

FINAL REPORT

COUNTRY POVERTY ASSESSMENT ST. KITTS AND NEVIS 2007/08

LIVING CONDITIONS IN A CARIBBEAN SMALL ISLAND DEVELOPING STATE

VOLUME 1: LIVING CONDITIONS IN ST. KITTS AND NEVIS

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COUNTRY POVERTY ASSESSMENT ST. KITTS AND NEVIS 2007/08

LIVING CONDITIONS IN A CARIBBEAN SMALL ISLAND DEVELOPING STATE

VOLUME 1: LIVING CONDITIONS IN ST. KITTS AND NEVIS

Submitted to:
THE CARIBBEAN DEVELOPMENT BANK

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In collaboration with the
NATIONAL ASSESSMENT TEAMS OF ST. KITTS AND NEVIS

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LIST OF ACRONYMS

ACP	- African, Caribbean and Pacific
AER	- Annual Economic Report
AVEC	- Advanced Vocational Educational Centre
BMCs	- Borrowing Member Countries
CARICOM	- Caribbean Community
CARIFTA	- Caribbean Free Trade Area
CBOs	- Community-Based Organisations
CDB	- Caribbean Development Bank
CET	- Common External Tariff
CFBC	- Clarence Fitzroy Bryant College
COICOP	- Classification of Individual Consumption According to Purpose
CPA	- Country Poverty Assessment
CSME	- CARICOM Single Market and Economy
CSO	- Central Statistical Office
CUBiC	- <i>Caribbean</i> Uniform Building Code
CWC	- Cricket World Cup
CXC	- Caribbean Examinations Council
DFID	- Department for International Development
Dod	- Disbursed Outstanding Debt
E	- East
EC	- Eastern Caribbean
ECCB	- Eastern Caribbean Central Bank
ECCU	- <i>Eastern Caribbean</i> Currency Union
EPA	- Economic Partnership Agreement
FBOs	- Faith-based Organisations
FGT	- Foster, Greer and Thorbeke
FND	- Foundation for National Development
GDP	- Gross Domestic Product
GSKN	- Government of the Federation of St. Kitts and Nevis
HBS	- Household Budgetary Survey
HIV/AIDS	- Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
IA	- Institutional Analysis
IMF	- International Monetary Fund
KCal	- Kilocalorie
LBS	- Pounds

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LDC	- Lesser Developed Country
MDGs	- Millennium Development Goals
MSEA	- Assessment of the Macro Social and Economic Environment
NAT	- National Assessment Team
NGO	- Non-government Organisation
NHC	- National Housing Corporation
NIA	- Nevis Island Administration
NSLC	- National Survey of Living Conditions
OECD	- Organisation for Economic Co-operation and Development
OECS	- Organisation of Eastern Caribbean States
ODA	- Overseas Development Assistance
PPA	- Participatory Poverty Assessment
R&D	- Research and Development
REITs	- Real Estate Investment Trusts
SEDU	- Sustainable Economic Development Unit
SIDS	- Small Island Developing State
SKN	- Federation of St. Kitts and Nevis
SLC	- Survey of Living Conditions
TOC	- Team of Consultants
TOR	- Terms of Reference
UNDP	- United Nations Development Programme
UN	- United Nations
US	- United States
VAT	- Value-added Tax
W	- West
WCS	- Water Closets
WTO	- World Trade Organisation

GLOSSARY OF TERMS

WORD	MEANING
Absolute Poverty	The quantification of poverty involves the aggregation of its occurrence to a single statistic. The absolute measure of poverty is derived from the non-attainment of a criterion level of food and of non-food expenditure. The former is usually set by way of nutritional requirements below which bodily health can be threatened. The non-food component is based on some minimum provision deemed to be socially acceptable.
Developmental Institutions	Institutions that contribute to capacity building and equip individuals and/or groups with the means to grow and expand.
Employment	A person is defined as employed if he/she did any work at all in the past week for at least one hour or was on vacation during that time.
High Dependency Ratio:	This is defined as less than one person of working age for every two persons not of working age in households for the entire population. The percentage of households and the percentage of persons living in those households which qualify on this definition are reported. For all countries the working age was defined as persons over the age of 15 years, no upper limit was imposed on the data.
Indigence Line	This refers to certain basic nutritional requirements for survival. A basket of goods is selected in such a way as to maximise one's nutrient intake at the lowest possible cost. Households unable to meet the cost of obtaining this basket of food items are indigent. The market cost of the basic food basket (the critical poverty line) represents a lower limit of poverty and is the critical poverty line.
Informal Sector	The informal sector according to the International Labour Organisation includes very small-scale units producing and distributing goods and services, and consisting largely of independent, self-employed producers in urban areas of developing countries, some of whom also employ family labour and/or a few hired workers or apprentices; which operate with very little capital, or none at all; which utilise a low level of technology and skills; which therefore operate at a low level of productivity; and which generally provide very low and irregular incomes and highly unstable employment to those who work in it. They

WORD	MEANING
	are informal in the sense that they are for the most part unregistered and unrecorded in official statistics; they tend to have little or no access to organised markets, to credit institutions, to formal education and training institutions, or to many public services and amenities; they are not recognised, supported or regulated by the government; they are often compelled by circumstances to operate outside the framework of the law, and even when they are registered and respect certain aspects of the law they are almost invariably beyond the pale of social protection, labour legislation and protective measures at the workplace.
Insufficient Employment	Basically this concept is defined as the percentage of households or persons in the population living in households where less than one in two adults is employed. There are several aspects to this definition; firstly an adult is defined for all applicable indicators as a person over the age of 15. In practical terms an employment rate for adults is generated for each household, if this rate is less than 50% then the household is said to have insufficient employment.
Labour Force	The total labour force consists of persons who are economically active who supply labour for the production of goods and services during a specified period. It includes both the employed and the unemployed.
Low Asset Base	This is defined as the percentage of households or persons living in those households with less than four out of nine possible common durables. A common durable is a popular household appliance which typically allows the household to derive more than one year of service flow from its use. All durables owned by the households in a country is ranked and the nine most popular ones are determined. An aggregate of the number of the nine most common durables is generated for each household. If this number is less than three the household is deemed to have a low asset base. Common durables generally include but are not confined to the following, stove, refrigerator, television set, radio/stereo, vehicle, telephone, video, computer, electric iron, washing machine, etc.

WORD	MEANING
Low Educational Attainment	This is defined as the percentage of the entire population which has not passed any academic examination. Typically this is derived by reporting the percentage of the population responding “None” to the standard question “What is the highest examination that(you) have passed?” in a frequency distribution of the population by the variable highest examination passed. This is strictly a characteristic which can only be defined for an individual and therefore no measure exists for the household.
Low per Capita Household Consumption	This is the percentage of the population which belongs to households or households with per capita expenditure less than the monetary value of the vulnerability line defined previously.
No Employment	This measure is defined as the percentage of households in the population where the total number of persons employed within the households is zero. The percentage of persons within households with no employed adults is the equivalent persons based measure for the population on this indicator.
No Schooling	This is a measure of truancy and is defined as the percentage of the school age population between 5 to 15 years of age who missed at least one day of schooling of the total available number of days of schooling last week. This is strictly a characteristic which can only be defined for individuals if school age and therefore no measure exist for the household.
Poverty	Poverty refers to any situation in which an individual, or group possesses less than some standard of living that has generally been defined as acceptable. This standard may be determined either on the basis of the material condition of other persons or groups in the society, or on the basis of a measure of the gap between what is possessed and some objective indicator of elementary human need. It is a complex of multiple deprivations.

WORD	MEANING																																	
Poverty Line	A monetary measure of the minimum consumption, in dollar terms, of goods and services that a household should obtain in order to ensure that its basic needs are adequately met. The poverty line, therefore, represents a minimum budget that a household should spend, over a defined period, if it is to meet its basic food and non-food requirements.																																	
Poverty Headcount Index	<p>This is the percentage of the population which lives in households whose adult equivalent per capita consumption falls below the poverty line. In other words it is a measure of the prevalence of poverty. Unlike per capita consumption which is measured at the household level as total household expenditure divided by the number of household members, adult equivalence measures the total number of equivalent adults in the household. In this case each person is assigned based on his/her age and sex a number equal to or less than one using the following scale. The total number of equivalent adults is always less than or equal to the number of persons in the household.</p> <table><tr><th colspan="3">Adult Equivalence</th></tr><tr><th>Age Range</th><th>Male</th><th>Female</th></tr><tr><td>Less than 1</td><td>0.270</td><td>0.270</td></tr><tr><td>1 to 3</td><td>0.468</td><td>0.436</td></tr><tr><td>4 to 6</td><td>0.606</td><td>0.547</td></tr><tr><td>7 to 9</td><td>0.697</td><td>0.614</td></tr><tr><td>10 to 14</td><td>0.825</td><td>0.695</td></tr><tr><td>15 to 18</td><td>0.915</td><td>0.737</td></tr><tr><td>19 to 29</td><td>1.000</td><td>0.741</td></tr><tr><td>30 to 60</td><td>0.966</td><td>0.727</td></tr><tr><td>61+</td><td>0.773</td><td>0.618</td></tr></table>	Adult Equivalence			Age Range	Male	Female	Less than 1	0.270	0.270	1 to 3	0.468	0.436	4 to 6	0.606	0.547	7 to 9	0.697	0.614	10 to 14	0.825	0.695	15 to 18	0.915	0.737	19 to 29	1.000	0.741	30 to 60	0.966	0.727	61+	0.773	0.618
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Poverty Gap Index	<p>This is the mean proportionate distance across the whole population of the poor from the poverty line. It gives a good indication of depth of poverty since it is a function of the distances of the poor below the poverty line. The poverty gap represents the minimum cost of eliminating poverty, using targeted transfers. In other words, if every person below the poverty line is given just enough money to get them above the poverty line the cost would be the total sum of these transfers.</p>																																	

WORD	MEANING
Poverty Severity Index (Foster-Greer-Thorbecke P2 Index) or FGT2	<p>This measure is defined as a weighting of the poverty gaps of the poor based on those poverty gaps. It is defined as:</p> $P_2 = \frac{1}{n} \sum_{i=1}^q \left[\frac{z - y_i}{z} \right]^2 = \text{mean of squared proportionate poverty gaps}$ <p>Z is the monetary value of the poverty line. <i>q</i> is the total number of people who are poor. <i>N</i> is the size of the population. <i>y</i> is the per capita adult equivalent consumption expenditure. To be clear, this measure can be thought of as being composed of two components: an amount due to the poverty gap, and an amount due to the inequality amongst the poor. Expressed mathematically, we have equation below, where CV_p^2 denotes the squared coefficient of variation of consumption/income amongst the poor.</p> $P_2 = \frac{PG^2}{H} + \frac{(H - PG)^2}{H} * CV_p^2$ <p>Though this measure may be hard to interpret, it is able to effectively rank the distributions and indicate which is preferable.</p>
Poor	The poor are those in society who suffer disadvantage in regard to the possession of goods, or facilities deemed to be necessary according to some generally accepted social standard, or some fundamental physical need ¹ .
Poor Access to Safe Water	This is defined as the percentage of household or persons living in those households with no piped water.
Poor Quality Housing	This is defined as the percentage of households or persons living in those households where the toilet is a pit latrine or worse. Typically, this is the sum of the valid percent of households which report that they have a pit latrine, whether or not ventilated or no toilet facilities.

¹ Dennis A. V. Brown, Surveys of Living Conditions, Reported Health and Poverty in the Caribbean: SES, UWI, Mona, 2007 Forthcoming.

WORD	MEANING
Preventative Institutions	These are institutions that perform functions that are preventative in nature; assist in the protection of individuals or groups from risks or vulnerabilities, and from succumbing to particular problems.
Quintile Distributions	This is the division of households in society into five groups. They provide useful data on conditions of households and individuals across the society, and not only on the poor. Such distributions allow insight into the changes that apply as one surveys the socio-economic pyramid and prompt hypotheses on the causative factors involved, and in revealing counter-intuitive findings. Therefore the first quintile refers to the lowest 20 percent of the distribution. Likewise, when reference is made to the highest quintile it is the top 20 percent of the quintile distribution which is being discussed. In the case of this report it refers to the distribution of per capita consumption expenditure.
Remedial Institutions	These are institutions that seek to restore individuals or groups to a state of wholesomeness following their having been subjected, or having succumbed to particular social challenges.
Supportive Institutions	These are institutions with a focus on the provision of assistance to those in need, without necessarily being concerned with their capacity to respond to social and economic challenges on their own.
Unemployment	The unemployed are members of the economically active population who are without work but currently available for and actively seeking work, including people who have lost their jobs and those who have voluntarily left work.
Vulnerability Line	The vulnerability line is 125% of the poverty line; it measures the number of persons who are susceptible to becoming poor due to an unanticipated event such as a natural disaster or other economic shock. Persons who live in households with per capita consumption expenditure below the vulnerability line are said to be vulnerable.

EXECUTIVE SUMMARY

This Country Poverty Assessment (CPA) provides a quantitative and qualitative analysis of Living Conditions in the Federation of St. Kitts and Nevis (SKN). The overall objective of the study was:

- to assess the current conditions affecting the welfare of residents in St. Kitts and Nevis;
- to assess the effectiveness of existing responses of institutions in the country in addressing the poverty situation;
- to identify policies, strategies, and programmes that would reduce the extent and severity of poverty and vulnerability in the country and improve overall quality of life;
- to develop a draft programme of action setting out the strategic options for addressing critical issues emerging from the study; and
- to provide necessary training to members of the NAT in the conduct of poverty assessment.

The study was funded by the Caribbean Development Bank (CDB) in collaboration with the Department for International Development (DFID) and the Government of the Federation of St. Kitts and Nevis (GSKN). A Team of Consultants (TOC) and National Assessment Teams (NAT) on each island worked together in the implementing the project. The TOC trained the NAT in the conduct of CPAs.

THE METHODOLOGY

The CPA was comprised of four (4) core elements:

- An Assessment of the Macro Social and Economic Environment (MSEA);
- An Institutional Analysis (IA);
- A National Survey of Living Conditions (SLC) and Household Budgetary Survey (HBS); and
- A Participatory Poverty Assessment (PPA).

This approach facilitated the collection of both quantitative and qualitative data. The survey was administered to 958 households, representing 6.2 percent of the population. The IA was conducted with the collection of information from interviews with forty-five organizations in St. Kitts and twenty-three in Nevis. Secondary data were analysed also, where available. The organizations represented a range and were drawn from the public, private and NGO sectors that impact directly or indirectly on the lives of citizens and residents.

The PPA involved in large measure focus group discussions with selected communities – ten in St. Kitts and five in Nevis – some of which had been involved in the earlier study done in 1999/2000. While there were challenges in the collection of data from each of these sources, the TOC and the NAT collaborated in containing any negative impact on the study.

ECONOMIC AND SOCIAL CONTEXT

The country has continued on a path of transformation from being a classic plantation economy in the post-emancipation period to a services oriented economy, engaged in participation in the international economy, through tourism and financial services, and to a lesser extent, with export-oriented light manufacturing and information processing. Most of this transformation took place in the last quarter of the 20th century. The country has achieved middle income status and on the basis of the MDGs, has arrived at levels that place it among the better performing countries in the world, in terms of quality of life for the mass of its citizenry.

It has had to withstand a number of crises in the recent past. There is evidence that the change in weather patterns has impacted with a greater frequency and ferocity of major hurricanes and weather episodes. The centuries-old sugar industry had to be wound up: it had become uneconomic as trade protection of its primary export was removed, and it could not adjust to conditions of the late 20th century, let alone the more globalised world of the early 21st century. The attempt to support it had led to the ballooning of public debt.

Light manufacturing was devastated by the technological change, which made export-processing operations increasingly irrelevant. There were also new developments in trade. The Multi-fibre Agreement was terminated and garment production across the world became an open market. The formation of the North American Free Trade Area created a more integrated North American economy with goods able to move easily across the border from cheaper Mexican plants to North America. Arrangements under the Caribbean Basin Initiative no longer created any attractiveness in production operations in the

Federation. The internally traded sectors – Distribution and Commerce, and Construction – rely indirectly on the performance of the foreign exchange earning sectors. As a small open economy, it is the viability of its export sector on which rests sustainable employment, revenue flows to the Government, and thus, public sector employment and transfers, in addition to developments funds required in laying the infrastructure and the platform for growth.

Tourism and Financial Services allowed for an effective and productive participation in the international economy. The country is an active member of CARICOM and of the Organisation of Eastern Caribbean States, which anticipates a deepening of the economic and political relations among member states. The economy showed reasonable growth, but the debt incurred by the Government has made debt management and fiscal operations the focal point of initiatives of the Government. Moreover, the international economic crisis has impacted and is set to impact on the country and its growth prospects in the short-to-medium terms. This is the context in which poverty was measured.

THE FINDINGS OF THE STUDY

The NSLC revealed a **national poverty rate of 21.8 percent** of individuals (across St. Kitts and Nevis). The data by island reveal that the situation is worse in St. Kitts than in Nevis: the headcount index for St. Kitts is 23.7% and the level of indigence is 1.4%, while in Nevis the headcount is 15.9% and the level of indigence is zero. The Gini coefficient of inequality was 0.397, for the country and 0.382 and 0.38 respectively for St. Kitts and Nevis.

In spite of its structural problems, the country has been able to achieve a reduction in poverty and indigence over the last eight years as can be seen in Table I. Although the data are not exactly comparable, social and economic indicators that are incontestable point to an improvement in the quality of life over the period 2000 – 2008. The reduction in poverty can be attributed to a number of factors:

- Poverty reduction has been at the centre of the policy framework of the Government, including in its Adaptation Strategy designed to contain the fall-out from the closure of the sugar industry;
- There was a greater sensitivity to targeting the poor, as evinced in the graduated transfers in respect of school books, school meals and school uniforms;
- Expansion of employment, especially in Nevis, where expenditure on infrastructure, along with a boom in construction for part of the period, and an increase in the room stock in the tourism sector, brought over-full employment in Nevis;

- Remittances, especially to those in the lower income group, in St. Kitts, would have improved the resource base of a number of poorer households.

TABLE I: POVERTY RATES BY ISLAND 2000 AND 2007 COMPARED

Poverty Indicators (2000 and 2007 Compared)	St. Kitts		Nevis	
	%	%	%	%
	Individuals 2000	Individuals 2007	Individuals 2000	Individuals 2007
Poverty Headcount Index	30.5	23.7	32.0	15.9
Indigence Level	11.0	1.4	17.0	0.0

Note: Research design and sampling procedure for the two years reported in this table may vary

There has been a persistence of the phenomenon of the working poor which suggests a challenge to the country in creating sectors that provide better paying employment, and/or in improving the position of its work-force in the international division of labour.

Overall unemployment for the country was 5.1 percent and the majority of the unemployed were in the lowest quintile. Unemployment was higher in St. Kitts than in Nevis. However, there was a perception among the population that: *'A lot of people don't have jobs.'*

There was also the phenomenon of people having to work at more than one job to make ends meet. There was relative fluidity in the labour market and there was little evidence that union presence prevented the clearance of markets at competitive wage rates. According to the survey, remittances accounted for over 30 percent of income of the poorest 20 percent in St. Kitts, but a much smaller percentage in Nevis. Some of those without jobs resorted to informal and underground type activities.

In the latter regard, the proximity to South America, its porous borders and the lack of resources among the security services have meant that narco-trafficking could be conducted with relative impunity. There was segmentation of the formal labour market on the basis of gender. Given that there was substantial investment in housing and in the physical infrastructure, over the period since the last survey, there would have been relative expansion in employment in construction which tends to be partial to the absorption of men vis-à-vis women.

The Tourism sector, and especially the hotel sub-sector, tends to be dominated by women. The sector has been highly volatile. The terrorist crisis in 2001, and the recent Sub-Prime Crisis in the international economy immediately impacted tourism in SKN, let alone the

hurricanes that have hit the island over the period, wreaking havoc with its infrastructure and some of its hotel plant. All this has had differential impact on men and women in the labour market. There seemed also to have been a similar segmentation in the non-legal economy, with men into narco-trafficking and women into prostitution. The high level of teenage pregnancy suggests that a larger percentage of women would start their entry into the labour market faced with greater challenges than men.

In respect of other changes in living conditions between the two surveys, there was evidence that a large percentage of persons owned their own home. Wooden buildings were being replaced with concrete structures. Fewer households depend on pit latrines than before. There has been a 'revolution' in housing. Electrification at the domestic level is almost universal. However, not all have as yet benefited from that revolution.

In respect of education, there was an official thrust to ensure universal enrolment from pre-school to secondary, and considerable strides were being made at pre-primary, which is where there was still a gap to be closed. There were quality issues to be addressed at the secondary level and there was need for a greater number of places by way of remedial programmes as seen in AVEC and Project Strong. While there was wide provision for Adult Education and Training, there was under-subscription as potential beneficiaries put a higher premium on working to make ends meet rather than on self-upgrading through education and training to meet the requirements of the knowledge economy that policy-makers seek to build.

In respect of health, the country has a primary health system that provides basic services to the vast majority of the population. Secondary care services are being upgraded. Primary care is basically free, and while there are fees for secondary care, they are low, with children and the elderly exempt. Tertiary care has to be sought abroad, and the state may assist on a case-by-case basis. The health challenge for the society is in respect of lifestyle diseases and HIV/AIDS. Obesity is a major problem, with children presenting with this condition.

Crime is a problem and the sense of insecurity pervades the society.

'Nobody safe anywhere'

'Crime out of hand.'

Gang activity had reached the schools.

'He carrying weapons to school.'

The poor were also more likely to be victims of bodily harm than the non-poor. There seems to be a considerable level of inter-personal violence among the poorer sections of the society. There was also a lack of confidence in the justice system, which explained a reluctance to report crime among some sections of the society.

On the matter of the environment, there was continuing vulnerability among the poorer sections of the society, given the state of housing, and the slow process in upgrading to the recommended code for Caribbean conditions which require that buildings should be able to withstand a Cat 3 hurricane, or higher.

There was a gender dimension reflected in poverty. This was evident in the labour market, in differential treatment of men and women by some sections of the state, and in coping strategies in the face of poverty by women as compared to men, and in second chance training and education. The traditional power relations in which men exercised power over women, are still in evidence in the society.

“Men want to control and put restriction on you, they feel they in charge because they bringing in the money.”

Some of the key poverty and vulnerable indicators are listed in Table II.

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

TABLE II: KEY VULNERABILITY INDICATORS ST. KITTS AND NEVIS, 2007

Indicator of Vulnerability	St. Kitts		Nevis		St. Kitts and Nevis	
	% households	% individuals	% households	% individuals	% households	% individuals
Poverty Headcount Index (Adult Equivalent)	14.8	23.7	10.1	15.9	13.5	21.8
Indigence Level (Adult Equivalent)	1.1	1.4	0.0	0.0	0.6	1.0
Low adult equivalent household consumption (below 125% of poverty line)	24.5	37.8	19.9	28.8	23.8	35.6
Low educational attainment (defined as an adult not having passed any school examination)	n.a.	21.5	n.a.	45.2	n.a.	39.2
No schooling (school age children not attending school last week for at least one day)	n.a.	9.4	n.a.	6.6	n.a.	9.0
No employment (no adult employed in the household)	13.9	6.7	15.3	7.1	14.4	6.8
Insufficient employment (less than one in two adults employed in the household)	19.4	15.9	18.5	11.5	19.1	14.6
Unemployment Rate		6.3		1.5		5.1
High dependency ratio (less than one person of working age for every two persons not of working age)	12.6	10.3	8.9	9.8	11.7	10.2
Poor access to safe water (if no piped water)	4.2	2.9	3.0	1.5	3.9	2.6
Poor quality of housing (toilet is a pit latrine or worse)	8.6	7.5	11.7	9.5	9.4	7.2
Low asset base (whether household has 3 or less out of 9 possible common durables)	14.4	12.6	15.7	8.3	14.8	11.5

The three investigating tools in the CPA – SLC, PPA, and the IA – produced broadly complementary results, and showed few contradictions. This can be seen in Table III at the end of this Executive Summary, which provides in brief, a triangulation of the three in respect of selected issues.

Poverty reduction can be seen as comprised simply of two main components:

- A capacity building or investment component; and
- A transfer component.

The economic strategy pursued by the Government has been guided by its Adaptation Strategy which has been prompted by the need to adjust for the closure of the sugar industry which was at the centre of the economic life of the country barely a generation before. It envisages expansion of the tourism sector, a deepening the involvement of the country in offshore financial services, the adoption of information and communication technology, the diversification within agriculture and support for all of the above with human resources development and infrastructure that can facilitate economic expansion.

The country has developed and/or expanded on programmes designed to treat with groups at risk. While there are a few gaps, and there may be need for improved targeting in a few selected areas, most of the areas of vulnerability are being addressed by the programmes in place.

A recent report on the host of measures demonstrates their reach and scale, which are impressive, by any standard.² Moreover, the data generated in this study, especially in the SLC, show that targeting has been in the right direction. The lower quintiles were more likely to have secured benefits from school meals, text books, uniforms, and other school related services than the higher quintiles. Both islands are well supplied with agencies, some of them performing excellently, including among the NGO sector.

CONTINUING POVERTY REDUCTION IN THE FACE OF CRISIS

Domestic resources for embarking on a wider remit for poverty reduction are limited by the fiscal crisis in which the country finds itself. In the short term, the Government will need to improve the efficiency of delivery system: this might be one of the few areas of latitude. As far as is possible, the thrust of its programmes will need to be developmental,

² See Greaves, Lavern, 'Strengthening Social Inclusion through Social Guarantees: A Case Study of St. Kitts and Nevis,' http://siteresources.worldbank.org/EXTSOCIALDEV/Resources/3177394-1168615404141/3328201-1192042053459/St_Kitts&Nevis_FullReport.pdf?resourceurlname=St_Kitts&Nevis_FullReport.pdf

within the constraint of resource limits. Inevitably, the measures that need to be developed are cross-cutting and involve a range of stakeholders and agents.

The measures proposed seek to keep the country focused on its developmental path, while at the same time addressing vulnerability and risks faced by people in a small state. Some of the more important measures include the following, starting with the first eight, to which the highest priority should be accorded:

1. ***Constitution Reform:*** The completion of the process of Constitution Reform should allay any source of tension in administration and governance over and between the two islands. There is need to ensure full partnering between the two islands in the development process.
2. ***Managing Reduced Employment:*** There may be need for job-sharing and special employment programmes in the face of the present economic crisis: the support of the social partners will be required.
3. ***Promotion of Domestic Entrepreneurship:*** A high premium should be set on the involvement of nationals in the growth industries of SKN and avoid its absolute marginalization and relegated to the posture of small and micro-business in the effort to attract foreign capital.
4. ***Development of Agriculture and Fisheries:*** Food security needs, diversification and new export possibilities can be addressed by training young people to enter agric-business and commercially oriented fisheries: sustainable and rewarding employment can be created with a focus on the domestic market and with the possibility of linkage of agricultural output to the hotel and restaurant sector based on tourism.
5. ***Upgrading Infrastructure for Climate Change:*** There is need to initiate a general process of retrofitting for climate change across a wide swathe – housing, public buildings, physical infrastructure, sea defences.
6. ***Social Protection:*** Programmes need to be continued: access to Early Childhood Care and Pre-Schools should be universalized; other risk groups need to be kept in focus – the elderly, teenage pregnant girls, persons with disabilities, drug abusers, and marginalized youth.
7. ***Protection of Purchasing Power of Transfers:*** Public assistance and other similar transfers to protect beneficiaries from the ravages of inflation.
8. ***Combat Drug Trafficking and Formation of Gangs:*** There is need to improve policing and mount a robust programme against drug trafficking, and to develop social programmes to resocialise youth at-risk.

9. ***Improved Community Participation:*** Maximum community involvement is likely to contribute to the improvement of the quality of life, by tapping resources that would have remained dormant otherwise and would ensure greater participation of residents in their own affairs.
10. ***Improved Domestic Participation in Tourism:*** There should be a thrust to promote boutique establishments run by locals, but which display an up-market orientation; there will be need for training of such operators in addition to those who would work in ancillary areas.
11. ***Creation of Enterprise Culture:*** There is need to prepare nationals to grow the economy of the country as attempts are made to diversify. The strong cooperative ethos in Nevis can be the base for new business endeavours.
12. ***Updating Minimum Wages:*** There is need to protect defenceless workers from the most exploitative employers, without triggering wage inflation or raising the reservation wage to levels where it creates unemployment.
13. ***Expanding Housing:*** There is need to mobilise more resources for housing through a housing bond such that first time home owners can receive a premium for funds saved towards their first home: in addition to improving the saving rate, the measure mobilises resources for continuing an important strategy of social upliftment, let alone providing employment.
14. ***Environmental Management:*** There is need for greater commitment to restoration and conservation where human intervention or natural forces threaten to depreciate the natural capital of the country: this would require the adoption of radical approaches to managing waste. There is also need to inculcate in the population a sense of responsibility for protection of the environment.
15. ***Expansion of Opportunities for Continuing Education and Training:*** There is need to market education and training among the labour force, and inculcate a commitment to lifelong education and training among the population, thereby giving the country the base for expansion in the knowledge driven economy of the 21st century.
16. ***Promotion of Wellness:*** There is need to combat chronic disease by marketing wellness to enlist the population in responsibility for life style behaviour consistent with maintaining good health: this will impact the costs of secondary and tertiary care, and improve productivity.
17. ***Promote Community Development:*** Community Development must take account of changing social structures in the society, including the inflow of workers from within the Caribbean and foreigners from further afield: effective community

development can also contain the listing to criminal behaviour evident in some communities.

18. **Raising of Retirement Age:** The decline in the birth rate and the change in the demographic profile of the population makes it obligatory that the country raise the retirement age.
19. **Development of REITs:** There is need to ensure a continued involvement of the domestic population directly and indirectly in the high end real estate of the country, through the development of REITs in which the state plays a role on behalf of the population.

THE GOVERNMENT

The redoubling of efforts at poverty reduction will need to be informed by new perspectives in the approach of the Government and will require support from the international community. For its part, there is need for the Government to address the following:

- **Targeting:** The Government will need to identify areas in which there can be better targeting of its transfer budget. While there has not been much evidence of excessive flows to those least in need, better targeting will allow for the elimination of errors in social targeting. Integrated delivery of services can be supported with coordination among agencies, with an electronic backbone, allowing the State to track beneficiaries and avoid situations where beneficiaries secure more than is necessary to treat with their specific challenge.
- **Efficiency in Government:** There is some evidence that there are areas of the public sector where efficiency norms are below par, or bureaucratic procedures are not facilitative. The establishment of a business can involve months in processing through the relevant authorities. Poor educational performance of students in the secondary sector may not be due entirely to their domestic circumstances but may be related to the level of commitment of teachers in the discharge of their responsibility. Productivity improvement in Government is very important in maximising what can be achieved in a situation of resource constraints.
- **Modes of Thought:** There are socio-psychological issues that need to be addressed by the national community led by the Government that can result in a shift in the production possibility of the country. While it may not be costless, the resources to be allocated need not be very great. Community self

actualisation will liberate and garner energy for people in their communities to engage in programmes that they themselves create.

Individual self-actualisation can result in more adults taking advantage of the range of programmes already in place for upgrading and education, and enlist greater commitment to learning and life-long education which is the sine qua non for the society becoming an active participant in the knowledge economy of the 21st century. The approach to wellness has a similar base in terms of orientation of the society to key issues.

Change in modes of thought applies to the public service as well. In that regard, they are competing with comparable officials in the rest of the world. The better they are at their task, the more likely is SKN able to compete successfully, and create sustainable employment for its people.

CIVIL SOCIETY

There is evidence that NGOs and CBOs have made an important contribution to social and economic life of the country. Their presence allows for the achievement of objectives and the implementation of measures that Governments are unable to accomplish. The country is the richer for having the Pathfinders or the Molineux Youth in Action Club, in St. Kitts or the Change Centre and the Asociacion de Dominicanos in Nevis. It behoves the Government to work closely with such organisations in assisting in the process of social integration, and in securing the involvement of groups, which might be otherwise marginalised. Civil society organisations can prove to be critical partners in the development process.

INTERNATIONAL COMMUNITY

The Government of the Federation needs the support of the international community in addressing the problems with which it is faced. Its fiscal constraints and the difficulties involved in shifting its economic base to a more diversified and robust structure cannot be overcome in short order. There are a few areas for focused assistance of the international agencies. The list includes:

- **Distance Education:** An infrastructure for Distance Education has to be laid to allow the entire society to become engaged in upgrading and continuing education. The small size of the population militates against the establishment of viable programmes in some fields that are vital to the development of the country. Long term arrangements with an institution or institutions abroad may afford the people of the Federation access to some of these programmes.

- **Training Abroad:** The preparation of nationals to function as owners of boutique establishments and at senior levels at the major hotel operations in the country would require formal training in institutions abroad as well as attachments in organisations where sophisticated operations can be observed. This will open a mobility channel for citizens of the country in the field of tourism. In addition, the country needs assistance to send annually a number of nationals for training at Schools of Agriculture and Fisheries to acquire technical knowledge and technical skills in Agri-Science and Fisheries.
- **Land Reform:** The issue of land reform is fraught. The challenge is to arrive at an approach that allows the process to fulfil a number of competing objectives, including the provision of land for productive agriculture, for housing and for tourism, the observance of social equity in the distribution of land and the management of alienation of lands to non-nationals such that the country does not succumb to major social tensions between the national population and richer foreigners.
- **Design of REIT:** The design of a viable REIT that allows the state to participate, on behalf of the population, in the management of the land resources, and in retention of a substantial percentage of the land in domestic control is a delicate but technical issue. There will be need for technical assistance to assist the Government in this regard. A REIT with state participation can be the vehicle in which funds from nationals including persons in the Diaspora, can be available to 'privatise' land, with the retention of a significant national presence.

Upgrading Security: The country has witnessed unaccustomed levels of violence, which is purportedly related to its incorporation into the international narco-trafficking industry. Young men have been attracted to the flamboyant life styles and material display by drug-lords. The Police and Internal Security System need upgrading with technical resources for detection and fighting crime, and for interdiction of imported drugs for the domestic market and for transshipment to the markets of the North Atlantic for which most of it is destined. External resources and technical assistance are required in laying the physical and other components of the security infrastructure.

- **Economic Partnership Agreement:** The country has to prepare quickly to manage the impact of the Economic Partnership Agreement with the European Union, and to organise itself to secure whatever advantages apply. There is need for technical assistance to the Government for this assessment, with the main objective being the preparation of the population to engage from a position of

being active agents in their own cause, rather than being incorporated in programmes designed elsewhere, in which SKN derives only residual benefits in the value chain.

- **Review of Tax System:** The Government is committed in principle to the introduction of VAT as a substitute for a range of indirect taxes that have been in place and which are not necessarily efficient or elastic. There has been a deep antipathy to direct taxes, although the levy introduced through Social Security is a form of income tax. The Government and the country should benefit from a review of the entire tax structure, with special regard to ensuring a more progressive system of taxation. Technical assistance may be required to support this effort.
- **Inter-Island Fiscal Equity:** The two islands that form the Federation have experienced some differences in their rates of transformation. The existing fiscal arrangements may not always ensure equity in results from the effect of policies implemented by the Federal Government and the NIA. There is need for technical assistance to the two levels of Government such that the approach to fiscal federalism results in equitable arrangements between the two levels of governments.

SKN has made major strides in poverty reduction in the course of the first decade of the 21st century. However, the Government faces severe constraints, and will continue to be challenged in the short to medium term in undertaking much by way of poverty reduction through social transfers. Poverty reduction through the expansion of the productive base will take time in the context of a world economy in decline. SKN will need the assistance of the international community in the short term in its efforts to continue the process of poverty reduction, even as it mobilises as much as it can in terms of domestic resources for the purpose.

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

ST. KITTS

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Extent of Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 23.7 percent. St. John accounted for the largest percentage of the poor (20.9%) followed by St. George Basseterre W (18.0%). 	<ul style="list-style-type: none"> Poor living conditions and social problems in most of the communities studied in the PPA 	<ul style="list-style-type: none"> Department of Social and Community Development involved in provision of social welfare and public assistance in face of poverty among persons at risk.
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: 30.9 percent of residents felt that conditions had worsened compared to a year ago. Only 25 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> Of the 10 communities where PPA research activities were undertaken, residents in 6 communities felt that they were poor, residents in 2 felt they were better off and residents in 2 other communities felt that they were not poor. <i>"We rich in housing, but poor when we look at the rest of stuff."</i> <i>"Because they live in a large house with electricity, don't mean they rich."</i> 	<ul style="list-style-type: none"> Department of Social and Community Development, Early Childhood Unit, and NGOs – Salvation Army, Rotary Club, Nyabinghi Order undertake interventions among the poor.
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 6.3 percent of labour force participants were unemployed. The unemployment rate in the lowest quintile was 18.4 percent. The mean number of hours worked in the reference week by those in the lowest quintile was 37 hours. For those in the highest quintile it was 41 hours, and the average was 39 hours for the island. (underemployment is defined as working less than 35 hours per week) 	<p><i>Some of the sentiments expressed by participants include:</i></p> <ul style="list-style-type: none"> <i>"Unemployment is a big problem since the industry close".</i> <i>"Females can't look for jobs on construction sites they have no privacy to ease themselves."</i> <i>"A large amount of people unemployed, they can't find a job."</i> <i>"Before talking about unemployment, you need to look at crime, violence and education."</i> <i>"I have skills, I apply but they tell me no jobs available, but the same day they hire a foreigner who willing to work for less."</i> 	<ul style="list-style-type: none"> Labour Commissioner Office monitors labour market and seeks to create institutional arrangements to balance supply with demand for various types of labour. Minimum wage has been updated in November, 2008, to protect vulnerable workers. Labour Commissioner's Office involved in labour inspection. National Skills Programme in place to promote upgrading of work-force. Ministry of Sustainable Development creating framework for growth through Adaptation Strategy in post-sugar economy. Range of organizations contributing to job creation including through provision of support for micro and small business – Development Bank, SEDU, FND.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Education and Training	<ul style="list-style-type: none"> Highest Grade completed: 17.4 percent of the labour force had attained only primary level education and 59.7 percent had a secondary (1-5) level education. 	<ul style="list-style-type: none"> Many of the household heads interviewed have only had a primary education. Communities admitted to indifferent participation of large sections of youth in evening programmes. 	<ul style="list-style-type: none"> A number of Adult and Continuing Education programmes exists through the Ministry of Education.
Training	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Participants recognised the importance of education and training in escaping poverty. Concern of older ex-sugar workers in having to seek employment in different field and in locations seen to be alien to what they were accustomed to. 	<ul style="list-style-type: none"> Project Strong most pathbreaking in treating with training of youth-at-risk. National Skills Programme and Youth Skills Programme in place to allow for work-force upgrading. BNTF supported training of ex-sugar workers. Department of Youth runs outreach programmes to inculcate positive values among youth-at-risk.
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> 11.4 percent of males and 15.3 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. Most persons choose to visit a public hospital, a health centre or a private doctor/dentist for medical attention on account of illness. Generally, persons were satisfied with the treatment they received at the place where they sought medical attention (98.2 percent of respondents). 25.5 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> There was a high incidence of lifestyle diseases (such as <i>diabetes and high blood pressure, prostate cancer among males and a few cases of HIV/AIDS</i>) among both male and female residents in all of the communities studied. <i>"We do not have cancer and AIDS in Bath."</i> <i>"The way people behaving can lead to AIDS."</i> 	<ul style="list-style-type: none"> Universal access to primary health care guaranteed by Ministry of Health through health centres in easy reach. Community Health focus being adopted by the Ministry of Health to manage life style diseases. Formulary in place for diabetics and hypertensives. National Advisory Commission involved in advocacy on HIV/AIDS. The Red Cross runs a support group for persons with HIV/AIDS. Official recognition of need for National Health Insurance but not much by way of implementation. There is free AIDS testing as well as free anti-retrovirals.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> Remittances constituting over 30 percent of income of those in the lowest quintile in St. Kitts and 12 percent for population of St. Kitts. 	<ul style="list-style-type: none"> For several people in some of the communities remittances from relatives overseas contribute to their financial well being. 	<ul style="list-style-type: none"> Personnel in institutions recognised importance of remittances in managing difficulties at level of household.
Physical Living Conditions	<ul style="list-style-type: none"> Just over 86 percent of households had supply of water seven days per week. 93.2 percent of the population has access to electricity from a public source, and in the lowest quintile, 94 percent used electricity. The vast majority of households used Gas/LPG for cooking: 96.2 percent of those in the lowest quintile using this fuel. Only 1.1 percent of households used coal or wood. 	<ul style="list-style-type: none"> <i>Participants cited alternating bills as a form of coping with unemployment and poverty: "I alternate the bills, I may pay electricity this month, and leave the water."</i> 	<ul style="list-style-type: none"> Affordable Housing Programme provided by the Government, through housing agency. St. Kitts Cooperative Credit Union involved in the provision of mortgages to members. BNTF providing community facilities in poorer communities. Electricity Corporation, Telephone companies, Ministry of Public Utilities involved in reach of their services to the vast majority of the population.
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 4.4 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> Residents in some communities where PPA research activities were undertaken were concerned about crime: gambling, the sale, use and abuse of illegal drugs, violence and gang warfare. <i>"When I pull the gun everybody respect me."</i> 	<ul style="list-style-type: none"> Ministry of National Security and Social Development limited in response to crime situation. Saddlers Collaborative Interest Group, CBO seeking to reduce violence in the community

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Teenage Pregnancy	<ul style="list-style-type: none"> 42.2 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 62 percent in the lowest quintile to 19.4 percent in the highest quintile. 4.7 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"> In seven of the ten communities in St. Kitts where PPA research activities were undertaken, residents noted that teenage pregnancy was a major social problem. 	<ul style="list-style-type: none"> Ministry of Education assures the right of teenage mothers to return to school if interested.
Gender Inequality	<ul style="list-style-type: none"> There is evidence of segmentation of the labour market 	<ul style="list-style-type: none"> Women referred to the easier access of men to available employment. 	<ul style="list-style-type: none"> Ministry for Gender Affairs and Labour Commissioner committed to gender equity, but legislative arrangements to support gender equity still limited.
Natural disaster	<ul style="list-style-type: none"> n/a 		<ul style="list-style-type: none"> The Red Cross, which works closely with NEMA in times of disaster, distributes supplies to victims of natural disasters.
Democracy and governance	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> Some participants at PPA research activities clamour for greater say in management of community facilities 	<ul style="list-style-type: none"> Constitutional Reform on the agenda Two party system in place allowing competing agenda to be put to the population
Economic and social structural change and poverty reduction	<ul style="list-style-type: none"> Poverty and indigence levels have decreased on basis of indicators. 	<ul style="list-style-type: none"> Some participants admit that some services have improved e.g education and training 	<ul style="list-style-type: none"> Ministry of Sustainable has Adaptation Strategy in place to deal with fall-out from Sugar Industry. FND, Development Bank and credit to SMEs.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Current policies and programmes in social protection	<ul style="list-style-type: none"> The school feeding programme was available at the schools of 66 percent of students. 	<ul style="list-style-type: none"> In the ten communities where PPA research activities were undertaken, residents felt that efforts were being made to increase the number and quality of services available to people in poor communities, especially in education and health. Though several residents were of the view that the government was not effective or not doing anything (<i>"Government not doing anything here."</i> <i>"I don't know what they doing."</i> <i>"As long as government involve it will go nowhere, they only care about de money not de people."</i> <i>"We can't depend on government to do anything for us"</i>) they did note that there were NGOs whose work was making an impact on communities-supportive and remedial. <i>"Leaders' ears are clogged, they not listening to poor people."</i> 	<ul style="list-style-type: none"> The Ministry of Education collaborates with the Ministry responsible for Social Development in meeting the needs of poorer student (school meals, textbooks, and uniform assistance). Social Development provide support to poorer households. Ministry of Community and Gender Affairs, Salvation Army, St. Vincent de Paul, Early Childhood Education Unit,

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Nevis

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Extent of Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 15.9 percent. St. John had the highest percentage of the poor (39.3) followed by St. George (19.7%). 	<ul style="list-style-type: none"> <i>"I don't consider myself poor, I get food every day."</i> <i>"Once you happy it makes no difference if you poor or rich."</i> 	<p>Division of Social Services in Nevis recognises social problems among households and communities in Nevis even if poverty not extreme..</p>
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: 22.3 percent of residents felt that conditions had worsened compared to a year ago. Only 7.5 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> <i>"Poverty is not having enough to meet your basic needs."</i> <i>"When you hungry and have nothing to eat."</i> <i>"Being poor is when you can't afford to pay electricity and water bills."</i> <i>"Once I wake up and can get what I want I don't feel poor."</i> <i>"I poor but I quite satisfied."</i> <i>"A satisfied mind is important."</i> <i>"I poor but I happy."</i> <i>"I not poor I cool."</i> 	<ul style="list-style-type: none"> Division of Social Services has range of services available. The Change Centre involved in limited service to abused women and children. Asociacion de Dominicanos assisting members of group in social integration.
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 1.5 percent of labour force participants were unemployed. The unemployment rate in the lowest quintile was 3.2 percent. The mean number of hours worked in the reference week by those in the lowest quintile was 36 hours. For those in the highest quintile it was 43, and the average was 40 for the island. 	<ul style="list-style-type: none"> Unemployment appears to be relatively low in the communities studied. Residents in one community were of the view that they did not have equal opportunities to obtain employment even though they were aggressive in seeking jobs as well as qualified for jobs they sought. Some immigrant women engaged in prostitution to make ends meet. 	<ul style="list-style-type: none"> Up until closure for repairs Four Seasons Hotel was major private employees and employer of choice. Contractors Association faced shortage of skilled workers.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Education and Training	<ul style="list-style-type: none"> Highest Grade completed: 21.9 percent of persons had only reached up to primary level education and 51.9 percent had reached the secondary (1-5) level. 	<ul style="list-style-type: none"> In communities, it was noted that several children were not taking advantage of or benefiting from formal education. 	<ul style="list-style-type: none"> The Ministry of Education has had to face overcrowding of schools in Nevis and an influx of immigrant children, along with negative social pressures of mounting crime and violence that has reached the school system. Officials in Education showing concern over the performance in the school system Dyslexia Association providing information and engaged in advocacy in Nevis.
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> 15 percent of males and 18.4 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. Most persons choose to visit a public hospital, a health centre or a private doctor/dentist for medical attention on account of illness. Generally, persons were satisfied with the treatment they received at the place where they sought medical attention (over 96 percent of respondents). 39.2 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> <i>"Poverty has given me diabetes."</i> 	<ul style="list-style-type: none"> Basic health care services are available in Nevis through the six health centres on the island.
Remittances	<ul style="list-style-type: none"> Remittances accounted for 8.2 % of total reported income in Nevis. 	<ul style="list-style-type: none"> Residents in some communities where PPA research activities were conducted did admit to receiving remittances from abroad: <i>"People away send us money."</i> 	<ul style="list-style-type: none"> Nevis Credit Union has members abroad sending savings home.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Physical Living Conditions	<ul style="list-style-type: none"> 82 percent of households had supply of water seven days per week. 88.9 percent of the population has access to electricity from a public source, and in the lowest quintile, over 92 percent used electricity. The vast majority of households used Gas/LPG for cooking 	<ul style="list-style-type: none"> On the whole, in all of the communities, housing is much better now than it was five or ten years ago. There was however evidence of poor housing. In all of the communities residents have access to public utilities like electricity and telephones. Of the interviews conducted with 20 heads of households, the majority had water piped into the house, baths and toilets, electricity and telephones and electric appliances and used gas for cooking, and a few had a computer, washing machine and microwave. Only two had bathrooms outside and used pit latrines. <i>"No water, no lights."</i> 	<ul style="list-style-type: none"> Nevis Credit Union involved in mortgages in addition to support of NIA in housing.
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 1.9 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> Residents in all communities were concerned about the increase in crime and several said that the safety of their communities was threatened. <i>"The community not safe as before."</i> <i>"You can't take chances to walk out at night."</i> 	<ul style="list-style-type: none"> Intervention attempted by Departments of Education and Social Services in respect of gangs in schools.
Teenage Pregnancy	<ul style="list-style-type: none"> 37.2 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 47.8 percent in the lowest quintile to 31.2 percent in the highest quintile. 	<ul style="list-style-type: none"> In 4 of the 5 of the communities on Nevis where PPA research activities were undertaken teenage pregnancy was reported as a major social problem. 	<ul style="list-style-type: none"> NIA ensures access to education and the return of teenage mothers to school after birth of babies. Nevis Christian Council opposed to return of mothers to schools.
Economic and social structural change and poverty	<ul style="list-style-type: none"> Poverty and indigence levels have fallen. 	<ul style="list-style-type: none"> Residents in the communities studied in the last CPA felt that there had been significant changes since then, with improvements in infrastructure, housing, schools, health centres, community centres, public baths, shops and supermarkets. 	<ul style="list-style-type: none"> Division of Social Services has pulse on social issues in Nevis.

