would see business and entrepreneurship as a lucrative career decision.

TABLE 13.5: DEVELOPMENT OF ENTREPRENEURSHIP

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Anchor transformation process on wide involvement of nationals in creation of Enterprise	S	Development of sectoral profiles demonstrating opportunities and requirements	Ensure large numbers of nationals are equipped to start and grow competitive enterprise	Ministry of Foreign Affairs, Commerce and Trade, NDG and NGO	Vincentians oriented with culture of business	Reports of Ministry of Foreign Affairs, Commerce and Trade
		Early Orientation of Students at Secondary Schools to Business	Ensure more young people contemplate careers in business	Ministry of Education, in collaboration with Chamber of Commerce	Young Vincentians competent in development of formal business	Reports of Ministry of Education

13.4 RETROFITTING THE PHYSICAL INFRASTRUCTURE

St Vincent and the Grenadines as other Small Island Developing States (SIDS) is highly vulnerable in terms of its physical characteristics. In addition to the annual cycle of storm and hurricane episodes, there is need for concern over the possibilities of volcanic eruptions. The evidence of global climate change and such consequences as sea-level rise can no longer be dismissed. The low-lying islands of the Grenadines are particularly at risk from sea-level rise. The country needs to examine the possibilities offered by soft engineering solutions, including planting of trees and mangroves as a protective mechanisms. Environmental sensitivity would go a long way in the development of workable solutions.

The frequency and intensity of hurricanes in recent years make it imperative that building codes be upgraded and rigidly adhered to as a matter of public safety. The recent comparative experiences of Grenada and of the Cayman Islands with Hurricane Ivan establish the advisability of strict adherence to building codes. There is need for culture change in respect of sand mining and utilisation of natural resources, and greater vigilance in monitoring the reefs especially in the Tobago Cays.

TABLE 13.6: RETROFITTING PHYSICAL INFRASTRUCTURE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Upgrade all infrastructure to with stand Category 3 Hurricane and with sensitivity to high physical vulnerability	M	Ensure building code observed in all new construction in public and private sectors Develop soft engineering solutions	Reduce risk to life and limb	Ministry of Housing and Ministry of Works and NGOs operating in environmental field	Building upgrade overtime to treat with increased vulnerability and with climate change	Reports of Ministries of Housing and of Works

13.5 DEVELOPING AGRI-BUSINESS

There is need for a drastic change in the industrial organisation of the agriculture sector, given the realities of the early 21st century. The technical upgrading of entrants into agriculture is a *sine qua non* for the development of Agri-businesses. The farmer of the early 21st century has to be the equal of his/her Israeli counterpart, whether engaged in the production and delivery to the marketplace of avocado, citrus or mango. In the St. Vincent and the Grenadines farmer of the early 21st century, has to be subsumed the technical preparation that came with WINBAN and the market sophistication that came with Geest Enterprises, in delivering agri-products to the domestic, regional and international marketplace. Agri-business is not a career limited to those deemed to have failed in the educational system; it is a lucrative business with lots of options including organic farming and high value added downstream production. However, the farmer has to be as equipped as his opposite number in countries like Israel or Chile, either in respect of his/her own technical preparation or supported by an infrastructure that compensates for any deficiency relative to his/her competitor abroad.

13.5.1 Organic Agriculture

St. Vincent and the Grenadines has been involved in commercial production for generations. However, there are areas of the country that are amenable to organic agriculture. This is a matter to be explored by the Ministry of Agriculture: it would mean the identification of areas which have not been in commercial production where chemical fertilisers have been in use. There are many examples, including from Costa

Rica, of the use of organic fertilisers from bananas.²⁴ The farming community has already recognised the benefits of product differentiation that has been accomplished by WINFA through FAIRTRADE. This can be extended to organic agriculture and to the production of high end produce.

13.5.2 Innovation in Agriculture

In recent years, the country has made progress in a number of areas in Agriculture. Indeed, the areas of expansion in agriculture have been as a result of new initiatives. There is highly dynamic R&D and applications technology in agriculture in other parts of the world. The incipient world food crisis has led a number of countries to seek out large tracts of land in other parts of the world with a view to guaranteeing supplies of food to their populations. The initiatives include not only securing land banks but also accessing and utilising technology.