COUNTRY POVERTY ASSESSMENT

St. Kitts and Nevis, 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Current policies and programmes in social protection	<ul style="list-style-type: none"> School meals: 74.3 percent of children received a meal/snack from the school service. 36.7 percent of those who received meals were not required to pay for such. 	<ul style="list-style-type: none"> According to residents, the government has initiatives to alleviate poverty included housing projects, social and welfare programmes, home help for the elderly, employment opportunities and job creation programmes. Also, there were many NGOs, and CBOs operating in the communities. 	<ul style="list-style-type: none"> Change Centre, Asociacion de Dominicanos, Community Health Nurses, Flamboyant Nursing Home all engaged in different interventions in support of groups at risk.

SECTION I

FRAMEWORK AND METHODOLOGICAL APPROACH

CHAPTER 1

BACKGROUND AND INTRODUCTION

1.1 BACKGROUND

This Country Poverty Assessment (CPA) provides a quantitative and qualitative analysis of Living Conditions in the Federation of St. Kitts and Nevis (SKN). The overall objective of the study was to assess the current conditions affecting the welfare of residents in St. Kitts and Nevis; and to identify policies, strategies, and programmes that would reduce the extent and severity of poverty and vulnerability in the country and improve overall quality of life.

CPAs are generally utilized in the design of poverty reduction strategies such as Social Investment Funds (in Belize, Jamaica and Trinidad and Tobago), Rural Enterprise Development Projects (in Belize, Dominica, Grenada and St. Lucia) and Human Settlements Projects (in Belize and Grenada). The results of similar studies have also guided the reform of social policies and informed the redesign of social projects in the education, agriculture and health sectors in various Borrowing Member Countries (BMCs).

The study was funded by the Caribbean Development Bank (CDB) in collaboration with the Department for International Development (DFID) and the Government of the Federation of St. Kitts and Nevis (GSKN). The CDB has funded a number of similar studies in more than a dozen BMCs over the last decade and a half, including an earlier similar study in SKN in 1999.

1.2 DEFINING POVERTY

The first task is to clarify what is meant by poverty. One of the most important observations that can be made about poverty is that it is a multidimensional phenomenon. This makes its measurement and study somewhat problematic. Most definitions of poverty focus on the notion of material deprivation, which accords with commonsense or layman's understanding of the phenomenon. From the time of the pioneering work of Booth (1887)³ among the working class of 19th century Britain, and then of Rowntree (1902)⁴, to the work of the World Bank (2000) in the last quarter of the 20th Century, defining poverty in terms of material deprivation has been the most popular approach.

³Booth, Charles. (1887). "The Inhabitants of Tower Hamlets (School Board Division), Their Condition and Occupations," *Journal of the Royal Statistical Society*, Vol. 50, pp 326-340.

⁴Rowntree, B. Seebohm. (1902) *Poverty. A Study of Town Life*. London: MacMillan and Co. 2nd edition.

Most studies tend to define poverty in terms of existence below an *absolute* state of material existence, usually demarcated by a *poverty line* (Orshanky, 1965; Henry, 1975, World Development Report, 1990). This poverty line is comprised of an *indigence line* based on minimum food requirements and an allocation for other material requirements – clothing, shelter, etc to arrive at an *absolute poverty line*. But over time, poverty has come to be understood as comprising many more facets than this simple notion of economic or material deprivation, and includes a lack of access to basic social services (especially education and health), exposure to risk, voicelessness, and powerlessness (World Development Report, 2001⁵). This wider conceptualisation of poverty is important if we are to study its causes and impact, since the various aspects interact and reinforce each other in important ways, but even with these modifications, the definition remains cast in absolute terms.

The relative approach to poverty introduces a vital consideration in the conceptualization of poverty, namely the lack of the resources required to participate in activities and enjoy living standards that are customary or widely accepted in a particular society (Townsend, 1979). Here concern is with how people are doing *relative* to others in their society and how the society as a whole is doing over time.

For the purpose of this study, people are said to be living in poverty if their resources are so inadequate as to preclude them from having a standard of living established by a poverty line.

The components of the poverty line may include items or factors deemed acceptable by society at a particular point in time. This means that there is some elasticity in definition, which makes it inevitable that there will be debate as to what constitutes poverty. At best, there is now convention as to what can be used over time and space.

We define as poor, those persons who live in households that are consuming at levels below an estimated minimum acceptable standard, based on widely accepted (though still controversial) techniques. We take the multidimensional and relative nature of poverty on board by delving deeper into an analysis of the socio-demographic characteristics and life experiences of those defined as poor on the basis of the estimated poverty line. In this way, the views of the poor, the assets that they possess, their access to opportunities and the change of these over time within the society are also captured and discussed.

⁵<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/0,,contentMDK:20195989-isCURL:Y~pagePK:148956-piPK:216618-theSitePK:336992,00.html>

The study thus goes beyond an estimation of the poverty level (rate) to consider other factors of interest including the structure and functioning of the labour market, physical living conditions, gender-bias and issues affecting the youth, education and health profiles of the resident population, and social networks.

In sum, while (as the title of the report suggests) poverty is the central theme in the report, it is the well-being and quality of life of the entire society with which we are concerned. This approach would be more useful in developing a relevant social policy and investment strategy to tackle poverty in SKN.

1.3 TERMS OF REFERENCE

The study analyses the situation of living conditions, and explores the processes and conditions that explain the persistence of poverty in a nation state such as SKN. These include the social, economic, cultural and geopolitical factors that together affect the conditions under which people live. The study seeks to:

1. Establish the level of poverty in the Federation;
2. Identify the causes of poverty and the groups most affected; and
3. Develop a programme of action with strategic options for mitigating poverty.

The specific terms of reference can be seen in Appendix I of this document.

1.4 OUTPUT

The report culminates in a draft Programme of Action which sets out strategic options for addressing critical issues emerging from the research and outlines proposals for broad improvements to existing social development programmes and investment projects, to strengthen or enhance the effectiveness of Government, NGO and CBO efforts, to sustainably reduce poverty.

The Programme of Action includes:

- (i) suggested poverty-reduction targets which reflect the international and regional development targets (in education, health, population, shelter, informal sector, communications, water and sanitation);
- (ii) suggested programmes, policies, institutional reforms and the requisite resource requirements for achieving the suggested targets within specified time frames;

- (iii) an identification of geographic areas and population sub-groups of highest priority for poverty reduction; and
- (iv) recommendations of technical assistance and investment projects which should be considered as a priority.

1.5 THE PARTNERS

The Caribbean Development Bank (CDB), as the primary agency with oversight of the Study, reviewed the work of the Team of Consultants (TOC) and monitored delivery to ensure consistency with the Terms of Reference (TOR).

The Government of the Federation of St. Kitts and Nevis (GSKN) co-funded the Study and exercised additional responsibilities, including:

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

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

The National Assessment Teams (NATs) were the executing agencies acting on behalf of the GSKN. Having regard to the special relationship between the islands, separate National Assessment Teams (NATs) were appointed for St. Kitts, and for Nevis. Each NAT was led by a coordinator, and comprised a core of persons from the public and private sectors. NAT included such agencies as the Department of Statistics, the Ministries of Social Development, Education, Health, Economic Development, and Planning, as well as NGOs, CBOs and FBOs. 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 SKN 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 Team of Consultants (TOC), held primary responsibility for effective project management and for ensuring that all output was 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 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 CDB;

- 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;
- h. Preparing reports for consideration by the countries and CDB as specified in the TOR.

1.6 STRUCTURE OF THE REPORT

The Report is presented in four volumes:

- Volume I: Main Report – Country Report for St. Kitts and Nevis
- Volume II Living Conditions in St. Kitts
- Volume III Living Conditions in Nevis
- Volume IV Technical and Statistical Appendices to the Report

The Main Volume (this document) treats with the overriding issues and key findings of the study at the National Level. It synthesizes the findings from the various components of the study and presents recommendations and strategies for poverty reduction in St. Kitts and Nevis. The volume is separated into three sections:

- Section 1 – Framework and Methodological Approach
- Section 2 – Main Findings of the Study
- Section 3 – Toward Poverty Reduction in St. Kitts and Nevis

CHAPTER TWO METHODOLOGY

The CPA was comprised of four (4) core elements: An Assessment of the Macro Social and Economic Environment (MEA); an Institutional Analysis (IA); a National Survey of Living Conditions (SLC) and Household Budgetary Survey (HBS); and a Participatory Poverty Assessment (PPA). This approach facilitated the collection of both quantitative and qualitative data. Taken together, the findings that emerge paint an overall picture of living conditions in SKN.

The methodologies applied in implementing each component are presented briefly below and are detailed in the Technical and Statistical Appendices (Volume IV).

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

This survey was designed to collect the quantitative data on living conditions in St. Kitts and Nevis, and provided the basis for the calculation of the Poverty line. The comprehensive household survey combined a survey of living conditions with a survey of household income and expenditure, which sought to collect information from households on their buying habits (expenditures), income and other characteristics. This information was then used to relate the expenditures and income patterns of consumers (households) to the socio-demographic and other characteristics of those same households.

In addition, the survey also provided the following type of data on households:

- a. Valuable data for assessing the impact of socio-economic policies on the conditions and levels of living of households;
- b. 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;
- c. Statistics on the distribution of income and expenditure in St. Kitts and Nevis;
- d. Information on the poor, their characteristics, expenditure patterns when compared to other groups in the society;
- e. Information on household consumption of various goods and services; and
- f. Information to assess the cost of provision of public health and education services and the level of satisfaction of the population with its provision.

2.1.1 Technical Details of Sample Survey Design for the SLC/HBS 2007

The survey was administered to 958 households, representing 6.2% of the population.

A stratified random sampling methodology was applied in order to capture the important characteristics of the society. The sample for the SLC/HBS 2007 in St. Kitts and Nevis was selected from a sample frame derived from the 2001 census of population. The sample frame was made up of two sub-samples/replicates selected from the 'grand sample'. First, a 5% systematic stratified random sample is identified and then parishes with relatively smaller populations are oversampled (this was done more heavily in Nevis due to the large number of parishes which needed to be represented in summary tables compared to the population size of the island).

This process resulted in an expected sample size of 6.2% of the population, which was a large enough sample to allow the computation of poverty indicators (that is, the headcount and FGT indicators) by Parish. The sample for Nevis was in all but one parish increased by a factor of 40 percent to ensure that accurate results could be reported for each parish given their relatively small sizes. Detailed breakdowns of these indicators at a sub-parish level would however not result in reliable estimates.

Table 2 summarises the outcome of the St. Kitts and Nevis SLC/HBS 2007. "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 ratio of the number of questionnaires obtained to the number of questionnaires expected. Parish weights are "expansion factors" which represent the amount by which the number of questionnaires/responses obtained will have to be increased to achieve the expected number of questionnaires for the Parish. The "Expansion Factor" is the inverse of the sampling rate (i.e. 1/20, 5% is the expected size of the sample) by the raising factor. When the expansion factor is applied to the SLC/HBS 2007 data, the total population estimates are derived. Thus, when the expansion factor is applied to the number of households obtained, the total number of households by Parish is the result.

In sum, 82% of the expected number of interviews was completed overall. The overall response rate on the diaries was 76% of the response rate on the completed questionnaires (Table 2.1).

TABLE 2.1: SLC/HBS 2007 ST. KITTS AND NEVIS HOUSEHOLD BUDGET SURVEY SAMPLE

Parishes	Expected	Obtained Housing Questionnaires	Response Rate	Population 2007	Parish Expansion Factors	Expected Diaries Based on H/hold Obtained	Obtained Diaries	Diaries Response
70	135	87	64%	8119	33.4	174	94	54%
71	92	86	93%	6887	23	172	135	78%
72	59	55	93%	2517	13.8	110	95	86%
73	52	38	73%	3418	29.5	76	53	70%
74	64	49	77%	2071	16.8	98	68	69%
75	47	35	74%	1801	17.3	70	57	81%
76	58	50	86%	2483	15	100	69	69%
77	55	45	82%	4421	26.3	90	70	78%
78	53	53	100%	4199	21.5	106	86	81%
79	56	40	71%	2388	16.4	80	73	91%
80	47	42	89%	1746	14.4	84	66	79%
81	56	58	104%	3555	20.8	116	109	94%
82	71	57	80%	3084	16.1	114	91	80%
83	61	51	84%	1866	15.4	102	67	66%
84	52	41	79%	2044	16.4	82	60	73%

In general, the data are of good quality, the household and person questionnaires were almost entirely pre-coded to eliminate errors in the coding process, often a source of various types of errors. COICOP (Classification of Individual Consumption According to Purpose) codes were applied automatically in the household and person questionnaires to eliminate the need for manually coding these questionnaires, which has in the past been a feature of HBS surveys which have made them especially difficult to process.

2.1.2 Challenges Faced in the Field

Since this survey was a combined Survey of Living Conditions and of Household Budgets, it was administratively particularly difficult to implement. Some of the challenges faced in implementing the combined SLC and HBS surveys in St. Kitts and Nevis are as follows:

- a. The period for the conduct of the survey had to be extended to ensure that at least the main seasonal pattern of economic activity was covered by this survey. In this regard, the survey covered the period January to August 2007. The use of this time

period ensured that a large number of the major seasonal factors in the economy of St. Kitts and Nevis was accounted for. In addition, due to the special difficulties of implementing this survey the time expected for its completion was underestimated. Due to the multi-island nature of the activity, enumerator training had to be conducted in St. Kitts as well as in Nevis at the start of the process. The main benefit of this was a surplus of trained enumerators especially in Nevis where the exercise profited from this development.

- b. All questions in this survey which requested information on household expenditure had to be coded using an adapted version of the UN's COICOP. This meant that aggregates such as Food and Non-Alcoholic Beverages had to be built by aggregating the detailed COICOP components of expenditure defined at the national level up to seven digits in the classification system in a stepwise way, by first aggregating to the four digit internationally defined COICOP classification and subsequently to the group and division level of the COICOP. This presented computer programming and other related challenges. In addition, households frequently reported expenditures at a main or subgroup level of the COICOP which presented problems for aggregation. Generally, the rule applied in these cases was to examine the proportionate distribution of the expenditure for the item in the group in question and apply this distribution to the "unclassified" expenditures at the main or sub-group level.
- c. The administration of an SLC/HBS survey of this nature was particularly difficult. At the household level, the average length of the interview was one and a half hours. Incentives which the consultants advised be given to the household to encourage participation in the survey were either not given or deferred. This was against the advice of the consultants and this may have been the cause for some of the *suspected* low levels of food consumption reported in the survey. Where the data from the diaries could not be obtained in spite of the efforts of the supervisors and the Statistical Office, imputations had to be made using the responses to the question on food purchased in the last week and month from Section 8 of the household questionnaire. In addition, for records where the per capita food consumption was less than the value of the indigence line, imputations of food expenditure using the questions on food purchased in Section 8 were done since the under-reporting of food expenditure was suspected to have higher prevalence in that group. The questions in Section 8 on food expenditure were reported on at the household level and served as a backup where information on food was not available from the Daily Expenditure Diaries.

- d. There were very few structural problems with the flow of questions in the questionnaire, since it was thoroughly tested through the use of several pre-tests. In order to ensure a high quality of data, certain editing checks were built into the process both at the enumeration stage and within the data entry screens used to capture the data. However, a number of interventions aided in the quality of data presented. Firstly, enumerators were trained for a minimum of four days using an enumerator's manual which detailed the procedures for completing each section of the questionnaire. This assisted substantially in ensuring that data returned to the Central Office were already of a high quality due to the extensive field and pre-receipt edit checks completed by supervisors and the staff of the Statistics Office. At the level of the field exercise, supervisors and the Statistics Office staff were advised to make specific checks, and where instructions were not followed, to use the telephone to make a call to the household to obtain the missing information if possible.

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). This component of the exercise gives a voice to residents in poorer communities, by providing opportunities for them to share their perceptions and experiences of poverty and the coping strategies and mechanisms 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 the social reality of the poor and are critical in devising the interventions and programmes that are prescribed.

2.2.1 Methodology and Process

The PPA was designed to focus on and identify factors that contribute to and/or perpetuate the existence of poverty, it also sought to generate information and to provide insights into key issues that emerge as a consequence of poverty and deprivation. Some of these issues, like economic and social deprivation and vulnerability, are both contributors to and consequences of poverty, and this was evident from information obtained from individuals and groups. Others, like the availability and access to assets, resources, public facilities and services are often outside of the control of the poor and are determined by interventions of government and/or civil society organizations. Within the community workshops and during focus group discussions, participants were able to reflect on such interventions and to discuss the extent to which they were achieving this goal. In addition, because men and women experience poverty and its effects differently, gender was also an

important issue to be examined and discussed. This was done by conducting focus group discussions with same-sex groups, by disaggregating data by sex and by doing a gender analysis of the data collected.

Research activities were carried out at the individual, household and community levels, and encouraged participation by a number of groups in the selected communities. A participatory research approach and methodology was used to engage people in the selected communities, five in Nevis and ten in St. Kitts.

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. Workshops conducted in all of the communities served not only as a mechanism to obtain specific information from residents about life in their communities. They also exposed them to training in the use of participatory research methods and techniques, including the analysis and interpretation of the information gathered.

A combination of hierarchical, phased, purposive/selective, and random sampling, and self-selection were used to identify key informants and to obtain information from communities, households, groups and individuals. *Hierarchical Sampling* was used to identify the units to be studied and for each unit selection criteria were developed and used to identify those units from which data would be obtained. *Phased Sampling* was used to identify communities that were representative of the country in terms of demography, economic activity and social milieu, as well as the various types, degree and severity of poverty and of its distribution. Data from the last census, information from key government ministries and from NGOs working in the communities, and from written reports and other documents were used to select the communities in which the PPA activities would be carried out. A list of criteria was developed and used to select five communities in St. Kitts and two in Nevis for study. An additional five communities in St. Kitts and three in Nevis, that were studied in the last CPA, were selected to be reviewed in an attempt to assess the changes that had taken place over the last eight years in those communities.

Face-to-face interaction and ongoing dialogue with the key informants was a key element of the data collection process, and various methods and techniques were used to ensure the active involvement of all stakeholders in some aspect of the collection, analysis and interpretation of data. Triangulation ensured the use of a number of different data sources and data collection methods and techniques to obtain and check information given, to gain

multiple perspectives of the experience and impact of poverty and deprivation and to make comparisons.

2.2.2 Data Collection

The PPA was conducted over a period of five months, and in each community activities were carried out by a team of two Field Research Facilitators who acted alternately as facilitators and recorders. In some cases, Research Facilitators encountered difficulties mobilising and convincing community members to participate dynamically in the activities and to provide the required information. In some communities, especially in those that had participated in the previous Assessment, several residents voiced their frustration and scepticism about the lack of any action resulting from their participation in the last CPA and in similar activities, and they were also of the view that nothing different would happen as a result of this exercise. In spite of these sentiments, participation was generally good and many residents welcomed the chance to “have a voice” and to speak their minds.

One hundred and forty-seven residents, the majority of whom were females, participated in the community workshops. In general, they were representative of the population of their communities and included young and elderly persons, parents and grandparents, married and single persons, persons with different levels of education and of different occupations, as well as unemployed persons.

A number of methods and techniques were used to collect a large amount of information from several different sources, including documents, individuals and different groups. The methods and techniques used included:

- **Transect walks, observation and informal interaction and conversations:** in order to familiarize themselves with the communities, Field Research Facilitators went on a number of walks in the communities, interacted and held conversations and discussions with residents and observed life and living in the communities. They recorded their impressions and observations on a pre-prepared Observation Sheet.
- **Observation Sheet:** this was used by Field Research Facilitators to record 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. These open-ended interviews were intended to provide information about and insights into the meaning and lived experience of the interviewees' lives. The aim was to obtain information that would answer the questions of what it means to be poor and deprived, and what contributes to and perpetuates the reproduction of poverty over and across generations. The information obtained and the insights gained from these interviews were used to create the case studies included in this report.

- **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, youth under 25 years of age, elderly persons, unemployed persons and challenged persons in each community. Those who participated in the discussions provided information and insights into how the group to which they belonged perceives, experiences, is affected by, and copes with poverty.
- **Community Workshops:** in community-based participatory research, workshops are used as a mechanism to simultaneously obtain a large amount of data from several people. Residents, through their participation in interactive exercises, in community resource mapping, in wealth ranking and in the use of creative tools like the Wheel of Well Being and Quality of Life Index generated a great deal of information about life and living conditions in their communities and about what actions should be taken to improve these.
- **A questionnaire** was administered to three persons in communities that had been studied during the last CPA. It was designed to find out respondents' views about change and about the changes that had taken place in various aspects of life and living in these communities since the last CPA.

In order to ensure consistency, and for quality control, Field Research Facilitators were provided with guidelines that clearly identified how to record information from the focus group discussions and the community workshops. The large amount of data obtained from the various activities were analysed and interpreted at two levels. At one level, analysis and interpretation of the data generated during the workshops not only provided residents with new information about their communities, but provided them with new insights and deepened their understanding of the macro- as well as the micro-level factors that had contributed to the level of poverty in their communities and that had determined the conditions in which they were living. In the process, they engaged in collective analysis and

reflection on the information that they had given, compared information provided and generated in the various activities, looked for discrepancies and contradictions in the information, identified trends and patterns and used the information to make suggestions and recommendations, and in some cases, made collective decisions to take action.

At another level the Consultants used a variety of methods and techniques to analyse the data according to predetermined themes of poverty and deprivation, vulnerability, livelihood strategies, gender, and poverty alleviation. Among the methods and techniques used to analyse the data were content analysis, collective analysis and reflection, sorting and classification, contrasting contexts, causal analysis, needs analysis, trend analysis, gender analysis and comparative analysis, case analysis, deduction and generalization. Subjecting the data to such rigorous analyses has helped to verify and validate their objectivity, reliability, and credibility and to ensure that they provide a sound basis for targeting beneficiaries in future poverty alleviation and reduction policies and programmes.

2.2.3 Challenges and Constraints

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 allocated time. Many 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, many of them were reluctant to participate. Facilitators therefore were faced with many problems in their attempts to mobilize people, resulting in relatively small numbers of participants. 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)

Work on poverty is considerably enhanced by the examination of the institutional structures of society and in assessment of their effectiveness in influencing the living conditions treating with the poor in particular. The Institutional Assessment involved the collection of information mainly of qualitative nature from organizations across the two islands, forty-five in St. Kitts and twenty-three in Nevis. With the assistance of the NATs, the TOC collected and reviewed secondary data and information, from selected Government Agencies and Non-Governmental agencies and Community Based Organizations (CBOs) which were deemed to be of relevance to the study.

The IA used an open-ended semi-structured interview technique to extract information from these organizations about their performance in respect of their mandates and in respect of their effectiveness in treating with living conditions, and poverty at the level at which they operate. The fundamental objective is to establish the degree to which organisations are pro-poor in their work. A score was allotted to each organisation by the TOC, as indicative of the performance of the organisation.

2.4 MACRO SOCIO-ECONOMIC ASSESSMENT (MSEA)

The CPA is premised on the results generated from an examination of households. However, the quality of life of households is impacted by conditions in the wider society and community, and indeed, for highly open economies like those of the Caribbean, by forces in the international economy and the nature of the articulation between the domestic economy and the rest of the world. Thus, the living conditions within SKN need to be contextualized against this backdrop.

The MSEA involved an examination of all available recent macroeconomic data collected on the operations of the economy of the country, including data on the fiscal operations and the allocation of government expenditure, external account, foreign and domestic investment, and savings. The changes taking place in the international economy and decisions in such areas as international trade (WTO), and international finance (OECD and Offshore Financial Centres) define the degrees of freedom of the Government of SKN. In more recent times, governments and countries are assessed against their capacity to treat with terrorism and by the measures that they have in place to prevent money laundering, and drug trafficking. The operations of the macro-economy are the outward visible evidence of the efficacy of the state in the face of these realities.

2.5 TRAINING WORKSHOPS

The study was initiated with a period of training, during which the NAT members and other key stakeholders were exposed to the methodological approach and the type of analysis that would be undertaken during the course of the Project. There were also a number of other training sessions during the implementation of the study. Among these were training workshops for research facilitators involved in the PPA. There was an Evaluation Workshop upon completion of the fieldwork for the PPA. There was also an orientation workshop specifically geared to members of the NAT who agreed to collaborate in the IA. There was very specific training for enumerators and supervisors attached to the SLC/HBS, and training in coding and editing for staff of the Central Statistical Office.

These capacity-building training workshops provided continuous training in the planning and execution of all aspects of the CPA to selected personnel, in order that the country would be prepared to undertake future assessments of this kind, and to monitor and evaluate the impact of poverty-reduction policies, strategies and programmes on an ongoing basis.

The training exposed participants to:

- i. Caribbean economic, political, human and social issues of relevance to the poverty assessment;
- ii. Poverty manifestation, measurement and indicators; and the generation of welfare profiles across the population;
- iii. Methods for the aggregation of household budget survey data for welfare analysis, including the construction of a national consumer expenditure basket based on plutocratic aggregation techniques;
- iv. Methods of social investigation (e.g. interviewing, questionnaires and participatory research methods);
- v. Data management systems for use in the collection, storage, transformation and analysis of data required for poverty assessments;
- vi. Participatory research methodologies (including community workshops, focus group discussions, community mapping, informal surveys and other participatory appraisal techniques, as appropriate for community-level analyses);
- vii. The relevance of social policy, macroeconomic issues; and the legal and institutional framework for poverty reduction.

CHAPTER THREE GEOGRAPHY, HISTORY AND POPULATION

3.1 GEOGRAPHY

St. Kitts and Nevis are part of the Leeward Island chain, and are situated to the North-west of Antigua. The total land area is 104 square miles or 269 square kilometers. St. Kitts is the larger of the two islands and they are both volcanic in origin. The maximum elevation is Mount Liamuiga at 1,158m in St. Kitts, and Nevis Peak, at 985m in Nevis. The topography of St. Kitts ranges from swamps and marshland in the south to undulating plains and mountains in the middle of the island. Nevis has far less flat land and is dominated by a main peak in the centre of the island. The central mountains on both islands are attributed to their volcanic origin.

The climate is tropical and there are two seasons – a dry season in the first half of the year and a rainy season in the second half. The islands, like the rest of the archipelago, are in the path of tropical storms and hurricanes that form on the west coast of Saharan Africa and pass through the region in the period June to November. The last fifteen years have been a highly active period with the country suffering more direct hits in these years than had been the case in the period before. Substantial damage has been wrought on the building stock and infrastructure. The frequency of serious weather events has been viewed as a probable result of global climate change.

3.2 FOUNDATIONS

The islands were inhabited by Caribs in the immediate pre-Columbian phase. The Caribs had displaced earlier settlers of native peoples who might have come from Cuba and the Northern Caribbean. By the time the English arrived to settle, the numbers were too small to have survived the onslaught of subsequent European colonization. They could not resist physically nor could they accommodate to conditions where the new settlers were disposed to enslave the native population as a source of labour power. In fact, thousands of Caribs were massacred in the process of British settlement in the early 1600s.

The Spaniards had originally given the name of San Cristobal to St. Kitts, or Saint Christopher, by which it is still called. Nevis, on the other hand, was derived from 'Nieves' from Nuestra Señora de Nieves, because its volcanic peak was frequently shrouded in mist. The two islands did not excite much interest on the part of the Spaniards, and it was the other colonizing powers, mainly France and Britain, that were to vie for control over the

islands. This see-saw of conquest of whole or parts of the islands is reflected in place names that exist up to today.

In the first half of the seventeenth century, the islands came under the full control of the British and were subjected to deforestation as lands were cleared for the establishment of sugar and for cotton production. Eventually, plantation agriculture geared to sugar production came to dominate the island of St. Kitts, while cotton and other forms of smaller-scale agricultural production became dominant in Nevis, which was colonized from St. Kitts.

Although only two miles separate St. Kitts from Nevis, they were treated as two separate political entities until late in the 19th century. They were joined for purposes of administration by the British Government and then with Anguilla, which is much further to the north. However, the administrative convenience for the Colonial Office was not congruent with emerging local island sentiment, which, in part, explains the revolt of Anguilla from the Federation in 1967, and the occasional tension in the remaining federal state of St. Kitts and Nevis.

The main historical event after the establishment of control by Britain was the emancipation of slaves in 1838. African Slavery had provided the labour power for the British settlers and colonists. Given the domination of these settler communities of all the land space of these islands, emancipation meant solely the end of formal control over the labour power of the ex-slaves.

St. Kitts was a classic plantation economy, or pure plantation economy as described by Best: all economic and even social activity was meant to subserve the production of sugar for export to the metropolitan economy of which the colony was simply the tropical plantation.⁶ On Emancipation Day in colonies like Barbados, Antigua and St. Kitts, the slaves would have gone to church, thanked God for freedom and gone back to work. Nevis evolved differently mainly because the production of cotton was more amenable to sharecropping than to plantation agriculture, and this led, in time, to the establishment of a peasantry when the colonists withdrew.

The hundred-year period following the end of slavery to Great Depression and then to the outbreak of the Second World War was seldom punctuated by major change in the political and economic conditions of the descendants of ex-slaves. With few options outside of

⁶ Best, Lloyd, 'Model of the Pure Plantation in Economy,' *Social and Economic Studies*, 1968

plantation agriculture, those who sought to improve their livelihoods resorted to emigration.

The descendants of the ex-slaves of St. Kitts and Nevis were significant in the movement of people in the post-emancipation period. By the turn of the century, they were among the many who provided labour in the building of the Panama Canal, the expansion of sugar production in Cuba and the Dominican Republic, and in the rise of Curacao and Aruba as major transshipment ports in the evolving international oil industry in the first half of the 20th century.

The mobilization of labour in trade unions to secure better terms and conditions led first to mass organisation, which in turn created the spark for the formation of a political party, at least in St. Kitts. The ferment that gripped the British West Indies in the late 1930s found fertile ground in St. Kitts and Nevis, and clear political lines were drawn between those who would seek to maintain the status quo and those who wanted a new dispensation, with greater control exercised by the people of the islands over matters of importance to their existence.

Internal self-government was accorded to the islands in 1937, but with a limited franchise, the vast majority felt excluded. The grant of universal adult suffrage in the post World War II years meant that the representatives of the masses rose into ascendancy and were in the forefront of the march to formal political independence which was achieved in 1983. The country celebrated its 25th anniversary of independence on November 20, 2008.

The latter half of the 20th century witnessed major political development in the islands and in their relationship with the wider Caribbean region and the rest of the world. Initially, it was expected that the move to formal political independence would have occurred within the context of a Federation, which was the dream of the progressive political forces that had evolved in the first half of the 20th century.

The experience of the rise and fall of the West Indian Federation over the period 1958-1962, dashed hopes of St. Kitts and Nevis being part of a wider political supra-nationalism. The smaller islands, the so-called Little Eight, comprising the Windward and Leeward Islands and Barbados were to proceed to their own political independence as resources and the political process allowed. Jamaica and Trinidad and Tobago had become independent in 1962.

The demise of the Federation was not the end of intra-regional cooperation, and CARIFTA – the Caribbean Free Trade Area – then CARICOM were to emerge, almost as a compensation for the failure at the political federation. Within the ambit of these two latter, the countries of the region were to engage in cooperation with ex-colonies in Africa, and the Pacific in elaborating a *modus operandi* covering trade and economic cooperation with Europe through the ACP Accord with the provisions of the Lome and then the Cotonou Agreements.

The smaller states in the Leeward and Windward Islands formed the Organisation of Eastern Caribbean States (OECS) and a regional Central Bank – the Eastern Caribbean Central Bank – the headquarters of which is located in St. Kitts. Although SKN is the smallest of the independent states in CARICOM, it has played a major role in the regional movement, and within the OECS, the sub-regional movement, it remains a significant partner guiding the process of political and economic deepening. The member states of the OECS are actively pursuing the idea of the formation of a political union among themselves. However, there seem to be contradictory signals in that some members of the OECS have also bruited the idea of some type of union with Trinidad and Tobago. The OECS political union seems to have arrived at a more advanced stage of planning.

The internal relationship between St. Kitts and Nevis has occasionally been a source of discord between the two islands, and mirrors the difficulties that multi-island states have had in managing a process of equitable development among member units. Usually, the seat of Government is located on the island whose main town or capital has had dominance as the main port or town over generations. There are few cases in the Caribbean where a historically dominant island or port has been upstaged by another island or port. The pre-eminence of Providenciales over Grand Turk in the Turks and Caicos might be a rare case. Freeport has not displaced Nassau in the Bahamas.

Thus, island development is very much cast in terms of a centre versus a periphery, with residents on the presumed periphery usually perceiving themselves to be marginalized. In this scenario, devolution to the periphery becomes a clarion call that can take on a level of stridency which may trigger secessionist sentiments. The Federation has not been immune to these centrifugal forces.

The constitution of St. Kitts and Nevis is perhaps the most advanced in the Commonwealth Caribbean in respect of the level of devolution it accords to a local government – the Nevis Island Administration (NIA). This institution has considerable power in determining the economic and social development of Nevis. While the relationship between the Federal Government and NIA is not free of tension, the two levels of Government have been able to

work out a *modus operandi* that has allowed the space for the people of Nevis to conduct their affairs within the comity of the nation state.

3.3 TRENDS IN POPULATION SIZE AND COMPOSITION

In 1980, the total resident population in St. Kitts and Nevis stood at 43,309. However, this figure declined to 40 618 in 1991, representing a 6.2 percent decrease in population. There was an increase in the total resident population (45,884) in 2001 which represented a positive growth of 12.9 percent (Table 3.1). According to the CIA World Factbook, the total population in July 2008 was 39,817. This estimate represents yet another decline in the total population of St. Kitts and Nevis.

TABLE 3.1: POPULATION FIGURES FOR ST. KITTS AND NEVIS

1980	1991	2001	Population Change 1980-1991	Population Change 1991-2001
43309	40618	45884	(6.2)	12.9

Source: OECS Human Development Report 2002

Some 34 percent of the population of St. Kitts and Nevis lived in urban areas in 2001. Over the period 2000 to 2005 population growth in these urban areas was 0.5 percent. The islands of St. Kitts and Nevis cover a total land area of 261 square kilometres (163 sq. km in St. Kitts and 93 sq. km. in Nevis) and have a population density of 108 persons per square kilometre.⁷

3.3.1 Age-Sex Composition

Table 3.2 shows the age-sex composition of the population of St. Kitts and Nevis. It shows that the female population in St. Kitts and Nevis exceeds the male population. In St. Kitts and Nevis there are 99 males for every 100 females. In the 0-14 years age group, there were 105 males for every 100 females. However, in the age group 65 years and over, there were more females than males, with a sex ratio of 71 males per 100 females. This may be explained by the greater longevity of females when compared to their male counterparts, and possibly, to a lower propensity to migrate. Just over a quarter of the population of St. Kitts and Nevis are children under the age of fifteen years and approximately 8 percent were 65 years or older.

⁷<http://www.nationsencyclopedia.com/Americas/St-Kitts-and-Nevis-POPULATION.html>

TABLE 3.2: AGE-SEX COMPOSITION OF POPULATION

Age Group	Both Sexes	Male	Female	Sex Ratio
0-14	10625	5439	5186	105
15-64	25986	13018	12968	100
65+	3206	1334	1872	71
Total Population	39817	19791	20026	99

Source: CIA *The World Factbook* (2008 est.)

Charts 3.1 and 3.2 show the population pyramids for St. Kitts and Nevis in the years 1990 and 2005. The age structure of the population is shown to be changing somewhat, as in 1990, the population pyramid was convex, while in 2005 they were concave in nature. The population pyramid in 1990 is characteristic of higher birthrates, high mortality rates and a shorter life expectancy. The population pyramid for 2005 however, exhibits bulges at the centre, demonstrating that birthrates are falling. It also highlights that more persons are surviving to the middle age groups and death rates have fallen. The CIA World Factbook estimates that in 2008 the birth rate was 17 births per 1,000 population while the death rate was 8 deaths per 1,000 population.

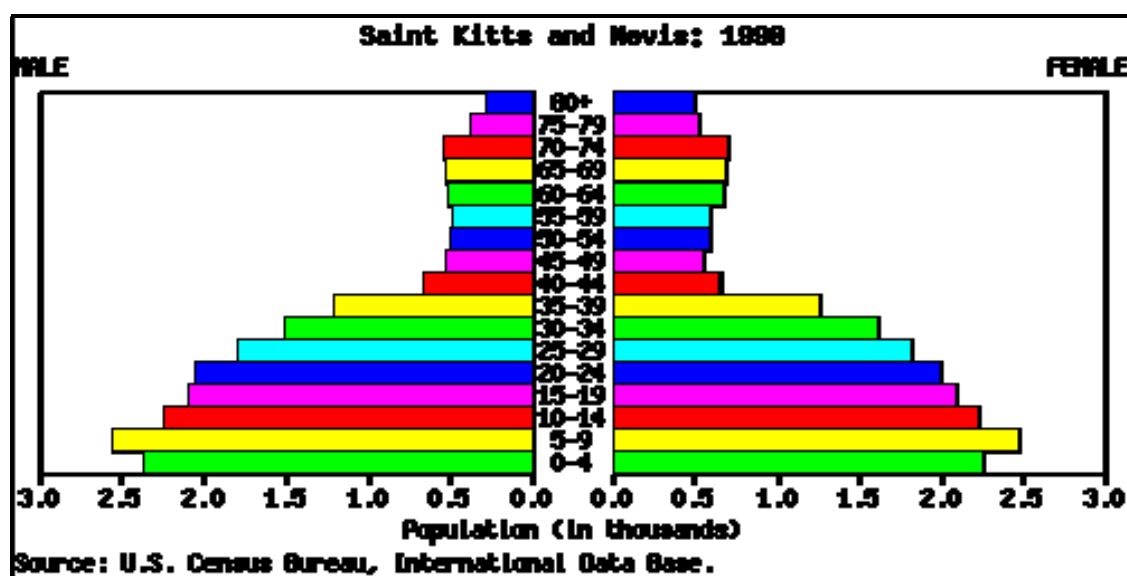


CHART 3.1: SAINT KITTS AND NEVIS POPULATION PYRAMID FOR 1990

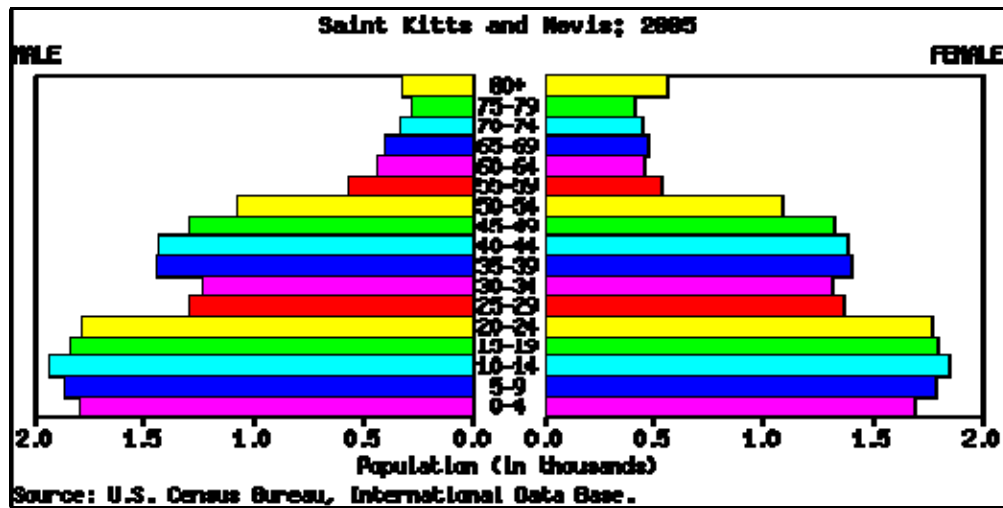


CHART 3.2: SAINT KITTS AND NEVIS POPULATION PYRAMID FOR 2005

3.4 MIGRATION AND POPULATION GROWTH

St. Kitts and Nevis has been characterised as a “sending country” as it continues to have negative net migration. The 2008 estimate for the net migration rate of St. Kitts and Nevis is -2.31 migrants for every 1,000 persons.⁸ Its population has long been attracted by opportunities in the metropolitan economies in the North Atlantic, while its economic performance relative to its neighbours makes SKN an attractive destination for residents fleeing poverty conditions in these countries. The recession in the world economy since the middle of 2008 would have slowed these underlying trends.

⁸ CIA- The World Factbook

CHAPTER FOUR MACROECONOMIC ANALYSIS

4.1 ECONOMIC PERFORMANCE

The most critical feature of the macroeconomic performance of SKN in the second half of the present decade has been the attempt to manage a wrenching internal adjustment created by the closure of the sugar industry. For the first time in 400 years, no sugar was produced in St. Kitts and Nevis in 2006. The closure of the sugar industry in 2005 created a fault-line in the economic structure. This has been effected in the face of turbulence in the international economy which ultimately sets the parameters within which a small peripheral economy has to provide the wherewithal for its citizenry.

The period 2005-2008 has been one of adjustment and adaptation in SKN. In spite of the measured steps towards formal closure of this industry which had been the *raison d'être* of the country in the post-Columbian, and colonial periods, there were major fall-out effects, to which the society is still accommodating. Although in the latter years of operation of the sector, a declining number of nationals were directly employed in the sector, the cessation of operations triggered declines in income of a number of people who were indirectly dependent on the sector.

It is estimated that the closure of the sugar industry directly reduced GDP by some 1.9 percent when the contribution of sugar cane and sugar manufacturing sub-sectors are taken into account (St. Kitts and Nevis National Budget Address 2007). Moreover, the limited diversification that was achieved over the years has been inadequate to withstand the economic and social reverberations. The indirect impact of the closure of the sugar industry on GDP was much greater because there were significant multiplier effects on other sectors of the domestic economy. However, other developments in the economy counteracted this negative impact as Construction, Distributive Trade, and Financial Services created some buoyancy in the economy.

The period has also been one of the most significant in terms of price movements as the country weathered the storm created by spiraling food and fuel costs in the international economy. Economic growth was estimated at 4 percent in 2006, driven by tourism, construction and communication, and 3.3 percent in 2007 (IMF Country Report, April 2008). It is unlikely that the country would have surpassed these rates of growth in 2008, in the face of the economic crisis that has beset the international economy, to which its fortunes are inextricably linked.

4.1.1 *International Context*

The four-year period preceding 2008 can be described as a boom in the global economy with world output growing at 5 percent, which, according to the IMF was the highest sustained rate of growth since the early 1970s. Most of this growth was attributable to the rise of emerging and developing economies, with China and India being the dominant influence in this latter group. China maintained double-digit rates of growth over the period 2006-2007, and India showed signs of catching up with China in terms of its rate of growth. This development in these two larger emerging economies had fostered the view that the World Economy was quickly approaching the stage where it would no longer be as reliant on the United States as the primary dynamo in its growth.

The financial crisis in the United States (US) that started to emerge fully into the public domain in the latter half of 2007 set off a contagion of effects across the international economy, thus giving the lie to the notion of the decoupling of the US economy from the rest of the world. The correction in the housing market in the US was quickly followed by the collapse of a number of long standing investment banks, and given the high level of integration of financial markets across the world, there were ripple effects across a wide swathe of economies, especially in the advanced countries. The last quarter of 2008 witnessed a deceleration in a number of advanced countries as the recession was formally established on the basis of their most recent economic indicators. Significantly, as the major economies succumb to recession, commodity prices and more particularly, oil and energy prices have tumbled. Oil prices which peaked at US\$147 per barrel in mid-2008 plummeted to under US\$50 per barrel by December 2008.

Table 4.1 provides data on the recent performance of the international economy, and projections for the period 2008-2009, produced by the IMF. However, since the publication of this report, most economic indicators have painted a path of gloom which suggests that the projections made at the end of the third quarter of 2008, might prove to be overly optimistic.

TABLE 4.1: OVERVIEW OF THE WORLD ECONOMIC OUTLOOK PROJECTIONS

Year over Year (Percent change, unless otherwise noted)

	2006	2007	Projections	
			2008	2009
World output	5.1	5.0	3.9	3.0
Advanced economies	3.0	2.6	1.5	0.5
United States	2.8	2.0	1.6	0.1
Euro area	2.8	2.6	1.3	0.2
Japan	2.4	2.1	0.7	0.5
United Kingdom	2.8	3.0	1.0	-0.1
Canada	3.1	2.7	0.7	1.2
Other advanced economies	4.5	4.7	3.1	2.5
Newly industrialized Asian economies	5.6	5.6	4.0	3.2
Emerging and developing economies	7.9	8.0	6.9	6.1
Africa	6.1	6.3	5.9	6.0
Sub-Sahara	6.6	6.9	6.1	6.3
Central and eastern Europe	6.7	5.7	4.5	3.4
Commonwealth of Independent States	8.2	8.6	7.2	5.7
Russia	7.4	8.1	7.0	5.5
Excluding Russia	10.2	9.8	7.6	6.2
Developing Asia	9.9	10.0	8.4	7.7
China	11.6	11.9	9.7	9.3
India	9.8	9.3	7.9	6.9
ASEAN-5	5.7	6.3	5.5	4.9
Middle EAST	5.7	5.9	6.4	5.9
Western Hemisphere	5.5	5.6	4.6	3.2
World trade volume (goods and services)	9.3	7.2	4.9	4.1
Imports				
Advanced economies	7.5	4.5	1.9	1.1
Emerging and developing economies	14.7	14.2	11.7	10.5
Exports				
Advanced economies	8.4	5.9	4.3	2.5
Emerging and developing economies	11.0	9.5	6.3	7.4
Consumer prices				
Advanced economies	2.4	2.2	3.6	2.0
Emerging and Developing economies	5.4	6.4	9.4	7.8

It is possible that world output growth for 2008 might fall short of 3.9 percent, given that the degree of deceleration is proving to be more severe than projected by most analysts. Monetary Authorities in a number of Advanced Economies have cut interest rates to levels that give them little room for further cuts, and these have failed to secure the response in terms of renewed confidence, and a commitment to investment, suggesting that the world economy may be set for a slump, or depression, in spite of the fact that the tools of macroeconomic management have been much improved on those that existed at the time of the Great Depression.

The Governments in the European Union and in North America seem agreed on the need for a fiscal stimulus plan, and are seeking to move in concert, while the Governments in the three largest economies in Asia – Japan, China and South Korea – sought to harmonise their policies, in the face of the precipitous fall in their exports as western markets shrank. The deepening of links among these three has been an attempt to create a co-prosperity sphere based on the large internal market that their collective populations represent. The challenge to them is that the stimulation of their economies from within requires a shift in propensities to saving and consumption that have been deeply rooted in culture and tradition and may not be adequate to provide the stimulus in the short term. The fate of small peripheral economies like SKN is dependent on these larger forces, and the degrees of freedom of their Governments are more heavily circumscribed in the face of the present crisis.

In effect then, the crisis of 2008 has demonstrated that not only has the US economy not been decoupled from the World Economy, but rather that the global economy is now highly integrated. Thus for a short period, as the economies of India and China continued on a path of rapid growth while the United States faltered, energy prices and food prices soared as a result of burgeoning demand in these two countries. The challenge for authorities responsible for fiscal and monetary policies is in acting in concert to “reduce pro-cyclical tendencies in the global economy” (IMF, *World Economic Outlook*, October 2008, pg:21).

One critical challenge on the horizon is the stance being taken by governments in the advanced economies, relative to the Offshore Financial Centres. As Governments have had to step into bail out a number of banks, the questions are emerging over the appropriateness of their supporting banks with taxpayer funds when these institutions have served as a conduit for some citizens to put their funds beyond the reaches of the very governments that are required to bail out the banks. Indeed, there is a strongly held view in some quarters, that off-shore financial centres in overseas territories of Europe should be shut down. It is likely that new pressures are going to be applied to plug the ‘black holes’

as offshore financial centres are described. This will have implications for St. Kitts and Nevis, and more so for Nevis which derives considerable revenue from the sector.

In sum, the most recent World Economic Report, October 2008 of the IMF has identified the mechanism through which the subprime crisis in the United States has 'morphed' into an international credit crisis that has embraced the entire international economy. While growth in the emerging economies may still be positive, all economic indicators in the advanced economies suggest a recession which requires coordinated measures by Governments and Central Banks to avoid its becoming a slump. Indeed, it has become necessary for the Governments in the advanced economies to take unprecedented measures to arrest financial and economic collapse. The 1929 Crash and its sequel are the events that most resemble the present crisis, and most Economists would admit that the application of the traditional monetary and fiscal tools is not producing the intended responses.

The IMF expects oil commodity prices to stabilise, that the housing prices in the United States would reach a floor, and that credit markets will remain tight. As activity bottoms out, world economic growth is predicted to recover in the latter half of 2009, but at a slow pace. Latin America and the Caribbean are expected to have to navigate a more perilous environment and growth. Central America and the Caribbean, in particular, are expected to slow in tandem with the decline in the United States economy and its impact on remittances, trade and tourism.⁹ Real GDP which was estimated at 7.8 percent in 2006, is expected to fall to 3.7 in 2008, and to fall further to 2.9 percent in 2009, in the Caribbean.

This is the environment within which St. Kitts and Nevis as a country has to address poverty reduction and alleviation at the same time as it continues the restructuring of its economy and society. Closer examination of some trends in the international and domestic contexts is useful in locating pro-poor strategies.

4.2 WORLD TOURISM

The year 2007 was marked with relatively high growth in world tourism. Asia and the Pacific were the best performing areas in the world, followed by Africa, the Middle East, and Europe.¹⁰ In the first four months of 2007, the Caribbean was the only sub-region in the world to show a decrease, attributed to a decline in the main source market – the United States of America.

⁹ <http://www.imf.org/external/pubs/ft/wep/2008/02/pdf/c2.pdf><http://www.imf.org/external/pubs/ft/weo/2008/02/pdf/c2.pdf>

¹⁰ <http://www.world-tourism.org/news>

There was a slowing of the US economy in the latter half of 2007, and this was exacerbated by the sub-prime crisis, and then by the escalation in energy prices that triggered major increases in airfares. Occupancy levels in the Caribbean fell, except for a short period in the first half of 2007, when the Cricket World Cup (CWC) prompted some improved flows to selected countries of the region. One of the challenges that countries faced was the requirement made on all US citizens to present a passport on re-entering the US from abroad.

Table 4.2 provides data on tourist arrivals in the Eastern Caribbean for the most recent period, 2007-2008. A comparison of the first quarter of 2008 with first quarter of 2007, shows that arrivals increased by 11.5 percent for a number of states in the Eastern Caribbean States. A significant factor in this increase was in respect of cruise visitors: the increase was 12.6 percent for this category of visitor. Visitor expenditure increased by 13 percent between first quarter 2007, and the first quarter 2008. It might well be that the smaller increase in stay-over visitors was more directly responsible for visitor expenditure.

TABLE 4.2 ECCU-SELECTED TOURISM STATISTICS

	2007 ^R 1 st Quarter	2007 ^R 2 nd Quarter	2007 ^R 3 rd Quarter	2007 4 th Quarter	2008 1 st Quarter
Total Visitors	1,342,912	724,871	487,554	1,096,492	1,496,895
Stay-Over Visitors – of which:	293,873	263,250	245,882	255,791	324,829
USA	113,261	102,060	80,102	85,473	123,853
Canada	21,574	9,372	8,038	14,826	27,745
UK	72,305	59,483	53,004	66,393	78,861
Caribbean	54,332	63,545	81,190	62,496	60,317
Other Countries	32,401	28,790	23,548	26,603	34,053
Excursionist¹	37,062	31,749	27,101	26,371	39,123
Cruise Ship Passengers²	954,454	384,760	195,391	776,694	1,075,031
Yacht Passengers⁴	57,523	45,112	19,180	37,636	57,912
Number of Cruise Ship Calls³	817	296	99	553	771
Total Visitors Expenditure (EC\$M)	954.83	759.99	655.30	815.09	1,080.13

Source: Eastern Caribbean Central Bank, Quarterly Economic Report, March, 2008 Statistical Appendix, Page 69

¹ Excursionist includes Sea Arrivals for St. Lucia and excludes Antigua and Barbuda

² Cruise Ship passengers excludes Anguilla but includes Antigua and Barbuda

³ Cruise ship calls excludes Anguilla and St. Vincent and the Grenadines

⁴ Yacht passengers includes St. Kitts and Nevis and St. Vincent and the Grenadines

The decline in the rate of growth of the international economy in the latter half of 2008 and the increase in unemployment and fall in household income and expenditure in the last quarter of 2008 in the United States do not augur well for tourism in the first half of 2009. The approaching tourism season is likely to be one of the slowest in recent years, possibly rivaling the season following the September 2001 terrorism attack in the United States.

4.2.1 REGIONAL CONTEXT

The most important development in the regional context has been the commitment of the Heads of Government of the Organisation of Eastern Caribbean States (OECS) to deepen the relationship among themselves through the OECS Economic Union. With signing of the agreement by the Heads in October 2007, a period of discussion and review was initiated among the population. At the very least, the process was expected to contribute to public education. One of the first steps anticipated in OECS Economic Union is the freer movement of people within the sub-region.

The CARICOM Single Market and Economy (CSME) relates to the deepening of integration among member states of CARICOM. However, there has not been the unanimity among member states of CARICOM to permit for a seamless adoption of the main tenets of the CSME. In this regard, the OECS Union, as the sub-regional initiative, seems likely to be prosecuted with greater vigour and tenacity than the CSME. One of the major implications would be in respect of the movement of people.

Notwithstanding the occasionally desultory approaches to the implementation of decisions within CARICOM, the Governments of the Region accepted a common position on the adjustment of the Common External Tariff (CET) in the face of the escalation in the price of food and energy which triggered a major increase in headline inflation and in the cost of basic goods to the poor in particular, in the population of these countries, including St. Kitts and Nevis.

Another development has been the signing of the Economic Partnership Agreement (EPA), between the member states of the Region and the European Union. There are major implications for the competitiveness of existing industry in the region, and thus for employment creation especially among the poor.

4.2.2 Domestic Context of St. Kitts and Nevis

Notwithstanding the government services sector, the financial and business services sector, along with the transport and communication and construction sectors were the main contributors to gross domestic product which increased by 59 percent from EC\$888.9 million in 2000 to EC\$1,413.3 million in 2007 in gross terms. The inflation rate was low for most of the period and reached a high of 8.5 percent, but declined to 4.5 percent in 2007. This is illustrated in Table 4.3. Inflation might have climbed again in the first half of 2008, with consequences for the rate of growth in GDP in real terms.

TABLE 4.3: ECONOMIC PERFORMANCE OF ST. KITTS AND NEVIS

Key Macroeconomic Indicators	2000	2001	2002	2003	2004	2005	2006	2007
GDP current market prices (EC\$M)	888.9	924.5	947.5	977.5	1,077.9	1,182.1	1,337.8	1,413.3
GDP real (1990) prices	555.0	564.1	562.5	555.4	596.1	622.2	647.1	666.7
Real GDP growth (%)	6.5	1.7	(0.3)	(1.3)	7.3	4.4	4.0	3.0
Per Capita GDP	22,002	20,049	20,290	20,659	22,124	23,478	26,115	...
Inflation Rate (%)	2.1	2.3	2.0	2.2	2.3	3.4	8.5	4.5

Source: CDB AER 2005, 2006, 2007

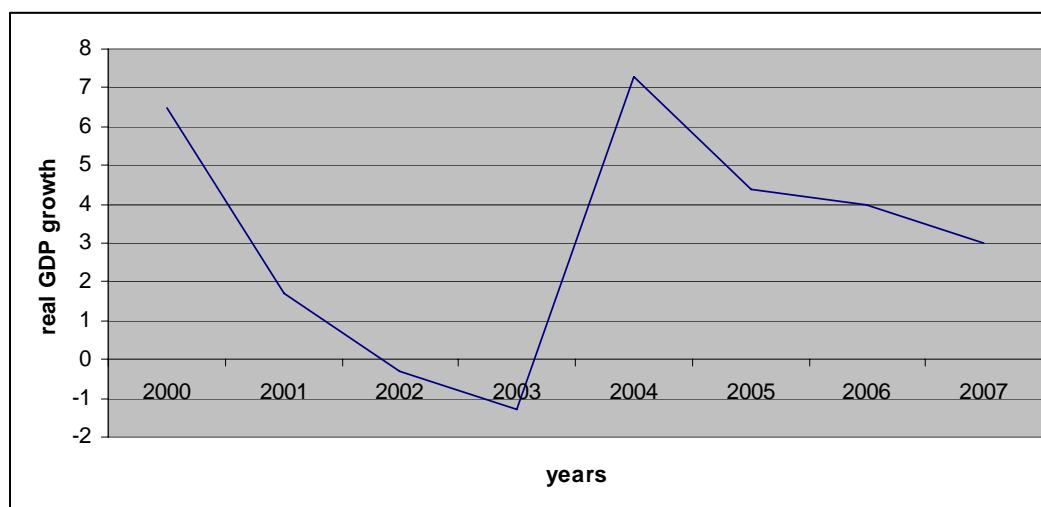


CHART 4.1: ST. KITTS AND NEVIS REAL GDP GROWTH (%) 2000-2007

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

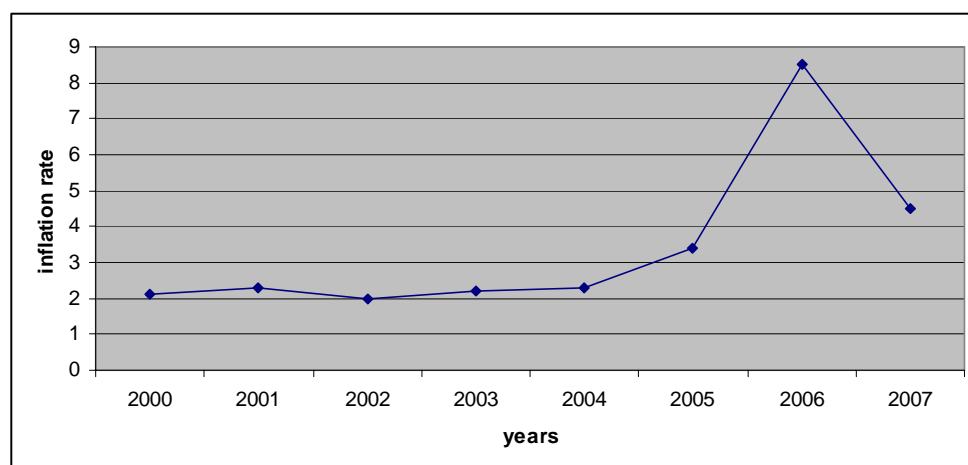


CHART 4.2: ST. KITTS AND NEVIS INFLATION RATE (%)

The value of exports from St. Kitts and Nevis, which is seen in Table 4.4, increased over the period from EC\$119.89 million in 1998 to EC\$158.17 million in 2006, declining only in the years 2003 and 2005. Like exports, imports increased over the period 1998 to 2006, representing a 68 percent increase. There was a negative balance of visible trade throughout the period with the greatest difference (EC\$515.52 million) between imports and exports being recorded in 2006, with the value of imports and exports being EC\$673.69 million and EC\$158.17 million respectively.

TABLE 4.4: VALUE OF EXPORTS AND IMPORTS EC\$M

Value of Exports and Imports EC\$M

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Value of Exports (FOB)	119.89	121.38	138.94	148.56	163.01	153.84	158.15	146.96	158.17
Value of Imports (CIF)	401.26	414.58	529.17	510.58	544.69	538.90	493.42	568.27	673.69
Balance of Visible Trade	(281.37)	(293.20)	(390.23)	(362.02)	(381.68)	(385.06)	(335.27)	(421.31)	(515.52)

Source: Department of Statistics, Eastern Caribbean Central Bank (ECCB)

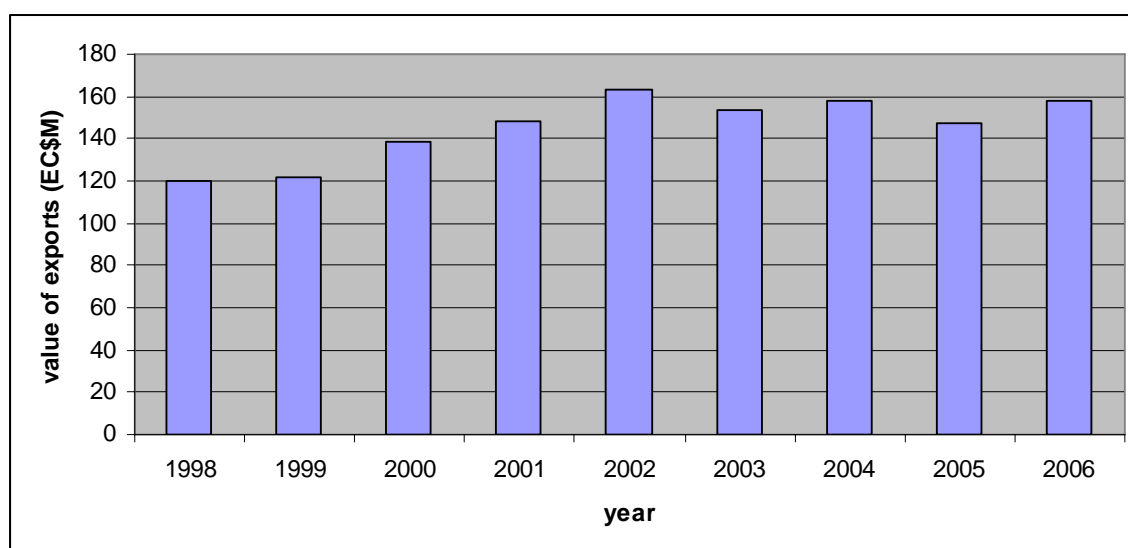


CHART 4.3: ST. KITTS AND NEVIS VALUE OF EXPORTS (EC\$M)

4.3 FISCAL OPERATIONS

Over the period 2000 to 2007, government current revenue rose from EC\$254.3 million to EC\$512.8 million representing a 102 percent increase. For the same period, current expenditure also increased, and more than doubled as in 2000 current expenditure stood at EC\$295.1 million and EC\$493 million in 2007 (Table 4.5).

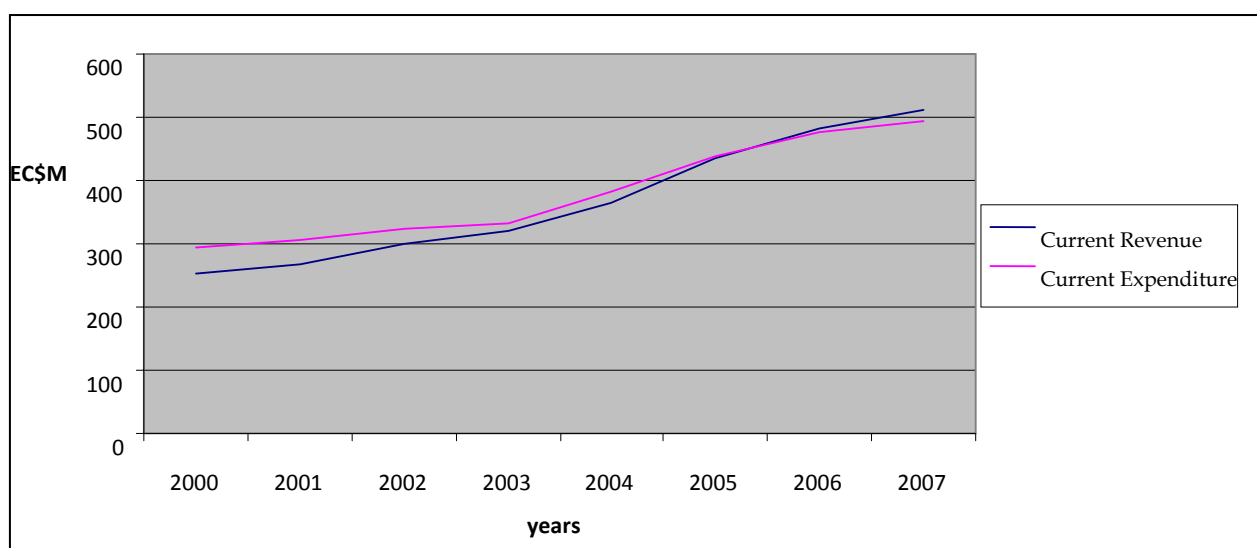


CHART 4.4: ST. KITTS AND NEVIS CURRENT REVENUE AND CURRENT EXPENDITURE

TABLE 4.5: SUMMARY OF FISCAL OPERATIONS (EC \$M)

Year	2000	2001	2002	2003	2004	2005	2006	2007
Current Revenue	254.3	267.3	299.1	321.3	365.4	434.3	483.4	512.8
Capital Revenue and Grants	12.6	26.0	34.9	8.3	8.7	35.6	55.4	56.0
Current Expenditure	295.1	307	323.6	333.1	381.5	438.7	476.9	493.0
Capital Expenditure and Net Lending	98.5	95.7	167.6	76.4	78.1	82.8	104.7	112.2

Source: CDB AER 2005, 2006, 2007

4.3.1 Revenue

Tax revenues, which are shown in Table 4.6, increased consistently over the period from EC\$212.1 million in 2002 to EC\$344.8 million in 2005 and was estimated to be EC\$373.1 million in 2006. Tax revenue as a percentage of Gross Domestic Product (Table 4.7) also increased and was as much as 29.2 percent in 2005. Non-tax revenues (Table 4.6) also increased throughout the period, with the exception of 2004 where non-tax revenues fell from the previous year by 5 percent, from EC\$87.5 million to EC\$83.5 million. One of the most important features of the tax system is the heavy reliance on indirect taxes.

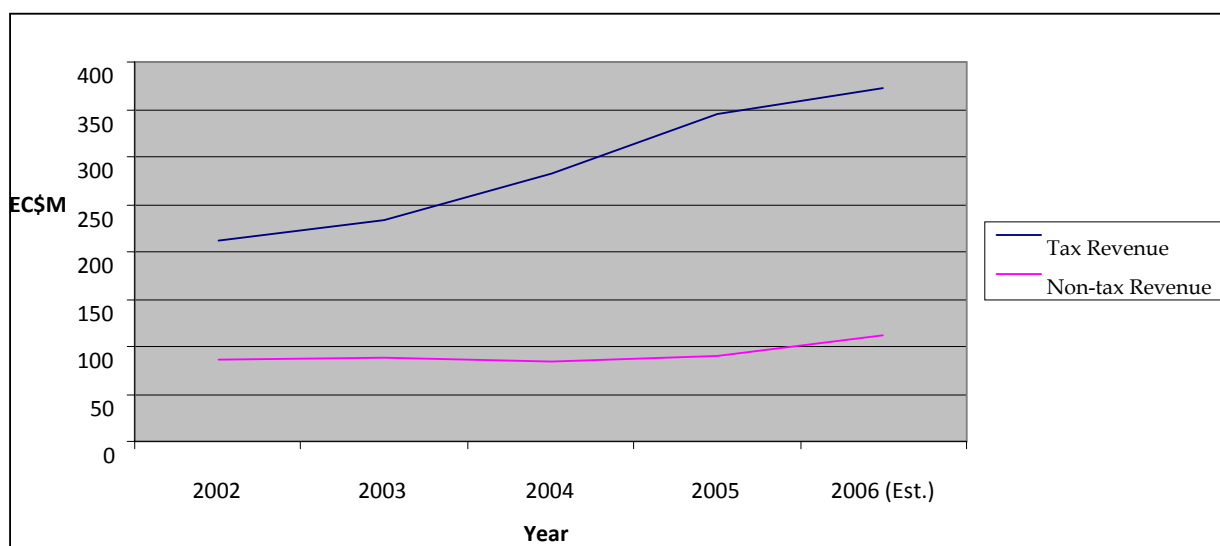


CHART 4.5: ST. KITTS AND NEVIS CENTRAL GOVERNMENT TAX AND NON-TAX REVENUE

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

TABLE 4.6: ST. KITTS AND NEVIS CENTRAL GOVERNMENT REVENUE (EC \$M)

	2002	2003	2004	2005	2006 Est.
Total Revenue and grants	327.4	327.5	369.4	466.6	520.3
Current Revenues	299.1	321.4	365.3	434.4	484.2
Tax Revenues	212.1	233.9	281.9	344.8	373.1
Direct Taxes	66.5	69.3	85.4	106.6	106.4
Taxes on income and profit	61.9	64.1	80.2	101.6	97.6
Income Tax	38.8	41.9	52.4	68.7	66.4
Social services levy	22	21.4	25.9	31	29.4
Withholding Tax	1.2	0.8	2	1.8	1.8
Property Tax	4.5	5.2	5.1	5.0	8.7
House Tax	4.0	4.2	4.1	4.2	4.8
Land Tax	0.5	0.8	0.6	0.6	3.7
Condominium fee	0.0	0.2	0.4	0.2	0.2
Indirect Taxes	145.6	164.6	196.5	238.2	266.7
Taxes on domestic goods and services	41.3	45.2	56	68.7	90.8
Of which	0	0	0	0	0
Wheel tax, levy and vehicle rental levy	4	5.4	5.3	5.8	6.2
Hotel room tax	8.2	9.4	12.5	12.5	12.9
Stamp duties	13.1	14.2	24.1	31.1	47.1
Gasoline levy	5.6	3.0	0.7	0.0	2.0
Insurance levy	1.6	1.5	2.3	2.1	2.2
Licenses	5.4	8.3	7.4	7.7	8
Traders Tax	1.3	1.3	1.6	1.9	2.1
Consumption tax	0.6	0.6	0.8	1	1.3
Taxes on international trade and transactions	104.3	119.3	140.5	169.5	175.9
Of which	0	0	0	0	0
Import Duty	33.7	36.5	40.7	49.1	49.7
Consumption Tax	50.8	56.5	68.7	80.4	83.6
Customs Service charge	15.7	19.1	24.3	31.8	34.2
Travel Tax	1.9	4.2	2.9	3.4	3.3
Nontax Revenue	87	87.5	83.5	89.6	111.1
Interest, dividends and profits	4.9	6.5	8.2	7.5	10.5
Post Office	2.7	1.6	2.1	3.1	2.9
Electricity and Cold Storage	31.7	30.3	27.6	32.1	52
Water Services	10.6	10.9	10.1	10.9	11.1
Financial Services	9.4	7.8	8.4	10.1	12.1
Rent of Government property	0.6	0.5	0.7	0.5	0.5
Fees, fines, and forfeitures	0.8	0.8	0.6	3.4	5.8
Other	26.4	29.1	25.7	22	16.2
Capital Revenue	0	0	0	0	0
Grants	28.3	6.1	4.1	32.2	36.1

Source: Ministry of Finance and IMF Staff Estimates

TABLE 4.7: TAX REVENUE-IN PERCENT GROSS DOMESTIC PRODUCT

	2001	2002	2003	2004	2005	2006 Est.
Tax Revenue	20.8	22.4	23.9	26.2	29.2	27.9

Source: Ministry of Finance and IMF Fund staff estimates

4.3.2 Expenditure

Wages and salaries accounted for the largest current expenditure component. Wages and salaries accounted for 44 percent and 37 percent of current expenditure in the years 2002 and 2005 respectively. Capital expenditure fell in 2003 by 48 percent but rose again in 2004 and 2005 (Table 4.8).

TABLE 4.8: ST. KITTS AND NEVIS CENTRAL GOVERNMENT EXPENDITURE (EC\$ M)

	2002	2003	2004	2005	2006 Est.
Total Expenditure and net lending	511.2	415.6	454.1	514.6	591.4
Current Expenditure	326.5	333.2	376	435.8	480.8
Wages and Salaries	144.2	144.1	159.7	163.1	170
Goods and Services	78.9	79	95.8	114.7	127.5
Interest	69.8	74.5	76.1	95.8	128.7
Domestic	38.2	31	30.1	48.4	87
Foreign	31.6	43.5	46.1	47.4	41.7
Transfers	33.6	35.6	44.3	62.2	54.7
Net Lending	51.6	13.9	11.3	0	8.7
Capital expenditure	133.1	68.6	66.7	78.8	101.8

Sources: Ministry of Finance and Fund staff estimates

4.3.3 Debt

Tables 4.9 and 4.10 provide data on the comparative debt situation among member countries of the Eastern Caribbean States. The region has been one of the most indebted in the world. Relative to its population size, and the size of its economy, St. Kitts and Nevis was one of the most heavily indebted countries among the OECS member states. Moreover, the stock of debt increased over the period 2004 to 2007, giving the country the dubious title of being one of the most severely indebted of countries.

TABLE 4.9 ECCU-TOTAL PUBLIC SECTOR DISBURSED OUTSTANDING DEBT (DOD)
(In millions of Eastern Caribbean dollars at end of period)

	2004 ^R	2005 ^R	2006 ^R	2007 ^R	Mar 2008 ^P
Anguilla	89.9	110.2	114.0	135.3	124.8
Antigua and Barbuda	3,482.7	2,708.5	2,967.1	3,013.4	2,813.9
Dominica	879.8	951.7	951.9	931.8	932.3
Grenada	1,528.6	1,637.6	1,712.3	1,770.8	1,799.9
Montserrat	13.2	12.7	12.0	11.2	10.3
St. Kitts and Nevis	2,003.4	2,215.7	2,378.6	2,407.2	2,397.0
St. Lucia	1,514.3	1,613.5	1,742.5	1,906.6	1,899.2
St. Vincent and the Grenadines	955.8	992.2	1,040.4	997.4	1,017.6
TOTAL ECCU	10,467.6	10,242.1	10,918.9	11,173.7	10,995.1

Source: Eastern Caribbean Central Bank, Quarterly Economic Report, March 2008, page 69

TABLE 4.10: ECCU-CENTRAL GOVERNMENT DISBURSED OUTSTANDING DEBT (DOD)
(In millions of Eastern Caribbean dollars at end of period)

	2004 ^R	2005 ^R	2006 ^R	2007 ^R	Mar 2008 ^P
Anguilla	69.7	91.8	97.1	115.2	105.0
Antigua and Barbuda	3,270.3	2,512.8	2,799.8	2,859.8	2,661.8
Dominica	694.3	775.1	789.3	777.0	778.5
Grenada	1,234.0	1,382.3	1,458.4	1,539.1	1,560.1
Montserrat	4.6	4.2	4.2	3.8	3.0
St. Kitts and Nevis	1,243.1	1,364.0	1,473.2	1,503.3	1,491.0
St. Lucia	1,215.8	1,293.5	1,428.0	1,595.4	1,585.9
St. Vincent and the Grenadines	836.1	8,49.8	890.7	809.7	800.7
TOTAL ECCU	8,568.0	8,273.5	8,940.7	9,203.3	8,989.0

Source: Eastern Caribbean Central Bank, Quarterly Economic Report, March 2008, page 69

As stipulated by the Eastern Caribbean Central Bank, the debt to GDP ratio should be no more than 60 percent. Over the period 2000 to 2007, public debt of St. Kitts and Nevis as a percentage of GDP exceeded 100 percent, reaching as high as 170 percent in 2007. Total public debt increased from \$380.4 million to \$889.9 million over the period 2000 to 2007. This represented a 133.9 percent increase. External public debt as well as domestic public debt increased over the entire period. In the case of domestic debt, there was a 6 percent

increase from 2006 to 2007. The percentage change in external public debt for the corresponding period was a negative one as external public debt declined from \$303.7 million to \$272 million.

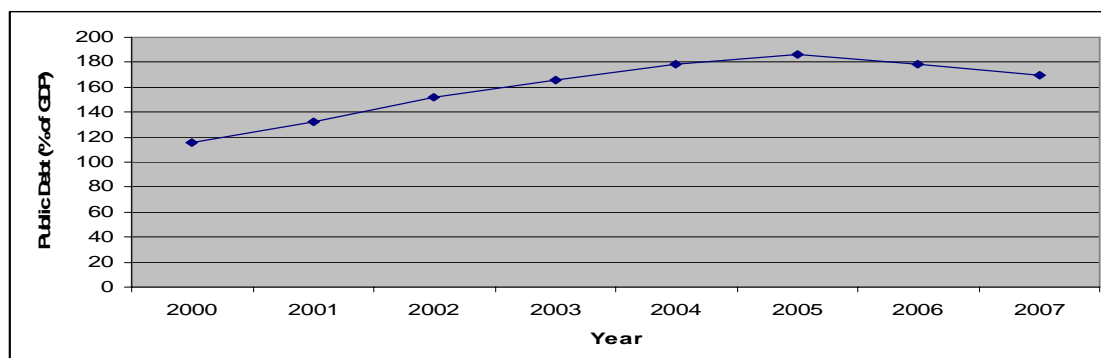


CHART 4.6: ST. KITTS AND NEVIS TOTAL PUBLIC DEBT AS A PERCENT OF GDP

Table 4.11 shows total public debt for St. Kitts and Nevis. Central government debt stood at \$557.4 million and \$569.1 million in the years 2006 and 2007 respectively. Central government external debt increased from \$71.5 million in 2000 to \$250 million in 2003 before falling to \$246.3 million in the following year. Over the period 2004 to 2007 central government external debt fell by 16.4 percent. Central government domestic debt increased over the period 2000 to 2007, falling only in the year 2003.

TABLE 4.11: TOTAL PUBLIC DEBT

	2000	2001	2002	2003	2004	2005	2006	2007
Total Public Debt \$mm	380.4	453.0	534.4	600.4	713.7	815.0	886.5	889.9
(%of GDP)	115.5	132.3	152.3	165.8	178.8	186.2	178.9	170.0
External Debt \$mm	161.1	214.1	265.2	315.6	328.5	299.3	303.7	272.0
(%of GDP)	48.9	62.5	75.6	87.2	82.2	68.4	61.3	52.0
Domestic Debt \$m	219.3	238.9	269.3	284.8	358.2	515.7	582.8	617.8
(%of GDP)	66.6	69.8	76.7	78.7	96.5	117.8	117.6	118.0
Central Government Debt \$m	219.6	309.3	381.1	431.9	472.2	513.3	557.4	569.1
(%of GDP)	66.7	90.3	108.6	119.3	118.3	117.2	112.5	108.7
External Debt \$m	71.5	141.1	195.2	250.0	246.3	220.8	224.4	205.9
(% of GDP)	21.7	41.2	55.6	69.1	61.7	50.4	44.9	39.3
Domestic Debt \$m	148.2	168.2	185.9	181.9	225.9	292.5	335.0	363.3
(% of GDP)	45.0	49.1	53.0	50.2	56.6	66.8	67.6	69.4

Source: CDB AER 2007

4.3.4 Wages and Employment

Data from the Social Security Board provides the most comprehensive and reliable information on the workforce. The Department of Statistics has conducted labour force surveys only occasionally.

Table 4.12 shows the number of workers in the social security scheme by age group. Over the period 2002 to 2006, the total number of workers in the social security scheme increased from 22,349 workers to 24,399 with the majority of persons in the social security scheme between the ages of 20 to 49. Between the ages of 0 to 15, there were 67 workers in the social security scheme.

TABLE 4.12: WORKERS IN SOCIAL SECURITY SCHEME BY AGE GROUP

Age Group	2002	2003	2004	2005	2006
0-15	41	42	45	48	67
16-19	1,199	1,208	1,431	1,589	1,574
20-24	3,348	3,474	3,599	3,675	3,604
25-29	3,320	3,198	3,335	3,507	3,429
30-34	3,181	3,120	3,136	3,187	3,267
35-39	3,161	3,115	3,084	3,126	3,098
40-44	2,860	2,857	2,915	3,017	2,982
45-49	2,264	2,329	2,507	2,684	2,638
50-54	1,255	1,390	1,563	1,795	1,876
55-59	753	773	826	888	959
60-62	309	310	340	357	369
63-100	658	638	580	639	536
Total Number of workers	22,349	22,454	23,361	24,512	24,399

Source: Social Security Board

In 2006, workers registered at the Social Security Board in the age group 50-54 recorded the highest average annual wage rate. The average annual wage rate of such workers was EC\$31,542. Those with the lowest average annual wage rate came from the 0-15 age group¹¹. This is shown in Table 4.13.

¹¹ This may be an anomaly. The minimum age for employment is age 16.

TABLE 4.13: ST. KITTS AND NEVIS AVERAGE ANNUAL WAGE RATE REGISTERED AT THE SOCIAL SECURITY BOARD (EC\$)

Age Group	2002	2003	2004	2005	2006
0-15	1799	1,506	1,506	1,942	1,778
16-19	6,944	6,600	6,837	7,272	7,699
20-24	13,166	13,578	14,471	15,273	15,834
25-29	17,448	18,276	19,561	20,324	21,224
30-34	21,517	22,009	24,137	24,971	25,939
35-39	22,082	23,014	25,199	26,703	28,770
40-44	23,029	23,544	26,095	26,224	28,269
45-49	25,281	24,567	26,240	27,740	29,594
50-54	27,589	28,399	30,380	30,515	31,542
55-59	25,032	26,434	28,686	29,819	30,576
60-62	22,150	23,356	24,020	26,549	30,855
63-100	16,258	16,236	20,990	21,801	23,595

Source: Social Security Board

4.3.5 Tourism

Table 4.14 shows tourist arrivals to St. Kitts and Nevis. Tourism has long been a contributor to growth in St. Kitts and Nevis. In 2006, the reported value added in the hotel and restaurant sector increased by 4 percent. Tourist arrivals declined by 26 percent over the period 1998 to 2002. Arrivals, however, rose from 90,562 in 2003 to 120,089, 127,728 and 132,859 in the years 2004, 2005 and 2006 respectively. Tourist arrivals by country are shown in Table 4.15. The data for 2004 show that the United States accounted for 57 percent of tourist arrivals while the OECS countries accounted for the second largest proportion of visitors with 11.5 percent of visitors coming from the OECS. The United Kingdom and Canada accounted for 9.3 percent and 5.1 percent of tourist arrivals respectively.

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

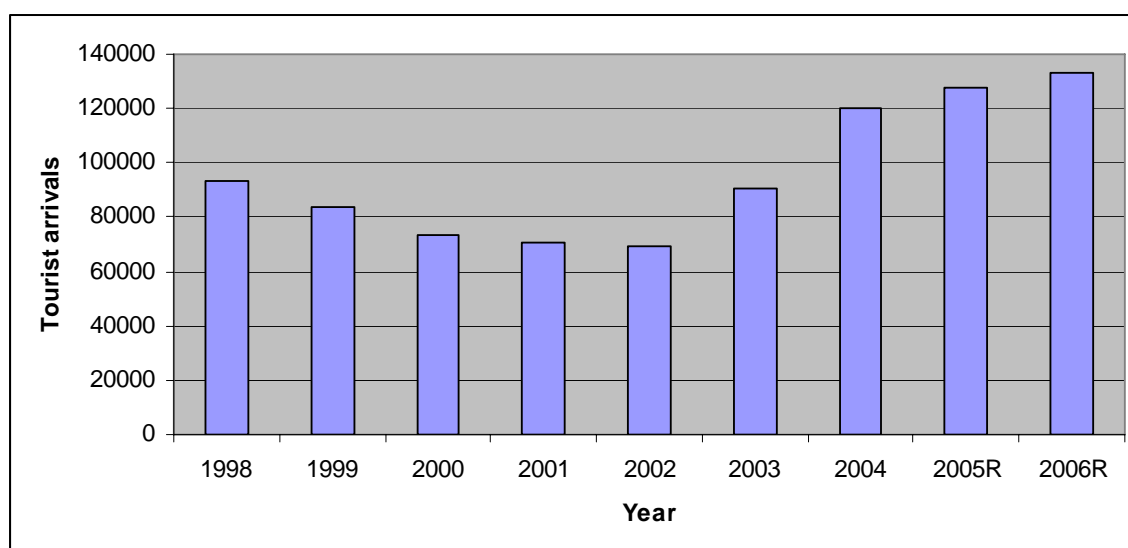


CHART 4.7: ST. KITTS AND NEVIS TOURIST ARRIVALS

TABLE 4.14: TOURIST ARRIVALS

1998	1999	2000	2001	2002	2003	2004	2005R	2006R	2007P
93,190	84,002	73,149	70,565	68,998	90,562	120,089	127,728	132,859	118,865

Notes: R-Revised, P-Preliminary Source At. Kitts and Nevis Statistical Review

TABLE 4.15: TOURIST ARRIVALS BY COUNTRY OF RESIDENCE

Country of Residence	2000	2001	2002	2003	2004	% Share 2004
United States	23,474	25,558	27,525	34,962	52,341	57.0
Canada	5,395	5,237	4,352	3,979	4,688	5.1
United Kingdom	12,841	8,726	5,464	6,776	8,502	9.3
Other Europe	1,543	1,730	n.a.	1,244	1,563	1.7
OECS	6,244	7,294	n.a.	9,852	10,595	11.5
Other CARICOM	5,441	4,569	n.a.	2,395	2,993	3.3
U.S. Virgin Islands	5,862	5,509	n.a.	n.a.	n.a.	...
Netherlands Antilles	3,721	3,592	n.a.	2,370	2,622	2.9
Rest of the World	8,628	8,350	30,190	7,382	8,465	9.2
TOTAL	73,149	70,565	67,531	68,960	91,769	100.0

Table 4.16 represents the total number of hotel rooms available in the St. Kitts and Nevis. The number of hotel rooms available stood at 1 543 in the year 1998, falling to 1 438 in 2002. The number however rose again in 2003 to 1 611 before falling again to 1 550 in 2004 before increasing to 1 859 in 2005. Over the period the number of hotel rooms increased by 20 percent: the fluctuations might have been due to closure of some establishments for renovation and expansion.

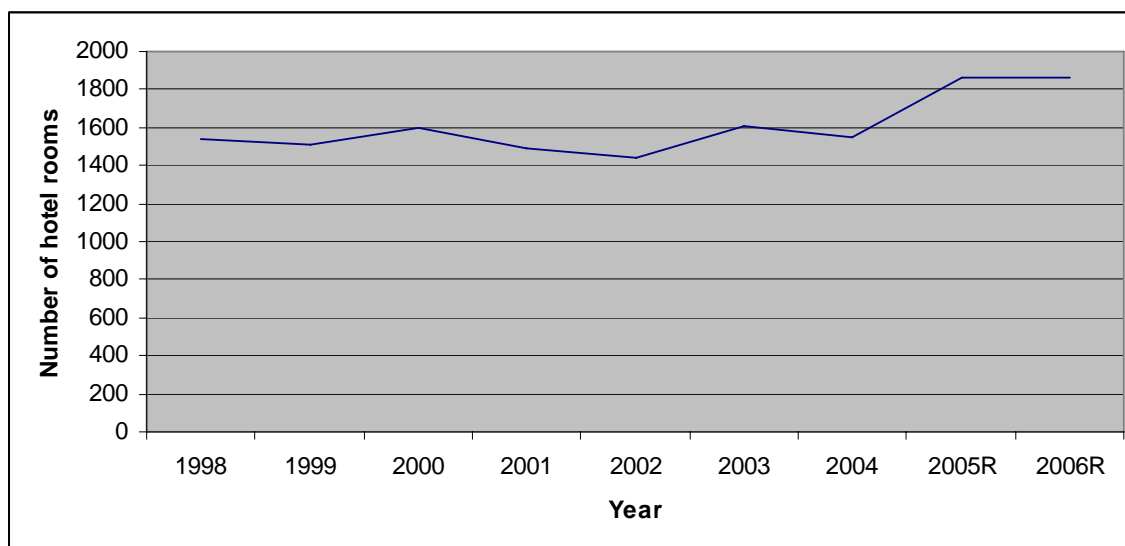


CHART 4.8: ST. KITTS AND NEVIS HOTEL ROOMS

TABLE 4.16: HOTEL ROOMS

1998	1999	2000	2001	2002	2003	2004	2005 ^R	2006 ^R	2007 ^P
1,543	1,508	1,602	1,489	1,438	1,611	1,550	1,859	1,859	1,859

Notes: R-Revised, P-Preliminary Source: Kitts and Nevis Statistical Review

4.3.6 Agricultural Production

The years 2005 and 2006 (21.2 percent) recorded declines in agricultural output which was attributable mainly to the closure of the sugar industry in St. Kitts and Nevis on July 30, 2005. As reflected in Table 4.17, sugar production fell by 24 percent over the period 2004 to 2005, reflecting anticipated closure. However, although this industry closed, leaving over one thousand workers jobless, the production of other crops such as cabbage, carrots, peanuts, sweet pepper, sweet potato and tomato increased; the output in livestock has

risen, (Table 4.18) and contributed to a 6.9 percent increase in agricultural output in the year 2007.

TABLE 4.17: ST. KITTS AND NEVIS SUGAR PRODUCTION (TONS)

1998	1999	2000	2001	2002	2003	2004	2005 ^R	2006 ^R	2007 ^P
24,582	17,738	18,052	22,486	21,398	16,255	14,157	10,729

Source: St. Kitts and Nevis Statistical Review

TABLE 4.18: CROP PRODUCTION (LBS)

Food Crop	1998	1999	2000	2001	2002	2003	2004	2005	2006
Cabbage	153,412	341,500	155,150	95,000	115,450	201,526	224,014	146,460	153,350
Carrots	183,567	122,800	129,800	139,000	234,000	235,974	195,355	171,650	182,550
Peanuts	66,338	91,000	96,000	49,000	84,150	66,000	70,400	55,000	124,000
Sweet Pepper	55,203	32,550	77,200	45,850	93,300	96,179	114,030	60,280	106,023
Sweet Potato	318,000	332,700	342,250	354,000	406,500	365,846	372,600	348,130	582,823
Tomato	129,220	219,400	150,610	181,600	295,300	326,240	348,368	237,916	381,185

SECTION II

MAIN FINDINGS OF THE STUDY

CHAPTER FIVE

KEY POVERTY AND VULNERABILITY INDICATORS

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 existing prices. Individuals that live in households with per capita adult equivalent consumption less than this level are considered poor.

The location of the poverty line is calculated on the basis of minimum food and non-food consumption requirements of households at prevailing prices. The location of the poverty line is calculated on the basis of minimum food and non-food consumption requirements of households at prevailing prices.

The Indigence line reports the estimated level of expenditure for an average adult to meet the minimum food requirements (2,400 KCal) necessary for maintaining healthy existence. **In St. Kitts the indigence line was estimated at EC\$2,595 per adult per annum and in Nevis it was estimated at EC\$2,931.**

The National Survey of Living Conditions (NSLC) conducted in the year 2007, estimated the **poverty line in St. Kitts to be EC\$7,329 per annum and that of Nevis to be EC\$9,788 per annum.**

The vulnerability line is 125 percent of the poverty line (or 25% above it). It measures the number of persons who may be above the poverty line (not poor) but are so close to it that they are at risk of falling into poverty, should any adverse economic shock or natural disaster occur. Table 5.1 (below) provides the details of the respective indigence and vulnerability lines for St. Kitts and for Nevis.

TABLE 5.1: LOCATION OF THE POVERTY, INDIGENCE AND VULNERABILITY LINES

Indicator of Vulnerability	St. Kitts 2007	Nevis 2007
Indigence Line (Annual in EC\$)	2,595	2,931
Poverty Line (Annual in EC\$)	7,329	9,788
Vulnerability Line (Annual in EC\$)	9,161	12,235

On this basis, and using data for the average size of a family in St. Kitts and in Nevis from the Survey, the study estimates that the average family in St. Kitts would need to spend at least EC\$1,498 per month (or EC\$17,978 per annum) at current prices, to escape poverty. In Nevis, the average family consuming less than EC\$1,830 per month (or EC\$21,961 per annum) would be deemed to be poor (Table 5.2).

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

Island	Mean Adult Equivalent Household Size	Indigence Line per month per adult EC\$	Poverty Line per month per adult EC\$	Minimum Required per month per Household EC\$	Annual Poverty Line per adult EC\$	Minimum Annual Required per Household EC\$
St. Kitts	2.453	216	611	1,498	7,329	17,978
Nevis	2.244	244	816	1,830	9,788	21,961
Total	2.399					

The most commonly quoted measure of the Incidence of Poverty is the headcount index. This measures the percentage of the population that is deemed to be poor on the basis of the estimated poverty line. The NSLC revealed a **national poverty rate of 21.8 percent** of individuals (across St. Kitts and Nevis): in effect, the vast majority of the poor is in the first quintile. A closer look at the data by island reveals that the situation is worse in St. Kitts than in Nevis: the headcount index for St. Kitts is 23.7 percent and the level of indigence is 1.4 percent, while in Nevis the headcount is 15.9 percent and the level of indigence is zero. Table 5.3 shows how the most recent poverty estimates compare with the last study conducted in the year 2000.

While these estimates are not exactly comparable since the research design and sampling procedure for the two years vary to some degree, the order of magnitude in the apparent difference does suggest an improvement in living condition for the lower levels of the society. There is no doubt about the enhanced living conditions in Nevis between 2000 and 2007. For example, the percentage of the population relying on pit latrines had been cut by half over the period, and likewise the percentage of those living in wooden homes. Thus, if general living conditions are an indicator of poverty, the country surely experienced a reduction in poverty over the period.

TABLE 5.3: POVERTY RATES BY ISLAND 2000 AND 2007 COMPARED

Poverty Indicators (2000 and 2007 Compared)	St. Kitts		Nevis	
	%	%	%	%
	Individuals 2000	Individuals 2007	Individuals 2000	Individuals 2007
Poverty Headcount Index	30.5	23.7	32.0	15.9
Indigence Level	11.0	1.4	17.0	0.0

Note: Research design and sampling procedure for the two years reported in this table may vary

The headcounts for St. Kitts and Nevis are high by international standards for countries with a similar level of per capita GDP, but are on par with OECS neighbours. Table 5.4 presents the headcount Index for selected Caribbean Countries, based on the most recent Surveys of Living Conditions.

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
Jamaica	2006	16.0
St. Lucia	2005	28.8
St Vincent and the Grenadines	1996	37.5
Trinidad and Tobago	2005	16.7

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

In the study of poverty, it is insufficient to consider the headcount index, since it does not provide policymakers with sufficient information about those who are deemed to be poor. Other useful sources of information include a closer inspection of the distribution of income of the society as a whole and of those below the poverty line, and an exploration of the demographic and other characteristics of persons below the line.

First, the Poverty Gap Ratio, which estimates the depth of poverty or the “poverty deficit”, gives a good measure of the extent or intensity of poverty as it reflects how far the poor are from the poverty line. Assuming perfect targeting, the ratio gives the amount of resources (as a percentage of the poverty line) needed to bring poor individuals up to the poverty line level. The FGTP2 index, also referred to as the severity of poverty index, gives heavier weight to the poorest of the poor and thus reflects the degree of inequality among the poor. These indicators may also be examined at the district (Parish) level (Table 5.5). Figures 5.1, 5.2 and 5.3 provide maps reflecting these indices. Of some significance for present purposes is that in St. Kitts, the parish of St. John did not experience any fall in the poverty rate between the two surveys. It remains one of the more remote communities in the context of St. Kitts, and would have been affected by the closure of the sugar industry. St. Mary’s had the next highest level of poverty but Christchurch which lies between them had a much lower rate, and was even below the national average.