While St. Vincent and the Grenadines may not be involved in the development of cutting edge technology across the wide swathe of areas of interest to the agriculture of the country, its R&D Infrastructure in Agriculture has to be engaged in constant and real time monitoring of developments elsewhere that may be useful to St. Vincent and the Grenadines. It has as well to excite the farming community in the application of new techniques and approaches, some of which may be borrowed from abroad.

The work in dasheen has to be replicated in a number of other areas where there is some demonstrable potential. A similar approach is imperative in tree crop agriculture and in the development of orchards in table mangoes, breadfruit etc. There is need for an ethos in Agriculture that results in “fast foot work” in the sector, in realising new possibilities and exploiting them quickly with a view to securing a competitive position in the international and regional market place.

²⁴ <http://www.earth-usa.org/Page5341.aspx>

TABLE 13.7: DEVELOPMENT OF AGRI-BUSINESS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Revival of Agriculture	S	Creation of Agricultural Enterprise based on application of Science and Technology and oriented to competitive market place presence	Development of Agri-businesses capable of providing attractive and sustainable incomes	Ministry of Agriculture, Forestry and Fisheries, WINFA, SVBGA and other stakeholders among NGO community	Viable and competitive Agri-business in SVG supplying quality produce to domestic, regional and international markets	Reports of Ministry of Agriculture, Forestry and Fisheries

13.6 INCULCATING PUBLIC COMMITMENT IN ENVIRONMENTAL SANITATION

There is need to inculcate through public education and marketing a sense of social responsibility for one's immediate surroundings in both the private and public domains. The country has a material culture driven by access to goods that are imported from developed market economies. The country currently lacks the capacity for recycling and other measures to avoid the build-up of non-biodegradable waste. Indifferent disposal of waste leads to a depreciation in the natural beauty of the country, let alone the risk of provision of space for the growth of vermin and pests.

TABLE 13.8: INCULCATION OF PUBLIC COMMITMENT TO ENVIRONMENTAL SANITATION

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Cultivate Public Spiritedness in protection of environment and in ensuring high level of environmental sanitation	I	Marketing of individual responsibility to protect environment and maintenance of wholesomeness of public and private space	Development of public ethics on preservation of environmental quality	Ministry of Health and the Environment	Clean and serene environment	Reports of Ministry of Health and the Environment

13.7 IMPROVING SEWAGE DISPOSAL– SUSTAINABLE SANITATION INITIATIVE

The role unsafe sanitation plays in the disease/poverty cycle is well known: poverty and the consequent limited options for proper sanitation leads to sickness and disease, which lead to low incomes and, consequently, to chronic poverty. But community development projects, which are geared to the management of human waste, have the opportunity to improve community and individual health and well-being, as well as having a positive impact on the environment. The Project would involve the building of a sewerage treatment system linking toilets in very poor communities. At the same time this should be complemented by a Project that encourages households to separate waste from recyclables and communities to see income generating activities by separating solid waste for recycling and selling. The Project links sanitation to sustainable livelihoods by allowing the community to provide the workers for the project during the construction phase, of which they are also the intended consumers/beneficiaries.

TABLE 13.9: HOUSEHOLD SANITATION

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Improving Household and Community Sanitation	M	Build sewerage treatment system linked to household toilets in very poor communities. Complement this by recycling which encourages households to separate waste from recyclables	<ul style="list-style-type: none"> 	NAWASA, Ministry with responsibility for the environment, Planning Unit, Ministry of Housing	<ul style="list-style-type: none"> Reduced number of households using pit latrines or having no toilet facilities Improved child and adult health in the poorest communities 	

13.8 ELIMINATING THE UNDERGROUND ECONOMY

The growth and size of the underground economy threatens the capacity of the country to develop a sustainable and competitive environment in which every generation can contribute and grow by the pursuit of decent and socially rewarding work.

However rewarding it may be for the few, the underground economy leads to inevitable gang formation and to gang wars which undermine social order, and depreciate the quality of life and sense of security of innocent citizens. There will be need to invest in sophisticated equipment for the Police – information systems, surveillance systems, fast patrol vessels and helicopters. However, while effective policing is a necessary condition for reducing and eliminating the underground economy, it is likely not to be sufficient. Community development initiatives are required that are sensitive to the need to put in place competing paradigm to drug lords as models.