TABLE 5.5: HEADCOUNT, POVERTY GAP AND POVERTY SEVERITY BY PARISH

Parishes	Headcount	Poverty Gap	Poverty Severity
St. Kitts			
St. George-Basseterre E.	13.99	3.28	1.15
St. George-Basseterre W.	23.75	6.87	3.52
St. Paul's	26.92	5.40	1.84
St. Anne	24.14	8.93	4.42
St. Thomas	28.46	8.03	2.83
Trinity	0.00	0.00	0.00
Christ Church	15.06	2.78	0.90
St. John	42.86	13.65	5.02
St. Mary	36.92	7.70	2.69
St. Peter	16.44	4.75	1.90
Total	23.69	6.41	2.59
Nevis			
St. Paul's	18.18	2.34	0.54
St. John	21.64	4.48	1.16
St. George	12.50	1.72	0.86
St. Thomas	17.36	3.59	0.84
St. James	8.00	0.71	0.12
Total	15.94	2.72	0.77

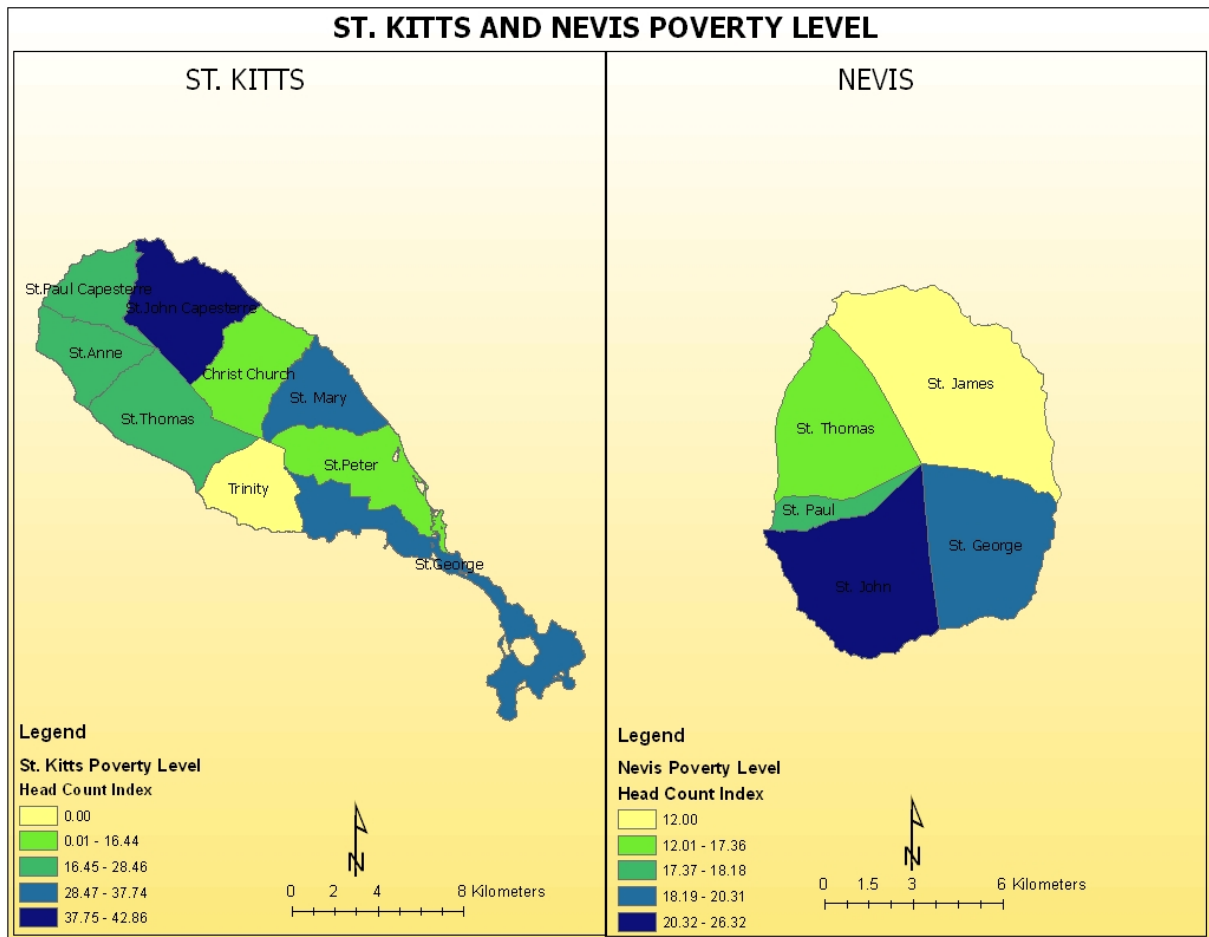


FIGURE 5.1: ST. KITTS AND NEVIS POVERTY LEVEL

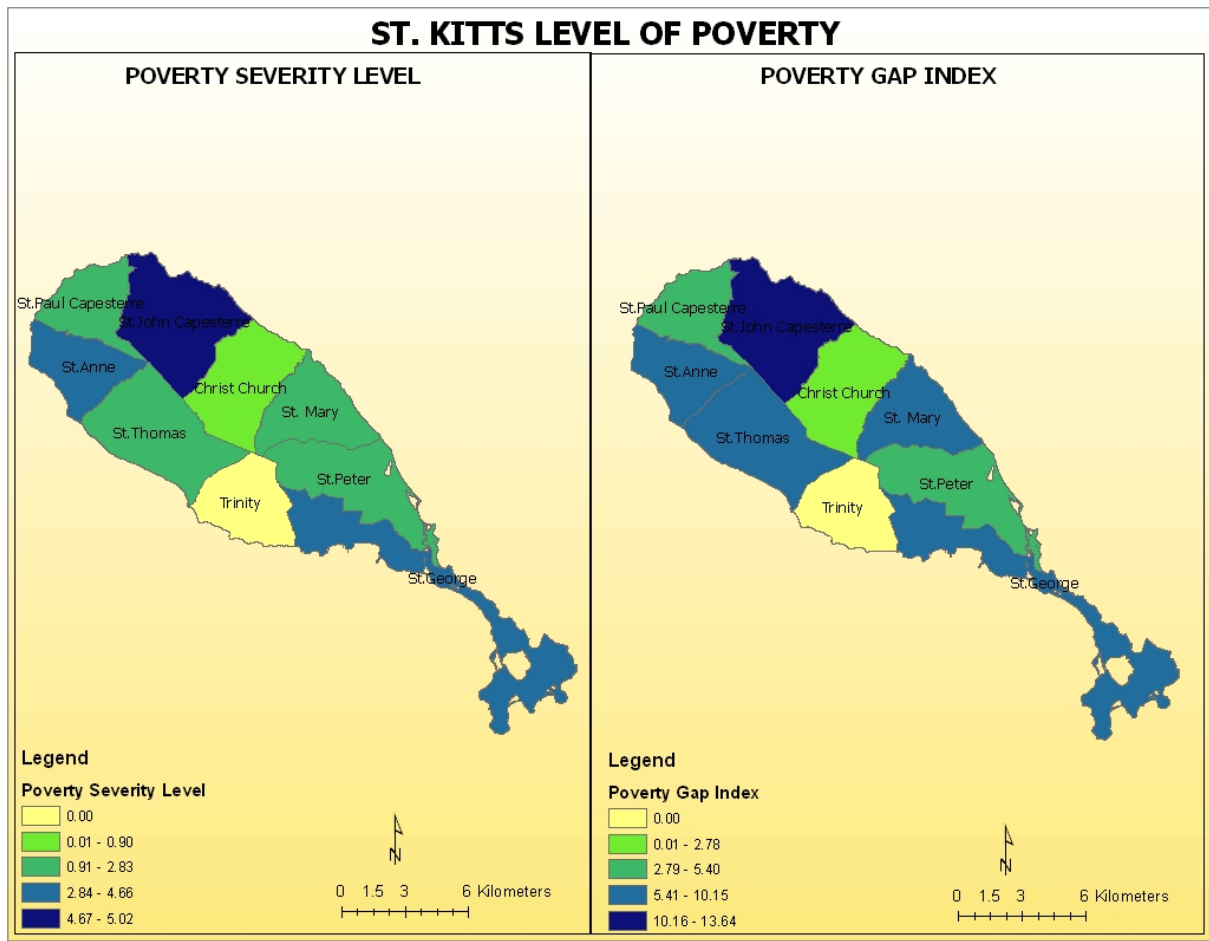


FIGURE 5.2: ST. KITTS LEVEL OF POVERTY

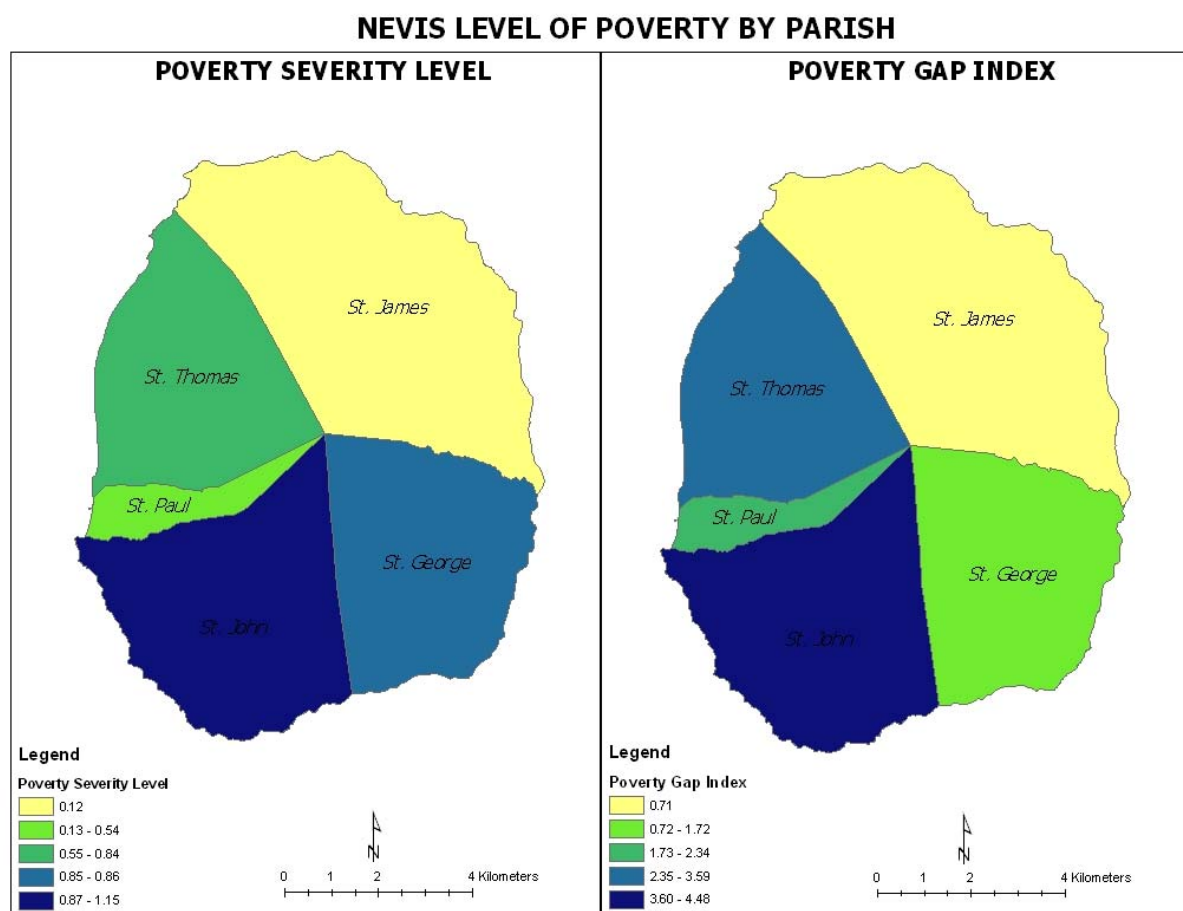


FIGURE 5.3: NEVIS LEVEL OF POVERTY

Table 5.6 shows the distribution of consumption expenditure. The poorest ten percent had 2.5 percent of expenditure, while the richest ten percent had 32.8 percent of expenditure. The unequal distribution of income and expenditure is reflected in the Gini coefficient which was 0.397. Indeed, there was no change in the level of inequality over the period. The Lorenz curve for this recent distribution is provided in Figure 5.4.

TABLE 5.6: DISTRIBUTION OF CONSUMPTION ST KITTS NEVIS 2007/08

Deciles	%		% Cumulative		Gini
	Consumption	Population	Consumption	Population	
1	2.460	9.99	2.5	10	0.002
2	3.828	10.08	6.3	20	0.009
3	4.576	9.88	10.9	30	0.017
4	5.652	10.02	16.5	40	0.027
5	6.872	10.07	23.4	50	0.040
6	7.956	9.91	31.3	60	0.054
7	9.761	10.09	41.1	70	0.073
8	11.190	9.97	52.3	80	0.093
9	14.862	9.99	67.2	90	0.119
10	32.843	10.00	100.0	100	0.167
Total	100.00	100.00			0.397

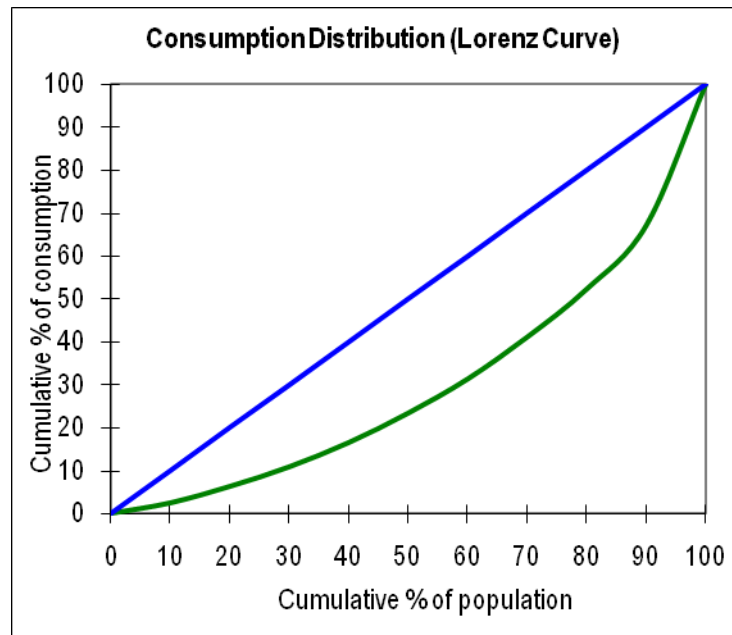


FIGURE 5.4: ST. KITTS AND NEVIS LORENZ CURVE

5.1 ECONOMIC SITUATION OF HOUSEHOLDS

Household heads were asked to compare their current living conditions to that of one year prior to the survey and to rate their current circumstance on a five point scale, from *much worse now* to *much better now*.

In St. Kitts, the majority of household heads (34.4%) felt that their economic situation had not changed; the poor were more inclined to this outlook than the non-poor. Among the poor, 30.4 percent felt that they were worse off (either a little worse off or much worse off), while 28.0 percent felt that they were better off (Table 5.7).

In Nevis, the situation was much better; most persons felt that their economic situation had at least remained the same (48.1%). Approximately 28 percent of households felt that they were a little better off, while 5.8 percent felt that their conditions were much improved. Among the poor, 24.1 percent felt that things were a little better, while 8.3 percent felt that things have become much worse (Table 5.8).

TABLE 5.7: ECONOMIC SITUATION OF HOUSEHOLD COMPARED TO ONE YEAR AGO BY SOCIO-ECONOMIC STATUS (PERCENT)-ST. KITTS

Economic Situation	Socio Economic Status		
	Poor	Non Poor	Total
	%	%	%
Much worse now	8.9	10.2	10.0
A Little worse now	25.0	20.2	20.9
Same	33.6	34.5	34.4
A Little better now	20.5	21.8	21.6
Much better now	4.7	6.6	6.4
Don't know	7.2	6.7	6.8
Total	100.0	100.0	100.0

TABLE 5.8: ECONOMIC SITUATION OF HOUSEHOLD COMPARED TO ONE YEAR AGO BY SOCIO-ECONOMIC STATUS (PERCENT)-NEVIS

Economic Situation	Socio Economic Status		
	Poor	Non Poor	Total
	%	%	%
Much worse now	8.3	8.4	8.4
A Little worse now	16.1	13.6	13.9
Same	51.5	40.7	41.8
A Little better now	24.1	28.0	27.6
Much better now	0.0	6.4	5.8
Don't know	0.0	2.9	2.6
Total	100.0	100.0	100.0

5.2 PERFORMANCE ON THE MILLENNIUM DEVELOPMENT GOALS

In September 2000, the international community committed to an agenda for poverty reduction, by signing a United Nations (UN) declaration, which listed eight “Millennium Development Goals”, identifying goals, targets and indicators for measuring quality of life improvements. These MDGs, which were originally created and expressed in terms of 8 goals, 18 targets and 48 indicators, all time-bound between 2000 and 2015 (although some goals refer to a base year of 1990), have become an internationally accepted framework for measuring development progress. The MDGs focus largely on social, human and environmental development (Table 5.9).

The Caribbean has since adapted the UN-specified targets and indicators to better reflect regional development objectives. The result is a list of Caribbean-specific Millennium Development Goals (MDGs), with a set of revised targets and an extended list of 89 indicators, which have replaced the original 48. Table 5.10 outlines the performance of St. Kitts Nevis on the Caribbean-specific MDGs.

TABLE 5.9: 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

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TABLE 5.10: PERFORMANCE OF ST. KITTS AND NEVIS 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;	St. Kitts: 14.8 % of households living below the poverty line Nevis: 10.1% of households living below the poverty line St. Kitts and Nevis: 13.5 % of households/ 21.8% individuals living below the poverty line
	2. Poverty gap ratio	St. Kitts: Poverty gap index is 6.41 and poverty severity index is 2.59 Nevis: Poverty gap index is 2.72 and poverty severity index is 0.77
	3. Share of poorest quintile in national consumption	The lowest quintile accounted for 6.3% of national consumption and the fifth quintile 47.7%
	4. Proportion of employed living in households that are below the poverty line, by sex (of household head)	81.6% in St. Kitts and 96.8 % in Nevis, of labour force participants in the lowest quintile were working.
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	21% of children under the age of 5 in St. Kitts and Nevis were found to be under weight for their age in 2004 (Source: PAHO Health in the Americas 2007 volume 2).
	6. Proportion of population below minimum level of dietary energy consumption by sex	St. Kitts: 1.1% of households or 1.4% of individuals are consuming at levels under the indigence line (minimum dietary energy consumption) St. Kitts and Nevis: 0.6% of households or 1.0% of individuals are consuming at levels under the indigence line (minimum dietary energy consumption)

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Goal 1. Eradicate extreme poverty and hunger (Cont'd)		
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	St. Kitts: 99.3% of households used electricity as the main source of lighting. Nevis: 92.7% of households used electricity as the main source of lighting.
	8. Proportion of households using pit latrines by sex of household	St. Kitts: 8.6% of households had pit latrines or worse as toilet facilities. Nevis: 11.7% of households had pit latrines or worse as toilet facilities. St. Kitts and Nevis: 9.4% of households had pit latrines or worse as toilet facilities.
Target 4	Indicators	Status
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	11.5% of individuals had low asset base, i.e 3 or less of 9 possible common durables.
Goal 2. Achieve universal primary and secondary education		
Target 5	Indicators	Status
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 66.3 for boys; 80.9 for girls; and 73.5 for both sexes. (2007)
	11. School attendance among primary school children by sex	9.0% of school age children did not attend school in the last week (reference week) for at least one day.
	12. Proportion of pupils starting Grade 1 who reach Grade 5 by sex	77.6 percent (2000) for both sexes.
	13. Net enrolment ratio in secondary education by sex	In 2005, 86.7% of Males and 85.4% of females were enrolled in secondary education (Source: UNESCO Institute for Statistics, Data Centre, http://stats.uis.unesco.org/unesco/ReportFolders/ReportFolders.aspx)

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Goal 2. Achieve universal primary and secondary education (Cont'd)	
14. Proportion of pupils who reach Grade 12 (fifth form) in secondary school by sex	School life expectancy in 2005 was 11.5 years among males and 11.8 years among females (Source: UNESCO Institute for Statistics, Data Centre, http://stats.uis.unesco.org/unesco/ReportFolders/ReportFolders.aspx)
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	97.7% of persons 15 years and over are functionally literate.
17. number of primary and secondary schools addressing gender stereotyping in the curriculum	
18. Percentage of schools with age appropriate curricula	
19. Percentage of trained teachers in primary and secondary schools	In primary schools, 58.3% of teachers are trained, and in Secondary Schools, 39% of teachers are trained. (Source: UNESCO Institute for Statistics, Data Centre, http://stats.uis.unesco.org/unesco/ReportFolders/ReportFolders.aspx)
20. Average number of children in class by grade by school	

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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	At the primary level, 96.5% of males are enrolled, compared to 101.8% of females. At the secondary level, 94.5% of males are enrolled, compared to 92.8% of females. The Gender Parity Index in Primary Level education is 1.20. (Sources: http://mdgs.un.org/unsd/mdg/Data.aspx , http://stats.uis.unesco.org/unesco/ReportFolders/ReportFolders.aspx)
	22. Ratio of literate women to men of 15-24 years	96.5% of males and 97.4% of females between the ages 15-24 are literate (Source: UNSTATS).
	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	
	25. Average national income of men and women by sector of employment	
	26. Employed persons by occupational status by sex	
	27. Proportion of seats held by women in national parliament	6.7 percent (2008) of seats in Parliament are held by women compared to women holding no parliamentary seats in the three previous years.
	28. Proportion of women holding office in local government	

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Goal 3. Promote gender equality and empower women (Cont'd)		
Target 8	Indicators	Status
Reduce by 60% 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	A National Plan on Gender and Development (1996-2000) was approved by the Parliament of St. Kitts and Nevis. (http://www.un.org/News/Press/docs/2002/wom1340.doc.htm)
	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	
Goal 4. Reduce child mortality		
Target 9	Indicators	Status
Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	34. Under-five mortality rate by sex	19 (2006) for both sexes.
	35. Infant mortality rate by sex	7.8% of infants died before their first birthday, and 4.6% died after first birthday (SLC).
	36. Proportion of children 1-5 years of age who have received complete immunization coverage (BCG, three doses of DPT and oral polio, measles)	99 percent of one year old children (2006) have been immunized against measles.
	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	

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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	
	40. Proportion of births attended by skilled health personnel	100 percent (2005)
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	
	42. Adolescent fertility rate	Adolescent birth rate- 68.1 percent (2001) 1.3% of females reported having their first birth under the age of 15. 41.0% of females reported having their first birth between the ages of 15-19
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	
	44. Condom use, rate of contraceptive prevalence	
	a. Condom use at last high risks sex by sex	
	b. Percentage of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS by sex	
	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	
	46. Ratio of school attendance of orphans to school attendance to non-orphans (10-14)	
	47. Proportion of children orphaned by HIV/AIDS by age group	

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Goal 6. Combat HIV/AIDS, malaria and other diseases (Cont'd)		
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	Reportedly 0.0 percent across age groups. Source: http://globalis.gvu.unu.edu/country.cfm?country=KN
	49. proportion of population in malaria risks areas using effective malaria preventive and treatment measures	
	50. Prevalence and death rates associated with tuberculosis	16.6 % tuberculosis prevalence rate; 1.8% tuberculosis death rate (2006)
	51. Proportion of tuberculosis cases detected and cured under DOTS	40.1% of tuberculosis cases were detected by the DOTS (2006). The tuberculosis success rate was 0.0 (2002).
	52. Existence of programmes that take into account the gender dimensions of power in the transmission and treatment of HIV/AIDS	
	53. Prevalence of chronic diseases by sex and age	
	54. Provision of support services for primary caregivers	Gynaecologist/obstetrician services provided at Health Centres for at risk mothers who cannot afford private health providers. This service is provided free of charge. Source: Greaves, 2008
Goal 7. Ensure environmental sustainability		
Target 14	Indicators	Status
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	14.7 percent of land area is covered by forest (2005).
	56. Ratio of area protected to maintain biological diversity to surface area	
	57. Energy use (kg oil equivalent) per GDP (PPP)	Energy consumption is reportedly 847 kg per capita of oil equivalents per capita. Source: http://globalis.gvu.unu.edu/country.cfm?country=KN
	58. Carbon dioxide emissions per capita	2.5697 metric tons of carbon dioxide per capita (2004).
	59. Proportion of population using solid fuels (with access to secure tenure)	5 percent (2003).

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Goal 7. Ensure environmental sustainability (Cont'd)		
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	96.8% of individuals had access to safe drinking water piped from a public source.
	61. Proportion of urban population with access to an improved sanitation	8% of individuals relied on pit latrines.
Target 16	Indicators	Status
Have achieved by 2020, significant improvement in the lives of at least 70% of persons living in poor communities	62. Proportion of households with access to secure tenure	69% of households owned their homes either with or without a mortgage.
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	Excessive silt from erosion is deposited into the sea, contributing to negative effects on the sea grass beds, coral reefs and other spawning grounds in the marine environs. Source: http://www.unccd.int/cop/reports/lac/national/2000/saint_kitts_and_nevis-summary-eng.pdf
	64. Percentage of coral reefs destroyed by natural disasters	
	65. Incidence of natural disasters	
	66. Economic losses resulting from natural disasters	
	67. Social dislocation resulting form natural disasters	
	68. Existence of a sustainable framework for the collection, processing and analysis of data relevant to the construction of a Vulnerability Index	

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Goal 8. Develop a global partnership for development		
Target 18	Indicators	Status
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% in total and 0.15% for LDCs)	
	70. Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation)	
	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	
Target 19	Indicators	Status
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's and cancellation of official bilateral debt; and more generous programmes of debt relief for countries committed to poverty reduction)	75. Services as a proportion of total exports	
	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	

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Goal 8. Develop a global partnership for development (Cont'd)		
Target 20	Indicators	Status
Address the special needs of landlocked countries and SIDS	80. Proportion of ODA provided to help build trade capacity	
	81. Proportion of official bilateral HIPC debt cancelled	
	82. Debt service as a percentage of export of goods and services	
Target 21	Indicators	Status
Deal comprehensively with the debt problems of developing countries, through national and international measures in order to make debt sustainable in the long term	83. Proportion of ODA provided as debt relief	
	84.. Unemployment rate by age group and sex	5.1% of individuals were unemployed.
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	85. Proportion of population with access to affordable essential, approved drugs on a sustainable basis	All services at the Community Health Centres are Free. Medications for persons suffering from Diabetes, Hypertension, other chronic disease and HIV/AIDS are provided free of cost. There is an initial minimal fee of \$10.00 for administrative costs. Source: Greaves 2008
Target 23		
In cooperation with pharmaceutical companies, provide access to affordable internationally approved essential drugs in developing countries	86. Telephone lines per 1,000 people	59.26 telephone lines per 100 population (2004).
	87. Personal computers per 1,000 people	26.07 personal computers per 100 population (2004).
	88. Ratio of personal computers to students in primary and secondary school	
Target 24	Indicators	Status
In cooperation with the private sector, make available the benefits of new technologies, especially information and communications	89. Use of internet by government to provide information to the population	

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

CHAPTER SIX

THE FACE OF POVERTY AND VULNERABILITY

6.1 CHARACTERISTICS OF THE POOR AND VULNERABLE

Estimates of poverty point to sections of the society that experience certain identifiable risks and live in certain conditions that are deemed to be below the accepted norm for that society. Table 6.1 provides some summary statistics for the group of all vulnerable persons – below 125% of the poverty line.

TABLE 6.1: KEY VULNERABILITY INDICATORS

Indicator of Vulnerability	St. Kitts		Nevis		St. Kitts and Nevis	
	2007		2007		2007	
	% households	% individuals	% households	% individuals	% households	% individuals
Poverty Headcount Index (Adult Equivalent)	14.8	23.7	10.1	15.9	13.5	21.8
Indigence Level (Adult Equivalent)	1.1	1.4	0.0	0.0	0.6	1.0
Low adult equivalent household consumption (below 125% of poverty line)	24.5	37.8	19.9	28.8	23.8	35.6
Low educational attainment (defined as an adult not having passed any school examination)	n.a.	21.5	n.a.	45.2	n.a.	39.2
No schooling (school age children not attending school last week for at least one day)	n.a.	9.4	n.a.	6.6	n.a.	9.0
No employment (no adult employed in the household)	13.9	6.7	15.3	7.1	14.4	6.8
Insufficient employment (less than one in two adults employed in the household)	19.4	15.9	18.5	11.5	19.1	14.6

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Indicator of Vulnerability	St. Kitts		Nevis		St. Kitts and Nevis	
	2007		2007		2007	
	% households	% individuals	% households	% individuals	% households	% individuals
Unemployment Rate		6.3		1.5		5.1
High dependency ratio (less than one person of working age for every two persons not of working age)	12.6	10.3	8.9	9.8	11.7	10.2
Poor access to safe water (if no piped water)	4.2	2.9	3.0	1.5	3.9	2.6
Poor quality of housing (toilet is a pit latrine or worse)	8.6	7.5	11.7	9.5	9.4	7.2
Low asset base (whether household has 3 or less out of 9 possible common durables)	14.4	12.6	15.7	8.3	14.8	11.5

6.2 GEOGRAPHIC DISTRIBUTION OF POVERTY

In St. Kitts, most of the poor are located in St. John, which had the highest concentration of this socio-economic category followed by St. George-Basseterre (West and East). In Nevis, St. John accounted for 39.3 percent of the poor (Table 6.2). Figure 6.1 provides the mapping of poverty in St. Kitts and Figure 6.2 provides the map for Nevis.

TABLE 6.2: DISTRIBUTION OF POOR BY PARISH

Island and Parish	Socio Economic Status
	Poor %
St. Kitts	
St. George-Basseterre E.	12.52
St. George-Basseterre W.	18.0
St Paul's	7.5
St. Anne	9.1
St. Thomas	6.5
Trinity	0.0
Christ Church	4.1
St. John	20.9
St. Mary	17.1
St. Peter	4.3
All St. Kitts	100.0
Nevis	
St Paul's	16.20
St. John	39.3
St. George	19.7
St. Thomas	16.5
St. James	8.3
All Nevis	100.0

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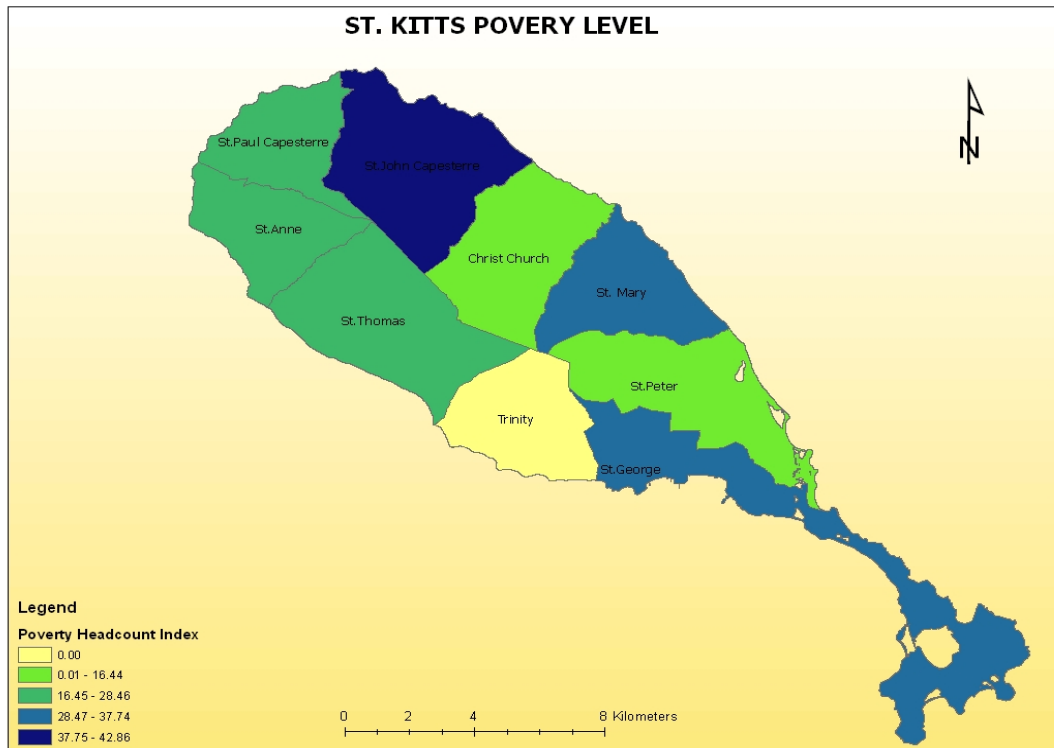


FIGURE 6.1: ST. KITTS POVERTY HEAD COUNT

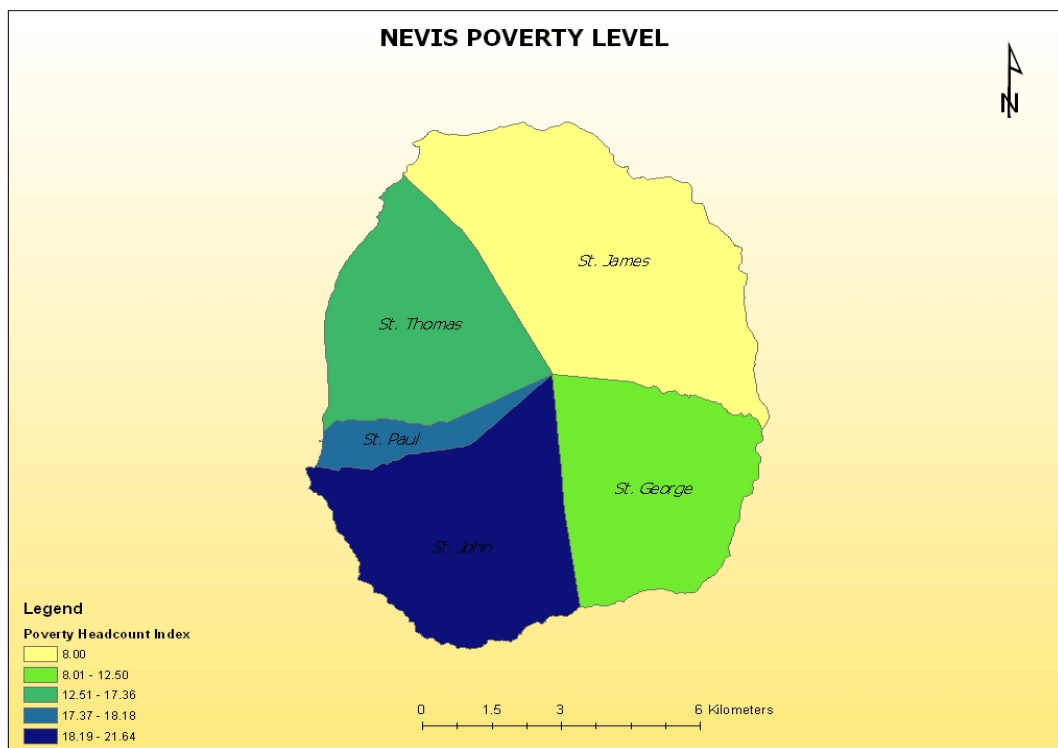


FIGURE 6.2: NEVIS POVERTY HEAD COUNT

The overall unemployment rate for the country is 5.1 percent, but more unemployment exists in St. Kitts (6.3%) compared to Nevis (1.5%). There is also the phenomenon of the working poor in St. Kitts – the majority of persons in the first (lowest) quintile are in fact employed (Table 6.3), but earn too little to keep them above the poverty line.

TABLE 6.3: EMPLOYMENT STATUS OF POPULATION BY SOCIO ECONOMIC GROUPING AND ISLAND

			Per Capita Consumption Quintiles					
			Poorest	II	III	IV	V	Total
			%					
St. Kitts								
Male	Employment Status	Employed	77.2	94.4	96.9	97.8	97.5	94.0
		Unemployed	22.8	5.6	3.1	2.2	2.5	6.0
		Total (N)	1,304	1,725	2,004	2,241	2,043	9,317
Female	Employment Status	Employed	84.7	94.2	94.4	95.7	96.2	93.4
		Unemployed	15.3	5.8	5.6	4.3	3.8	6.6
		Total (N)	1,848	1,949	2,042	2,419	2,467	10,725
Both Sexes	Employment Status	Employed	81.6	94.3	95.6	96.7	96.8	93.7
		Unemployed	18.4	5.7	4.4	3.3	3.2	6.3
		Total (N)	3,152	3,674	4,046	4,660	4,510	20,042

			Per Capita Consumption Quintiles					
			Poorest	II	III	IV	V	Total
			%					
Nevis								
Male	Employment Status	Employed	100.0	97.2	97.9	97.3	100.0	98.6
		Unemployed	0.0	2.8	2.1	2.7	0.0	1.4
		Total (N)	708	593	729	614	791	3,436
Female	Employment Status	Employed	91.9	100.0	100.0	100.0	97.4	98.4
		Unemployed	8.1	0.0	0.0	0.0	2.6	1.6
		Total (N)	453	727	760	763	597	3,301
Total	Employment Status	Employed	96.8	98.8	99.0	98.8	98.9	98.5
		Unemployed	3.2	1.2	1.0	1.2	1.1	1.5
		Total (N)	1,161	1,320	1,489	1,378	1,388	6,737

6.3 DEMOGRAPHIC CHARACTERISTICS OF THE POOR

The poor population is more likely to be within the 0-15 age group, that is to say, they are infants and children. Generally, the elderly do not feature among the poor. This can be seen in Table 6.4, and Table 6.5 for Nevis and St. Kitts, respectively.

TABLE 6.4: POPULATION BY AGE GROUP AND SES– NEVIS

Age group	Socio Economic Status		
	Poor	Non Poor	Total
	%		
0-14	42.2	24.8	27.5
15-24	15.8	15.7	15.7
25-44	26.1	27.0	26.9
45-64	13.3	20.6	19.4
65+	2.6	11.9	10.4
Total	100.0	100.0	100.0
Total (N)	1,960	10,335	12,295

TABLE 6.5: POPULATION BY AGE GROUP AND SES – ST. KITTS

Age group	Socio Economic Status		
	Poor	Non Poor	Total
	%		
0-14	41.9	26.0	29.8
15-24	25.7	17.7	19.6
25-44	20.7	28.8	26.9
45-64	7.4	18.8	16.1
65+	4.4	8.7	7.7
Total	100.0	100.0	100.0
Total (N)	9,075	29,230	38,305

When the data are disaggregated by sex, we find that female residents of St. Kitts were more likely than males to be among the indigent; females accounted for percent of the indigent compared to their share of percent in the Island's population (Table 6.6). In Nevis, the situation was reversed; males were marginally more likely to be among the non-indigent poor and vulnerable groups, than their female counterparts, when compared to their respective representations in the population.

TABLE 6.6: POOR POPULATION BY SEX AND ISLAND

	Socio Economic Status		
	Poor	Non Poor	Total
	No.		
St. Kitts			
Male	47.8	46.5	46.8
Female	52.2	53.5	53.2
Total	100.0	100.0	100.0
Total (N)	9,075	29,230	38,305
Nevis			
Male	49.2	48.7	48.8
Female	50.8	51.3	51.2
Total	100.0	100.0	100.0
Total	1,960	10,335	12,295

6.4 PHYSICAL LIVING CONDITIONS OF THE POOR

Most dwellings in St. Kitts (76.4%) use concrete/concrete blocks as the main material for outer walls, but the poor are less likely to live in such houses than the non-poor; 54.5 percent of poor households are constructed using concrete/concrete blocks compared to 80.2 percent of non-poor households. Some of the poor tend to use wood/timber for the outer walls of their dwellings; 32.4 percent of the poor use wood/timber compared to 5.4 percent of the non-poor (Table 6.7).

TABLE 6.7: MAIN MATERIAL OF OUTER WALLS BY SES – ST. KITTS

Material of outer walls – St. Kitts	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Wood/Timber	32.4	5.4	9.4
Concrete/Concrete Blocks	54.5	80.2	76.4
Wood & Concrete	12.2	12.0	12.0
Stone	0.0	0.0	0.0
Brick/Blocks	0.0	0.8	0.7
Plywood	0.9	1.1	1.0
Makeshift	0.0	0.0	0.0
Other/Don't Know	0.0	0.5	0.5
Total (%)	100.0	100.0	100.0
Total (N)	2,478	9,449	11,927

Similarly, in Nevis, while 58.1 percent of all residents (on average) live in houses made of concrete/concrete blocks, the poor were also more likely than the non-poor to use wood/timber in the construction of exterior walls of their dwellings - 20 percent compared to 14 percent (Table 6.8) by their counterparts.

TABLE 6.8: MAIN MATERIAL OF OUTER WALLS - NEVIS

Material of Outer Walls	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Wood/Timber	20.0	14.1	14.7
Concrete/Concrete Blocks	44.1	59.7	58.1
Wood & Concrete	32.3	19.5	20.8
Stone	0.0	1.3	1.2
Brick/Blocks	0.0	2.8	2.5
Plywood	3.6	2.6	2.7
Makeshift	0.0	0.0	0.0
Other/Don't Know	0.0	0.0	0.0
Total	100.0	100.0	100.0
Total (N)	546	3,638	4,184

Most households in St. Kitts own their dwellings without a mortgage (40.6%) or with a mortgage (25.5%). Among the poor, the pattern remained with 40.4 percent owning without a mortgage and 18.1 percent owning with a mortgage (Table 6.9). Poor households were more likely than the non-poor to occupy rented-unfurnished dwellings (31.4%) than the non-poor (18.9%).

TABLE 6.9: TENURE OF DWELLING – ST. KITTS

Tenancy of Dwelling – St. Kitts	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Owned With Mortgage	18.1	26.8	25.5
Owned Without Mortgage	40.4	40.6	40.6
Rented-Furnished	1.5	3.0	2.8
Rented-Unfurnished	31.4	18.9	20.7
Rented Government	0.0	0.7	0.6
Rented Private	2.9	4.9	4.6
Leased	0.0	.0	0.0
Rent Free	4.3	3.1	3.3
Squatted	1.5	0.4	0.6
Other	0.0	1.5	1.3
Not Stated	0.0	0.1	0.1
Total (%)	100.0	100.0	100.0
Total (N)	2,478	9,449	11,927

In Nevis, just over half of all households (50.5%) owned their homes without a mortgage, while 26.9% owned their homes with a mortgage (Table 6.10). Poor households were not left behind – a significant percentage of poor households owned their homes either with or without a mortgage. A significant number also lived rent-free (8.5%).

TABLE 6.10: TENURE OF DWELLING - NEVIS

	Socio Economic Status		
	Poor	Non Poor	Total
Tenancy of Dwelling	%		
Owned With Mortgage	25.6	27.1	26.9
Owned Without Mortgage	47.0	50.9	50.5
Rented-Furnished	7.2	3.9	4.2
Rented-Unfurnished	4.9	8.3	7.9
Rented Government	0.0	0.0	0.0
Rented Private	6.8	3.7	4.0
Leased	0.0	0.0	0.0
Rent Free	8.5	4.8	5.2
Squatted	0.0	0.9	0.8
Other	0.0	0.4	0.4
Not Stated	0.0	0.0	0.0
Total (%)	100.0	100.0	100.0
Total (N)	546	3,638	4,184

In St. Kitts, 91.3 percent of all households are fitted with indoor toilet facilities; 85.7 percent are linked to septic tanks/soakaways while 5.6 percent are linked to sewers (Table 6.11). Poor households were largely fitted with indoor toilet facilities, but the poor were more likely to use pit-latrines – either ventilated or non-ventilated (%). Some 3.4% of poor households in St. Kitts reported not having any toilet facilities.

In Nevis, the majority of households (88.3%) had indoor toilet facilities; 81.9% had W.Cs connected to septic tanks/soakaways and 6.4% were linked to sewers. The poor were more likely than the non-poor to have pit latrines (16.2 percent of the poor), but pit latrines were still very prevalent among the non-poor; 10.8% of non-poor households had pit latrines (Table 6.12).

TABLE 6.11: TYPE OF TOILET FACILITIES – ST. KITTS

Toilet Facilities – St. Kitts	Socio Economic Status		
	Poor	Non Poor	Total
	%		
W.C. Linked to sewer	6.9	5.4	5.6
W.C. Linked to Septic tank/Soak-away	69.8	88.5	85.7
Pit-latrine	18.2	3.5	5.7
Ventilated Pit-latrine	1.7	1.2	1.2
Other	0.0	0.5	0.4
None	3.4	1.0	1.3
Total (%)	100.0	100.0	100.0
Total (N)	2,478	9,449	11,927

TABLE 6.12: TYPE OF TOILET FACILITY – NEVIS

Toilet Facilities - Nevis	Socio Economic Status		
	Poor	Non Poor	Total
	%		
W.C. Linked to sewer	0.0	7.1	6.4
W.C. Linked to Septic tank/Soak-away	83.8	81.7	81.9
Pit-latrine	16.2	10.4	10.9
Ventilated Pit-latrine	0.0	0.4	0.4
Other	0.0	0.0	0.0
None	0.0	0.4	0.4
Total (%)	100.0	100.0	100.0
Total (N)	546	3,638	4,184

CHAPTER SEVEN LABOUR MARKET ISSUES

7.1 INTRODUCTION

Employment in the economy is the source of income for the majority of households in a market oriented economy like SKN. The functioning of the labour market, therefore, determines, in part the level of poverty and the extent to which through employment and labour market participation poverty can be reduced or eradicated. However, the operations of any labour market are dictated by institutional factors, with the result that the price of labour is not simply a function of supply and demand for labour. The socio-political context of SKN differentiates its labour market from those of the surrounding economies. The perspectives of the selected interlocutors in the IA and of participants in the PPA provide insights into the operations of these institutions, while the SLC documents and profiles some of the features of the labour market.

7.2 INSTITUTIONAL STRUCTURES AND PPA PERSPECTIVES OF THE LABOUR MARKET

The latter half of the 20th century witnessed a major transformation of the economy of SKN with consequences for its labour market. An economy based almost totally on primary production for a metropolitan market (sugar production in St. Kitts) and peasant type agriculture in Nevis, and on remittance income from its citizens who migrated abroad for work, was transformed firstly with participation the new international division of labour through an export oriented light manufacturing sector, and then through entry into a services economy, with tourism and financial services becoming major contributors to foreign exchange earnings.

The organisation of workers as a collective took place largely through the St. Kitts Trades and Labour Union which was formed in the first half of the 20th century. The Union was more than a collective for labour. As in other parts of the Commonwealth Caribbean, it provided the foundation for political mobilisation in the society that emerged out of plantation economy in the century after the emancipation of slave labour. The existing party in power has its roots in this labour union.

As the economy changed in structure, the Union adjusted over the years. It became a general union as its membership expanded from a work force involved solely on sugar plantations to one based that included workers in manufacturing on the industrial estate that was hived off on the periphery of the sugar plantation and then finally into the service workers engaged in the hotel industry. The most recent closure of the sugar industry has had a momentous impact on the union, with a major section of its

membership becoming absorbed in activities that are less amenable to mobilisation in a trade union.

Nevis, on the other hand, never had the base for a major industrial work-force and has not witnessed a similar trade union development in its history. The transformation from primary peasant production was built around small tourism establishments until the coming of the luxury hotel, Four Seasons, which, on becoming quickly the main employer directly and indirectly in Nevis, offered conditions much superior to anything that was available by way of formal employment in Nevis. Four Seasons Hotel has come to occupy a dominant position in the economy and society of Nevis and is the preferred employer for Nevisians. Its work-force has remained largely indifferent to trade union organisation. The other important sector in Nevis – the Offshore Financial Services Sector – operates through smaller establishments of offices of lawyers and accountants. This has meant that Nevis, unlike St. Kitts, does not have any depth of tradition of trade unionism. On the other hand, in St. Kitts itself, the changes that have taken place in the economy in the last ten years have weakened trade union representation and have led to a freer operation of market forces and to greater fluidity in the labour market.

Migration has also been a factor in this fluidity in the labour market. External migration had long been an option utilised by the population, and by workers in the face of structural unemployment and underemployment. Since the turn of the last century, there have been periods of relatively significant outflows, associated with:

- The building of the Panama Canal;
- The reorganisation of the sugar industry in Cuba and in the Dominican Republic in the early 20th century;
- The development of oil refining and storage facilities in Aruba and Curacao early in 20th century;
- The post World War II migration to the United Kingdom;
- The movement to North America following the relaxation of racially based immigration policies;
- The movement to the US and British dependencies as the economies of these latter were opened up to international tourism.

In the last quarter of the 20th century, these historic flows abroad have been counterbalanced by inflows from the neighbouring Caribbean countries as differential economic performance signalled SKN as the locus of employment and income growth, especially among the OECS countries. The rates of growth and the levels of income of

SKN transformed the country from being only a sending country in respect of international migration, to being a receiving country in its own right.

Implicit in this new status, is the fact that for some of its work-force, there is a predisposition to avoid certain kinds of employment. Workers, though unemployed, may be unavailable for certain kinds of work which is reserved for foreigners. Since the reserve price of the national labour is above the going rate for particular types of employment, then they are unemployed, but may be available for employment abroad. At the same time, structural unemployment in neighbouring economies creates a push factor to SKN, increasing the supply of workers to the domestic economy.

The Office of the Labour Commissioner is the main regulator in the Labour Market. This role was fully elaborated in the mid 20th century as social legislation was upgraded following the Moyne Commission Report, published after the Second World War. The country has subscribed to standards set by the ILO even before becoming independent and has ratified a number of the more important conventions. National legislation reflects the observance of these standards, and generally, there are provisions to protect workers in the market place. There is a Labour Inspectorate to oversee minimum standards in the work place.

There is Minimum Wage Legislation, and wages rates are adjusted for particular categories of workers from time to time. There is also a Protection of Employment Law Act 24 of 2001, which provides safeguards to workers whose employment may have to be terminated. The Office of Labour Commissioner plays a role in the mediation of industrial conflict and in the maintenance of peaceable industrial relations.

There are formal structures for tripartite discussions and participation of the representatives of the Government, Labour and the Private Sector. This tripartite base has inspired wider public participation in the discussion of the affairs of the country and this is evidenced in the open fora promoted by the Government for preparation of the annual budget for the country.

There is Social Security that provides for a minimum pension, insurance for injury and for death from injury in the work-place, maternity benefits, and survivor benefits, with contributions from employers and workers alike. The fund created by Social Insurance has been an important source for investment in social development for the people at large by way of mortgages for housing, student loans for human resource development, all of which create expanded benefits for workers at large. The self-employed have been required to contribute.

These are some of the institutional structures operating at the macro-social level and which impact the labour market. But there are other factors at the meso-level that are also relevant. One of these is the historical segmentation on the basis of sex. Construction activity has historically been dominated by men, and continues to be.

Thus, a boom in construction activity creates employment mainly for men. The customs and traditions surrounding the industry are hardly conducive to the participation of women. Girls are not encouraged to train for the sector and formal training is only now being opened up to young women, but there are still biases against their presence.

'Females can't look for jobs on construction sites; they have no privacy to ease themselves.'

Another interesting institutional arrangement in the labour market is the payment of a bonus equivalent usually of one month's salary. This bonus payment applied to workers in the sugar industry when it came under the control of the Government through the state-owned sugar company. Its introduction might have more to do with populism on the part of the Government of the time, in shoring up its base among the mass of sugar workers who were members of the union and the majority support of the party that was created from it. This 'Goat Water' payment came to be institutionalised among public sector employees as well. More recent circumstances have not been propitious to the payment of 'Goat Water' which might have political consequences. The heavy indebtedness of the Government militates against the maintenance of this arrangement.

7.3 DIFFERENTIAL EMPLOYMENT EXPERIENCES

There has been the phenomenon up until recently of unemployment co-existing with over full employment for some workers. By and large unemployment rates have tended to be low, but there was a perception, even before the crises of 2008 that:

'A lot of people don't have jobs.'

This was more likely to be the case in St. Kitts as compared to Nevis: unemployment was 6.3 percent in St. Kitts as against 1.5 percent in Nevis at the time of the SLC. In the latter case, there was more likely to be a situation of full employment. Indeed, there was evidence of workers from St. Kitts going to work in Nevis on a daily basis, or relocating to Nevis and working at more than one job. Moreover, working at two jobs has become institutionalised in SKN.

'I have no time. I have to hustle, work two jobs to make ends meet.'

'I work two jobs, construction in the day and security guard in the night.'

At the same time, there continued to be pressure from inflows from abroad. Not only was the country still dependent on abroad for certain high level skills and professional expertise, but low level labour was also available to fill some positions.

'Since sugar shut down, we can't get a job, but all kind a people working all over the place.'

'Imagine you got no chance to earn anything, and foreigners earning.'

Meanwhile, immigrant workers feel that they are being subject to a level of exploitation that reflects the limited rights accorded to immigrants as workers. Thus the complaint was voiced:

'If you are a foreigner you are discriminated against and victimized.'

'As a foreigner, I have no rights.'

Shalini's husband, an immigrant from Guyana, had to bear atrocious conditions on the job, working without protective clothing, in the hope that with time, he would qualify for citizenship and could then look for alternative employment.

There was also the resort to the underground on the part of more venal members of the labour force. Given the perception of relative laxity among the Police in dealing with the underground or underworld economy, there were many who had accepted this sector as a reliable source of income.

'I does gamble every Friday to Sunday; that's how I make my money.'

'Sell drugs, steal.'

'I sell a small weed.'

'Do criminal activities gambling, trade illegal rum and marijuana.'

'I used to work for Government and went to prison for gun possession. I don't work now because the pay too small.'

Male prostitution had also emerged as a source of income.

'Some men selling their bodies for material things.'

The segmentation of the labour market in this small and relatively undiversified economy puts women at considerable disadvantage vis-à-vis men. Outside of Government where skills and professional competence are rewarded, irrespective of gender, women face traditional barriers in accessing certain types of employment. Thus, with growth in the economy stimulating construction related activities, men have been in a preferred position relative to women. Women expressed their concerns in the PPA about their level of income.

'The men get access to better paying jobs and we get treated far worse.'
'The money so small, I can't afford to give the children proper food and to send them to school.'
'I like the Government. I always have a deficit.'
'The nature of my job is a risk itself.'
'Working late at night can be dangerous.'

There were also allegations that other particularistic criteria enter the selection process in securing employment.

'When it comes to jobs, you could be as bright as a bulb, as long as you belong to the wrong party, you are discriminated against.'

7.4 SLC LABOUR MARKET DATA

Table 7.1 shows that the labour force was estimated at 26,779 at the time of the survey. This seems consistent with the registrations at the Social Security Board. The table shows also that unemployment fell with socioeconomic status. Thus, while the unemployment rate was 5.11 percent overall, the poorest quintile had a rate that was almost three times the national average. The poorest quintile was also subject to the lowest number of hours worked in the reference week, and in respect of long term unemployment, that is not having worked in the previous 12 month period, the lowest quintile had a rate of 9.5 percent as compared to the national average of 4.3 percent.

TABLE 7.1: ST. KITTS NEVIS SUMMARY LABOUR FORCE INDICATORS

Employment Status	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
Size of Labour Force	4,313	4,994	5,535	6,038	5,898	26,779
No. Employed	3,696	4,768	5,343	5,866	5,737	25,410
No. Unemployed	617	226	192	172	162	1,368
Unemployment Rate (%)	14.30	4.53	3.46	2.84	2.74	5.11
Mean No. Hours Worked in Reference Week	36	39	39	40	41	39
Long term unemployment % (Labour force participants that have not worked in past 12 months)	9.5	3.0	4.4	3.2	2.5	4.3

Table 7.2 presents the distribution of the labour force by five year age groups. One of the more interesting findings is the fact that in the 15-19 age group and to a lesser extent in the 20-24 age group, a larger share of participants were in the lower socio-economic

groups. In effect, however difficult the economic conditions, persons in these age groups in the poorest quintiles could not afford to be outside of the labour market. Some 29.6 percent of those in the 15-19 age group were in the lowest quintile, compared to 12.2 percent in the highest quintile. On the other hand, in the two higher age group 55-59, and especially in the 60-64 age group, those in the higher quintiles accounted for a much larger share of participants compared to the lowest quintiles. After age 65, there is tendency to more balance in the distribution of participants across socio-economic groups.

TABLE 7.2: DISTRIBUTION OF LABOUR FORCE PARTICIPANTS BY FIVE YEAR AGE GROUPS, TYPE OF WORKER AND BY QUINTILES

Five Year Age Groups	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
15-19	29.6	17.0	22.1	19.2	12.2	100.0
20-24	25.7	21.9	20.0	22.9	9.5	100.0
25-29	8.4	20.8	25.8	21.0	24.0	100.0
30-34	21.2	21.6	21.9	20.5	14.8	100.0
35-39	11.8	19.9	14.0	24.1	30.1	100.0
40-44	15.6	20.5	25.2	22.5	16.1	100.0
45-49	12.3	18.8	16.4	27.0	25.5	100.0
50-54	15.1	12.4	15.0	25.0	32.5	100.0
55-59	1.9	13.0	32.3	25.8	27.0	100.0
60-64	5.6	9.5	16.3	14.5	54.0	100.0
65+	12.9	15.4	30.4	16.7	24.7	100.0
Total	16.1	18.6	20.7	22.5	22.0	100.0
Total	4,313	4,994	5,535	6,038	5,898	26,779

The retirement age was age 55 in a number of occupations, including in the public service. Some of the better off in the professions and in the private sector have options to remain in the labour force and could exercise the option. At age 65 years and above, fewer will do so, irrespective of socio-economic group.

Table 7.3 shows employed persons by industry. Here we see the distribution of the persons by industry in the various socio-economic groups. The country has arrived at a services oriented economy, with Agriculture and Fishing, and Manufacturing accounting for just over 10 percent of employment. The important tourism sector, reflected in Hotel and Restaurant accounted for just 7.6 percent of employment. With Manufacturing, these two traded goods sectors were responsible for just over 15 percent of employment.

However, the lowest quintile was more reliant on Manufacturing, Hotel and Restaurant and Construction for employment, while the highest quintile was reliant on Services, and Education and Social Work. The Services Sector was the largest single employer across all socio-economic groups.

TABLE 7.3: EMPLOYED PERSONS BY INDUSTRY AND QUINTILES (PERCENT)

Industry	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Agriculture & Fishing	2.3	2.6	3.1	5.3	2.1	3.1
Manufacturing	10.4	13.2	7.5	5.1	3.4	7.5
Construction	17.3	13.3	12.4	12.4	8.3	12.3
Wholesale & Retail	6.1	8.1	5.8	4.7	8.6	6.7
Hotel and Restaurant	10.3	9.1	6.7	8.4	4.9	7.6
Transportation	1.4	2.7	3.6	4.5	2.0	2.9
Services	32.3	28.4	39.2	30.4	42.2	34.8
Admin./Social Security	0.0	0.5	1.3	3.4	1.3	1.4
Education/Social Work	4.3	7.7	6.5	12.3	10.1	8.6
Other	15.6	14.5	13.9	13.7	17.2	15.0
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	3,696	4,768	5,343	5,866	5,737	25,410

Table 7.4 and 7.5 provide the distribution of labour force participants by sex and by highest examination passed and socio-economic groups. In respect of basic educational qualifications, women were less likely not to have passed any examination than men. However, at the highest level of certification, men were more likely to have achieved post graduate degrees and professional qualifications than women. This is perhaps the hang-over from the earlier dominance of males in the educational system: in an earlier period, it was more likely that men would have been sent on scholarships abroad, and they were also likely to be at least on par or ahead of girls in qualifying for entry into

University. All the indicators suggest that this earlier advantage has been eroded as women catch up and overtake men at the highest level of the educational pyramid.

Most importantly for present purposes, 50 percent of males and 47.3 percent of females in the lowest quintile had had no educational certification. Overall, 39.4 percent of all males did not have any educational qualification and 28.0 percent of females did not have any educational qualification. To the extent that certification is a predictor of capabilities in the labour market, there is still a disturbingly large percentage of the population that is ill-equipped for the demands of the 21st century knowledge economy, and persons in the lowest socio-economic categories are not well placed to escape poverty.

TABLE 7.4: DISTRIBUTION OF MALE LABOUR FORCE PARTICIPANTS BY HIGHEST EXAMINATION PASSED BY QUINTILES

Highest Exam Passed	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	49.9	37.5	45.8	38.7	27.9	39.4
School Leaving	26.3	22.5	13.3	15.9	12.7	17.5
CXC	5.4	21.4	17.4	18.8	14.6	15.9
A Level	1.6	3.4	1.3	3.2	1.9	2.3
Diploma/Associate Degree	6.3	3.6	7.5	11.8	8.9	7.9
Undergraduate Degree	0.0	1.3	0.6	2.9	10.1	3.3
Post Graduate Degree	0.0	0.0	1.3	2.4	6.6	2.3
Professional Qualification	2.6	1.3	1.4	0.7	9.7	3.2
Other	0.0	2.3	4.6	2.5	1.3	2.3
Not Stated	7.9	6.7	6.9	3.0	6.3	6.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	2,012	2,318	2,734	2,856	2,834	12,752

**TABLE 7.5: DISTRIBUTION OF FEMALE LABOUR FORCE PARTICIPANTS BY
HIGHEST EXAMINATION PASSED BY QUINTILES**

	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
Highest Exam Passed	%	%	%	%	%	%
None	47.3	35.3	32.3	21.5	9.8	28.0
School Leaving	21.5	19.9	17.3	11.2	12.4	16.0
CXC	19.4	25.3	23.9	28.3	22.6	24.2
A Level	1.9	2.0	5.8	8.6	2.9	4.4
Diploma/Associate Degree	5.6	5.5	2.3	10.6	21.8	9.6
Undergraduate Degree	0.0	0.6	1.3	4.9	10.1	3.7
Post Graduate Degree	0.0	1.1	0.6	2.4	3.4	1.6
Professional Qualification	0.0	0.8	2.4	1.2	6.9	2.4
Other	0.9	1.6	1.7	1.9	2.3	1.7
Not Stated	3.3	7.9	12.3	9.4	7.7	8.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	2,301	2,676	2,801	3,182	3,065	14,026

Table 7.6 provides the distribution of labour force by type of worker. Paid employment in the private sector accounts for the majority of employment. This applies generally, except for the highest quintile, where paid employment is the largest single category, but does not account for the majority. Equally important is the fact that women rely on employment in the public sector more than men. The state sector is more committed to universalistic criteria and women are likely to find few restrictions on their mobility in that sector. However, failure to secure entry into the sector might result in severe competition among them for segments in the labour market that are deemed appropriate for women.

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

Status In Main Job	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Male						
Paid Employee Government	12.7	11.3	12.6	18.9	18.8	15.2
Paid Employee Statutory	4.0	4.7	3.9	5.5	6.4	5.0
Paid employee Private	57.0	71.3	58.1	52.9	42.9	55.8
Self Employed Without Employees	5.8	5.4	14.6	11.2	11.8	10.1
Self Employed With Employees	0.7	1.3	5.5	3.8	14.9	5.7
Unpaid Family Worker	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.8	0.0	0.0	0.5	0.6	0.4
Not Stated	19.0	6.0	5.2	7.1	4.6	7.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Female						
Paid Employee Government	20.5	26.0	22.0	26.0	21.8	23.4
Paid Employee Statutory	5.7	3.5	5.5	5.9	5.5	5.2
Paid employee Private	48.2	64.0	55.3	52.2	49.6	53.8
Self Employed Without Employees	4.0	2.3	8.7	7.4	7.6	6.2
Self Employed With Employees	1.0	0.0	1.2	1.6	7.7	2.4
Unpaid Family Worker	0.0	0.0	0.0	2.1	0.5	0.6
Other	1.1	0.0	0.9	0.0	1.1	0.6
Not Stated	19.4	4.3	6.4	4.9	6.4	7.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total						
Paid Employee Government	16.8	19.2	17.3	22.6	20.4	19.5
Paid Employee Statutory	4.9	4.0	4.7	5.7	5.9	5.1
Paid employee Private	52.3	67.4	56.7	52.6	46.4	54.8
Self Employed Without Employees	4.8	3.8	11.6	9.2	9.6	8.1
Self Employed With Employees	0.9	0.6	3.3	2.6	11.1	4.0
Unpaid Family Worker	0.0	0.0	0.0	1.1	0.3	0.3
Other	1.0	0.0	0.5	0.2	0.8	0.5
Not Stated	19.2	5.1	5.8	5.9	5.5	7.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 7.7 gives the distribution across the quintiles. An interesting result is the fact that a greater percentage of paid employees in Government and in Statutory Agencies tended to be in the higher quintiles. Moreover, the vast majority of the self-employed with employees were in the highest quintile.

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

	Per Capita Consumption Quintiles						Estimated Population
	Poorest	II	III	IV	V	Total	
	%						
Paid Employee Government	13.9	18.4	18.4	26.2	23.0	100.0	5,213
Paid Employee Statutory	15.5	14.7	19.1	25.2	25.6	100.0	1,367
Paid employee Private	15.4	22.9	21.4	21.6	18.6	100.0	14,668
Self Employed Without Employees	9.7	8.7	29.8	25.7	26.2	100.0	2,158
Self Employed With Employees	3.5	2.9	17.2	14.9	61.5	100.0	1,069
Unpaid Family Worker	0.0	0.0	0.0	81.5	18.5	100.0	81
Other	31.8	0.0	19.7	11.2	37.3	100.0	133
Not Stated	39.7	12.1	15.4	17.2	15.6	100.0	2,089
Total	16.1	18.6	20.7	22.5	22.0	100.0	26,779

In sum, a relatively flexible labour market has evolved in SKN, with a relatively free flow of labour into various segments of the labour market. There is segmentation on the basis of sex, with the result that with a relatively high level of participation among women, there is considerable competition among them for low wage employment. This has relevance for poverty especially in single parent female headed households where the woman is the sole or main breadwinner. While the Government is a major employer, by far, the majority of workers are employed in the private sector. The recent international crisis has impacted the tourism and offshore financial services sector, and would quickly raise poverty levels in SKN. Given the underlying flexibility in the labour market, it is likely that the effect will be evidenced partly in a rise in unemployment, but also in an increase in underemployment.

CHAPTER EIGHT EDUCATION

8.1 INTRODUCTION

The formal educational system of SKN continued on an expansionary path in the first decade of the 21st century, and there have been a number of initiatives designed to modernize the educational system. It can be argued that social demand in the country dictated this expansion as the population came to see more and better educational opportunity as consistent with their need for securing a higher quality of life.

On the other hand, the Government has been sensitive to the role of education and training in the economic transformation of the country and in preparing citizens for participation in the knowledge economy of the 21st century. Having achieved universal primary and secondary education provision, by and large, policy makers turned their attention to the universalisation of pre-school programmes at the first stage of the cycle of education, to upgrading and expanding options at the secondary level, and to the provision of compensatory or remedial programmes and second-chance opportunities for those who could not cope with the programmes in place at the secondary level: these programmes were expected to provide them with labour-market entry skills.

There was also upgrading of the programmes at the post-secondary level and an expansion of the range available within the Federation itself. In addition, there was an increase in opportunities for those qualifying to enter tertiary programmes abroad, and through distance education programmes. Some of the initiatives undertaken by the Government were in accord with the recommendations of the Poverty Assessment Report of 2000, which demonstrates that human resource development was firmly rooted in the poverty reduction strategy adopted following this first report.

8.2 PERSPECTIVES ON EDUCATION IN IA AND PPA:

The State has been the main agency involved in the provision of education at the various levels. Thus, the Ministry of Education in its configuration on both islands remained the focal point in educational endeavour. At the institutional level, a number of initiatives have taken place and were identified in the IA, the more important of these being:

- Introduction of database management of records of all students in creating the back-bone for life-long education, including education and training beyond compulsory formal education;
- Reading programme for students who are poor readers at the primary level;

- Provision of computer laboratories in primary schools, with access for established community groups;
- Formal measures for universalizing Early Childhood Development programmes across the Federation;
- Introduction of skills-based competency programmes and adoption of the Caribbean Vocational Qualification Certificate to assess competency in the area of skills;
- ‘Track-back’ programmes allowing persons to upgrade themselves in the context of the National Skills Programme;
- Development of Project Strong for teenagers in St. Kitts with difficulties in coping with the secondary educational system;
- Expansion of the range of tertiary education, by inclusion of non-traditional programmes at the Community College with the assistance of institutions like UTEC of Jamaica;
- Increasing collaboration between the Ministry of Education and the Office of the Labour Commissioner in identifying areas for labour force upgrading and training.

The PPA revealed some of the challenges faced in the broad human resource development strategy, and statements made by individuals and people in communities demonstrate the enormity of the task faced by the authorities. The initiative in the retraining of the ex-sugar workers did not seem to have addressed the fact of low levels of education of the displaced workers, with the result that many seem to have been unwilling or unable to avail themselves of the opportunities that were put in place for them. This resulted in difficulties in their finding employment. Thus, there was this reaction in mid-2007:

“I ent work since the industry close.”

“All we know is sugar. What we know bout going to town to look for work?”

Moreover, while there was an expansion of programmes of Adult Education, and programmes of continuing education, many respondents in communities did not seem much inspired to attend. The reasons for not participating included ‘their never having thought of it’, ‘lack of time because of their needing to work at two jobs’, and their ‘not having good arrangements for taking care of children in evenings’.

Yet, some communities could point to one of the major improvements in quality of life being the introduction of education and training for adults; residents of Saddlers in St.

Kitts identified computer classes that were introduced, and residents of Bath in Nevis acknowledged that there were after-school classes for youths with learning needs. Also, it was recognized that there were computer labs for the population to become computer literate, and there were homework centres to assist youths by providing an environment conducive to improving educational performance.

While education has been free and there have been a range of provisions to support school attendance, there was evidence that there were parents who had difficulties sending their children to school, one such being money for lunch and in some cases transport.

"I could only send them when I have lunch to give them."

"The books them so expensive and the bus fare too."

"Children drop out because they have no clothes."

There was a perception, though, based on the response of people in some communities that suggest that the provision of school meals, books, and uniforms had reached a wide swathe of communities. There were attendant social conditions that militated against school attendance. There was some stigmatization of students from poorer families and a clear divide between school and home that was not conducive to educational participation of students in some communities.

"If children are malnourished they can't concentrate and achieve their full potential."

"Some poorer children have problems with reading."

"Some teachers have a 'don't care' attitude. They tell the children I done learn."

"Teachers not giving full attention to children because of the stigma attached to the community."

"Girls drop out because of early pregnancy, boys drop out to do odd jobs or to join gangs and become involved in illegal activities."

In effect, then, while the country made major strides in the provision of educational opportunity, across the entire system, there remained social dysfunctionality that militated against some sections of the population availing of the access that was being created. The notion of life-long education was not yet inculcated in the mature population, and among some sections of the youth there was little interest in education and training, especially where the rewards of the underground economy seemed much higher than the kinds of jobs consistent with their educational levels.

"People want money, but not work."

"Jobs available but the skill not there."

8.3 SLC ESTIMATES ON EDUCATIONAL PERFORMANCE

Table 8.1 reveals the impact that the country has made in respect of school enrolment and universalising of educational opportunity. 55.3 percent of children 0-4 were enrolled in some type of educational institution. This would have been mainly those in the 3- 4 years of age. This suggests that most of the children in this group were in pre-schools. In the age groups 5-9 and 10-14, there was effectively full enrolment. Differences among the socio-economic groups emerge in the 15-19 age group, the years of senior secondary and post-secondary education.

In the highest quintile, there was a greater likelihood of enrolment in the 20-24 age group – 31.9 percent compared to 5.9 percent in the lowest quintile. Indeed, access to tertiary education and post-secondary training would have been a function of socio-economic status, given that in the absence of facilities in SKN, most persons would have had to go abroad. The scholarship programme would have allowed those in the lowest quintile, but qualifying in educational achievement, to gain access to tertiary education.

Human resource development and capacity to participate in the knowledge economy of the 21st century is judged by the percentage of the population in the age group 20-24 enrolled in educational establishments. With just 12.4 percent of the age group 20-24 enrolled, SKN has some considerable ground to cover, although it is known that substantial expansion has taken place at this level.

Table 8.2 shows literacy levels of persons 15 or more years of age. In the lower age groups, most people were literate, irrespective of socio-economic status: respondents were asked whether they could read or write.¹² This is indicative of the impact of universal education for four or five decades now. Actually, it is in the age group 60 years of age and older, that the impact of less than universal enrolment becomes apparent. Illiteracy was more likely to be present among persons over age 60 years of age and in the lower socio-economic quintiles.

¹² While the question whether one can read or write might not be totally adequate as a test of literacy, the data do seem to accord with what is known about the expansion of education in the last five decades in SKN.

TABLE 8.1: SCHOOL ATTENDANCE STATUS AND AGE BY QUINTILES

Persons Attending Classes as Percentage of Relevant age group	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%	%	%	%	%	%
0-4	56.4	58.5	60.4	44.8	53.2	55.3
5-9	100.0	98.2	98.7	97.4	100.0	98.9
10-14	98.3	97.2	96.3	97.1	100.0	97.8
15-19	55.0	70.7	50.7	52.7	67.9	59.2
20-24	5.9	9.9	14.2	9.3	31.9	12.4
25-29	4.9	2.5	11.1	10.4	12.7	8.9
30-34	5.8	7.3	18.2	11.5	14.8	11.2
35-39	4.7	0.0	5.9	5.1	9.0	5.2
40-44	2.3	2.4	3.4	3.0	3.0	2.9
45 and above	0.0	7.8	2.9	3.6	10.8	5.7
Total	46.7	40.2	34.3	26.4	25.2	34.6
Total (N)	4,724	4,088	3,465	2,672	2,553	17,501

TABLE 8.2: LITERACY LEVEL – PERSONS 15+ BY AGE GROUPING AND QUINTILE

(Basic Literacy) Can Read and Write – as Percentage of Relevant Age Group	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	No.					
15-19	97.1	100.0	100.0	98.3	100.0	98.9
20-24	100.0	100.0	94.1	100.0	96.6	98.4
25-29	100.0	100.0	100.0	100.0	100.0	100.0
30-34	96.5	97.6	100.0	100.0	100.0	98.7
35-39	95.9	100.0	100.0	100.0	98.1	98.9
40-44	100.0	100.0	96.7	100.0	100.0	99.2
45-49	93.4	95.7	100.0	95.9	100.0	97.2
50-54	95.9	100.0	100.0	100.0	100.0	99.4
55-59	100.0	90.9	100.0	100.0	96.1	97.6
60-64	62.7	100.0	62.6	100.0	100.0	91.6
65+	62.2	82.1	94.0	96.1	98.4	91.4
Total	94.7	97.8	97.1	98.9	99.1	97.7
Total (N)	5,614	6,496	6,928	7,741	8,199	34,978

Distance education programmes were more likely to be used by persons in the highest quintiles than by those in the lowest. This is seen in Table 8.3. In the lowest quintile, just 0.3 percent was enrolled compared to 6.9 percent in the highest quintile. Given the small size of the country, and therefore, the small numbers of students available for tertiary education, distance education has to be an important option for the country. With less than 20 000 persons in the age group, the country lacks the critical mass for a number of programmes that are of relevance to its human resource requirements. A mere 3.0 percent was enrolled in distance education programmes overall.

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

Enrolled In Distance Education Programme	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	0.3	1.6	3.6	5.7	6.9	3.0
No	96.8	96.6	95.1	92.0	90.1	94.7
Not Stated	2.9	1.9	1.2	2.4	2.9	2.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	4,724	4,088	3,465	2,672	2,553	17,501

Table 8.4 shows levels of attendance. Over 90 percent of students attended school for five days; in the lowest quintile, and in the highest quintile there was some slippage to just under 90 percent. Illness was the most definitive reason given after 'holidays' or 'school closed' as the explanation for non-attendance. This can be seen in the Table 8.5.

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 Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	3.5	0.0	0.8	2.7	2.4	1.9
One	0.0	0.0	1.4	1.0	0.0	0.4
Two	0.4	0.0	0.7	0.0	0.0	0.3
Three	4.1	0.9	0.8	0.0	5.6	2.3
Four	2.6	2.5	1.8	2.1	3.3	2.4
Five	88.1	95.2	92.3	94.1	87.0	91.2
Not Stated	1.3	1.4	2.3	0.0	1.6	1.4
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,513	2,555	2,167	1,573	1,414	11,223

TABLE 8.5: PERSONS 5-15 YEARS – NUMBER OF DAYS ATTENDED SCHOOL IN LAST WEEK

Reason Did Not Attend School During Last Five School Days	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Illness	24.1	0.0	20.4	19.9	39.7	22.2
Financial Problems	12.2	0.0	0.0	0.0	0.0	4.9
Working	0.0	0.0	11.5	0.0	0.0	2.3
Home Duties	0.0	0.0	0.0	0.0	0.0	0.0
Not Worth Going	5.3	0.0	0.0	0.0	0.0	2.1
School closed/Holidays	26.6	31.9	37.1	60.1	16.4	32.0
Baby Sitting	0.0	0.0	0.0	0.0	0.0	0.0
Apprenticeship	0.0	0.0	5.3	0.0	10.1	2.6
Other	19.1	59.2	25.6	19.9	33.7	27.7
Not Stated	12.6	8.8	0.0	0.0	0.0	6.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	546	169	273	168	205	1,360

SKN does have a School Feeding Programme with a focus on primary schools; 55.4 percent of students had this service available at their school, and the lower the quintile, the higher the percentage that had a School Feeding Programme at their school. – 65.2 percent in the lowest quintile compared to 42.6 percent in the highest quintile. This is seen in Table 8.6.

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

School Feeding Programme	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	65.2	63.5	51.3	43.2	42.6	55.4
No	32.6	32.0	39.6	45.0	43.2	37.3
Not Stated	2.1	4.5	9.1	11.7	14.2	7.3
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	4,724	4,088	3,465	2,672	2,553	17,501

In respect of persons receiving meals or snacks from the Programme by quintiles, the data in Table 8.7 lends further corroboration to the some level of targeting, such that the beneficiaries tended to be more those in the lowest quintile. As shown in Table 8.8, persons were more likely to pay for meals, the higher their socio-economic status.

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

Receives Meal Or Snack From This Service	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	74.0	72.3	73.0	54.4	53.5	68.7
No	25.6	27.7	25.7	43.4	46.5	30.6
Not Stated	0.4	0.0	1.3	2.3	0.0	0.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,081	2,595	1,777	1,155	1,086	9,694

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

Pay For School Feeding Service	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	14.7	15.6	18.7	15.8	25.0	17.0
No	84.0	84.4	80.4	84.2	75.0	82.5
Not Stated	1.3	0.0	0.9	0.0	0.0	0.6
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,081	2,595	1,777	1,155	1,086	9,694

Table 8.9 shows that a majority of students had books for their exclusive use – 63.3 percent – with the percentage with this facility being highest in the highest quintile. Moreover, as seen in Table 8.10, a majority of students in the lowest quintile received books from their schools free of cost: in all other socio-economic groups less than half received their books free of cost.

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

Has All Textbooks Required For School	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes – For Exclusive Use	61.0	60.3	61.9	67.6	69.5	63.3
Yes – Shared With Other Family	2.3	1.7	0.9	1.5	2.0	1.7
Has Only Some	13.7	9.7	7.6	5.2	2.7	8.7
Has None	19.4	21.1	16.6	11.1	7.6	16.2
Not Stated	3.6	7.2	13.0	14.6	18.2	10.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	4,724	4,088	3,465	2,672	2,553	17,501

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

Books Provided by School at No Cost	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	62.9	42.6	29.6	39.7	31.6	43.1
No	30.2	45.7	54.5	44.2	48.9	43.7
Not Stated	6.9	11.8	15.9	16.2	19.5	13.3
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,808	3,226	2,891	2,376	2,359	14,661

As can be seen in Table 8.11, some 16.3 percent of students made use of the book loan facility; however, in the third quintile, a much lower than average percentage used the book loan facility and in the highest quintile, a much higher percentage than average used the facility.

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

Made Use of Loan Book Facility	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	17.0	15.0	9.5	18.8	23.5	16.3
No	78.7	75.0	77.4	64.3	55.9	72.1
Not Stated	4.2	10.0	13.2	16.9	20.6	11.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	4,724	4,088	3,465	2,672	2,553	17,501

In respect of levels of education achieved by heads of households, the higher the quintile, the more likely the head of household would have achieved secondary or higher levels of education. This is seen in Tables 8.12 and 8.13.

**TABLE 8.12: HIGHEST GRADE COMPLETED BY HEADS OF HOUSEHOLD
BY SEX AND QUINTILES (PERCENT)**

Highest Grade	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%	%	%	%	%	%
MALE						
None	2.0	0.0	3.1	0.0	1.8	1.5
Nursery	0.0	0.0	0.0	0.0	0.0	0.0
Primary	32.2	22.7	28.2	25.9	18.6	24.1
Secondary 1-5	56.6	69.9	52.9	55.0	40.9	51.6
Secondary - A Level	0.0	0.0	0.0	1.7	0.6	0.6
CFBC	0.0	0.0	5.1	3.9	8.9	5.0
University	1.7	2.3	4.0	9.7	23.3	11.6
Other	3.9	1.6	3.3	0.0	5.1	3.0
Not Stated	3.5	3.5	3.4	3.8	0.8	2.6
Total	100.0	100.0	100.0	100.0	100.0	100.0
FEMALE						
None	1.9	1.5	0.0	1.8	0.0	1.0
Nursery	2.1	0.0	0.0	0.0	1.7	0.7
Primary	22.8	34.2	35.1	43.3	25.6	32.5
Secondary 1-5	65.6	60.9	53.1	41.8	47.7	52.5
Secondary - A Level	0.0	0.0	1.7	0.0	0.0	0.3
CFBC	0.0	0.0	2.9	4.5	0.9	1.8
University	0.0	3.4	0.0	4.3	14.5	5.4
Other	2.4	0.0	4.6	2.2	9.6	4.1
Not Stated	5.2	0.0	2.5	2.2	0.0	1.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
TOTAL						
None	1.9	0.9	1.7	0.9	1.1	1.2
Nursery	1.2	0.0	0.0	0.0	0.7	0.4
Primary	26.9	29.8	31.4	34.4	21.6	28.3
Secondary 1-5	61.7	64.3	53.0	48.5	43.8	52.0
Secondary - A Level	0.0	0.0	0.8	0.9	0.3	0.4
CFBC	0.0	0.0	4.1	4.2	5.5	3.4
University	0.7	3.0	2.2	7.0	19.6	8.5
Other	3.0	0.6	3.9	1.1	7.0	3.6
Not Stated	4.5	1.3	3.0	3.0	0.4	2.2
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,936	2,383	2,914	3,450	4,664	15,347

TABLE 8.13: HIGHEST EXAMINATION PASSED BY HEADS OF HOUSEHOLDS BY QUINTILES

Highest Examination Passes	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	N	N	N	N	N	N
None	1,191	1,324	1,698	1,543	1,195	6,951
School Leaving	457	495	444	702	737	2,835
CXC	145	386	341	580	645	2,096
A Level	0	0	40	16	88	144
Diploma/Associate Degree	71	29	125	230	657	1,113
Undergraduate Degree	0	0	32	178	421	631
Post Graduate Degree	0	29	52	70	228	379
Professional Qualification	37	21	44	44	407	553
Other	0	56	104	58	164	381
Not Stated	53	89	174	156	435	906
Total	1,953	2,430	3,053	3,576	4,977	15,988

Moreover, male heads of households in the highest quintile were more likely to have achieved university than female heads of households. This dominance is likely to be eroded with the increasing participation of women in the highest levels of the educational system and their better performance in the secondary school system, which makes them more readily eligible for entry to tertiary education.

In sum then, although there is no shortage of educational opportunities, there is a significant number of people, including poorer and marginalized people who have not benefitted from the facilities in place, or have been unable to benefit, who might believe that they are being deprived of opportunity. On the other hand, there remains the moot point whether there has been enough 'social marketing' of education and training to stimulate the demand consistent with the increasing supply of education and training. The responses particularly among the youth suggest that there is little thirst to be quenched for learning and education and training. The formal structures may exist for preparation for the knowledge economy. The population needs to display the socio-psychological frame to prepare itself for a knowledge economy, and for participation at higher levels in the international division of labour.

CHAPTER NINE HEALTH AND POVERTY

9.1 INTRODUCTION

The focal point of health care to the population is the delivery system of the Ministry of Health. The IA has established the role and functioning of the Ministry. SKN, like the rest of the Commonwealth Caribbean, had improved its primary health care system in keeping with the goals set under Alma Ata Declaration. The primary health care system is now well developed and is anchored on health centres – eleven in St. Kitts and five in Nevis – which provide for immunization, ante-natal clinics, family planning, chronic disease management and child health surveillance, along with services to adults (*previously listed services apply to adults*). There is also voluntary counselling and testing for HIV/AIDS and sexually transmitted diseases.

The country is able to provide for much of its secondary care needs. Tertiary care has to be sought in the United States, Puerto Rico or in Trinidad and Tobago or Barbados. The Government may assist, but there is no guarantee in this regard. Officially, primary and secondary services are free to children of school age and to persons 62 years of age and above, regardless of socio-economic status. Existing user charges on the rest of the population account for less than ten percent of the costs of care, and it is the view of officials in the Ministry of Health that any rationing of access through fees is a non-starter in the present dispensation.

The Ministry of Health has been able to maintain the reach of its programme of primary health care in spite of the challenge posed by a substantial exodus of personnel from the health system. There has been in place an aggressive approach to training of personnel. Cuba has been source for the training of doctors. Meanwhile, as the country loses personnel, it still remains attractive for personnel coming from other poorer countries in the Caribbean and in Africa, among other locations.

Another major challenge the country has faced is the HIV/AIDS pandemic. There was initially a universal denial of the presence of the disease, in spite of the fact that there is a commercial sex industry, although it is illegal. Even the religious community has relented in accepting that in addition to preaching abstinence there is need for other interventions.

A National Advisory Council was formed in 2005 to mount programmes of education for the population at large and to mobilize action to assist afflicted persons to lead more normal lives. The visit of President Clinton to St. Kitts and the work of the Clinton

Foundation have served to focus public attention on the challenge and to reduce the stigmatization to which persons with HIV had been subjected. Anti-retroviral drugs are now available to people in the country through the assistance of the Clinton Foundation.

In the course of the PPA, residents in both St. Kitts and Nevis commented on the quality of health care. There was general agreement that the quality of care had improved.

"Health services are better, but the cost of medication is a problem."

There were yet some who felt that while health care was available, it was of indifferent quality.

"Health care is available, but the quality is poor."

On the other hand, there was recognition of the introduction of state-of-the-art health centres like the one in Newtown which had the widest range of services on offer.

There was universal concern expressed by residents over the incidence of lifestyle diseases – diabetes, high blood pressure and some cases of prostate cancer. There was also growing evidence of obesity among children. Another problem identified in the PPA was the spread of drug abuse, including alcohol abuse, but also of other drugs – cocaine and marijuana. The growth in the population of vagrants and homeless people was attributed to mental illness that derived from drug abuse.

By and large then, while some residents felt convinced that there was need for improvement in the health services, most were agreed that primary health care and secondary health care were reasonable and had surely improved in recent years. The main challenge then was in attitudinal changes that need to be made by the population to arrest lifestyle diseases and to reduce the spread of HIV/ AIDS in the society.

9.2 SLC ESTIMATES

The SLC generated information on various aspects of health care and allowed for some measurement of impacts on the various socioeconomic groups in the country. It must be noted that health status is based on self-reporting and reflects subjective factors that derive from perception of respondents.

The issue of perception of being ill is highlighted in Table 9.1: the higher the socio-economic status, the greater the likelihood that a respondent will deem himself or herself to be ill. This is not unexpected. Poorer people tend to have less information about health and seek medical assistance only after symptoms become too obvious to be ignored. Moreover, the less well-off cannot 'afford' to be ill, if this means not being able to earn income. Then there are also differences between the sexes, that in part relate to culture: the presumption of manliness is not consistent with being ill, and men were more reluctant to admit to being ill than women.

TABLE 9.1: TOTAL ILL PERSONS (CONFINED TO BED + ILL BUT NOT CONFINED TO BED) BY SEX

Health Status		Per Capita Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%					
Male	Ill	12.3	18.1	21.4	20.2	30.7	20.6
	Not Ill	87.7	81.9	78.6	79.8	69.3	79.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0
	Total	4,889	4,628	5,074	4,526	4,824	23,941
Female	Ill	20.5	23.6	26.8	30.5	39.7	28.2
	Not Ill	79.5	76.4	73.2	69.5	60.3	71.8
	Total	100.0	100.0	100.0	100.0	100.0	100.0
	Total	5,227	5,534	5,021	5,584	5,293	26,659
Both Sexes	Ill	16.6	21.1	24.1	25.9	35.4	24.6
	Not Ill	83.4	78.9	75.9	74.1	64.6	75.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0
	Total	10,116	10,162	10,094	10,110	10,118	50,600

Table 9.2 below shows that chronic diseases afflicted almost 16 percent of the population. Again, women were more likely to admit to chronic diseases than men, and there was a tendency for chronic disease to rise with socioeconomic status, possibly as a function of better information among those with more means. A correlate of this is that men in the lowest quintile were least likely to lose days because of illness. Generally, 82 percent of the population had not lost any days because of illness. This can be seen in Table 9.3.

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

Suffer Chronic Disease		Per Capita Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%					
Male	Yes	7.3	9.7	12.9	11.9	19.8	12.3
	No	92.7	90.3	87.1	88.1	80.2	87.7
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total	4,889	4,628	5,074	4,526	4,824	23,941
Female	Yes	13.6	13.8	18.5	17.6	29.9	18.6
	No	86.4	86.2	81.5	82.4	70.1	81.4
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total	5,227	5,534	5,021	5,584	5,293	26,659
Both Sexes	Yes	10.6	11.9	15.7	15.0	25.1	15.7
	No	89.4	88.1	84.3	85.0	74.9	84.3
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total	10,116	10,162	10,094	10,110	10,118	50,600

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

Days without Pay on account of Illness		Per Capita Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%					
None		86.6	78.5	84.3	76.2	85.5	82.3
1-5		9.7	12.6	8.6	11.7	10.7	10.7
6-15		3.7	7.5	3.6	7.4	2.1	4.7
16-29		0.0	1.4	2.0	0.9	0.0	0.8
30+		0.0	0.0	1.5	3.7	1.7	1.6
Total		100.0	100.0	100.0	100.0	100.0	100.0
Mean (Days)		1	1	2	2	1	1
Total (N)		1,674	2,142	2,433	2,615	3,584	12,449

As seen in Table 9.4, almost 37 percent of the population had been to see a health practitioner, and there was little difference by sex. Respondents, who did not visit any health practitioner, were asked the reasons for not doing so. Table 9.5 shows that the majority (84.3 percent) indicated that there was no need to; only 1.4 percent suggested that it was too expensive. The impression created is that most people have ready access to care and would not seek service unless they thought that it was warranted.

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

		Per Capita Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%					
Visited Health Practitioner							
Male	Yes	31.7	43.0	46.0	25.5	35.6	36.8
	No	68.3	57.0	54.0	74.5	64.4	63.2
	Total	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	604	838	1,087	914	1,483	4,925
Female	Yes	25.4	38.7	40.4	41.4	32.4	36.0
	No	74.6	61.3	59.6	58.6	67.6	64.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	1,071	1,304	1,346	1,701	2,101	7,523
Total	Yes	27.7	40.4	42.9	35.9	33.7	36.3
	No	72.3	59.6	57.1	64.1	66.3	63.7
	Total	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	1,674	2,142	2,433	2,615	3,584	12,449

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

Reason for not visiting Health Practitioner	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
No Need	83.1	81.9	81.9	79.0	91.4	84.3
Too expensive	2.7	0.0	1.2	3.0	0.7	1.4
Too far	0.0	0.0	0.0	0.0	0.0	0.0
Un treatable	0.0	1.7	1.0	0.0	0.0	0.5
Other	7.6	7.3	1.1	3.2	1.4	3.6
Not Stated	6.7	9.1	14.8	14.8	6.5	10.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,211	1,277	1,390	1,677	2,375	7,929

In respect of the place visited for attention, 45 percent of the respondents used a public provider – Public Hospital or Health Centre. Moreover, the lower the socio-economic status, the more likely was it that respondent would have used a public facility, and correlatively, the higher the socio-economic status, generally, the more likely that the services of private providers would be sought. This is seen in Table 9.6. ‘Availability of

Procedure' was the most dominant response in explaining why the first location was visited. This is seen in Table 9.7.

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

Place First Sought Medical Attention	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Public Hospital	23.7	23.7	18.2	17.7	20.2	20.2
Private Hospital	0.0	2.7	0.0	1.6	2.6	1.5
Health Centre	37.7	26.3	27.9	16.0	21.7	24.5
Private Doctor/Dentist Abroad	14.1	3.7	11.5	16.8	11.0	11.3
Private Doctor/Dentist	24.5	43.5	35.6	37.5	38.6	37.2
Traditional Healer Private Doctor/Dentist	0.024.5	0.043.5	0.035.6	0.037.5	0.038.6	0.037.2
Hospital Abroad Traditional Healer	0.00.0	0.00.0	0.00.0	0.00.0	0.00.0	0.00.0
Pharmacy/Chemist Hospital Abroad	0.00.0	0.00.0	1.40.0	3.30.0	2.80.0	1.70.0
Other Pharmacy/ Chemist	0.00.0	0.00.0	5.41.4	7.13.3	3.22.8	3.61.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	464	866	1,044	938	1,208	4,519

**TABLE 9.7: REASON FOR VISITING FIRST PLACE VISITED FOR MEDICAL
ATTENTION BY QUINTILES**

Reason for selecting place for medical attention	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Open After Regular Hours	0.0	1.8	1.5	0.0	1.3	1.0
Availability of Procedure	40.6	28.1	27.0	36.9	37.7	33.5
Doctor Results	0.0	2.4	0.0	0.0	0.0	0.5
Emergency	9.9	3.9	18.2	3.6	4.5	7.9
Family Doctor	9.2	9.9	3.2	6.1	2.6	5.5
For a check up	0.0	1.9	3.1	1.7	1.4	1.8
Free of Cost	6.4	0.0	1.4	1.7	1.2	1.7
It was Infant Clinic Day	0.0	2.4	0.0	0.0	0.0	0.5
Less Expensive	0.0	2.5	2.5	0.0	1.8	1.5
Location	0.0	0.0	1.4	4.8	1.3	1.7
Need medical treatment	10.1	11.4	0.0	0.0	3.9	4.3
Not need to visit a doctor	0.0	0.0	0.0	1.5	1.7	0.8
Personal Preference	7.9	5.3	19.3	12.8	10.4	11.7
Professional Service	0.0	4.8	0.0	0.0	5.4	2.4
Referral - to another doctor	0.0	1.9	0.0	0.0	0.0	0.4
Service is free	0.0	4.8	1.4	3.5	1.7	2.4
To check blood pressure	0.0	0.0	0.0	0.0	1.7	0.5
To fill prescription	0.0	0.0	0.0	1.7	0.0	0.4
To get un-prescribed medication	0.0	0.0	0.0	0.0	1.3	0.4
To see a District Doctor	0.0	1.9	0.0	0.0	0.0	0.4
Usual Checkup	8.6	15.5	21.0	16.6	19.2	17.3
Not Stated	7.2	1.7	0.0	9.1	2.8	3.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	464	866	1,044	938	1,208	4,519

In the lowest quintile, while a doctor was most likely to be the professional involved in delivering service, a nurse or other healthcare worker was also highly likely to be the provider attending. In respect of the highest quintile, a doctor was even more likely to be the one attending to the respondent. This is seen in Table 9.8. Interestingly, whichever the facility, and irrespective of the quintile, the majority of respondents had to wait half an hour or less for service, as can be seen in Table 9.9.

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

Person Who Attended Individual At First Visit	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Nurse, health care worker	42.7	25.6	20.0	24.7	20.2	24.4
Pharmacist	0.0	0.0	6.1	3.3	2.8	2.8
Healer	0.0	0.0	0.0	0.0	0.0	0.0
Doctor	57.3	74.4	73.9	72.1	74.0	71.9
Midwife	0.0	0.0	0.0	0.0	1.8	0.5
Other	0.0	0.0	0.0	0.0	1.3	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

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

Time Spent Waiting For Attention (Minutes)	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	8.3	2.4	0.0	5.2	1.3	2.7
1-10	24.9	22.7	23.9	26.9	17.4	22.6
11-30	57.6	45.6	37.9	52.3	44.8	46.2
31-60	3.5	19.9	22.2	12.5	19.1	17.0
61-120	5.7	9.4	15.9	3.1	9.5	9.2
121-240	0.0	0.0	0.0	0.0	6.7	1.8
Not Stated	0.0	0.0	0.0	0.0	1.3	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	464	866	1,044	938	1,208	4,519

The level of satisfaction with treatment received is provided in Table 9.10. More than half of the population was very satisfied with the treatment received. Indeed, as much as 97.6 percent of the population was either very satisfied or satisfied with the level of treatment. In no quintile was the percentage satisfied or very satisfied less than 90 percent. On this vital area of quality of life, the population was overwhelmingly happy with the level of service available to them.