TABLE 13.10: UNDERGROUND ECONOMY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Reduce or eliminate Underground Economy	S	<ul style="list-style-type: none"> Sustained programme at community level to create alternative paths to livelihood. Robust policing of illegal agricultural enterprise 	<p>Reverse influence of underground economy as preferred option for earning livelihood</p> <p>Increase certainty of destruction of marijuana crops</p>	<p>Ministry of National Mobilisation</p> <p>Police Service</p>	<p>Communities at present showing reduced involvement</p> <p>Fewer residents involved in marijuana production</p>	<p>Reports Ministry of National Mobilisation</p> <p>Reports of Police Service on destruction of marijuana cultivation</p>

13.9 FACILITATING COMMUNITY BASED TOURISM AND STRENGTHENING COMMUNITY-BASED CONSERVATION EFFORTS

St Vincent and the Grenadines might have taken some time in recognising its considerable amenities that could be put to good use in the management of sustainable tourism. These can be the source of a well managed Community Based Tourism Industry. The nature trails on the island of St. Vincent that open vistas that are rare sights in nature, the areas proximate to the Soufriere Volcano that always attract attention. In the Grenadines the vista of the chain of islands has similar appeal to any traveller by sea, let alone the beach formation and other land and seascape. These are amenities that are sustainable once managed properly by the island communities.

There are also already activities at the level of communities that lend themselves well to the development of Community Based Tourism. Communities in the Grenadines hold annual regattas. There is also the Big Drum Festival on Union Island that attracts widening audience, including from Africa. The Carib Territory holds an annual Festival that can be upgraded an appropriate celebration in honour of Chatoyer and other

distinguished personages from among the First Peoples and the Garifuna People, the descendants of the first free encounter of Africa and the Caribbean in these parts.

Indeed, the Sandy Bay area can be the location for a shrine and/or museum in which can be housed petroglyphs and other treasures to be managed by the community. Theatrical presentations can involve community group. Enactment of past events and scenes in themselves can help empower especially the young people and produce a sense of self-worth that might have been dented by the social and economic processes that have led to intergenerational poverty in the area.

Community Based Tourism linked to Festival Tourism can be the source of employment and income, but can also mobilise the community in the preservation and conservation of the considerable amenity resources of the area. There is also the cuisine that can be addressed in this Community Based Approach. In the new scenario, there will be groups in the community dedicated to tourism – tour guiding, nature trails etc – and there will be a much wider community participation in Annual Festivals and Heritage Days or Weeks.

TABLE 13.11: COMMUNITY BASED TOURISM

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Facilitating the development of a strong Community Based Tourism industry	S	Engage Community Groups in development of Tourism	Create Sustainable Employment and Incomes; Encourage communities to become guardians of historical and other resources of Communities	Community Development Division, Ministry of Rural Transformation Department of Culture, and Ministry of Tourism	Community Groups very active in management of their space and organising tours for visitors	Reports of Community Development Division, and Ministry of Tourism

TABLE 13.12: COMMUNITY-BASED CONSERVATION INITIATIVE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Maximise involvement of Community Groups in management of amenity/eco-tourism resources-community based tourism	I	Develop programmes to assist villagers and communities in management and protection of eco-tourism resources Monitor reefs and set procedures to be observed by visitors	Ensure protection and conservation of amenity resources and ensure benefits to local communities from tours by visitors	Ministry of Tourism	Residents at local area more knowledgeable of conservation and preservation of eco-tourism and other amenity resource	Ministry of Tourism

13.10 PROMOTING LOCAL CUISINE DEVELOPMENT

Like the rest of the region, the diets of local populations tend to be heavily weighted in the direction of imported foods. The escalation in the price of imported food has shocked national communities. There is a greater likelihood of countries going beyond paying lip-service to commitments to increasing the consumption of local produce. Increasing the reliance on domestic food supplies will increase backward linkage to agriculture and agri-business. One of the drawbacks in promoting domestic supplies, is the lower status ascribed to local produce in the minds of the population. Even the words used sometimes have a pejorative meaning.

The promotion of competitions among local chefs using recipes developed in St. Vincent and the Grenadines with produce from domestic agricultural sector, should help in transforming that reality. The presence of 'Modongo a la Carte' in the finest restaurants of St. Vincent and the Grenadines should produce no negative stares in the new dispensation.

TABLE 13.13: CUISINE DEVELOPMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Supporting Local Cuisine Development	I	Promote Domestic Food in Local Diet	<ul style="list-style-type: none"> • Create better link between domestic demand and domestic food supply. • Create Employment and increase income of farming community • Reduce Imports 	Ministry of Agriculture Department of Culture	<ul style="list-style-type: none"> • Increased Domestic Supply of Food • Increased Employment and Theme in Domestic Agri-Business • Improved Status of local cuisine 	Reports of Ministry of Agriculture and Department of Culture

13.11 IMPROVING LAND ADMINISTRATION - INSTITUTIONAL DEVELOPMENT

The new crops that are the basis of diversification are not necessarily viable on the land arrangements that were appropriate to bananas. There is clear evidence of land has been abandoned in some parts of the country with the decline in the banana industry. There is need for a review of land reform programmes and to develop facilitating mechanisms to allow those who no longer want to remain in Agriculture to dispose of their land and those seeking to enlarge their area of cultivation to secure economies of scale, and other benefits of larger scale producing units.

TABLE 13.14: LAND ADMINISTRATION - INSTITUTIONAL DEVELOPMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Improving Land Administration	M	Review of land reform programmes and to develop facilitating mechanisms to allow for expansion of agriculture production or exit from the sector	<ul style="list-style-type: none"> • To reap economies of scale in production benefits of larger scale producing units. 			

13.12 MOVING TO REDUCE AND PREVENT TEEN PREGNANCY

Teen Pregnancy correlated with a host of other social problems and problems affecting the children of teen mothers. These include chronic poverty, low rates of child enrolment, poor performance in school, child welfare and health issues including infant mortality, child abuse and neglect, crime and risky behaviour. There are also substantial public costs associated with adolescent childbearing. Consequently, teen pregnancy cannot be viewed as just a reproductive health issue, but as one that has serious social implications, many of which are inter-generational in nature.

The objective of the programme is to make it clear that teen pregnancy and teen parenthood are in no one's best interest! There is a need to find media through which messages can reach the teens (including teen males). There will also be a need to help parents begin discussions with their children about sexual behaviour, values, relationships, and related issues. The school curriculum could also be amended to include some self esteem building classes and teaching of human rights issues (including women's rights), and to inform teens of the long term social and economic impacts of teen pregnancy.

What may be needed first is a national survey of teen and of adults separately that helps establish the root causes and emotional and other consequences, which may be useful in designing a programme to encourage a change of attitudes and behaviours. Such a programme would have to be located within the Ministry of Health Family Planning

Unit, and would require collaboration with the Ministry of Education, Ministry of National Security and Ministry of Social Transformation.

TABLE 13.15: REDUCTION OF TEENAGE PREGNANCY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Reduce incidence of teenage pregnancy and eliminate pregnancy among girls under age of consent	I	Develop programmes to reach girls and to educate them on Family Life Issues	Protect girls	Ministries of Education, Health and the Environment and National Mobilisation, Social Development, Family and Gender Affairs	Fewer Teenage Pregnancy	Ministries responsible for Education, Health and national Mobilisation

13.13 MOBILISATION OF NATIONAL FINANCIAL RESOURCES

There is need to introduce measures that would husband some of the financial resources in the hands of nationals abroad and to attract this by way of investment in the domestic economy. In other words, the country has to induce its 'offshore' resources to come 'inshore'. This is possible if the appropriate mechanisms are put in place to provide protection to the investors. The credit unions and similar institutions might be the conduit, but this would mean a development perspective being adopted by the regulator, the ECCB.