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

Level of Satisfaction With Treatment	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%	%	%	%	%	%
Very Satisfied	56.4	49.7	59.3	51.7	49.7	53.0
Satisfied	43.6	45.2	40.7	48.3	45.2	44.6
Dissatisfied	0.0	0.0	0.0	0.0	1.4	0.4
Very Dissatisfied	0.0	5.1	0.0	0.0	2.5	1.6
Not Stated	0.0	0.0	0.0	0.0	1.3	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	464	866	1,044	938	1,208	4,519

Information on insurance is seen in Table 9.11. Only 28.8 percent of the population had health insurance, and as expected, the percentage with insurance increased with socio-economic status, with 12 percent in the lowest quintile having insurance and 48.1 percent in the highest quintile with insurance. There is some difference between the sexes but the trend by socio-economic status is in the same direction. It might be that the underlying segmentation of the labour market is a factor explaining the difference: the institutionalization of health insurance does not apply in the same way across the labour market.

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

	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
Covered by Health Insurance etc.	%					
Male						
Yes	10.9	17.6	21.1	34.2	46.9	26.0
No	89.1	82.4	78.9	65.8	53.1	74.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
Female						
Yes	13.0	20.6	31.1	42.5	49.2	31.4
No	87.0	79.4	68.9	57.5	50.8	68.6
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total						
Yes	12.0	19.2	26.0	38.8	48.1	28.8
No	88.0	80.8	74.0	61.2	51.9	71.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

9.3 FERTILITY

Union status is shown in Table 9.12. Legal marriage was the largest single category among those in a union, and the popularity of marriage increased with socio-economic status. Overall, 24.1 percent of the population was in a legal union: in the lowest quintile, 11.7 percent was in this type of union, and 37.6 percent in the highest quintile. On the other hand, the presence of the common law union declined with improvement in socio-economic status, from 14.3 percent in the lowest quintile to 4.3 percent in the highest.

TABLE 9.12: UNION STATUS PERSONS 15+ BY QUINTILES

Present Union Status	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Legally married	11.7	13.9	23.8	27.6	37.6	24.0
Common Law union	14.3	9.2	12.0	7.4	4.3	9.1
Visiting partner	16.3	21.2	16.6	14.4	13.2	16.1
Married but not in union	0.4	0.7	0.5	0.7	0.8	0.6
Legally separated and not in a union	0.0	0.5	0.2	0.2	0.8	0.4
Widowed and not in union	2.0	1.5	4.4	3.8	7.1	3.9
Divorced and not in union	0.8	1.6	1.5	1.5	3.3	1.8
Not in a union	48.4	44.8	34.9	40.7	28.4	38.7
Don't know/Not stated	6.2	6.5	6.1	3.8	4.5	5.3
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	5,926	6,640	7,138	7,831	8,275	35,811

On the matter of fertility, generally, there was a greater likelihood of a woman aged 15-49 being pregnant in the lower quintile than in higher quintiles, suggesting that there might have been a greater penchant for the adoption of family planning or to use of birth control in the higher quintile than in the lower quintile. This is seen in Table 9.13. Once pregnant, women in the higher quintiles attended the public health clinic. On the other hand, as many as 25.4 percent of women in the lowest quintile did not attend the public clinic. This can be seen in Table 9.14.

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

	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Currently Pregnant						
Yes	3.9	3.5	0.6	2.3	1.6	2.4
No	93.1	95.0	97.3	96.2	95.9	95.5
Not Stated	3.0	1.4	2.1	1.6	2.4	2.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	2,688	3,064	2,677	3,013	2,645	14,088

TABLE 9.14: PREGNANT WOMEN ATTENDING PUBLIC HEALTH CLINICS

Attending Public Health Clinic	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	74.6	75.7	100.0	100.0	100.0	84.5
No	25.4	0.0	0.0	0.0	0.0	7.7
Not Stated	0.0	24.3	0.0	0.0	0.0	7.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	104	108	16	69	43	340

Table 9.15 shows age of mother at first birth and socio-economic status. The percentage of teenage mothers falls as socio-economic status improves, from over 60 percent in the lowest quintile, to 22.1 percent in the highest quintile. This and the previous table suggest that teenaged mothers were dominant among those not availing themselves of the public clinics when they became pregnant.

TABLE 9.15: FEMALES 15+ BY AGE AT FIRST BIRTH AND QUINTILES

Age at First Birth	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Under 15	3.6	0.9	1.5	0.0	0.0	1.3
15-19	58.6	51.8	39.4	27.6	22.1	41.0
20-24	26.4	31.5	27.5	33.9	35.4	30.7
25-29	10.4	10.6	27.3	26.6	25.6	19.8
30+	0.0	3.5	2.5	10.6	15.2	5.8
Not Stated	0.9	1.6	1.8	1.3	1.7	1.4
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1,828	1,905	1,906	1,780	1,355	8,774

The population of St. Kitts and Nevis has access to a reasonable quality of health care through the primary and secondary care services provided by the Government. Irrespective of socio-economic status, the population is guaranteed a range of services. The country has long overcome the challenge of communicable diseases, except for the more recent crisis posed by HIV/AIDS. Although the statistical data collected in the SLC reveal no evidence of the disease, it is known that its incidence has put the Caribbean second only to sub-Saharan Africa in terms of the enormity of the challenge. However, the initiative taken so far seems to have had the effect of slowing incidence.

Meanwhile, the lifestyle diseases have become the problem in the society, and require behavioural change especially relating to diet and exercise. The SLC, PPA and IA confirm the challenge of life style diseases. The presence of obesity among children suggests that the initiatives to date fall short of reversing the trend. If it is accepted that the higher rates of life style diseases reported in the higher socio-economic groups also apply to the lower income groups, but are under-reported, then lifestyle diseases could afflict as much as one quarter of the adult population.

CHAPTER TEN

PHYSICAL LIVING CONDITIONS

The area of housing has witnessed considerable expansion in the last seven to eight years. The Government has made an effort to address the housing problem that was identified in the last poverty assessment. The major initiative of the Government has been led by the National Housing Corporation. This agency, renamed in 1996, is the successor organization to the institution established with resources from the Colonial Development Fund following the Report of the Moyne Commission and the efforts of the British Colonial Administration to address parlous conditions in the British West Indies. The primary objective of the NHC has been to provide affordable housing to the population.

The Development Bank, which is fully funded by the Government, as well as some of the institutions to which it onlends resources, have contributed to the expansion of credit to housing of middle-income and lower-income groups. Two important sources of funding to the Development Bank have been the Caribbean Development Bank and the local Social Security Board. Funds mobilised from these two sources are loaned out directly or through other agencies to the population for housing.

Meanwhile, the continuing thrust in the promotion of tourism has impacted the real estate market. Given the importance of the sector as the source of foreign exchange earnings, the establishment and expansion of hotels are seen in official quarters as indicators of the extent to which the country is raising its profile in the international tourism sector. The lands previously under sugar in St. Kitts are the focus of attention for major developments in high-end tourism with golf courses and other up-market facilities being considered. These developments are mostly land intensive.

There have been consequences for housing development for the domestic population. With the concurrent strategy of promotion of tourism and the transfer of lands to tourism development, some criticism of the Government seems to have developed for its apparent support of the interests of foreign hoteliers and real estate developers over those of the population.

Another programme of the Government geared to encourage foreign investment and to create a source of new capital inflows has been the Economic Citizen programme which also might have impacted land values in the Federation, and especially on St. Kitts where it has been promoted most. This programme is targeted at wealthy individuals, especially from the Far East, and requires the prospective beneficiary to invest in a villa.

This would have put some pressure on land values and might have created conditions in which nationals might find difficulty in acquiring land for housing.

In such circumstances, a greater premium is set on the role of an agency like the NHC in acquiring lands for housing, since the individual household, even in the middle class may be at some considerable disadvantage. The first step in securing a home has been usually the acquisition of land. However, participants in the PPA were agreed on the challenge of securing land. *"Land hard to get."* The intervention of the state agency in both land acquisition and in housing development has become critical, therefore.

The NHC itself faces a greater challenge in securing land for low- and middle-income housing: the Corporation now has to pay for land at rates that are more representative of commercial values for ex-sugar lands in the new dispensation. This betrays some of the contradictions in social and economic policies, with the Government being required to assess lands at commercial values, partly to recoup on the investments made in the dying stages of the sugar industry, and, at the same time, needing to provide land under the control of the state to house the national population.

However, the initiatives in housing in recent times have been significant enough to have impacted public perception, beyond direct beneficiaries. Thus, in the course of the PPA one resident referred to the 'housing revolution'. Communities like Old Road and Saddlers could point to improvements in housing in the recent past. The two major credit unions, the St. Kitts Cooperative Credit Union on St. Kitts, and the Nevis Credit Union in Nevis have long been in the business of lending money for housing, and complement the work of the NHC.

One of the options employed by the National Housing Corporation has been a 'starter house' or 'half of a house', which the beneficiary could enter and live immediately, paying a small mortgage of about \$200 per month, while resources could be mobilised for completion over time. It appears that such homes have not been very popular among beneficiaries in the lowest income group. It might well be that a starter house advertises one's lack of resources for acquiring a completely finished home.

Certain basic facilities have become standard in home construction: concrete blocks were much more in evidence, and indoor bathrooms and flush toilets were becoming universal in new construction. Those likely to be particularly hard-pressed in achieving ownership of homes – women and young adults – have been gaining access.

The emergence of new housing districts has created a ripple effect on some communities. With new housing and new housing estates came internal migration on

both islands. New neighbourhoods have emerged and there has been the challenge of social integration, and in intra- and inter-community relations. With the expansion that might have taken place, there have developed grounds for invidious comparisons with those who might not have been beneficiaries.

The availability of appropriate housing subsumes the supply of certain essential services. These include water, sewage disposal, electricity, transportation and communications. By and large, there has been expansion in this area of the infrastructure, enough to ensure that the majority of the population has had access to basic facilities. Some of these initiatives have been revealed in the data generated in the HBS/SLC.

Table 10.1 shows living conditions of households. Some 84.8 percent of the population lives in an undivided private house. Condominiums and duplexes that represent newer forms of habitation, were dwelling units more likely to be used by persons in higher quintiles than in the lowest.

TABLE 10.1: TYPE OF DWELLING

Type of Dwelling	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Undivided Private House	89.8	85.6	84.6	88.1	75.7	84.8
Part of a Private House	6.7	6.8	6.0	4.8	7.7	6.4
Flat, Apartment, Condominium	1.2	6.2	6.5	4.1	9.6	5.5
Townhouse	1.0	0.0	0.0	0.0	0.5	0.3
Double House/Duplex	0.4	0.9	0.6	1.7	2.1	1.2
Combined Business & Dwelling	0.9	0.0	1.1	1.3	4.5	1.5
Barracks	0.0	0.4	0.4	0.0	0.0	0.2
Other	0.0	0.0	0.8	0.0	0.0	0.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

Concrete blocks were the dominant type of material used for outer walls, accounting for 71.7 percent of households, as can be seen in Table 10.2. The use of wood declined by socio-economic status, falling from 19.8 percent in the lowest quintile to 3.3 percent in the highest quintile.

TABLE 10.2: MAIN MATERIAL OF OUTER WALLS OF DWELLING

Material of Outer Walls	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Wood/Timber	19.8	15.4	9.0	6.1	3.3	10.7
Concrete/Concrete Blocks	63.9	63.5	77.4	70.6	82.8	71.7
Wood & Concrete	15.4	15.8	11.2	18.9	10.2	14.3
Stone	0.0	0.0	0.4	0.5	0.7	0.3
Brick/Blocks	0.0	1.7	1.0	1.2	2.0	1.2
Plywood	1.0	2.6	0.8	2.0	1.1	1.5
Makeshift	0.0	0.0	0.0	0.0	0.0	0.0
Other/Don't Know	0.0	1.1	0.0	0.7	0.0	0.3
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

Likewise, in respect of roof material used, galvanised sheets were the dominant form, accounting for just about 70 percent of households. This can be seen in Table 10.3. More expensive types of roofing were used by those in the higher quintiles; of those in the highest quintile 25.7 percent used asphalt shingles.

TABLE 10.3: MAIN MATERIAL OF ROOF OF DWELLING BY QUINTILES (PERCENT)

Roof Material	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Sheet Metal (galvanize)	81.9	76.5	66.5	64.0	60.3	69.8
Shingle Asphalt	10.7	16.3	22.4	23.4	25.7	19.7
Shingle Wood	1.8	0.5	2.1	3.9	4.1	2.5
Shingle Other	0.0	0.5	0.0	0.5	1.6	0.5
Tile	0.0	0.0	0.0	0.0	0.0	0.0
Concrete	5.7	6.2	7.9	6.8	8.4	7.0
Makeshift/Thatched	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	1.0	1.4	0.0	0.5
Don't Know	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 (N)	3,281	3,134	3,337	3,180	3,179	16,111

As can be seen in Table 10.4, just under half of households owned their own homes with or without mortgages. Interestingly, 24.5 percent of those in the lowest quintile or a quarter of the group owned their homes with some form of mortgage arrangement. This reflects the policy of the Government in promoting home ownership among the lower-income population. Just 3.8 percent of the population admitted to 'rent free' accommodation, and just 0.6 percent squatted, with 1.3 percent in the lowest quintile admitting to squatting.

TABLE 10.4: TENURE OF DWELLING BY QUINTILES

	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
Tenancy of Dwelling	%					
Owned With Mortgage	24.5	21.9	35.4	28.4	18.7	25.9
Owned Without Mortgage	38.1	45.7	38.1	44.8	49.6	43.1
Rented-Furnished	1.2	1.5	1.8	2.3	9.1	3.2
Rented-Unfurnished	23.4	19.3	17.2	16.0	10.9	17.4
Rented Gov't	1.0	0.0	0.0	0.0	1.1	0.4
Rented Private	4.8	5.1	3.5	2.6	6.2	4.4
Leased	0.0	0.0	0.0	0.0	0.0	0.0
Rent Free	3.6	5.3	1.9	5.0	3.3	3.8
Squatted	1.3	0.5	1.3	0.0	0.0	0.6
Other	2.0	0.7	0.4	1.0	1.3	1.1
Not Stated	0.0	0.0	0.4	0.0	0.0	0.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

In respect of type of cooking fuel used, the vast majority used gas/LPG – 95.6 percent. Electricity accounted for 1.7 percent and was the next highest source of energy used. This can be seen in Table 10.5.

TABLE 10.5: TYPE OF COOKING FUEL USED MOST

Cooking Fuel Used	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Coal	1.0	0.0	0.4	1.7	0.0	0.6
Wood	0.5	0.9	0.5	0.8	0.0	0.6
Gas/LPG/Cooking Gas	96.2	94.4	97.4	93.9	96.2	95.6
Kerosene	0.9	0.5	0.0	0.0	0.0	0.3
Electricity	0.4	1.9	0.9	2.6	2.8	1.7
No Cooking	0.9	2.3	0.8	0.5	0.0	0.9
Other	0.0	0.0	0.0	0.5	1.1	0.3
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

Water closets were the main source for medium of faecal disposal, accounting for just over 90 percent: this can be seen in Table 10.6. Usage increased with socio-economic status. On the other hand, reliance on pit latrines declined with socioeconomic status. Still, 2.3 percent of those in the lowest quintile, and 1.8 percent in the second quintile, had no toilet facilities.

TABLE 10.6: TYPE OF TOILET FACILITIES BY QUINTILES

Toilet Facilities	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
W.C. Linked to sewer	3.7	4.1	6.8	8.2	6.3	5.8
W.C. Linked to Septic tank/Soak-away	78.2	80.3	87.8	85.7	91.6	84.7
Pit-latrine	14.5	11.5	3.9	4.8	0.5	7.0
Ventilated Pit-latrine	1.4	1.5	0.0	1.3	1.1	1.0
Other	0.0	0.9	0.7	0.0	0.0	0.3
None	2.3	1.8	0.8	0.0	0.5	1.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

In respect of sharing of key facilities, Table 10.7 shows that most households did not share – 93.5 percent. On the other hand, 1.5 percent shared the kitchen and 1.4 percent shared a toilet or bathroom. In respect of the latter, 1.6 percent in the lowest quintile and 1.9 percent in the second highest quintile shared the toilet or bathroom. This suggests the presence of some pockets of very poor quality accommodation in some parts of the Federation.

TABLE 10.7: HOUSEHOLDS SHARING FACILITIES WITH ANOTHER HOUSEHOLD

Facilities Shared	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Kitchen	0.5	1.2	0.9	2.0	3.0	1.5
Toilet/Bathroom	1.6	1.9	1.5	1.5	0.5	1.4
Water	4.4	0.7	1.4	2.6	3.0	2.4
Any combination of 1, 2 or 3	1.0	0.5	1.0	0.9	0.0	0.7
None	91.6	95.2	95.1	93.1	92.5	93.5
Other	0.9	0.4	0.0	0.0	1.0	0.5
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

Access to potable water is shown in Table 10.8. About 96 percent of the population had access to a public source of water piped from a central source. There were differences across the quintiles, with higher quintiles being more likely to have access from water piped directly into the dwelling than the lower quintiles. However, even in the lowest quintile, 73.6 percent had water piped directly into the dwelling and another 23 percent had access through a standpipe in the yard or from a public stand-pipe.

TABLE 10.8: MAIN SOURCE OF WATER BY QUINTILES

Main Source of Water	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Public, piped into dwelling	73.6	81.1	85.6	89.8	87.8	83.5
Public, piped into yard	17.9	11.4	8.8	4.5	6.0	9.7
Public standpipe	6.3	5.3	2.7	2.7	1.1	3.6
Public well/tank or truck	0.0	0.8	0.6	0.0	0.0	0.3
Private, piped into dwelling	0.4	1.4	0.8	1.5	4.1	1.6
Private catchment not piped	0.0	0.0	0.0	0.0	0.0	0.0
Private catchment piped	0.0	0.0	0.4	0.7	1.1	0.4
Other	1.8	0.0	0.9	0.9	0.0	0.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

Table 10.9 shows that 85.4 percent had water seven days per week. However as much as 8.1 percent claimed to have had no water in the week prior to the survey, and this seems to have affected all socio-economic groups. This attests to problems of water winning and distribution in parts of the Federation.

TABLE 10.9: DAYS HAVING WATER IN TAP PAST WEEK BY QUINTILES

Days Having Water in Tap	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	6.0	7.1	10.4	7.5	9.6	8.1
One	0.5	0.0	0.0	0.0	0.5	0.2
Two	0.0	0.0	0.4	0.0	0.0	0.1
Three	0.4	0.0	0.0	0.0	0.5	0.2
Four	1.0	0.0	0.0	0.0	0.0	0.2
Five	2.2	0.5	0.5	0.5	1.1	1.0
Six	0.8	0.5	2.0	2.1	1.5	1.4
Seven	85.0	90.1	83.4	84.5	84.1	85.4
Don't Know	2.8	0.4	1.9	2.8	0.4	1.7
Not Stated	1.1	1.4	1.4	2.6	2.4	1.8
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

**TABLE 10.10: PERCENTAGE OF HOUSEHOLDS WITH WATER IN TAP ZERO DAYS
IN REFERENCE WEEK BY PARISH**

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

Percentage of Households with Water in Tap Zero days in Reference Week by Parish	% of Parish Households	Estimated Number of Households
St. George-Basseterre E.	16.1	468
St. George-Basseterre W.	4.7	92
St Paul's	7.3	55
St. Anne	5.3	59
St. Thomas	6.1	51
Trinity	2.9	17
Christ Church	4.0	30
St. John	6.7	79
St. Mary	0.0	0
St. Peter	10.0	65
St Paul's	16.7	101
St. John	8.6	104
St. George	7.0	64
St. Thomas	9.8	77
St. James	7.3	49
Total	8.1	1,312

The source of energy for lighting is evident in Table 10.11. Electrification has become almost universal in the country with the vast majority – 92.1 percent – using electricity for lighting.

TABLE 10.11: ENERGY SOURCE USED FOR LIGHTING BY QUINTILE

Energy Source	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Gas	1.4	3.6	3.4	0.5	0.5	1.9
Kerosene	3.4	2.9	1.1	1.0	0.0	1.7
Electricity – Public	93.0	86.7	90.7	94.8	95.0	92.1
Electricity - Private Generator	1.2	4.6	3.1	1.5	4.5	3.0
Other	1.0	1.7	1.3	1.3	0.0	1.0
None	0.0	0.5	0.5	1.0	0.0	0.4
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

The age of homes is seen in Table 10.12. As much as 17.3 percent of all homes were built before 1970, and another 10.5 percent built between 1970 and 1979. In other words, just under 30 percent of homes were built before 1980. The lower the socioeconomic group, the higher the probability that the home would have been built before 1970 or before 1980.

TABLE 10.12: YEAR DWELLING BUILT BY QUINTILES

Year Built	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Before 1970	23.5	20.4	14.5	14.2	14.1	17.3
1970 – 1979	13.6	8.6	7.6	10.6	12.4	10.5
1980 – 1989	7.7	11.4	17.9	16.7	19.6	14.7
1990 – 1995	15.6	14.2	15.6	19.1	13.8	15.7
1996 – 2000	15.0	15.7	20.0	6.9	8.9	13.4
2001	0.9	1.4	2.5	3.1	2.0	2.0
2002	0.4	0.0	1.3	1.7	1.7	1.0
2003	0.6	0.0	1.5	0.0	0.5	0.5
2004	2.0	2.3	0.7	1.4	1.3	1.5
2005	2.2	1.7	0.4	0.7	0.7	1.1
2007	0.0	1.6	0.0	1.0	0.4	0.6
Don't Know	18.6	22.8	18.2	24.6	24.6	21.7
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	3,281	3,134	3,337	3,180	3,179	16,111

Generally then, housing conditions have witnessed some improvement in the period since the last SLC. The initiatives being taken by the Government have paid off in the expansion and improvement in housing to large sections of the population. There are still pockets of bad housing conditions and, with the expansion of the tourism sector, the capacity of individual households to secure lands on their own in St. Kitts is becoming more difficult. The Government will need to resolve the challenge in continuing to ensure the availability of land for housing the domestic population on the one hand, and promoting the entrée of high net-worth individuals and high-end tourism as part of the economic strategy anchored on tourism and inflows of foreign capital.

CHAPTER ELEVEN

CRIME AND VIOLENCE AND LIVING CONDITIONS

11.1 INTRODUCTION

There has been a deterioration in the security situation in many parts of the Commonwealth Caribbean in recent years, SKN not excepted. Personal security has become a matter of concern to the population at large and Governments have faced the challenge of needing to counteract travel advisories being put out on member states by metropolitan countries which are the source for most of the tourists visiting the region. A number of factors have been adduced by way of explanation. These range from:

- The impact of the international narco-trafficking industry on the Caribbean;
- The ineffectiveness of the justice system, including the Police Service in some countries;
- The glorification of violence evident in the ghetto culture of North America, purveyed in the mass media and in popular songs in the Caribbean;
- The decline in traditional values as a result of rapid urbanisation;
- Social marginalisation of large sections of the society into a subculture that commits to preying on the rest of the society;
- The repatriation by the United States, and other countries of the North Atlantic, of Caribbean nationals who have run afoul of the law, and after their period of incarceration in these countries: deportees are deemed to have been exposed to very advanced techniques in committing of crimes, including violent crimes;
- The ineffectiveness of the social services and the failure of socialisation in treating with young people and, in particular, young men in Caribbean societies.

The matter has attracted the attention of CARICOM Summit Meetings and is now firmly on the agenda of the countries collectively and singly. The Governments of the Region established the CARICOM Regional Task Force on Crime and Security as far back as 2001, against the backdrop of the incorporation that has been effected by the international narcotic syndicates of operatives in the Caribbean which has been the staging post for the transshipment of narcotics coming from South America destined for markets in North America and Europe. The statistics on crime suggest that the Region has not been able to make any major dent on the problem.¹³

¹³ At the Thirtieth Meeting of CARICOM Heads in July 2009, the Governments of the region showed their keenness in taking up the assistance to be provided by the United States Government in the challenge they face in improving security in member countries. See <http://www.caricom.org/jsp/pressrelease>

The countries also provide markets within which local operatives can earn income from product with which they are paid in expediting trans-shipment through local ports and airports. Over the last two decades, therefore, there has been a steady rise in the flows passing through the Caribbean. The geographic location and the sheer nature of their coast line offer excellent conditions for the conduct of trans-shipment activities. There has also been intra-regional trade in cannabis which is produced in a number of islands, and has had ready local and regional markets for some four decades now.

11.2 PERSPECTIVES FROM THE IA AND PPA ON CRIME AND SECURITY:

The Corporate Sector has expressed alarm at the deep sense of personal insecurity that has gripped the country, the growing disenchantment among youth and the upsurge in crime, violence, gang warfare and the apparent decline in standards in the Police Service, all of which have had ramifications for the tourism sector which is vital to the country's growth. One interviewee suggested that one life is being lost every week through violence: whether this statistic can be established, the sense of heightened violence has been evident. Indeed, the inspiration for the formation of one community group was the flaring-up of gangs in 2001/02: Saddlers Collaborative Interest Group was born out of a need to find a solution to the problem of violence being perpetrated by young people.

On the other hand, it is the view of some agencies that the growth in the tourism sector has been identified with the emergence of prostitution on the islands. The growth in night life in Nevis is associated with prostitution as well, with foreign women entering to serve the market.

Narcotics and substance abuse are now recognised as serious challenges in the country. Even in Nevis, there has been witnessed the spread in the market for illicit drugs including marijuana which is allegedly being grown on the island, with supplies supplemented with imports. While there has not been evidence of drug lords in Nevis as there have been in St. Kitts, there are gangs involved in drugs and guns and there has been gun violence on the island in the last two years.

The Division of Social Development has found it necessary to collaborate directly with the Division of Education in Nevis in arresting the growing trend in the formation of gangs in schools and in the use of marijuana among secondary school students. The involvement of secondary school students in gangs in St. Kitts has been significant and

the adoption of the colours used by gangs in the ghettos in US, has been evident in SKN.

Participants in the PPA readily identified crime and violence as major social problems in the society.

'Nobody safe anywhere.'

'Crime out of hand.'

'Violence has increased.'

Gangs have been emerging right across the country. Gruesome murders and executions have been committed, and young men in some districts could not travel to other communities without fear of being attacked: Cayon Youth could not visit St. Peters and vice versa.

'Young men join gangs, turn to crime and drugs.'

Gangs had become a way of life for some young men.

'He does tief and he involved in guns.'

Moreover, guns could be used to perpetrate other crimes and to secure whatever one wanted. Guns could be effective in securing valued resources therefore. One young man admitted very openly and in a matter-of-fact way:

'Sometimes I want to steal and kill to get the things I want.'

The violence had reached the secondary school system and male students in some schools felt the need to join gangs as part of the rights of passage. This meant that they had to carry weapons for protection.

'He carrying weapons to school.'

Firearms had become the weapon of choice and the exchange of fire was not uncommon. The population sensed a growing risk of being caught as innocent bystanders in flare-ups.

'Stray bullets kill no matter what.'

11.3 SLC DATA ON CRIME

Respondents were asked very specific questions on crimes that might have been perpetrated against them. The discussion that follows is based on the tables generated from the SLC. It was found that there was some difference between the poor and non-poor in respect of the incidence of crime. The poor were generally less likely to suffer crime, than the non-poor. This can be seen in Table 11.1.

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

Victim of Crime In Last 12 Months	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Yes	2.9	4.0	3.8
No	97.1	96.0	96.2
Total	100.0	100.0	100.0
Total (N)	11,035	39,565	50,600

Table 11.2 provides information from the SLC on the incidence of crime in the previous twelve months. The rate overall for St. Kitts was more than twice as high as in Nevis, and the national average was 3.8 percent.

TABLE 11.2: VICTIMS OF CRIME BY SEX AND ISLAND OF RESIDENCE

Victim Of Crime In Last 12 Months		Sex					
		Male		Female		Both Sexes	
		N	%	N	%	N	%
St Kitts	Yes	808	4.5%	873	4.3%	1,681	4.4
	No	17,137	95.5%	19487	95.7%	36,624	95.6
	Total	17,945	100.0%	20360	100.0%	38,305	100.0
Nevis	Yes	99	1.6%	136	2.2%	234	1.9
	No	5,897	98.4%	6163	97.8%	12,060	98.1
	Total	5,996	100.0%	6299	100.0%	12,295	100.0
SKN	Yes	906	3.8%	1009	3.8%	1,915	3.8
	No	23,034	96.2%	25650	96.2%	48,685	96.2
	Total	23,941	100.0%	26659	100.0%	50,600	100.0

The Nature of Main Crime is provided in Table 11.3. Some 3.8 percent of women in St. Kitts had been victims of bodily harm. As much as 9.7 percent of the men in St. Kitts had suffered assault. Breaking and Entering and Burglary accounted for a high percentage of crimes committed. In the case of Nevis, while battery, suffered by women only accounted for 6.2 percent of crimes committed, crimes against the person seemed to be less pronounced than in St. Kitts. However, there was evidence of gang fights in Nevis, although it is known that the presence of gangs is more of a phenomenon on St. Kitts rather than on Nevis. Again theft, robberies and burglaries accounted for much of the crime.

TABLE 11.3: NATURE OF MAIN CRIME BY SEX AND ISLAND OF RESIDENCE

Nature Of Main Crime		Sex					
		Male		Female		Total	
		N	%	N	%	N	%
St Kitts	Actual Bodily Harm	0	.0	33	3.8	33	2.0
	Assault	79	9.7	16	1.9	95	5.6
	Battery	0	.0	0	.0	0	.0
	Breaking and Entering	234	29.0	301	34.4	535	31.8
	Burglary	0	.0	0	.0	0	.0
	Burglary & House & Store Break	101	12.6	86	9.9	188	11.2
	Gang fight	0	.0	0	.0	0	.0
	Incident with prisoners	17	2.1	0	.0	17	1.0
	Malicious damage to property	0	.0	0	.0	0	.0
	Not Stated	31	3.9	23	2.6	54	3.2
	Rape	0	.0	33	3.8	33	2.0
	Robbery	0	.0	0	.0	0	.0
	Robbery & Extortion	94	11.7	86	9.9	181	10.8
	Sexual Harassment	0	.0	16	1.9	16	1.0
	Theft	148	18.4	128	14.7	277	16.5
	Throwing of missiles	0	.0	0	.0	0	.0
	Trespassing	103	12.7	149	17.0	251	14.9
	Total	808	100.0	873	100.0	1681	100.0

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

Nature Of Main Crime		Sex					
		Male		Female		Total	
		N	%	N	%	N	%
Nevis	Actual Bodily Harm	0	.0	0	.0	0	.0
	Assault	0	.0	0	.0	0	.0
	Battery	0	.0	14	10.6	14	6.2
	Breaking and Entering	0	.0	0	.0	0	.0
	Burglary	0	.0	42	30.6	42	17.7
	Burglary & House & Store Break	0	.0	0	.0	0	.0
	Gang fight	16	16.3	16	12.0	32	13.8
	Incident with prisoners	0	.0	0	.0	0	.0
	Malicious damage to property	15	15.7	0	.0	15	6.6
	Not Stated	0	.0	0	.0	0	.0
	Rape	0	.0	0	.0	0	.0
	Robbery	15	15.7	15	11.3	31	13.2
	Robbery & Extortion	0	.0	0	.0	0	.0
	Sexual Harassment	0	.0	0	.0	0	.0
	Theft	52	52.4	32	23.4	83	35.6
	Throwing of missiles	0	0.0	16	12.0	16	7.0
	Trespassing	0	0.0	0	0.0	0	.0
	Total	99	100.0	136	100.0	234	100.0
Total	Actual Bodily Harm	0	.0	33	3.3	33	1.7
	Assault	79	8.7	16	1.6	95	5.0
	Battery	0	0.0	14	1.4	14	.8
	Breaking and Entering	234	25.8	301	29.8	535	27.9
	Burglary	0	0.0	42	4.1	42	2.2
	Burglary & House & Store Break	101	11.2	86	8.6	188	9.8
	Gang fight	16	1.8	16	1.6	32	1.7
	Incident with prisoners	17	1.9	0	0.0	17	.9
	Malicious damage to property	15	1.7	0	0.0	15	.8
	Not Stated	31	3.5	23	2.3	54	2.8
	Rape	0	0.0	33	3.3	33	1.7
	Robbery	15	1.7	15	1.5	31	1.6
	Robbery & Extortion	94	10.4	86	8.6	181	9.4
	Sexual Harassment	0	0.0	16	1.6	16	.9
	Theft	200	22.1	160	15.9	360	18.8
	Throwing of missiles	0	0.0	16	1.6	16	.9
	Trespassing	103	11.3	149	14.7	251	13.1
	Total	906	100.0	1009	100.0	1915	100.0

The nature of Crime by socio-economic status is provided in Table 11.4 below. Although the poor seemed to have been subjected to a lower rate of crime than the non-poor, what is significant here is that the poor were more likely to be the victims of bodily harm, than the non-Poor. In respect of most of the other crimes the incidence is restricted to the non-poor. It is possible that there has been considerable inter-personal violence among the poor.

TABLE 11.4: NATURE OF CRIME BY SOCIO-ECONOMIC STATUS

Nature Of Main Crime	Socio Economic Status		
	Poor	Non Poor	Total
	%	%	%
Actual Bodily Harm	10.6	.0	1.7
Assault	15.0	3.0	5.0
Battery	.0	.9	.8
Breaking and Entering	74.4	18.8	27.9
Burglary	.0	2.6	2.2
Burglary & House & Store Break	.0	11.7	9.8
Gang fight	.0	2.0	1.7
Incident with prisoners	.0	1.1	.9
Malicious damage to property	.0	1.0	.8
Not Stated	.0	3.4	2.8
Rape	.0	2.1	1.7
Robbery	.0	1.9	1.6
Robbery & Extortion	.0	11.3	9.4
Sexual Harassment	.0	1.0	.9
Theft	.0	22.5	18.8
Throwing of missiles	.0	1.0	.9
Trespassing	.0	15.7	13.1
Total (%)	100.0	100.0	100.0
Total (N)	315	1601	1915

Crime imposes costs in terms of lost production or loss of pay, because of days that may have to be spent recuperating or engaged in restitution following crimes. Information on days lost through crime is presented in Table 11.5. The data show that there were days lost through crime in St. Kitts, though not in Nevis.

**TABLE 11.5: DAYS WITHOUT PAY AS A RESULT NATURE OF MAIN CRIME BY
SEX AND ISLAND OF RESIDENCE**

Days Without Pay Because Of Crime		Sex					
		Male		Female		Both Sexes	
		N	%	N	%	N	%
St Kitts	None	751	93.0	806	92.3	1557	92.7
	One	23	2.9	33	3.8	56	3.4
	Five	33	4.1	0	.0	33	2.0
	Thirty	0	.0	33	3.8	33	2.0
	Total	808	100.0	873	100.0	1681	100.0
Nevis	None	99	100.0	136	100.0	234	100.0
	One	0	.0	0	.0	0	.0
	Five	0	.0	0	.0	0	.0
	Thirty	0	.0	0	.0	0	.0
	Total	99	100.0	136	100.0	234	100.0
Total	None	850	93.8	942	93.4	1792	93.6
	One	23	2.5	33	3.3	56	2.9
	Five	33	3.7	0	.0	33	1.7
	Thirty	0	.0	33	3.3	33	1.7
	Total	906	100.0	1009	100.0	1915	100.0

The size of the loss is provided in Table 11.6: The size of the loss was much higher in Nevis than in St. Kitts and was larger for women than for men, and in the case of Nevis, more than twice as high.

**TABLE 11.6: MEAN VALUE OF ECONOMIC LOSS AS A RESULT OF CRIME BY SEX
AND ISLAND OF RESIDENCE**

Other Economic Cost Because of Crime		Sex		
		Male	Female	Total
		Mean EC\$	Mean EC\$	Mean EC\$
Island	St Kitts	4,692	5,010	4,855
	Nevis	6,253	15,383	11,545
	Total	4,862	6,437	5,683

In terms of days lost by socio-economic status, Table 11.7 shows that the poor suffered more by way of employment loss in terms of days away from work than the non-poor.

TABLE 11.7: MEAN DAYS WITHOUT PAY ON ACCOUNT OF CRIME BY SOCIO-ECONOMIC STATUS

	Socio Economic Status		
	Poor	Non Poor	Total
	Mean	Mean	Mean
Economic Cost of Crime			
Days Without Pay Because Of Crime	3.72	0.04	0.64
Other Economic Cost Because of Crime	75.24	6,800.38	5,683.29

Table 11.8 shows that women tended to report crimes more often than did men, in both St. Kitts and in Nevis. However, there was a lower level of reporting in Nevis than in St. Kitts.

TABLE 11.8: PERSONS WHO REPORTED CRIME TO POLICE BY SEX AND ISLAND OF RESIDENCE

		Sex					
		Male		Female		Both Sexes	
		N	%	N	%	N	%
St Kitts	Yes	547	67.7	647	74.1	1193	71.0
	No	261	32.3	226	25.9	488	29.0
	Total	808	100.0	873	100.0	1681	100.0
Nevis	Yes	52	53.0	85	62.7	138	58.7
	No	46	47.0	51	37.3	97	41.3
	Total	99	100.0	136	100.0	234	100.0
Total	Yes	599	66.1	732	72.5	1331	69.5
	No	308	33.9	277	27.5	585	30.5
	Total	906	100.0	1009	100.0	1915	100.0

In respect of the reasons for not reporting, as much as 50 percent approximately of the men in St. Kitts indicated that their lack of confidence in the justice system was responsible for their not reporting. This did not figure as a response among the men in Nevis. Likewise, 51 percent of the women who did not report in St. Kitts also indicated that their lack of confidence in the justice system was responsible. There seemed to be some unanimity of view among men and women in St. Kitts that there was something awry with the justice system. However, conditions have not so deteriorated that fear of the perpetrator could figure as a reason for not reporting a crime.

TABLE 11.9: REASON FOR NOT REPORTING CRIME TO POLICE BY SEX AND ISLAND OF RESIDENCE

Reason Crime Not Reported To Police		Sex					
		Male		Female		Both	
		N	%	N	%	N	%
St Kitts	No Confidence in Justice System	130	49.8	115	50.9	245	50.3
	Fear of Perpetrator	0	.0	0	.0	0	.0
	Perpetrator Household Member	0	.0	0	.0	0	.0
	Not Serious Enough	30	11.4	50	22.0	80	16.3
	Other	36	14.0	17	7.4	53	10.9
	Not Stated	65	24.8	45	19.7	109	22.4
	Total	261	100.0	226	100.0	488	100.0
Nevis	No Confidence in Justice System	0	.0	0	.0	0	.0
	Fear of Perpetrator	0	.0	0	.0	0	.0
	Perpetrator Household Member	0	.0	0	.0	0	.0
	Not Serious Enough	15	33.3	36	71.5	52	53.3
	Other	31	66.7	0	.0	31	31.8
	Not Stated	0	.0	14	28.5	14	14.9
	Total	46	100.0	51	100.0	97	100.0
Total	No Confidence in Justice System	130	42.3	115	41.6	245	42.0
	Fear of Perpetrator	0	.0	0	.0	0	.0
	Perpetrator Household Member	0	.0	0	.0	0	.0
	Not Serious Enough	45	14.7	86	31.0	131	22.5
	Other	67	21.9	17	6.1	84	14.4
	Not Stated	65	21.0	59	21.3	124	21.2

The level of satisfaction with the Police is shown in Table 11.10. While about 45 percent of men in St. Kitts were satisfied with the actions taken by the Police, 17.1 percent was dissatisfied and 38.1 percent was very dissatisfied. In other words, just over 55 percent was either dissatisfied or very dissatisfied. On the other hand, 70.5 percent of males in Nevis were very satisfied.

There was also a stark difference with women. In St. Kitts, as much as 25.5 percent and 41.3 percent were very satisfied or satisfied respectively. But in Nevis, 81.9 percent of the women were very dissatisfied. There are surely some major problems with personal security and crime in the islands and there was no unanimity about the effectiveness of the authorities.

TABLE 11.10: LEVEL OF SATISFACTION WITH POLICE BY SEX AND ISLAND OF RESIDENCE

Satisfied With Handling Of Matter By Police		Sex					
		Male		Female		Both Sexes	
		N	%	N	%	N	%
St Kitts	Very Satisfied	29	5.4	165	25.5	194	16.3
	Satisfied	216	39.5	267	41.3	483	40.5
	Dissatisfied	93	17.1	56	8.7	150	12.6
	Very Dissatisfied	208	38.1	158	24.4	366	30.7
	Not Stated	0	.0	0	.0	0	.0
	Total	547	100.0	647	100.0	1193	100.0
Nevis	Very Satisfied	37	70.5	0	.0	37	26.8
	Satisfied	0	.0	15	18.1	15	11.2
	Dissatisfied	0	.0	0	.0	0	.0
	Very Dissatisfied	15	29.5	70	81.9	85	62.0
	Not Stated	0	.0	0	.0	0	.0
	Total	52	100.0	85	100.0	138	100.0
Total	Very Satisfied	66	11.1	165	22.5	231	17.4
	Satisfied	216	36.0	283	38.6	498	37.5
	Dissatisfied	93	15.6	56	7.7	150	11.3
	Very Dissatisfied	223	37.3	228	31.1	451	33.9
	Not Stated	0	.0	0	.0	0	.0
	Total	599	100.0	732	100.0	1331	100.0

There might have been some difference between the poor and non-poor in level of satisfaction with the Police in the handling of crimes. Table 11.11 presents relevant data. A much higher percentage of the poor was satisfied with the handling of crime, than the non-poor. However, with more than 50 percent of the population dissatisfied with the Police, there is much to be addressed by the authorities in SKN in respect of personal security and law and order.

TABLE 11.11: SATISFACTION WITH HANDLING OF CRIME BY POLICE BY SOCIO-ECONOMIC STATUS

Satisfied With Handling Of Matter By Police	Socio Economic Status		
	Poor	Non Poor	Total
	%	%	%
Very Satisfied	.0	22.0	17.4
Satisfied	71.3	28.4	37.5
Dissatisfied	28.7	6.6	11.3
Very Dissatisfied	.0	43.0	33.9
Not Stated	.0	.0	.0
Total (%)	100.0	100.0	100.0
Total (N)	281	1050	1331

In sum, the country has not been immune to the wave of crime and violence that has swept most countries of the Caribbean in the last ten years. The impact, while not always evident, has been considerable in terms of the sense of personal insecurity of the population. It could be argued that there might have been a possible decline in the attractiveness of the country as a tourism destination, in the absence of initiatives that make it stand out as offering a much safer environment than other neighbouring countries that have been the subject of travel advisories in the international tourism market.

CHAPTER TWELVE POVERTY AND THE ENVIRONMENT

12.1 INTRODUCTION:

The economy of SKN since colonial times has been based on primary production geared for metropolitan markets. Indeed, this was the *raison d'être* of its establishment, in the first place. Sugar production was the only important industry, and represented the main link between residents and the global economy with which the domestic economy was intertwined. The expanse of flat land and appropriate soil and weather conditions made the country, in particular, the island of St. Kitts, an ideal location for cane-sugar production.

The industry continued after the end of slavery mainly because St. Kitts was a classic plantation economy, supported by Imperial Preference for its sugar output. The descendants of ex-slaves had little option but to continue providing labour to the plantations, until the middle of the 20th century when tourism and light manufacturing emerged as competing activities to link the country to the metropolitan economy.

Sun, sea and sand of the two islands have been amenity resources par excellence for the kind of tourism promoted in the latter half of the 20th century. The growth in discretionary income in the metropolitan economies allowed a rapidly expanding middle class to seek to holiday in tropical islands. In effect, SKN was able to engineer its participation in another natural-resource-based industry, with tourism anchored on sun, sea and sand on tropical islands.

The natural resources of land and sea were also the base for other activities of the domestic population. Non-sugar agriculture provided for some amount of domestic food production. Grasslands afforded the possibility of livestock development. Forests provided materials for energy for some poorer households, and wood and other materials for craft work among the population. The surrounding waters were the source for fish and other aquatic resources for exploitation. The environment has been an important source for income and employment among the population.

There are resources that are seen as part of the global commons for the community. This includes state land, especially in St. Kitts, which may be farmed by some of the poorer and landless people. Hillside lands and parts of the abandoned sugar plantation are used for grazing of animals. However, the use of hillsides can create environmental hazards, and can contribute to erosion. Laxity in oversight of state lands encourages the view that lands are available for use in subsistence agriculture.

“Government don’t pay much attention to those lands, so...”

Lands left unattended encourage free range grazing which created challenges for small farmers whose adjacent fields were not spared by animals allowed to roam freely. This was not conducive to the orderly development of small scale agriculture which is vital to the resuscitation of agriculture, let alone the impact of some animals (eg. Sheep) in terms of land degradation, where land resources are not well monitored.

However, the more recent experience demonstrates that as one of the smallest of Small Island Developing States (SIDs), SKN is highly vulnerable to environmental threats, including sea-rise, climate change and global warming. On the basis of the Environmental Vulnerability Index, SKN is one of the highly vulnerable states in the Caribbean, which in itself comprises one of the more vulnerable regions of the world. Table 12.1 provides information on vulnerability among Caribbean States.

TABLE 12.1: EVI OF SELECTED CARIBBEAN COUNTRIES

	EVI	Data (%)	
Barbados	403	70	Extremely Vulnerable
US Virgin Islands	396	46	
Saint Lucia	393	58	
Jamaica	381	94	
Trinidad and Tobago	381	94	
UK Virgin Islands	377	44	
Bermuda	373	52	
Martinique	364	56	Highly Vulnerable
St. Kitts and Nevis	359	54	
Haiti	343	92	
Cayman Islands	343	60	
Montserrat	342	48	
St. Vincent & Grenadines	337	54	
Puerto Rico	334	64	
Cuba	329	90	
Dominican Rep	324	90	
Netherlands Antilles	323	60	
Grenada	316	62	
Anguilla	312	52	Vulnerable
Antigua & Barbuda	307	56	
Turks & Caicos Islands	292	52	
Belize	258	90	At risk
Bahamas	248	62	
Suriname	211	88	Resilient
Guyana	207	90	

Source: <http://www.vulnerabilityindex.net/Files/EVI%20Country%20Classification.pdf>

Environmental sustainability is a major contributor to the achievement of Goal 7 in the Millennium Development Goals. This chapter surveys some of the environmental data relating to SKN, with special regard to the impact on the poor. The IA, PPA and SLC, along with secondary data, provide insight on the environmental threat to the population, and more so, to the poor of the country.

12.2 IMPACT ON TOURISM

The Tourism Sector employs a number of persons at the lower end of the income and skill hierarchy. Data on the Labour Force in the SLC show that the Hotels and Restaurants employ a larger percentage of the poorest quintile, than in any other quintile.

The tourism sector in recent years, therefore, has had to face disruption from the increased frequency of violent hurricanes. St. Kitts registered more hurricanes in the period 1989-2007, than was the case in the previous thirty years.¹⁴ Clearly, conditions in Nevis would not have been much better. These weather episodes have led to the loss of earnings and employment as hotel plant has to be renovated or rebuilt as has been the case of the Four Seasons Hotel in Nevis.

This latter is a major source of income on that island, and a source of revenue to the Nevis Island Administration but had to be closed for renovation following hurricane Omar in 2008. The tourism sector is subject to seasonality, and the disruption created by severe weather events makes employment and income very susceptible to fluctuation, and exposes some poorer workers to discontinuation of income from time to time.

Another threat to the vital tourism sector is evidenced in the decline in the marine environment partly as a result of lack of the institutional framework for monitoring and for implementation of measures to arrest negative impacts of developments on land and in the near-shore activities. Investigation conducted on eight marine sites by the St. Kitts Foundation in association with the Ocean Foundation has yielded the following results:

- The condition of the nearshore marine life is unhealthy and unbalanced, given high macro-algal and low coral cover, abundant small herbivorous fish and very few large predator fish;
- There is evidence of growth in algae which is suffocating and killing coral and little to suggest there are reef-building corals;
- Water quality is being compromised by inadequately treated sewage and from industrial, urban, harbour and cruise ship sources;
- There was anchor chain damage to corals.

¹⁴ http://stormcarib.com/climatology/TKPK_all_isl.htm

All of the above have implications for the tourism sector of the country, in addition to the fisheries sector. The depreciation of the coral around the islands was likely to degrade the beaches and reduce the appeal of the country as a tourism destination, with implications for employment and income, especially for those in the lower socio-economic categories for whom the tourism sector is important in the provision of jobs.

12.3 IMPACT ON FISHERIES

In the course of the IA it was established that the yields from domestic waters had fallen drastically. This was attributed to over-fishing and to illegal fishing. Indeed, the infrastructure for fisheries management was relatively weak, let alone the capacity of the Government to protect the waters of the country from poachers. The investigation of the St. Kitts Foundation identified signs of overfishing, and the removal of some species at a much faster rate than reproduction.¹⁵

While the Fisheries Sector has not been large, it is a source for protein among the domestic population and if properly managed can provide a forward link to Tourism, thereby strengthening inter-industry linkages. The indifferent performance of the sector in recent years in both islands represents a situation of repressed economic activity, which reduces income that might have been earned primarily by poorer people. Fishing has been subject to indifferent economic performance, with implications for fisher-folk on both islands.

12.4 IMPACT ON HOUSING

The SLC has established that 17.3 percent of homes were built before 1970, and just under 30 percent were built before 1980. However, as much as 23.5 percent of those in the lowest quintile had homes that were built before 1970 and 37.1 percent had homes built before 1980. Almost 20 percent of homes of those in the lowest quintile were built of wood or timber. The increased frequency of hurricanes was noticed in the 1980s, and efforts at upgrading the building codes were to follow. The project notes for initiation of the Construction Industry Project of 2001 pointed to the problem.

The extensive damage to property in St. Kitts and Nevis caused by hurricanes Lenny (1999), Georges (1998), Luis and Marilyn (1995) highlights weaknesses in design and construction, and the failure of construction contractors to build in accordance with hurricane resistant building codes such as the OECS/UNDP Harmonised Building Code and the CDB/CUBIC Standards.¹⁶

¹⁵ <http://www.reefrelief.org/projects/international/stkitts/ExecSumPMEW.pdf>

¹⁶ <https://www.carib-hotels.com/stkitts/fndskn/english/cepc.htm>

The official efforts at the introduction of upgraded building codes have been a subsequent initiative, including a collective effort among the OECS Union countries. In the absence of considerable resources for retrofitting, it is the new buildings and homes that would reflect the new code. Thus, in the face of greater threat from the environment, a large number of poorer people would be vulnerable to loss of shelter. Moreover, to the extent that there has been some slothfulness in the implementation of upgraded building codes, a much larger swathe of people than the poor have been at risk from severe weather episodes.

12.5 IMPACT ON FORESTS

The severe weather events in relatively rapid succession have also impacted the forests and destroyed trees, without regeneration being able to take place in some sections of the forests. The felled trees have created conditions for more serious forest fires, which in turn lead to more damage to the forests. This has disturbed some of the fauna including populations of monkeys that are forced seek food in neighbouring communities, and to forage on lands being used for agricultural production. Farmers have faced more difficult times in the face of rampaging monkeys. This has happened in both St. Kitts and Nevis.

12.6 MAN-MADE IMPACTS

There are a number of man-made impacts that eventually contribute negatively to the quality of life. One major source of environmental degradation is the area of garbage disposal. The small size of the country and the lack of facilities for recycling and collection of waste, especially that which is non-biodegradable, poses a major problem for the country which has a material culture highly reliant on imported materials which are not easily disposed of when discarded at the level of the household. SKN, like other parts of the Commonwealth Caribbean, has invested in landfill sites and other upgrades of waste disposal. Ultimately, small size remains a major constraint in creating an effective solution.

12.7 IMPACT OF SUGAR INDUSTRY CLOSURE:

The closure of the sugar industry has posed another environmental challenge for the country. The infrastructure that had been built up over the years in supporting the sugar industry has gone to ruin with the closure of sugar operations. Roads were washed away, and lands that were previously used in supporting agriculture are being denuded. The abandoned estates offer a safe haven for hordes of rats, and guinea grass has been overrunning large tracts of land and creating a fire hazard.

12.8 NATIONAL ENVIRONMENTAL MANAGEMENT STRATEGY 2005-2009:

The Government has developed a strategy to deal with the environment. The strategy focuses on:

- Living conditions of the population;
- protection from coastal erosion;
- Upgrading of standards to deal with hurricanes and violent storms;
- Agriculture and pesticide use.

The strategy is premised on a number of principles, and there is evidence that measures have been put in place consonant with the strategy. This has been evident in the housing programme of the Government. The words of Minister Liburd, who is responsible for Housing, show the direction of Government Policy:

“As each housing project is delivered, the Ministry explores options in new technologies to ensure our houses can be fire and hurricane resistant. Most importantly our inspectors, in collaboration with inspectors from the Ministry of Sustainable Development, work to ensure that the homes meet the strict building codes to make them safe to live.”¹⁷

The major thrust in housing that the Government has mounted has already been reflected in the improvement of conditions for persons at the base of the income pyramid. However, given the reality of poor quality housing for pockets of the population, there remains a high level of vulnerability in the area of shelter.

In respect of the other areas of environmental vulnerability, there is weakness in the existing institutional infrastructure in dealing with the task, let alone in the mobilisation of the resources – financial and physical – to treat with such issues as coastal erosion, monitoring of the marine environment, and disposal of toxic waste.

In sum, while there have been institutional measures put in place to treat with environmental issues, the country is faced with threats which may be exacerbated by global climate change. The country and its poorer people, in particular, face major risks.

¹⁷ http://www.caribbeannetnews.com/stkitts/stkitts.php?news_id=9225&start=0&category_id=35

CHAPTER THIRTEEN

POVERTY - A GENDER PERSPECTIVE

There is wide accord that poverty is gendered since the evidence shows that males and females experience and cope with poverty differently. This chapter examines some of the parameters surrounding differential poverty on the basis of gender. Disaggregated data from the SLC are complemented by qualitative information from the PPA and feedback from the IA in providing insights into the realities of poor men and women in the Federation. In the PPA, focus group discussions were held separately with men and with women, allowing for the elucidation of the divergent perspectives and experiences.

In the SLC, differences were noted between men and women in respect of attitudes to illness, admission of illness, and in educational performance, especially in the lowest quintile. Also single-heads of households were more likely to be female.

Poverty impacts men and women in different ways. Although there are some similarities in how males and females experience poverty, in its effects on them, and in the strategies they use to sustain their livelihoods, there are also significant differences. Indeed, societal structures and institutional arrangements perpetuate gender inequalities, gender discrimination, and the unequal distribution of power and other resources among males and females within households, in the labour market and in the wider community. Much of the differential impact might get ignored in the institutional arrangements designed to reduce poverty.

13.1 INEQUALITY OF INCOME AND EARNINGS POTENTIAL IN THE LABOUR MARKET

Data on the labour market point to differential participation by sector. The provision for minimum wages sets a floor for all wages in the economy. However, data on employment by sector establish that one of the more dynamic sectors of the economy, Construction, was more likely to absorb men than women. Thus, as the physical infrastructure was expanded and as the Government embarked on the provision of housing, more male dominated jobs would have been added over the period since the last survey. On the other hand, the increase in the room stock in the hotel industry contributes to the expansion of employment in areas where women are dominant. However, the sector has been subject to substantial volatility over the last eight years.

The high rate of teenage pregnancy implies that the life chances of many girls and women are impacted, given that their educational careers and labour market participation might be influenced negatively. Early pregnancy is usually the start of a cycle in which women find themselves trapped, unable to complete their education and unable to qualify for any but low level employment.

In Chapter Seven, we reported on the distribution of labour force participants by sex and type of worker. The data showed some differences between men and women between private sector and public sector employment. Another possible area of divergence has to do with activity rates. Table 13.1 provides a distribution by sex by number of hours worked. Irrespective of gender, and of socio-economic status, the majority of participants tend to work for six or more hours per day.

TABLE 13.1: DISTRIBUTION OF PERSONS EMPLOYED BY SEX AND BY NUMBER OF HOURS WORKED BY QUINTILES

Hours Worked	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Male						
1.00	4.9	1.9	3.0	2.2	3.5	3.0
2.00	0.9	1.2	1.3	0.5	0.6	0.9
3.00	5.1	1.1	1.1	1.9	1.4	1.9
4.00	1.0	1.4	2.6	2.4	2.0	2.0
5.00	1.3	2.8	3.3	3.8	5.3	3.5
6.00	65.8	69.1	67.0	61.8	57.4	63.8
7.00	19.2	18.1	16.0	21.9	16.2	18.2
8.00	1.9	1.6	5.7	2.9	4.9	3.6
9.00	0.0	1.4	0.0	1.7	3.6	1.5
10.00	0.0	1.5	0.0	0.8	5.0	1.6
Total	100.0	100.0	100.0	100.0	100.0	100.0
Female						
1.00	7.2	1.9	3.7	1.1	1.0	2.7
2.00	0.7	0.0	0.5	0.0	1.1	0.5
3.00	4.2	2.1	2.3	1.1	2.5	2.3
4.00	2.0	2.9	0.6	1.2	0.8	1.4
5.00	6.1	4.2	1.3	4.2	2.0	3.4
6.00	67.5	76.1	71.9	76.8	69.3	72.6
7.00	8.4	11.1	15.6	12.0	17.3	13.2
8.00	1.9	1.7	1.5	3.2	3.7	2.5
9.00	1.2	0.0	2.7	0.0	1.0	0.9
10.00	0.7	0.0	0.0	0.5	1.3	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total						
1.00	6.1	1.9	3.4	1.6	2.2	2.8
2.00	0.8	0.6	0.9	0.2	0.8	0.7
3.00	4.6	1.6	1.7	1.5	2.0	2.1
4.00	1.5	2.2	1.6	1.7	1.4	1.7
5.00	3.9	3.6	2.3	4.0	3.6	3.5
6.00	66.7	72.8	69.5	69.7	63.5	68.4
7.00	13.4	14.3	15.8	16.6	16.8	15.6
8.00	1.9	1.7	3.5	3.1	4.3	3.0
9.00	0.6	0.7	1.3	0.8	2.3	1.2
10.00	0.4	0.7	0.0	0.6	3.1	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Segmentation in the labour market means that men and women have differential opportunities in the earning of incomes. Some jobs are deemed to be male jobs and others as female jobs. In the PPA, men who were employed or who did odd jobs were usually working in such areas as construction, mechanics, car washing and other jobs that are traditionally seen to be male. On the other hand, females worked in hotels, as clerks or cashiers in supermarkets, or as hairdressers.

Several women were of the view that males have more opportunities and greater access to better-paying jobs, and that they get treated better on the job. This has implications for women who are solely responsible for meeting the financial needs of members of their households and whose income alone is insufficient to allow them to move their families out of poverty.

Table 13.2 provides some insight into intensity of work-time. In respect of those who worked less than the institutionally accepted work-week of 35 or more hours, the reasons were provided for the short-fall in hours worked. Part-time work figured more prominently than any other reasons among both men and women. Part-time work was the answer supplied by 34.2 percent of men and 29.1 percent of females. However, as much as 57.8 percent of women in the lowest quintile resorted to part-time work. It is a moot point whether poorer women could have afforded involuntary underemployment.

TABLE 13.2: DISTRIBUTION OF EMPLOYED BY SEX AND REASON FOR WORKING LESS THAN 35 HOURS BY QUINTILES

Reason Working For Less Than 35 Hours	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Male						
Illness/Injury	0.0	0.0	0.0	0.0	0.0	0.0
Holiday/Vacation	0.0	0.0	0.0	0.0	0.0	0.0
Personal/Family Responsibility	0.0	0.0	8.6	0.0	25.6	8.6
In School/Training	31.0	0.0	7.8	6.3	0.0	7.2
Strike/Lock out	0.0	0.0	0.0	0.0	0.0	0.0
Job Ended in Reference Week	0.0	0.0	0.0	6.7	6.3	3.4
Firm Not Getting Enough Work	0.0	0.0	17.1	0.0	13.2	6.9
Could Not Find More Work	17.1	0.0	15.9	12.1	0.0	8.4
Part Time Work	38.9	72.6	18.0	26.8	29.5	34.2
Pregnancy	0.0	0.0	0.0	0.0	0.0	0.0
Other	13.0	27.4	32.6	48.1	25.4	31.2
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
Illness/Injury	0.0	9.1	0.0	0.0	0.0	2.4

COUNTRY POVERTY ASSESSMENT
St. Kitts and Nevis, 2007/08

Reason Working For Less Than 35 Hours	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Female						
Holiday/Vacation	0.0	0.0	0.0	0.0	0.0	0.0
Personal/Family Responsibility	0.0	19.1	0.0	0.0	35.9	11.5
In School/Training	0.0	11.6	0.0	0.0	0.0	3.1
Strike/Lock out	0.0	0.0	0.0	0.0	0.0	0.0
Job Ended in Reference Week	0.0	6.5	0.0	0.0	0.0	1.7
Firm Not Getting Enough Work	21.9	9.1	0.0	0.0	9.0	10.0
Could Not Find More Work	0.0	0.0	38.3	7.6	0.0	4.6
Part Time Work	57.8	21.3	0.0	27.4	12.1	29.1
Pregnancy	0.0	0.0	0.0	0.0	0.0	0.0
Other	20.3	23.2	61.7	65.0	43.0	37.7
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						
Illness/Injury	0.0	5.9	0.0	0.0	0.0	1.2
Holiday/Vacation	0.0	0.0	0.0	0.0	0.0	0.0
Personal/Family Responsibility	0.0	12.3	6.1	0.0	29.7	10.0
In School/Training	10.2	7.5	5.5	3.4	0.0	5.1
Strike/Lock out	0.0	0.0	0.0	0.0	0.0	0.0
Job Ended in Reference Week	0.0	4.2	0.0	3.7	3.8	2.5
Firm Not Getting Enough Work	14.8	5.9	12.1	0.0	11.5	8.4
Could Not Find More Work	5.6	0.0	22.4	10.0	0.0	6.5
Part Time Work	51.6	39.7	12.7	27.1	22.5	31.6
Pregnancy	0.0	0.0	0.0	0.0	0.0	0.0
Other	17.9	24.7	41.2	55.8	32.5	34.5
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

13.2 OFFICIALDOM AND DIFFERENTIAL TREATMENT

As the society moves the fulcrum of its services from a needs basis to a rights basis, there have been improvements in social protection, including through legislative provisions. There is the long standing maintenance process, that is designed to ensure that absentee fathers contribute to the upkeep of their children.

There is the perception that while the Court is effective in providing protection for mothers and their children against fathers who may want to desert their responsibility, fathers in the position of single-parents are less likely to secure such support. Males complained about the existence of structures, systems and institutions that, in their

view, discriminated against men, including the judiciary, and the Department of Gender Affairs

A few male respondents pointed to the attention paid to women by official agencies like the Department responsible for gender affairs. Being excluded, they are unable to get access to resources and services required for their survival which prevents their gaining the opportunity of participating in community life.

There is the issue of teenage pregnancy. The country is reported to have one of the highest rates of teenage pregnancy in the Caribbean. The country has also a now well established tradition of universal secondary education. This means that a number of secondary school girls become pregnant in any school year. In St. Kitts, there has been provision for girls to return to school, in keeping with the rights of the child to an education. However, this right was accorded in Nevis only within the last five years.

In many of these pregnancies, the father is an older male. There has been little evidence of men being brought before the court where girls were clearly under the age for consent. Given the underlying social stigmatisation of girls who become pregnant, there is differential treatment of father and mother, both officially and socially.

13.3 DRUG ABUSE

The information in the PPA suggests that drug abuse was likely to be more common among men rather than women. In a number of communities residents pointed to the prevalence of mental health problems, especially among males. There was also the tradition for older men to distill their own alcohol:

'...they drink all day, they have abandoned their families, they do not work.'

Younger men were said to display a greater propensity to become engaged in the use of marijuana and other narcotics.

13.4 SECOND CHANCE TRAINING AND EDUCATION

While programmes providing a second chance to young people and adult education and training are open to all, there are structural challenges that girls and women may face in accessing these programmes. Programmes like Project Strong had more boys and young men participating than young women. There is stigmatisation encountered in teenage mothers returning to school and programmes to allow young mothers to secure training and labour market entrée are still inchoate.

The low rate of participation of women in adult education programmes was attributed by participants in the PPA, to the absence of childcare facilities. On the other hand, failure to participate on the part of young men was attributed to their perception of the efficacy of such programmes and the social horizons of male youth.

13.5 HOUSEHOLD RELATIONSHIPS

Gender relations are based on and influenced by beliefs about masculinity and femininity as well as by societal expectations of male and female behaviours. However, poverty also affects gender relations, sex and sexuality, mating and fertility patterns. In many of the households interviewed, visiting and common-law relationships are common. There is also evidence of relationships between older men and young women and of serial relationships in which males and females had had relationships with several partners, many of which had resulted in women having children from more than one man.

Poverty also determines the extent to which males and females are able to perform their gender roles. Poor men consistently complained that poverty eroded their manhood and emasculated them, devalued them in the eyes of their male friends and their female partners, and on how it affected their ability to be the breadwinner and to provide for their families.

"I avoid going home and facing my family."

"I does drink rum to try and forget."

"It cheaper to drink rum than to support the children."

In some cases, men decided to abandon their responsibility completely.

"I not working and it like a gaol cause I can't pay child support and is in and out of gaol cause I ain't got it, me ain't got no money to pay."

Women on the other hand, pointed to the ways in which poverty increased the burden of responsibility as they attempt to perform their roles as homemaker, caregiver, and maintenance manager of the household, especially in the light of scarce resources. Their sense of responsibility to their children was usually much stronger, and did not allow them to resort to drug abuse as a form of escape.

Women felt that poverty and lack of employment put them at some disadvantage in dealing with menfolk. In the first place, there was a sense that it was harder to get work as a woman. Thus, in absence of employment, women found themselves more heavily reliant on men.

"My boyfriend is the only one working, if he stop, I can't get food."

But this reliance on men made women more vulnerable to poverty and created great anxiety.

"Men want to control and put restriction on you, they feel they in charge because they brining in the money."

"I ain't have it so I have to depend on the man I live with for what I want. I don't like how he does treat me and the children but I have to keep me mouth shut 'cause we got to eat."

"Men feel that they could take advantage of you."

"I ain't working I don't have no man, no man going want me he going see me as a burden. A man want a woman who can fend for she self."

In terms of division of labour, in the focus group discussions, there were men who claimed men to be involved in childcare, in household chores, and in managing the home. However, in many of the households studied, few males if any, did any of the housework or were involved in childrearing and childcare. Consequently, females of all ages were left with the responsibility for childcare and childrearing, for taking care of older members of the family and for managing and maintaining the household.

There were differences among the elderly as well. There are Golden Years Clubs in which elderly do become involved in a variety of activities. However, very few males belong or participate in these activities. Elderly females, especially some who are single, widowed, living alone or in multigenerational households still have responsibility for maintaining the household, caring for children and for doing household chores.

13.6 DOMESTIC VIOLENCE AND CHILD ABUSE

During the PPA information provided by several female interviewees revealed that domestic violence was or had been a common feature of their relationships with the opposite sex. While some women see poverty as contributing to this situation, because of they depend on men for some financial support for children and to be able to sustain their livelihoods, they "put up" with the violence and abuse and are unwilling to take

action against the perpetrators. In addition the stigma still attached to domestic violence and the tendency to “blame the victim” is also a deterrent to taking action.

“Some are abused and beaten.”

“My partner drinks and gets violent and abusive.”

“All my children fathers treat me bad.”

“My husband beat me even after the divorce.”

“Putting up a front when husband abuse me and the children.”

The data show that there is also evidence of neglect and child abuse, including sexual abuse of children. Informants identified the existence of incest between men and children of their female partners, and relationships between older men and younger women, including with some teenagers. One result of this is the high level of child abuse reported in ten of the twelve communities studied, and the large number of teenage pregnancies identified in four of the five communities in Nevis and in seven of the ten in St Kitts.

“Frustration makes you beat the children unnecessarily.”

“My mother does drink and curse me.”

“My daughter boyfriend sleep in the house.”

“She have too many boyfriends, I worry that she will get pregnant.”

There was therefore a concern about the number of young girls who may have had to leave school because of pregnancy and the implications of this for their education, including inability to make full use and benefit from the existence of several educational opportunities. Teenage pregnancy also has serious implications for the reproductive health of young girls.

“Some young women are involved with older men who abuse them and bang them up.”

“They go with an older man to get money and other things they parents can’t give the.”

“Teenage pregnancies, girls dropping out of school.”

However, there is little if any evidence of males being arrested and brought before the courts for statutory rape. At the same time, residents in some communities expressed concerned about sexual abuse of boys

“Men troubling young boys.”

“Some teenage males go out and have sex with other males for money.”

As a result it may be right to assume that several children in St Kitts and Nevis are not only at risk but that they are being denied their rights to protection and to all the benefits of a safe childhood. This in spite of the fact that the country is a signatory to The Convention of the Rights of the Child. Therefore not only is there an urgent need to enact appropriate legislation but it is essential to adopt strategies, to put mechanisms in place and to develop programmes to address these problems. Moreover the focus of such initiatives should not only be on females/girls but special efforts must be made to implement programmes for male perpetrators. At the same time where family life programmes are already in place serious attempts must be made to assess these and to upgrade them as necessary so that they can indeed enable and empower young males and females to deal with challenges they face in relationships with the opposite sex.

13.7 COPING STRATEGIES

There were differential coping strategies employed by men and women, including resort to the underground economy and the informal sector. Men were more likely to engage in selective informal activities or become involved in illegal activities, crime and drug trafficking. 'Some sell weed.'

Women, on the other hand, were likely to be involved in domestic and service-type activities like vending, and hair braiding. Prostitution was the main illegal activity in which women might become engaged as a coping strategy.

"I have what man want so I must survive."

Alternatively, women might engage in transactional sex as a means of supplementing low incomes. This might be at the level of the work-place. Women pointed to advances from bosses on the job, which if they rejected, might prejudice their chances of retaining employment. Women made conscious decisions on the use of the Court System and management of men who had fathered their children.

"I ain't have nothing with him, but I does give my first child father a piece so that he could give me a little extra on the child support, because he is the only father out of six that does support his child and the other five children have to eat too, so I does lie down and take it."

In sum, then, if poverty alleviation policies and programmes are to be effective and to achieve their objectives, it is essential that a gender analysis be done of poverty data generated by qualitative research methods and not only on the basis of the quantitative data. Additionally, in order to meet the specific needs of poor males and of poor females, pro-poor policies and programmes must take gender differences into consideration and be based on gender-specific data.

CHAPTER FOURTEEN

PHENOMENOLOGY OF POVERTY

St. Kitts and Nevis can be regarded, both in a historical and contemporary sense, as rooted in the Plantation Economy and Society described in the work of social theorists such as Lloyd Best and George Beckford. The outstanding feature of societies described by these theorists is the domination of the economy and society by mono-crop agricultural production, the alienation of control of local resources to persons outside of the economy, a historical neglect of the development of the human resources of the country, and a social structure and social relations marked by authoritarianism.

In the latter day expression, plantation society further modified, the mono-crop might have been replaced by some other dominant sector such as tourism, but the resources of the country and decisions governing their use are still located in the hands of foreigners, and there is a correspondingly skewed opportunity structure, a neglect of the development of human resources and social and interpersonal relations marked by hierarchy and authoritarianism.

Furthermore, at the level of the individual, these structural features of the society are usually accompanied by a sense of oppression and injustice. At the level of the household, mating, fertility and family formation are dominated by patterns that evolved out of the historical plantation era.¹⁸ Households also experience high levels of decrement via the route of external migration. This is so because employment opportunities are limited due to the relatively undiversified nature of the economy, low levels of education and training and the mal-distribution of land ownership associated with the historical pattern of mono-crop domination and control by foreign agents. Although the society is undergoing a transition in which elements of local control and direction are emerging in the contest with the structures inherited from the past, large sections of the society remain trapped by the mechanics of structural poverty. These features represent a continuation of a pattern rooted in the historical plantation era.

The case studies below represent accounts of individual lives of persons who have suffered socioeconomic deprivation, and/or have exacerbated conditions for others, in their households or who are dependent on them. The circumstances of these lives mirror the broader societal context within which they exist and serve as illustrations of the features of the society as described above. The data are presented under cross cutting themes that emerge from the interviews.

¹⁸ The work of Orlando Patterson is instructive in this regard. See O. Patterson, 'Persistence, Continuity and Change in the Jamaican Working Class Family,' *Journal of Family History*, (Summer) 1982.

14.1 ADJUSTING TO THE DECLINE OF SUGAR

In 2005, the Government of St. Kitts finally closed the loss-making sugar operations. The country had long ceased being competitive in the production of sugar. Given the role of the industry in the country over three centuries, the decision was a momentous one, with wide-ranging impacts on communities and households.

Joseph Smith reports that he used to work in the sugar industry up until its closure. He says he tried to own a little property on which he tried to raise five children along with his 'lady friend.'

With the closure of the sugar industry he tried his hand at butchering. He used to sell his meat on the street side until the Public Health Department put a stop to his activities. He was forced to go into the market to sell, but says that this resulted in a downturn in his business. When he sold on the street side he was able to meet all his bills. He is no longer able to do so.

In the market, he says he faces

"...a stagnant market in which I cannot sustain myself. But I have to make ends meet in whatever way I can make ends meet. I used to get assistance from the government ...to assist me with foodstuff for the children. Now they tell me I have to go to one somebody for assessment and then they send me to another somebody for assessment. I say look if all of you working for the same organisation and you cant transfer the statement from one office to the other... I don't want to have to go in to tell Jane and Paul and ... so just do away with the assessment, keep it!"

"I use to get assistance from my sisters in the States, but yet things is not the best for them out there so right now I am living in my sister's house. I have material to start my own house, but the money not coming to pay back the bank for the loan so I left now at the mercy of my sister to allow me to stay in she house. And everyday that is a problem to me and a serious problem, but I just can't go anymore to nobody. Because I go to all the various ministries, speak about my problems, but is just talk."

"Everybody just take information and it don't reach nowhere..... I living in my sister's house and she tell me I must find somewhere to go. I must get myself organised because she need her house. Because if she get she house rent she will get a salary. So is like here am I knock out because I have not a proper job. I go to government and create a job at the

school looking after the grounds and they say alright start the job as a job work then they change it to a regular work."

Joseph reports that the Government only gave him some of the tools he needed to do the job.

He asks rhetorically,

"So how am I going to keep the school clean without the proper tools. So is like you put me more into poverty psychologically, messing up my brains because it is hurting me to see I going on a job and not have the tools to do the work...you can't go out there and do a work for Government for \$270 per week with not having the correct tools to go out there and chop bush, chop grass...psychologically you messing up my brain..."

"For six weeks now I ain't get pay. And that is the money that I depend to pay back the bank. I have to stop build, because I don't want to use up the loan and I don't have a income to pay back the loan. So I left back some of the money into the bank and I stop the project. Because I don't want to go crazy for when I done the property I don't have proper income to pay back. The butchering that I am doing in the market, it's only enough to sustain me that I can go back."

There are a number of factors at work here. Joseph Smith illustrates the challenge faced by workers in a major industry that had to be closed. Caribbean countries with their relatively undiversified economies lack the institutions to manage major trade adjustment when international competition requires that key sectors be transformed and workers shifted to new or different occupations or sectors.

His case also illustrates the role of the Social Services and the extended family, including relatives abroad, in mitigating the effects of poverty. The support of the extended family abroad may be intermittent, and is not guaranteed, and depends on the circumstances of relatives abroad. Joseph's sister abroad is looking forward to supplementing her income in the United States with rent that she could fetch from the house in which Joseph lives rent free.

While the Social Services are a source of support to poorer people, Joseph finds the procedures bewildering and unclear, and surely inappropriate to dealing with his problem. Relief employment provided by the Government, allowing him to earn his keep maintaining the school compound, is well meaning, but also creates frustration for Joseph, since he is not given the right tools, and is not paid on time, in any event.

Joseph lacks skills that allow him to be readily absorbed in other occupations that would sustain him and his household. There is no evidence that he was able to secure training to equip for alternative employment. His attempt to become self-employed as a butcher was frustrated by the legal requirements relating to food handling, which he does not understand, partly because of his limited education. He feels trapped in an uncaring system and is very angry.

"They take me to court, offer to send me to prison for selling meat in the town of Basseterre without having the documents. I say what is the documents? I am a ex-sugar worker I have no other job, I have no other means, me no have no education... so what I am capable of doing I am going to sit in my corner and do what I can do and maintain my family."

"Then they say oh you pay \$200 and odd immediately, otherwise two months in prison. I went to the court with the money and I telling the honest truth and Christ know it, if I never had the money and my children mother was capable enough to make sure that my children stay in good hands. I would ago to prison for two months and when I come out of prison, If I lie may Jesus take me, I woulda be a murderer."

"And being a murderer I woulda kill somebody in high places. You know why? It hurt me to see I have tried to make a honest living, not stepping on nobody toes, not fighting the Government. I create a job and I tell you the honest truth I woulda be a murderer and I would not be one murderer I would have been several murderers."

"But I just work out that there is a Christ who we are all to serve and I trust in him, and I believe that he hear and I believe that he there. That what make me strong to continue what them doing up to today."

Arlene Gittens

In a number of quarters, including among poorer people, there is the view that a major role lay at the door of the Government in managing the post-sugar adjustment. Arlene is one person who has given the Government a low score in this regard. While she had never worked in the sugar industry, her father did, as well as other relatives, and she is painfully aware of the fall-out effects.

There are issues of income distribution and wealth that have been raised, along with the role of foreign capital and of foreigners in the economy of the country. Arlene has her strongly held views on the politics of her country and on the standards that were set in previous administrations of Government in treating with foreigners and with

distributional issues. She is very concerned over the life chances facing the younger generation of citizens in the light of emerging realities in SKN.

Her interpretation of the role and effect of foreign capital may diverge from official thinking. There is the strong sense of alienation that she expresses over the strategy of development that seems to reward foreign capital with an array of privileges over local resources. Moreover, domestic human resources are seen to be treated cavalierly as young people, ill equipped for the labour market, succumb to crime and gang warfare. In the final analysis, it is perceptions of people like Arlene that will determine the political process of SKN.

Arlene notes:

"At the end of the day [with the closure of the sugar industry] the Government get so much a money and me poor father, he work so hard and him no benefit nothing. While some just come yesterday and have not done any hard work benefit a load, millions of dollars they get and poor people are suffering."

"When I was small, Mr. Robert Bradshaw had the college up there. We used to call it the St. Kitts and Nevis Technical College. Whether you pass, yes or not, he says get them off the street from being idle. He sent them there to learn a trade. They had to work very hard. That is why you now have so much crime because the young men have nothing to do. They just walk up and down and look for violence with one another."

"The Government got a load of land that is wasting, giving it to white people to build hotel and work people (locals) hard and then we don't make enough money on the hotel. They got a lot of land cross the road there where they should build a center and send young children there when they stop from school. Who have subject and who no have subject, send them out there and let them go learn a trade whether ...mechanic, engineer, plumbing, construction learn to mix up cement and blocks, electrician."

"The guy them, too much of them walking up and down... me go out to Ross (Offshore Medical School), me watch all them land out there, they sell them and take them and lease them to foreigners when the Government could build something and educate we black people, but white people a come from away and get educated more than we black people. The Government need to do something over there. Don't take all the land over there and give it to Ross. Build something over there like a Centre."

"They got some soldiers just to bang off people's children in this country. Put them out there to guard the place. Put the children (local) in there. Find somebody who got skill,

science, electrician, mason, mechanic plumber. You could also learn to become a secretary too. All them land that left from cane, they got a load of money on them from off the sugar. The PM could build a building out there and put the children out there, let them learn a trade."

"Mr. Bradshaw never had the people in the country walking up and down. Instead of trying to educate the youth them. Too much of them walking up and down and this causes them to be in problems. Instead you see six, seven, eight of them sitting down and they turn to something that you never wanted them to be. They got a community centre [name called] shut up with no purpose. The government can't get somebody to teach young children something to help themselves?"

"Instead they make boys and girls treading the road [from one corner of the country to the next] who not on bike on their foot. Who stop from school idle is the only thing they have to do. All they want to do is to send them in the factory [on the Industrial site] up there and make white man come from where they come from and treat them bad."

"They working hard for \$200 and \$300 per week. Nobody wages here is high enough. .."

Arlene is fearless of any political consequences of her anti-establishment stance which she rationalises from her perception of an absence of equity in the development process:

"Me no care, me no care who vex me done talk.. nobody no stop me from talk. Me sit down and me watch it. One set of people doing well and another is seeing hell. Everybody is suppose to do well in this country. Nobody is supposed to see hell, everybody is suppose to do well."

"The country rich enough that people suppose to get work for money, not no \$200. Them not treating people good. They got to look about the people. They can't wait till when election come. They got to come into the community and see the need of people."

"The Government need to give poor people who have 2 and 4 and 5 children, no matter if them have husband or a man, you need to see the cost of living so high give some help to them people."

14.2 CIRCUMSTANCES OF ORIGIN

14.2.1 *Childhood and Itinerant Parents*

Circumstances of birth have always influenced eventual social standing. The West Indian Family Structure has been well studied in the Sociological Literature that has developed since the Second World War. Among the more remarkable features are its variety of union types and the serial monogamy that is associated with them. While there are strong associations between some expressions of poverty and two of these union types, it is important to understand the overriding determinacy of the broader set of social relations with which poor people are involved to the perpetuation of their poverty. Where these relations are positive enough, the chances of escape from poverty are significantly improved and overcome the retarding influences of unstable family relations. External migration allows for breaking of the narrow social and economic bounds that tend to characterise poverty and ensure its reproduction across generations.

Children born to Visiting Unions and Common-law Unions often have a different socialisation process than those born to married couples. However, there are special circumstances that children face when parents are itinerant. They are on track for difficult circumstances and poverty, in the absence of any intervention that breaks the cycle. The following cases demonstrate the psychological and other problems of being brought up against the back-drop of a parent abroad.

Joan Bacchus

Joan was born in St. Kitts in 1976. Her mother worked as a labourer. “She had life rough.” When Joan was three years old, she got a brother and after that every two years, her mother had a child. She had eight children with three different men.

Her grandmother had worked on the estate. Her mother, she says, had two fathers. The man who her grandmother identified as her mother’s father was in fact not her real father. Her mother’s mother had eight children as well. Her husband was a traveller and it was on one of these sojourns that she got pregnant for the real father of Joan’s mother.

Joan suffered from the early break up of her parents. She says that her life as a child was a “hectic” one.

“My dad leave my mother, went away when I was 2 years old. But whatever he could afford he send back.”

Her father was a tradesman, but worked at a business place in the small island to which he had migrated. She repeats, that when he “went down there he used to send what he could afford.”

She says her life was hectic,

“because my mother take out whatever fury she have inside of her, saying my father this, my father that, my father has no responsibility, but tell you the truth.....my dad end up get two kids after he down there. He try his best. I am not lying to you. He try his best and when he cant, his cousin used to give. At the age of 9-10 he sent for me and she decide she is not giving me to him.”

“Why?”

“I don’t know, I ask myself that question. Maybe if I did reach down there my life would have been better. He used to send stuff. He send back clothes, he send back money, whatever he could afford to send back he send it by his cousin and he used to give me whatever. But because of how I grow up.”

Her father’s cousin had a store and she would go there and he would offer her things like clothes, but she usually took very little. At other times, her father sent things with his female friend, but Joan says she did not have direct access to these things as her mother put them under the control of her boyfriend.

“Everything that my dad send for me, he in control of it. I cannot trouble anything or ask for things.. and then my grandmother took me to confirm at the church and my mother says she is not buying anything for me.”

“Why?”

“I don’t know, I ask myself that question.”

The tale of unhappy childhood continues.

“Then there was a lady called Mrs Summer who told me I had to get confirmed [Ceremony in the Anglican church] because I didn’t christen and she [Joan’s mother] determine she not spending her money. My father send what he could send. The lady help out and my cousin dem help out. To go camp, she determine she ain’t giving me nothing. I go camp without anything and when I reach home here I was sick.”

About schooling and regularity of attendance, Ms. Bacchus notes:

"No, sometimes I used to have to stay home to look after the younger ones, sometimes I sneak out and run to school and when I think she coming back home, I head back home because I don't want to get licks..."

Life was real bad. She never used to really watch us. She was more interested in her boyfriend. No matter what he do her she always put him first. Even if he tend to kill her she still put he first. After I start to grow up and get a little understanding of life I ask her please not to get anymore kids because she done had it hard to feed us. She could not afford to cover school books because she getting a child two years apart. It started to get even harder and then the man was not giving her anything."

"Why was she having so many children?"

"I don't know. She used to always say she want ten kids, but getting ten kids is not easy to feed especially... she love kids, but at the time even though she say she love kids at the time she wasn't into us...up to now she still doing it, she done 40 odd and she still ignoring she own ...up till now."

Joan's mother displays a seething anger and frustration over the course of her life. Joan was her first child, but was the start of a series of relationships in which she was abandoned after one or two children were born in the relationship. Joan was the start of this cycle and Joan is a constant reminder to her mother of disappointment in her relationships.

Meanwhile, Joan romanticises about being with her father. The gifts that he sends endear him to Joan and anger her mother about the possibilities that might have been, had Joan's father been committed to her, and had her join him in the other country, where he might have succeeded in creating a better life for himself. It is inevitable that Joan would have had a troubled upbringing which could hardly be conducive to success in her own life.

Josephine Edwards

Josephine is a 35 year old single mother of 5 children. She was born to parents who can be described as lower level workers. Her father was a seaman. At the time of her birth he worked on the inter-island ferry that plied the St. Kitts to Nevis route. Her mother she describes as a sales representative for a number of commercial enterprises (stores). Her mother no longer lives in SKN, but has migrated to another Caribbean island. She has

four brothers and two sisters born to her mother. She was the only child to her mother by her father. She reports “mi father have about (approximately) 27 kids.”

Josephine was the third to last child for her father, since, she says, all her siblings on his side, but two, are older than she. Her parents were unmarried. Her father, she says, may have been married to the woman who had the most children for him. Her mother had children with five different men. Josephine’s mother started travelling to another Caribbean island as a business person when she was 12 years old. She was raised from this time by her sister. Her mother eventually settled elsewhere in the Caribbean when her American visa expired and she got a British passport.

Josephine’s description of the conditions under which she grew up suggests that her household was poor, but not destitute. She says that between birth and 12 years old, living conditions were spartan. Even though they had food, they were not able to afford the more expensive items. They had clothes, but had to sleep on the ground on old sheets and towels because they could not afford beds.

Their diet consisted of bread, tin butter, sugar and water, rice lentils, chicken back and necks and root and tree crops (yam, breadfruit) bush tea, eggs from local fowls, fish occasionally. Toilet, bath and kitchen were outside of the house in the yard. The house they lived in consisted of a big bed room, a living room and a utility room.

Josephine attended primary school before going on to high school in the capital Basseterre. She had to drop out of school at 16 because she became pregnant. She argues that she knew nothing of birth control and abortion was not in style at the time. The local ‘remedy’ was bush tea, but it never seemed to work.

She became pregnant for an older man. She attributes her early pregnancy to her own moral deficits. She was forced to enter the labour market after her pregnancy as at that time there was no possibility of re-entering school. She went to work in a hotel and later as a store clerk. She says common sense is very important, and it allowed her to function well in the job market in spite of her lack of certification.

Josephine has moved from a situation of childhood poverty to one of self sufficiency as an adult. She describes herself as a working woman who has her own place. She says that she managed her money well and makes a distinction between ‘wants’ and ‘needs.’

She says,

"I work for the government, EC\$1565 monthly I does get."

She saves some and pays her bills. She also receives income in the form of support from the fathers of two of her children EC\$400 per child. Josephine still interacts with two of the fathers of her children. The father of the first child still provides her with items of clothing from time to time. The father of the second child has been in prison for the past 16 years while the father of the third child died when the child was still a baby. So it is the father of her last two children, her girls, from whom she receives child support.

She describes herself as 'single.'

She says,

"As I tell you, the way how things going you just have to stay focused, try to hold on to your job and let the man dem go. Why you should suck-up under a man to gain not much, and you working?"

Josephine approached adulthood apparently in an environment when it was normal to become sexually active, but without the support systems in place to allow teenagers to secure birth-control advice and information, let alone supplies to manage planned parent-hood. Her children born from her subsequent unions, might have been the result of more conscious and deliberate planning.

Another feature of Josephine's upbringing is that it was her elder sister that parented her in her teenage years. This might not have been propitious to her managing her sexuality when she became a teenager.

On the other hand, her sense of responsibility for herself and offspring might have come from seeing her elder sister manage younger siblings in a household without parents. Significantly, Josephine attributes positive outcomes in her life to the material and psychological support provided by her mother from her new home overseas.

Josephine is well prepared to participate in the labour market and to generate an income for herself and her offspring. Steady employment and support from the fathers of her children have allowed her to manage her own household. To a greater extent than was the case with her parents, she is very much involved in the upbringing of her own children and being employed has a relative independence in a relationship with men.

14.2.2 Childhood and Stable Parenting

Migrant parents, whatever their contribution, material and otherwise, cannot take the place of a stable family unit. With two parents in a stable union, it was possible to manage and even overcome poverty as the following case illustrates.

Claris Williams

Claris went to primary and secondary school. She went up to fifth form and left school with six subjects at CXC, and has just started work as an Accounts Clerk in a larger private firm.

Her older siblings have been working and contribute to household income, thus bringing some relief to her father, who does manual work and supplements food supply by growing things on a small parcel of land.

When asked to describe the family in which she grew up, she answered that they were poor.

‘Why do you say so?’

“Because we hardly had anything to eat. When I say hardly have anything to eat [I mean] except for the ground provision. So like as a child we used to get fed up. Everyday was sweet potato.. we used to get fed up. We longed to eat fancy things like the rest of people. So is not hungry, but you get fed up of the same thing.”

Claris reports that she and her siblings were able to attend school every day. She says they had to be “contented children.”

“When she was going to school, her family would cook a small tin of beef and all six of we got to get out of that. When I am cooking beef is a big and a small tin that I cook in order that everyone can get out of it. You see the difference?..we live better now.

“When me growing up under me mother and father we never had any water, or any electricity. No kind of modern ...none, none, none. Not even a gas stove. We had an oil stove and lamp. It is when my second eldest brother started to work he bought a television and we did not have current so we use to work it off of this battery.”

“Sometimes you are deep in it watching the picture ‘look the battery gone and we don’t know what happen and how the picture end. Sometimes the picture end and we don’t

know what happen. Now we have television in the house. Four television me had one time, but two of them gone bad. We only have two left."

"I remember at Christmas my father used to buy a case of soda and a ham.. poor.... we no have no fridge, no current. One time, I see my father dig out a hole in the ground and he got some big blocks of ice and to the bottom he but a galvanize (piece of zinc) and then put in the drinks and out in the ice and put a next galvanize on top. That was our fridge. Couple days the ice would be in there."

"But my father was not easy he was harsh, even on my mother. To me he was too strict. He had a lot of children all over the place, but that was before he got my mother. A lot of children. He got at least six children outside."

One can speculate on the fate of the 'six children outside'. However, having made a commitment to a nuclear unit with Claris' mother, the father was prepared to contribute to the best of his ability in creating a brighter future for his 'inside children.'

14.3 COPING

Ms. Dorothy Blackwell

Dorothy lives on a piece of land that is about one quarter of an acre in the hills of Nevis. The land belongs to members of the family. It is occupied by two houses. Ms. Blackwell lives in one of them with her five children and one grandchild. The other, according to Ms. Blackwell is occupied by a daughter and her eight children. The children that share house with Ms. Blackwell are aged 31, 29, 26, 24, and 20. There are four men and one woman. The grandchild is 10 years old. Ms. Blackwell had 8 children in total, but one died.

The poor status of the household is given expression by the fact that the main expense it faces is foodstuff. Estimates of the costs are as follows:

Food:\$400 per week
Electricity:\$100 plus per month
Water:\$50 per month

Clothes are given to her, Ms. Blackwell reports. Her daughter that died used to go to Puerto Rico for a woman that she worked for, and used to buy clothes for her. She reiterates however that clothes last long and that the most important expense faced by the household is food.

Three of the children that live with her are employed in blue collar or lower level jobs. Ms. Blackwell is unemployed and her grandson goes to school. Her other children living elsewhere are employed in similar capacities.

She says she has a balanced meal everyday, although there are times when some of the foods that one would want are not available. Foods such as vegetable are not always available because of no money,

“not without food, but sometimes the type of food that you would like to have is not there.”

Foods that are always available are the starches - rice dumpling and macaroni, cornmeal.

The monkeys prevent the people from planting food crops such as potatoes.

“You cant really plant things that you would like to do like before when you used to have potatoes and stuff like that...”

They are so bad that they compete with the pigs for the food that the farmer provides for them. The increase in pressure on those wishing to cultivate comes from the fact that the monkey population has increased and the acreage under cultivation has lessened.

Ms. Blackwell has a sister and brother overseas, but they do not contribute to her in any way. The food for the house is purchased from a pool of money contributed by all the working people in the house. The household has a fridge and a gas stove.

The pooling of resources among the family with some members engaged in the labour market allows the household to manage and to attain the basics.

June Blackwell

June lives in the second house on the Blackwell's land. She lives with her 8 children and the father of six of them. The ages of her children are aged 14, 12, 10, 9, 7, 4, 2 and six months. She has two boys and six girls. The children go to school, two to secondary school. Main bills are electricity and water.

Electricity is \$90 per month and she shares water expenses with her mother's household. Sometimes she pays \$40 or \$50 per month for water.

Medical care is expensive she says. The eldest child is asthmatic and visits the doctor on a regular basis. The other members of the family are generally healthy and do not require regular medical care.

June is unemployed for the most part. Her children's father works as an agricultural labourer. He does not work land for himself because of the monkeys. He works for some 'white people', but works also as a labourer outside of agriculture. June sometimes works as a domestic when she can secure such work.

Her house has one bedroom. There is no piped water into the house. There is an outside pipe and bathroom, but she cooks in the house. She has a fridge, a stove and a T.V.

Costs associated with school include the cost of lunch, books and clothes. She has to buy books for six of her children. Those at secondary school cost \$400 for books; \$840 for school uniforms for the girls.

The children sometimes get gifts of shoes. The one sister that used to help her with her children died and her other siblings have children of their own to look after. June says the government assists her with three of her children by giving them \$40 every other week.

June is clearly poor, but manages to the best of her ability. She recognises the role of education in escaping poverty and tries to ensure full time attendance of her children, although not without difficulty.

14.4 COPING AND THE COURTS

Part of the coping strategy of women with children is the use of the courts. It appears that the court system has been very active in ensuring that men discharge their responsibilities. More recently, men have become painfully aware of the consequences of their irresponsible behaviour:

'When you can't feed the children and the mothers summoning you and you end up in gaol.'

Women admitted to the use of the court to bring errant fathers to book. Moreover, there are some who engage in a careful calculus, once they accept that it may be difficult to establish a long and enduring marital relationship.

'It is not economical to have all your children from one man. If you have four children from four men, when I put them in court and they have to pay two hundred dollars each, even if one or two don't pay, I would still get some money to feed my children.'

Emelda Dixon

The case of Emelda Dixon provides an example of coping, with the court system in the background ensuring that the men by whom she has had children shoulder their responsibility.

Emelda lives in a wood and concrete house that was inherited by her brother from his now deceased father. There are four bedrooms to the house. It has water and electricity, a bathroom and a kitchen.

Emelda has six children aged 16 to 4 years: 16, 15, 13, 10, 7, and 4. In addition, the brother and a nephew also live in the house. Three of the children attend secondary school and the others primary school. The main expenses faced by the household are according to Emelda, "bills and food." Emelda earns \$1200 per month working as a lower level professional. She also had a small business that she has not been able to keep up.

One of her children's father contributes \$1000 per month. Her brother pays only the cable bill. Light water and cable are the main bills:

Electricity:	\$ 140-175
Water:	\$ 76
Cable:	\$84
Food:	\$ 900-1200 per month
Bus fare:	\$26 paid by an aunt
Books, uniform, shoes, etc	\$250 per month
Medical bills \$40 per visit private,	\$25 at the clinic
Loan repayment	\$250 per month

Lunch is prepared at home, and taken to school. Sometimes when she shops on Friday by Wednesday, the food is short. Emelda says the majority of the time she tries to give the children a balanced meal, protein, vegetables, starch. She says:

'I try, I try, once per day. I give them a balanced meal. It's only once per day they need a balanced meal. In the morning they get their breakfast; a little porridge, or cereal, or...they got the privilege of doing it their own self so the mostly do it themselves.'