TABLE 13.16: MOBILISATION OF NATIONAL FINANCIAL RESOURCES

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Increase Resources available for domestic investment	I	Create institutional mechanisms to encourage repatriation of Diaspora Funds for Development purposes	Ensure 'in shoring' of funds of nationals abroad in expanding economy of SVG	National Commercial Bank, Credit Unions and Development Bank	More resources available for transformation of economy	Reports of Ministry of Finance

The opening of opportunity for training irrespective of sex and the removal of barriers in the work-place for the employment of women will have a radical impact on the society. It will ensure that women will no longer be limited to low wage islands if they fail to qualify for the professions or for positions in the administrative and clerical cadres of the country. Their take-home pay will be determined by their contribution to the economy, and not constrained by gender. This will also impact man-woman relations and ensure that single headed household are not worse-off for being headed by women.

TABLE 13.17: ELIMINATION OF GENDER SEGMENTATION

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Elimination of Bias against entry of women in certain sectors and occupations	I	Open up opportunity for training to all irrespective of sex	Eliminate gender segmentation in labour market	Ministries of responsible for Education and Labour	Elimination of Business that keep woman into low paying activities in labour market	Reports of Ministries responsible for Education and Training and of Labour

The society has to rekindle the commitment to learning and to excellence in education which was acceptable two or three generations ago. Its human resource base is determined by the willingness of its people to accept the requirements of the knowledge economy. This means the wide engagement of the population at all levels, irrespective of age or station, in knowledge acquisition.

TABLE 13.18: COMMITMENT TO EDUCATIONAL OBJECTIVES

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Rededication of the population to educational objectives and acquisition of knowledge	S	Marketing of Education and ideal of individual responsibility for knowledge acquisition, training, retraining and lifelong education	Ensure high level of participation of population in achieving fullest potential	Ministries of Education and National Mobilisation and NGO Community	Knowledgeable Society committed to being at the cutting edge in many fields	Ministries of Education and National Mobilisation and NGO Community
Educated and technologically equipped labour force		Make link between the skills training and the new targeted areas for economic expansion. Enhance technological skills which lead to the type of employment that attracts "decent wages"			Reduced youth unemployment. Reduced percentage of persons with no certification. Improved quality of education at all levels.	Ministry of Education, Labour Department

The ICT strategy may underpin this approach. Large numbers are likely to respond with the use of the new medium. As suggested by at least one researcher, ICT strategy might underpin the leap-frogging process in Caribbean development (Marcelle, 2003).²⁵

²⁵ Gillian Marcelle, "UNCTAD Regional Conference on ICT Strategies for Competitiveness and Development" Rio de Janeiro Nov 25-27, 2003, accessed at http://r0.unctad.org/ecommerce/event_docs/rio/Presentations/26-11-03/6A/GillianMarcelle.ppt.

13.14 CONCLUSION

St Vincent and the Grenadines will need the assistance of the international community in continuing its efforts at poverty reduction. The Government, through its agencies, has mounted a vigorous programme of poverty reduction the fundament of which is to stimulate the growth of competitive industry and of new export activity. There are a number of agencies in the NGO community that have also been engaged in major programmes, to the extent that their resources allow it.

The crisis of the last eighteen months has created some of the most difficult circumstances witnessed in years, given the precipitous decline in the rate of growth in the international economy. With almost half of the population being measured as vulnerable before the international economic recession reached its trough, many households would have fallen below the poverty line.

The transition through the difficult process of trade adjustment has to continue in St Vincent and the Grenadines in the midst of the crisis. The country will be able to overcome poverty only when it arrives at a sectoral composition that includes industry capable of generation substantial foreign exchange and/or can provide employment for the large numbers currently unemployed or under-employed. St Vincent and the Grenadines will need considerable support in building its platform for growth of competitive industry.

Its poverty challenge is one side of the coin. Unemployment, underemployment and the growth of the underground economy are the other side of the coin. The lure and rewards of the underground economy are damaging to the development of an efficient and internationally human resource base. As the country redoubles its efforts, it will need assistance from the international community in maintaining its social and economic transformation programmes.

Although a small country in terms of population and physical size, it has impacted, and can impact its neighbours and the wider region. In the absence of support, its people are likely to vote with their feet, by way of external migration. Poverty in St Vincent and the Grenadines will not be contained within the country, but will spill over directly or indirectly across its borders. Success at poverty reduction involves regional and international partners.