Emelda continues:

"I have my children for two different guys, four with one and two with the other. The one for the two, nothing at all. He just don't bother no more, I just don't worry about him. I have a sister she helps me out the same one that has no kids. She helps with their busfare. Whenever she goes (travels) she shop big for them. She went away for three – four months and she bring back at least 3 items for each of them."

"What about the second baby's father?"

"I had to carry [the baby father that supports his children now] him to court. They have this attitude, 'me nah work what you expect me to do?' I say, 'how you mean you not working, the children still got to eat.'

"That's how I got into my small business, I was not working because getting children so fast I could not really hold on to a job, because I had difficulties with my pregnancies. I used to go around and do my business to feed my children...so if you not working, you don't have a steady job, but you still got to find some means of maintaining your children, because at the end of the week, you can't go to the supermarket and say, I ain't working and me have me children give me some food. It does not work like that .. so I make sure go to the lawyer .. he has to pay his money to the lawyer. He pays \$500 every two weeks. It should have been more, but he had a little lenience on him although he did not have any on me... everybody got to survive and he has his bills to pay.."

Emelda continues:

"Sometimes .. he tries to be nice because he wants to get back with me."

"So you don't have a relationship with him anymore?"

"No. Too much drinking and when he drinks he does things that he not suppose to do. Not hit me, he vomit all over the place, throw down things and mash them up."

Whatever was the romance in the beginning, Emelda is clear on the economics of the arrangement and that defines her relationship with this father, who has little to engage her attention.

14.5 MATING BEHAVIOUR AND FAMILY

Family is the bedrock institution of society. Its relationship with poverty is therefore complex and multifaceted. Generally, the association is both causative and dependent. There are many pathways through which the two entities impact each other. One interconnecting string in the bundle of relationships that give expression to the myriad associations between the two is the relationship between the sexes.

The ways in which men and women relate to each other points very much to the nature of human agency, but it is an agency that is constrained by structures that are in this case associated with socioeconomic deprivation. Love and the procreation associated with it takes place within the context of insufficient schooling, unemployment, social exclusion and cultural practices shaped by hundreds of years of disregard for the social institutions and practices of the traditions of the culture of origin of the majority of the peoples of the region by mainstream society.

The result of all of this for family formation and the socialisation and care of the young is a set of practices that often appear contradictory and irresponsible. While there is no question that some of these practices conduce to the reproduction of poverty across the generations, it is important to understand that poverty in this area of life is very much about thwarted ideals and strivings and creative ways of overcoming these frustrations. Although most of the poor are unmarried, marriage is still held to be the ideal. For some, there is a constant striving after the ideal, even after instances of dashed expectations. Faithful concubinage is seen as close enough to the real thing.

The instability associated with some of the mating forms has negative effects on the development of girls and boys. These effects tend to perpetuate the poverty inherited by these children from their parents. One unfortunate aspect of the multiple partnering is that women sometimes find their girl children being preyed upon by boyfriends. The case of Michelle demonstrates some of the difficulties faced.

Michelle Jones

Michelle says she was introduced to sex by her mother's partner. She went on to have her first child at 14. She says she was ignorant of sexual matters and the relationship between sex and pregnancy. Her boyfriend at the time worked as a tradesman and was in his 30s.

She describes how she started to vomit in the mornings, the foetus started to move inside of her and other changes started to take place in her body. Even when people around her told her she was pregnant she did not believe them. She asked, "what do you mean that I pregnant?" She was told, you got a child inside of you."

Incredulously, she asked, "what child, what are you talking about, my belly is flat?" She eventually started feeling more movement in her stomach and was carried to the clinic where it was confirmed that she was pregnant. Her father who was abroad sent clothes for her for the pregnancy.

Things went well with her and her child's father for a while, but the relationship ran into trouble when she discovered he was keeping other women with her.

"I done see the kind of life my mother living and I never believe I having a partner and go outside and be with someone else. After I have my baby and start to work in the factory and hear people talk I get to understand life a little, piece by piece.."

"Still I was young and I still wanted to have my fun as a child still. ...I used to do things .. I had a young baby and I would go to functions ..go out and then come back home.. After about a year or two me and he break up and I get in with my second son father. Wherein my second son born just before my first son reach his second birthday. After this me and he (the second child's father) break up...because after work he used to come to visit me, but I did not really get to know much about him ..not knowing that he had other women."

This pattern continued into the next relationship and the child that it produced. The person she is with now is the father of her last two children. He is working but...

"....things is not too good with him, but when he could he will give. He has some debts on his hand and is trying to get rid of them and the money here is small as you all know. But when he could and he have and he see he try his best to give me what he can afford. He lets me know what the situation is and he lets me know where everything stands."

Michelle now has five children aged 17, 15 13, 8 and 3. The 17 year old is working and can provide for himself.

Michelle is not on speaking terms with her mother. She explains it this way. "The reason for me not talking to her is the things that she doing, the way she lives her life and the things that she do. When I was 12 and a half years old, I was in grade 6, the fellow that she was with, she is with him up to now and she wont believe a thing that I say to her.

He get children with her. He went and he troubled his own daughters and she aint believe me she believe him...no care what he do... I have nothing to say to her because if she could ignore me so....my mother is walking and stumbling and she cannot hold up her head high. The man that she killing up herself over is the man who making she life miserable.... The kind of life that she living and the way she treat her own children?"

Michelle suggests that multiple partnerships entered into by women that leave them with more than one father for their children has an emotional as well as a material need on the part of the woman. According to Michelle argues that many men once they have been with a woman sexually especially if she has had a child for them begin to treat the woman badly. This forces her to form new relationships with a man who is willing to lend an ear to her distress,

"Someone who she can sit and talk to about what's going on in her life."

This empathy and companionship she suggests is what provides the basis for the establishment of a new relationship, even though sometimes the new companion turns around and does just what the woman was complaining about in the previous relationship.

"Sometimes the man does not support them at all. So in that section now I would say she is in wants. Even if she doing things in a rebound but she also doing things because she in wants...maybe she working but she may not have enough money to supply she and the kids, so she go out and she do certain things that people may not be pleased about."

Of marriage she says:

"This is what most men and women look for, a companion where they are able to sit and talk about life. Is not just about sex, money or anything about that. Money is not all. Sex is not all. Both have to be able to love each other. Both have to be able to correspond and relate to each other. Is not just about if I don't have sex with you. Both of you whatever happen to your relationship or happen in life you are able to sit down and talk about it without any argument."

"You have some women with some men come to sit and talk and from the time they start to sit and talk the other partner get upset and start to get on, so you find that they always in contention, so they never able to correspond with one another and they always in argument. Next issue is that if you don't have sex with them they feel [as if you don't love them]..you know. Sex does not mean that you love that person, for you could go and have sex with any man. Sex is not all, money is not all, for you could go and have sex

with any man. Companionship between both of you where you both be able to understand each other and could talk about what happening in life and could sit down and talk about whatever is going on this what a relationship is based on. Is not about money, sex and those things is about being able to correspond. If you basing the relationship just because you want to have sex, I would not call that a relationship..."

"If I is to married, I always say that the only partner I am going to be with. Even if my partner go out I am not going to find myself go out and be with anyone else. I done make a vow before man and God and that's where I am gonna stay. I find marriage to be something very serious because when you go before man and God you going to make a commitment where you and your partner is to become one."

"Do you have any regrets that you did not get married?"

"I glad that I didn't go through with it because each of them is the same. The same, nothing different. The woman story, the going out with different women, coming home the next morning ...all of those kind of stuff."

"So you have not been able to find a man who is faithful to you."

"No."

"Do you know of any faithful men?"

"Yes, those who are trustworthy to their wives, you have one out of many..they don't go out. They be honest with their wives. They able to sit and talk anything."

"If time could change back I would want a different life."

"If you had a choice you would not have had your children again?"

"At this time? No. Maybe I would have just been starting, but to have so many? No."

"What would you say was the reason why you had so many?"

"After my first, I thought things would have changed in my life and I would have met someone who would have been there for me, take care of me, but it was not like that. The more you have to try to find the right person, the more you have to go down along the road until the kind of life I had."

“What advice would you give to your children?”

“Me and my kids? I able to sit down and explain things to them so they can understand what’s going on in life. I speak to them about drugs, sexual intercourse and all these diseases going around. I speak to them about education, that is their first key. Don’t look[for] a boyfriend until they get everything that they want in life, a decent education, a diploma, a degree, a decent job, their own house...then they can say they will look a girlfriend or boyfriend, but when they look that person make sure that person is the right person for them...then marry and settle down.”

“They will know when the right one comes along. I try to break them into church instead of on the street. I told them is not everybody who comes and say they love you that means they love you. It’s not everybody who comes and say they want to marry you it [really] means that what they want.”

“I try to get my kids educated so that when certain questions are asked in school they know.” Joan relates how she buys charts of the universe and planets, flags of countries etc to enlighten them about the world. When I come to town and see certain charts I buy them and stick them up in the house. Or I will go and buy books so if they have homework or if the teacher may have certain subjects in class they will be able to understand what they talking about She says she also attends church for herself and with them and try to ensure that they keep off the streets.

Joseph Smith

Economic insufficiency shapes and influences the relationship between men and women in various ways. Sometimes it exacerbates differences between them and might cause infidelity. The problem of infidelity is not limited to men only, although women and their children are the ones most likely to fall victim. There is also the fact of domestic violence which is rampant in some parts of the society and which leads to breakdown in relations. The case of the butcher Joseph Smith illustrates the problem.

Joseph recounts his experience in dealing with alleged infidelity of his wife. He was not married to the woman who became the mother of his children. She had three children from a previous relationship. At first their relationship was a visiting one. He eventually got his own place, and started building a house. She moved in with him in the partially completed house, and the union produced five children.

The union eventually broke up for two main reasons. Mr. Smith expresses these as follows:

"She claim say I tool old fashioned and she say I have too much of a long term plan (for improvements in life). My thing is not to jump into a bank and borrow money to build a house, my thing was to every time I work and hold a salary, some money, buy some material."

With the closure of the sugar industry and with the problems in developing a stable income from butchering, his wife became impatient with slow pace of completion of the home.

At this juncture, he says,

"She now started to get on and get on...we had family fighting and breakdown and so on.. I just say get up and go, take up your things and leave me. She did so."

He admits though that he had suspicions about her and would beat her.

"Why I used to beat her is like she family used to tell me oh she see [the woman] with this person and that person. So I used to say if your family could tell me, which mean I am good, because they know that the responsibility that I take with you and they trying to safeguard me. So I used to get angry and just beat her."

But her departure created a void and he tried to patch their strained relationship.

"And then after I reach to the realisation, bwoy you children ago suffer, I said come back home mek we try to work it out."

"But then I find her that she went out and had intercourse with someone. Cause when she come home I smell condom within her.Because I was going to work for 2 o clock and she went to town the day, but she never know that I would be home when she come back."

"So I keep questioning her why? And there was no answer. Before time, long time ago I used to beat her when I hear stories, I used to like beat, but then after I get advanced in life I say, man, beating is out [of] the question. I just keep questioning her and questioning her."

"I met me father beating my mother and is not something me like. And me just lock that. So to when I really come to the fact, the fundamental fact that the smell, the condom system, I say no."

14.6 COPING WITH RISING PRICES

Arlene Jones

Arlene lives in a rented house. She pays \$30 per month rent and shares the house with her children and her baby's father who "goes and comes."

She continues with her refrain:

"Cost of living is too high in this country, people need raise on their money. It is not easy for someone to go on construction work and you can't even make \$600 at the end of the week."

"The Government needs to raise the pay of construction workers. I will argue on that because my children's father is a construction man. The cost of blocks raise, so what about the construction man, he needs a raise too. Plenty construction is going on, but the construction man (worker) is not making any money. The cost of living for people in this country, money must go up for them. Bills too high, Food bill too high."

When asked how much she spends on food every week, she provides the following answer.

"Me nuh buy food every week. Me buy two bales of rice that cost me one hundred and forty something dollars. Me buy a case of milk for seventy five dollar and me will buy a sweet oil and me will buy two. Twenty one dollars and ninety nine cents for each one of them. When me come buy the flour me just buy four or five pound. Sugar I buy a bag and it last me a good while. Me more buy provision (root crops)..weekly. Sometimes these things cost me \$600."

"You cant go up in the shop and make a decent shopping if you don't got money, because a pound of chicken wing is six and five dollar. A pound of fish is seven dollars. If you want a snapper (type of fish) is twelve dollars (EC) per pound for snapper. Cost of living not easy in St. Kitts. The Government need to step down their rate."

"They say they want to fight poverty. They don't want to fight poverty. Poverty is building up in this country. Due to the hardness of so much bills, so much tax. When you work for the little money they take out too much."

She shops every other month.

"Let me tell you, too much tax, too much tax on poor people, the government need to step down. Mr. Bradshaw (first PM) had one tax. Income tax...the poor man in the country, Mr. Bradshaw never used to charge you house and land tax ... poor people not suppose to suffer for rich man."

"A man (rich foreigner) come and build a house and he no draw no plan for the government and poor people have to go and get a plan cost \$1000 and odd dollars if you want a upstairs and downstairs. And rich man going to pay less if is even a hotel they come in and build."

14.7 NATIONALISM AND FOREIGN INVESTORS

The apparent disparity in income and wealth between foreigners and locals is interpreted in some quarters as contributing to marginalisation of the national population and even to poverty among them. The foreigner may be seen as extracting what properly belongs to nationals of the country. Indeed, it is felt that if only nationals had access to some of these resources, there would be no poverty. The role of foreign investors in creating investment inflows is not well understood. In that regard, fiscal and other incentives are seen as give-aways to rich people from abroad. The discussion between two Kittitians, Vincent Lucas, another ex-sugar worker, and Jennifer Blake, a young Community Development Worker, illustrates some of the thinking.

Vincent asks:

"You ever been round to Marriot (foreign company operating in SKN) sister? Well I used to work for the corporation and I said to Mr. Jones, the Corporate Development Manager, you see... where Marriot take that wall down to the seashore, it is the fundamental rights of our community, the beach."

"He says, no, no, no! I said, I can tell you much more. I did the survey for those lands, I worked with a guy called, Richard, a white man, and he told me, no one can own the beach in St. Kitts. He said, it's been written in black and white in St. Kitts".

"Its been stamped in England that no one can own the beach and if you buy land close to beach and the seawater claim you land you have to repurchase a next piece of land and that is State rights. So when I see Mallick build the wall and put backfill and whatever, I tell him its wrong...the public cant go there."

Jennifer questions this assertion:

"Who says you can go through since all beaches are public."

She concedes however that in situations such as the one described by Vincent access to the public beach by the members of the public becomes problematic since where foreigners own the land surrounding the beach they can keep the public off of the land.

"Access becomes difficult, the beach [is] public but yu no have nowhere to walk go dey....you have to be a US man or a US lady to get a job that you can make a salary from? Cause if you going to be somebody who stand firm for what you believe, or what is right you going get victimised or shoved down. But anytime you being a yes person even though you know it is wrong...it hurt you because you know right from wrong and when you speak out against the wrong you become pushed aside in a corner."

Vincent argues that the redundancy money that he received when the industry was closed down was incorrectly calculated. Furthermore, he is dissatisfied with the treatment that the workers received from the industry, and feels there is some grand plot to exclude little people from benefits.

As he put it:

"I aint feel the payoff was right..and I don't feel sugar workers are been treated the best, because when you really look at it, yes sugar workers salary was always down the bottom level, but yet we was carrying the burden of the country and yet lands now became [available] but because you [Government] take these loans the lands now become the bank's assets?"

"So now you cant really do as you wish as a leader of the country with the lands because the lands now become the banks assets, and I don't think it should have reached to that."

In respect of the lands, he says:

"All of them is just there sitting growing wild bush, wild grass.. everything is the bank asset.. well some of them, and some belongs to Government."

“What is the plan?”

“Well I don’t know when the white faces come in, the white faces buy it all off. ...I remember when the first premier that we had, Robert Lewellyn Bradshaw, took over. Just like how you see those fields there, with all those bush (pointing to acres of abandoned cane land lying in ruinate immediately behind his house) just like that and then Bradshaw take it over saying it going to be nationalised, sugar lands, it going to be national pride.”

“And my father worked 7 days per week to get back those lands to clean and I tell you it was not 7good days, 7 hard working days.. dig out trees out of these cane lands and today this present administration of going to the Massa and hand them the sugar lands and (laughs) the first leader as Robert Lewellyn Bradshaw said, he that hold the soil is independent. Independent is not being independent by somebody give you a dollar, independent is when you can say this land is mines. And I remember those historiesbut Mr. John could come and Mr. This (foreigners) could come and say, from here to here is mines.”

14.8 INTEGRATION AND POVERTY

Immigrants that enter societies at the lower end of the social hierarchy routinely suffer prejudice, discrimination and ostracism.¹⁹ This type of treatment usually affects all spheres of the immigrant’s existence, personal, public, and professional. This does not mean that this is the totality of the immigrant’s experiences since invariably there will be those who are warm and welcoming. The point is that the immigrants’ often tentative position in the society makes them vulnerable to social forces and pressures that have a negative effect on their life chances. The following case study of Nalini Ramsingh illustrates the difficulties as the poor from the regional grouping of which the country is a member, seek a better life in Federation.

Nalini Ramsingh

Given its small population, it is inevitable that the labour force of SKN will lack the range of skills needed to support all aspects of its development and transformation. Moreover, from time to time, and in periods of rapid economic growth, the domestic population is likely to be inadequate in sheer numbers to provide the work-force at the lower end of the occupational pyramid.

¹⁹ See D Brown, ‘Inbetweenity: Migration, Marginalization and Poverty among Haitians in the TCI,’ in S. Courtman (ed) *Beyond the Blood, the Beach, and the Banana*, Ian Randle 2004.

There are also commitments that have been made at the regional and sub-regional levels that involve freer movement of labour into the country. The OECS Economic Union anticipates the removal of some of the barriers that still remain to labour market flows within the OECS, and the proposed deepening of CARICOM has similar directional movement in respect of the wider regional grouping.

Nalini is the wife of a Guyanese immigrant. She is 34 years old. She has lived in Nevis for 13 years with her husband and daughter. She came to the country,

"...because my husband is here and he is working. So I have to come to do my duties like cooking, washing, cleaning the surroundings, looking after his meals, putting it on the table and whatever...."

She says her husband is working in an industry that exposes him to pollutants for which he is given inadequate protection. According to Nalini

"the tar is messing him up. For example he went to work today and when he came home he cant eat because he says the fumes and the pollutant.. he just keep on throwing up his food, he don't want to talk to no one he just want to be by himself and I cant understand that. He has a family and we have a right to talk to him and when he came home he cant talk to us, he don't want to hear nothing, if he eat a little food like for instance if he eat peas and rice with chicken most of the time his favourite dishes I cook roti and whatever, but when he eating he say he tasting the tar, the fumes ...".

Nalini's husband has been doing this job for 'a good period of time' and it is the only job he has ever done. She says that when her husband complains about the adverse effect the job is having on him because of the lack of protective clothing, he is threatened with lay off.

"Right now he dealing with his head. His head hurting him, this way gonna swell, this way gonna swell."

He continues in the job she says, "because nobody listening to him and he don't know which way he gonna turn. He says he gonna wait until he gets his citizenship and then leave. He don't want to leave like that (without the security of knowing he can stay in SKN)."

When he reports his situation to his superiors he is given time off. However, when this happens other persons on the job complain that he simply wants to stay home and do no work.

"He could not work Monday because of the swelling in his head."

According to Nalini her husband has been to the doctor:

"He go many times. The doctor told him is the work that he is doing and the fumes from the tar. He says he gonna be fine and he have to continue take his medication, but he is a man he don't take his medication. He don't like tablets. He gonna take it for a few days. He just take part of it and the other part is just left...His health is more important for us because he is the one for the home."

According to Nalini, respirators keep in the fumes.

".. because I have bought this respirator for him. I bought the white ones and then I bought the bigger ones. He told me that these things are keeping the fumes into it, that these things are not working. He always complain about the head and everytime he eat he cant keep down the food."

"My husband is 34. He do that work I think.. he in Nevis for 15 years going on..He has been doing this tar work for twelve years, and he cant come home and eat a hot meal. He just keep throwing up, throwing up because the fumes from the tar..and the heat again mashing he up. The only thing I have to do is to give him the milk with the egg to keep him up. He start to complain about his back, his back hurting him, I say well go and take a week leave[he says] he cant do that he have family[to support]."

Nalini says it would be 'very hard' for her husband to get any other kind of work in SKN, and will have to continue in this job until he gets his citizenship.

She says, "He did not tell me but according to what I hear he is supposed to get his papers anytime now."

Securing adequate accommodation has also been a problem for the family. Nalini and her husband have lived in a number of rented houses since she moved to Nevis. In 1996 she had a daughter and reports that as the child grew she had to move from where she lived as it was close to a rum bar and the child was exposed to cursing.

Nalini says they would like to have a place of their own, but “I am not getting the finances to do so. Cost of living is very high and the food stuff are very high and my husband only give us \$100 to buy food (per week) sometimes he gives us \$50 sometimes \$80. When you go to the market you cant do anything. And I am looking for a job and I am not getting through. I’ve worked here.”

The job involved cleaning in an institution, but created stresses for her in managing household duties and making proper arrangements for her daughter, and getting to work on time. Her employer then was not very accommodating.

Nalini worked at another job for another year. So she has worked for two years in all in Nevis. She is now in search of a job. She has to write to prospective employers she says since she has no money. Nalini has to get her own work permit in order to work as her husband’s permit does not cover her.

Nalini’s daughter attends primary school. She was born in Nevis in 1996. However Nalini reports that when she goes to school the other children tell her she is not Nevisian. To this she says she replies:

“No, I am a Nevisian just like you. And then she gonna come home and say Mummy why they have to tell me this?. I tell her don’t worry, never mind you are a Nevisian. Any part of the world you go you are gonna hear things like this. But Mummy they are not supposed to. Mummy, God say love everybody and still love yourself. But they aint doing it. And she gonna cry. I got to take her to school in the morning, it is hard. I have to wake up, cook, clean the house take her to school, go back for her just so that nobody tells her anything. She write exam to go to High school, but she says her daughter tells her, ‘me aint ready to go High school.’

The tale of woe suffered by this immigrant family continues as Nalini provides an account of her daughter’s reluctance to go to High school. According to her, the girl has ‘fallen back since the accident.’ It turns out that one day the child was hit down by a woman motorist who unknowingly reversed her bus on her. The woman carried home the child and left her without speaking to the parents who were both at work at the time. The child out of fear kept silent on the matter. It was only some time after that Nalini was told by people that her child had been involved in an accident. Nalini reports that the child vomited blood and started to complain of headaches. She took her to the doctor in the public health care system who prescribed pain killers and told her to watch for certain signs in terms of her cognitive functioning. None of these signs have appeared and the pain has now gone, but the child’s school work has deteriorated. Hospital costs were \$50 for the doctor’s fee and \$100+ for medication per visit. She used to carry the

child to the doctor every two weeks for check-ups. Because she is now short on cash those visits have been reduced to every three months.

Nalini never reported the matter to the police because she says the woman promised to pay the expenses associated with the child's treatment. In total she has received EC\$600 from the woman. Are you satisfied with that? Her first response is:

"I am asking God just to bless and protect ..that nothing serious happening."

Her second response points to the sense of disempowerment that seems to envelope her existence.

"I am not satisfied, but there is nothing else I could do."

Nalini feels that because she did not know of the accident until two weeks after it happened it would have been too late to report it to the police.

She continues,

"Well I am going to call her next week when I have money to put to my phone...When you call her at her business place she is not.. If I take her to court they will take away her licence and I don't want that. I don't want to do anything like that to her because I have a life to live and she have her business to do she has to go and pick up her workers..... sometimes when I call her she is not in the island. Next time I am going to the doctor I will get a receipt and call her. She had wanted to take the child away (to the USA) to examine the child, me say I aint sending my child with anybody."

The doctor has done no written report on the child's condition at present nor has any prognosis of the child's condition been done. So much of the expenses that she has incurred in the treatment of the child , or of the expenses that she might well incur in the future she has not been recompensed for.

At one point Nalini says the woman dissuaded her from going to the police with the matter as she promised to compensate her for her expenses. Her husband also told her to desist from taking money from the woman. No brain scan of the child was ever done because Nalini says it cost \$1500. The woman she said promised to give them the money to have the scan done[abroad], "but who gonna give us the ticket money to go there. Who gonna give us the doctor money to go there?"

Apart from the obvious sense of powerlessness that attended Nalini's conduct during this episode, it would seem that the fact of her status as an immigrant has been

associated with those concerned with the case been less than forthcoming than they ought to have been.

Nalini has not fulfilled her responsibilities to her child because she does not wish to 'rock the boat' in her new society and country. There is no telling what the long term effects of this accident will be on this child. If there are any, by the time they are discovered, it might be too late to correct them. This family's experiences in Nevis point to the disadvantages that tend to be suffered by immigrants coming into the society at its lower echelons.

Nalini complains that the child's things are constantly vandalised and stolen by her school mates.

"They not doing the Nevisians like that only the foreigners, only the foreigners they doing like that. Sometimes they go in her lunch box and they take out she lunch. She going come, 'mummy they gone with mi lunch'...she say mummy me no want to go back to school." Have you complained to the teacher? "Many times, the teacher told them to stop it, to stop it, to stop it ...and that's it."

As immigrants, Nalini and her husband do have moments of nostalgia about life back home and this creates curiosity in her daughter about her parents' ancestral home.

"Yesterday the child said, 'Daddy I want to go back to Guyana, send me and mummy nuh?' He said, 'baby I willing, but I don't have the money' and he just get up and he went off and I told her don't do your daddy that again. She says 'mummy I want to go to Guyana', but I don't have the money, how can I go?"

"Do you think you want to go back to Guyana or would you like to stay here?"

"Well my husband he don't want to go back to Guyana, he want to stay here, but for me I could go home right now, because the bills and the money.."

"Why doesn't he want to go back to Guyana?"

"Because some of he family is here. My husband sister was here first, then my husband, then my husband bring me. Every time I ask to bring my family no money is there, but every time he ask to bring his family money is always there."

When asked if she would want to bring her relatives to help her with the child Nalini replies, "he don't want me to take nothing from nobody because when people start to

help you they going to say me give you this and so on. I want to go back home, even could be tomorrow so."

"Do you think your conditions of living have improved since coming here?"

"No, he say he see improvement, but I did not see any, cause I told him I need a house and a land, I fed up paying this house rent. The money we pay for the year we could get our house you could even get you own land."

Nalini's husband earns \$300

"But \$300 is no kind of money. I need a job, I really need a job. I could leave my husband [to work in St. Kitts], but I could not leave my child"

The child does not want to go to school in St. Kitts because of the violence in schools, so much so that people in St. Kitts are sending their children to Nevis to school. "So she says she does not want to go there. I don't want to live their neither. I don't even get to go over there."

Nalini has been married 14 years. She got married in Guyana through an arranged married.

"He came from Nevis to his family and told them he wanted to marry. So his family take he to my aunt home and my aunt say yes there is a girl here, but we don't know if she gonna wed you. So when he come he tell me that he working he aint got nobody to wash, sometime he go work at 7 in the morning he don't come home till late night and when he come home he don't cook because he tired and he just go to bed to sleep like that ..and I say you know what you need somebody to cook for you and wash that's how I put out myself like that."

At the time Nalini was 20 years old and used to do farming. She says one week after they met they were married.

"Why did you wed in so short a time?"

"I don't know, I cant even tell you that. That was just happening in a snap..."

Nalini says that she faces discrimination because she is a foreigner. This discrimination also finds expression in her treatment on the job. She says she is hoping to get a job soon. She only reached primary level. But she has studied a couple of course as a means of getting better employment. She left school at 13 in order to allow her brother to pursue

his education since their grandparents could not afford to educate both of them. Unfortunately he left school shortly after as well.

"I could not go back."

This may mar her chances of being absorbed productively in the labour market in Nevis. Nalini will need educational and skill upgrading like a number of other nationals.

SKN has been a sending country ever since the end of slavery. However, it became a receiving country in the latter half of the 20th century as differential economic performance made it a more attractive location than some of the poorer member states within OECS and CARICOM. Moreover, the descendants of its own nationals who had migrated abroad came to view the land of their parents as islands of greater opportunity. They have been coming in numbers to claim their rights as citizens. SKN has never had a formal programme for integration of these inflows. Increasingly, it will need to put measures in place to support social integration of immigrants.

CHAPTER FIFTEEN

POVERTY AND SOCIAL IMPACT ASSESSMENT

The social environment in which people live influences aspects of their personal lives, their interaction with others and the quality of life they can enjoy. In order to assess the social impact of poverty it is therefore important to identify and discuss some of the negative impacts on various aspects of the lives of those who are experiencing this phenomenon as well as to identify and discuss the extent to which interventions intended to reduce poverty have made a difference and have improved their living conditions and the quality of their lives.

Poverty has a significant impact on the lives of people who are impoverished and who are deprived of the means that would allow them to enjoy an acceptable standard of living and a sense of well being. Information provided from respondents who participated in all three components of the CPA, the SLC/HBS, the PPA, and the IA provide evidence of the many negative and sometimes traumatic outcomes of the experience of poverty. At the same time there is also evidence of a variety of poverty reduction initiatives and programmes that have positive impacts and that been effective in improving living conditions in poor communities and for some households and groups in these communities.

15.1 NEGATIVE IMPACTS OF POVERTY

Other research and the data from this CPA have shown that poverty affects several aspects of people's lives in many ways. Among these are effects on the individual's self esteem and self confidence, on their ability to play their gender roles, on interpersonal and family relationships, on their health, on their ability to realise their dreams or even to dream, all of which determine and influence the social aspect of their lives and their sense of well being.

15.1.1 *Individuals' self esteem*

Comments from participants in all of the focus group discussions referred to the psychological and emotional effects of poverty. They explained how poverty eroded their self esteem and made them feel helpless and powerless.

"Poverty defines who a person is."

"It make me feel like nobody."

"We have low self esteem."

"Emotional pain."

"I feel helpless and hopeless."
"Poverty hold you back, keep you down."
"The self confidence just not there."

15.1.2 Gender Identity and Gender Roles

Males as well as females agreed that being poor prevented them from playing the roles that the society expects. Females are unable to provide for their families and to meet the basic needs of their children, and males are not only unable to provide for their families, but feel that their manhood is threatened.

"I can't afford to give the children proper food and to send them to school regular."
(Female)
"I have five children to give food, clothes and send to school but I only work for a little money." (Female)
"You unable to maintain your family." (Male)
"It make you feel less than a man."
"A man can't live in poverty and be a man."

15.1.3 Family and Interpersonal Relations

Many people are of the view that poverty has a serious negative on relationships. They are especially concerned about its impact on relationships between men and women, on partners and spouses and between parents and children, and identified relationships characterised by conflict, arguments and disagreements, frustration, anger, and abuse.

"It affects your intimate relationships."
"There is tension in the house when money matters arise."
"It gets you angry and you become abusive."
"When you poor your woman will go and look for someone else to give her what she wants."
"Frustration make you beat the children unnecessarily."
"Some men may not want to date a poor woman."
"You can hardly guide the young ones in the house."
"I vex with my mother for having me for a poor man."
"My mother and father don't get on well so sometimes I can't get what I need."

15.1.4 Poverty and Health

Good health is an essential factor for ensuring a good quality of life and a sense of well being, but many who are living in poverty are not always able to achieve or maintain it.

The data show that the poor mainly depend on the public health services for health care and while there is some acknowledgement that there has been significant increase in the number of health clinics and in the range of services that they provide. Data from the SLC show that the health centre or the public hospital would be the first place visited by the majority of those in the lowest socio-economic group. Access was cited by all socio-economic groups as the single most important reason for going there, and was more likely to be cited by the lowest socio-economic group than any other reason.

Also, waiting times seemed to have been on average to have been about half hour or less, according to data from the SLC for all socio-economic groups. However, in the PPA, some concerns were raised about the long waiting times that have to be endured sometimes as well as about the quality of some of the services being provided.

"Health care is available but the quality poor."

"People are vulnerable and need comfort. Health workers need to know how to talk to people."

There is general recognition of the link between a proper diet and good health and that inability to afford the former can result in poor health.

"When you sick you have to eat certain things but you poor and can't afford you have to eat whatever you get."

"Poor diet make you sick."

"Sometimes we can't even eat properly."

"If you study poverty it messes your brain."

The health of poor children and poor elderly persons is also being affected by poverty. Parents are aware that poor diet affects children's ability to concentrate and learn. There are therefore some children whose parents are unable to provide them with food and proper diet. Such children may not be able to perform well in school or to benefit from the many available educational opportunities. In addition some parents are unable to buy expensive medication for children who may be suffering from serious illnesses.

"A hungry child can't learn."

"Lack of food make children unable to concentrate."

"One of my children have sickle cell and asthma and the medicine expensive."

This is also the case for some elder persons who are suffering from life style diseases and need to be on medication every day.

"I need certain medication but the government dispensary is always out of it and I don't always have the money to buy it."

"When the doctor bill and the medication too high you buy half or do without."

While the SLC suggests general satisfaction with the level of service received, the PPA unearthed challenges in having prescriptions filled and even if some of the medication was supposed to be available free of charge to some clients, their non-availability at the Government dispensary placed them at the mercy of the costs at private pharmacies.

15.1.5 Poverty and Education

Community residents all value education and they believe that education is a vehicle for obtaining a job, earning an income and helping them to move out of poverty. They also acknowledge the increase in and availability of more educational opportunities, but according to some, poverty often limits children's ability to access and benefit from the existence of these opportunities.

Several parents admitted that they are unable to send their children to school regularly, to provide them with a proper diet, or with lunch, transportation and school supplies. However, data from the SLC suggest that there was a high level of provisioning in respect of school meals and schools books, with some degree of targeting at those in the lower socio-economic groups. This corroborates this thrust of the Ministry of Education, as indicated in the IA, to support the educational process by ensuring that poorer children can access educational opportunity. However, it may be that not there are children that are still unable to maintain full attendance at school.

At the same time, there are also significant levels of truancy and high drop out rates in seventy percent of the communities studied. Parents are very aware of the negative impact that poverty can have on their children's education and on their ability to learn and to achieve their full potential.

"I could only send them when I have lunch to give them."

"Some of them lack the energy to stay in school."

"The books them too expensive."

"Children drop out because they have no clothes."

"Some poorer children have problems with reading."

"If children are malnourished they can't achieve their full potential."

While children's education is seriously affected by poverty, there is also the issue of the level of education of adults. Many of the parents who participated in the PPA had very

low levels of education and about sixty percent of the household heads interviewed had only primary education and several of these had not even completed this level of education. As a result of this, many were either unable to obtain employment or were employed in low skill low paying jobs on an irregular basis. In spite of this very few if any were participating in any adult education programmes and it appeared that they were more concerned about their children's education than about their own.

15.1.6 Aspirations and Dreams

As with everyone else poor people have aspirations and dreams but poverty prevents them from achieving few if any of these.

"Poverty hold you down and keep you back."

"Sometimes I wish for things."

"Can't afford to go on trips abroad."

"Can't afford to go to college."

15.2 POVERTY AND SOCIAL EXCLUSION

Information obtained in the PPA clearly highlights the links between poverty and social exclusion characterised by isolation, discrimination and inequality, including gender inequality. While females as well as male participants both shared experiences of these phenomena, it was the males that were more vocal and their comments show that they clearly understood that poverty is systemic and structural and leaves them open to exploitation.

"St Kitts is designed so that the poor stay poor."

"Poverty is like a system, it designed to keep poor people subservient, in a different class."

"Poverty is a weapon used by the system."

"Poverty is perpetuated by the government, they develop programmes that exclude us."

"It's a strategy they want us poor so they can stay on top."

"Poverty is a killer of the lower classes."

"We are being perpetually exploited by the government."

"People take advantage of you when you poor."

Several poor people living in the communities studied are of the view that they and their children stigmatised and discriminated against, not only because they are poor but sometimes also because of their political affiliation.

"If you not backing their party, politicians deal with you differently."

*"If you don't have the right shoes you are sent home and the fact that your mother can't afford is not taken into consideration and you are deprived of education for a whole day."
"We get treat unfair at school."*

Residents are also aware of inequalities that exist in the society and that limit their ability to take advantages of existing opportunities. They pointed to the way in which opportunities and resources are distributed to their disadvantage.

*"I concern about the inequalities that exist between people."
"I feel that opportunities not being fairly distributed between men and women."
"People who are better off get preference in everything."
"The money share 7:3 and that what cause poverty."*

They also felt that poverty not only deprives them of their rights, including the right to participate in decisions that affect their lives, as well as of a voice, but that it limits their choices. As a result they experience feelings of apathy, helplessness and powerlessness.

*"Poor people don't have the right to get things."
"Poverty is not having choices."
"I have no choice I have to make do with what I have."
"When you are poor your input and decisions are not considered."
"A poor man can't make a good start even if he is willing."
"What is the use of living I better off dead."*

Some males also raised the issue of gender inequality. They feel that the legal system is biased in favour of women and that they do not receive equal treatment before the law.

*"I have a serious problem with the judicial system, I feel it very bias in dealing with men."
"Men suffer twice, the lawyer and then the court."*

Some participants also pointed to the outcomes of gender socialisation and ways in which this perpetuates gender discrimination.

*"Boys and girls are not treated equally."
"Boys are allowed to have their own way."*

15.3 INTERVENTIONS BY INSTITUTIONS

CPA data show that since the last CPA, Government and Civil Society organisations have taken several poverty reduction initiatives and have implemented programmes

and projects that have had some positive outcomes and an impact on the lives of individuals and groups living in poor communities.

The data from the SLC and the PPA show that there has been a significant improvement in the physical features of their communities as a result of initiatives by the state. They pointed to the “housing revolution” and the increase in the number, type and quality of housing, to improved roads, and they acknowledged that communities are now well served with utilities. These initiatives have made a significant impact and have improved general living conditions in many communities.

“The majority of houses have electricity and all the amenities.”

“Most houses now made of concrete not board like ten years ago.”

“Places that were once cane fields are now housing developments.”

Facilities are vehicles through which community residents can access services and the data not only show that government has provided a number of facilities that offer a wide range of services, but that poorer rather than better off persons use and depend on these. On the whole residents are well served and have access to schools, to health clinics, to community centres, and to recreational facilities.

There has been an increase in the number of schools and educational opportunities. New and impressive community centres have been built and recreational facilities expanded or upgraded. In nine of the communities there are health clinics that offer a wide range of services including such things as dental care, health maintenance and disease management. In the IA, it was indicated that there are eleven health centres in St. Kitts and five in Nevis. There is no doubt of the reach of services to residents across the two islands. There is exemption of user charges for children of school age and persons over 62 years of age.

In one community there is a new Fishing Complex. There has also been an improvement in garbage collection.

“Garbage collection twice a week.”

Recognising that the closure of the sugar industry would have resulted in an increase in unemployment and that this would have a negative impact on farm households, the government took several initiatives to address this situation. Most of its programmes were encapsulated in the *Adaptation Strategy in Response to the New Sugar Regime 2006-2013* of the Ministry of Sustainable Development. This included programmes of retraining of the ex-sugar workers as well as land distribution. In the course of the IA, it

was established that there were areas of accomplishment but there has also been challenge. However, the more recent increases in other agriculture suggest that the measures taken by the Government have had a largely positive impact in responding to the closure of the sugar industry.

In addition to employment and job creation opportunities, residents also referred to social welfare and skills training programmes, and to an increase in initiatives to provide home help for the elderly.

Residents in several communities acknowledged that the interventions made by government have improved the physical living conditions in their communities. At the same time, they also acknowledged improvements in education, in provision of health services, in recreational facilities, and in social welfare programmes, all of which determines and influences the social dimension of people's life and contribute to a sense of well being.

Institutional mapping done by residents in community workshops in the PPA clearly shows that programmes and projects implemented by civil society organisations are having a positive impact on the lives of individuals and groups in poor communities.

NGOs and CBOs including churches, PTAs, the Red Cross, and various community groups have implemented programmes and projects in several of the communities. Many individuals and groups have benefited from the support and tangible assistance provided by these organisations to meet specific and immediate needs. Because the programmes have also been preventative, remedial, and developmental, they would have had positive and potentially long term impact on the social dimensions of people's lives.

While there is evidence that some poverty alleviation initiatives have had a positive impact on the lives of poor and vulnerable groups, there is also evidence that not all of them have done so. Moreover there is also evidence that such initiatives have not always reached some of those most in need or that the latter have not always benefited from them. The reach of civil society organisation is not universal, and thus, there are persons at risk who fail to secure assistance when needed.

CHAPTER SIXTEEN INSTITUTIONS AND LIVING CONDITIONS

16.1 CONTEXT OF INSTITUTIONS

It is well accepted that social and economic life is shaped by the institutional structures of society but, in turn, society shapes the institutional structures within which it functions. Living conditions and thus poverty are partly the outward visible evidence of institutions at work. Poverty reduction requires the intervention of organisations or institutions in the provision of support to the poor or vulnerable, or that there be measures on place to allow access to the poor to institutions that can assist them to take themselves out of poverty.

In the modern state, there are certain rights and entitlements which go with being a citizen of a country. The right to primary level education and to primary health care is universally accepted. The goals outlined in the MDG are premised on the notion that individuals have the right to a number of entitlements irrespective of their social and economic condition. Behind all of this are institutions and an institutional framework that provide for the citizenry.

There is a range of institutions involved in the delivery of economic, social and other services to individuals, households and communities that have been created or have evolved in the society and the polity of the Federation. The Moyne Commission Report set the stage for formalised public support by way of the social services in the immediate post World War II years. Formal social service delivery, however, dates back to the immediate post-Emancipation period, in which regard, the vestry was the critical axis of support outside informal arrangements that developed in communities.

Informal organisation which emerged to ensure protection of the most vulnerable in the society, was largely based on African cultural retentions for self-help, and for mutual support in savings and for construction of homes. Later, these informal structures were absorbed in formal structures, the Friendly Society in the 19th century being one example. In the 20th century, the cooperative was to become one of the more important of the formal structures in mobilising resources among the masses, replacing the *su-su*, *esu* or *box*, as they came to be known in the Caribbean, but which derived from the *esusu* of West Africa.

The coming of self-government and then political independence led to a more active state, which created specialised institutions for the delivery of services. At the same time, a voluntaristic sector was emerging to serve special interests of groups of people on both islands. Political party, trade union organisation and business organisation arose as vehicles in the domain of political power and economic relations in the society. The influence of international society was evident in some of the structures that were formed: accession to the International Labour Organisation meant the adoption of Labour Conventions and Recommendations. In a number of cases, international solidarity led to the formation of local organisation, as for example, with the Red Cross.

The devolution of governance in Nevis in the context of a Federation was to lead, in its turn, to the emergence or development of institutions that are specific to the island. Some of these have focused on the economic development of the island as a location for productive activity in the Federation. Others have directed their attention at social development and at social integration on the island.

There are organisations that act in a subsidiary capacity in Nevis as part of a central structure established in St. Kitts. However, there is usually recognition of the distinctiveness of Nevis, and thus the acceptance of the possibility of a difference in the *modus operandi* between agencies under the same nomenclature. Alternatively, there are organisations that share the same name but have relative autonomy the one from the other, in St. Kitts and in Nevis, and meet from time to time and or share information and approaches. The parties that have exercised power in the NIA have developed approaches and institutional arrangements that may not resemble exactly what obtains in St. Kitts, and the reverse holds as well.

In the first decade of the 21st century, the country and its Government have sought to address a number of imperatives that have made demands on the institutional structures. These include:

- Provision of basic services to fulfill on entitlements of the citizen in a modern Caribbean state: for example in primary health care and education;
- Poverty reduction in the light of the high levels of poverty found in the first poverty assessment exercise at the end of the last decade;
- Adjustment measures to cope with trade adjustment and decline in competitiveness of the sugar industry;
- Interventions to treat with other major emerging social problems.

16.2 BASIC SERVICES

One useful point of departure is to interrogate the institutional infrastructure to establish how well it provides universal services needed at various stages of the life cycle. The premise is that society would develop a number of services that are deemed appropriate to fulfilling on the entitlements relevant to each age group. The age cohort approach requires that one examines, and interrogates the institutional infrastructure with the following questions:

- What services are available for the individual at various stages of the life cycle?
- Which are the institutions involved?
- How effective are they in the delivery of the required service?

There are two areas of basic services that were placed high on the agenda of Caribbean countries since the post World War II period – primary health care and primary education. For the first cycle of life, it is evident that the Primary Health Care System, built on a network of health centres on both islands, provides pre-natal and ante-natal services to pregnant women. These services are well distributed and within easy reach of all those who need them. There was evidence from the SLC, however, that teenage mothers might not have taken full advantage of these services.

There are user charges for services in the secondary care sector, but with exemptions for those who are deemed to be poor. Children and the elderly are routinely exempted, as well as persons living with HIV/AIDS. Given the mounting costs of the health system, the matter of National Health Insurance has been mooted officially. There are gaps in the system. Although the elderly may be entitled to have prescriptions filled at no cost in the public dispensaries, the non-availability of supplies at times imposes on them the need to secure medication from private dispensaries.

In respect of education, there is legislation enjoining twelve years of compulsory education from age 5. Universal primary education has long been achieved, and universal secondary education dates back to the 1960s. The most recent thrust has been the goal of universal enrolment in pre-schools. The Early Childhood Development Unit has been in forefront in monitoring and setting standards for Early Childhood Education. It is responsible for running a number of centres itself on both islands, thereby establishing a demonstration effect. The centres are well run and have attracted attention as a model in early childhood development.

However, discussion with the relevant agencies suggests that there are problem areas in the field of education. A number of students in the secondary sector have not been able to cope. The Ministry of Education has introduced new curricula to deal with the problem. It is too early to establish how effective has been the effort to upgrade the curriculum.

One of the more recent approaches is evident in the work of Project Strong which has been able to secure success with at-risk youth in terms of training for the labour market and in their reorientation to socially acceptable paths of development. This agency derives most of its support from the Government, but has been developed with some degree of autonomy. However, it is limited to St. Kitts: there is nothing similar in Nevis, even though the problem of dysfunctional male youth is evident there also.

The Community College has been very successful in post-secondary education and training and in the delivery of university entry level programmes, all of which are critical in national development and in the preparation of the population for a knowledge-based economy. However, residents in St. Kitts were better able to secure access compared to residents in Nevis up until recently. AVEC and the Adult Education Programme of the Ministry of Education allow access to citizens committed to upgrading their education and training level. A number of community centres have been constructed in recent years and these provide a physical infrastructure base for the expansion of programmes. The challenge that the country faces is not so much in access, as in dysfunctional attitudes among sections of the youth who fail to advantage of such programmes, which are also opened to more mature individuals.

Another positive institutional development has been the growing cooperation between Ministry of Education and a number of agencies as it seeks to make programmes relevant to the world of work. There is concern to inculcate. Labour Market Information System (LMIS) is in an incipient stage, and the Ministry of Education seeks to develop Technical and Vocational Education with the support of the HEART Trust of Jamaica to complement the initiative with regard to LMIS.

By and large, it could be argued that SKN has well developed systems of primary health care and educational services provided by the state that have universal reach for the most part.

16.3 POVERTY REDUCTION

With the finding that poverty was over 30 percent in the Federation, there were introduced pro-poor policies at the base of social and economic programming. The thrust of development policy has been directed at the expansion of the economy and sustainable development, and thus ultimately at poverty reduction. However, there are institutions whose remit is directly on poverty reduction and poverty mitigation. In that regard, the Ministry responsible for Social Development in St. Kitts, and the Division responsible for Social Services in Nevis are the key agencies. Both seem to have successfully targeted at-risk groups. Poorer school children receive uniform assistance through these agencies. The Ministry of Education has a school meals service and a school book arrangement in place with a level of targeting that ensures that reflects social equity: the data generated by the SLC seem to confirm this. While the better-off may not be excluded, a larger percentage of those in the lower quintile secure access.

At the other end of the age spectrum, the Social Services agencies have developed home care arrangements to assist the elderly especially those who may be shut-ins. In addition to private sector initiatives like the Grange in St. Kitts, there are the efforts of St. Vincent de Paul, and there is also the Flamboyant Home in Nevis.

Another important institutional intervention is the role of the Courts in securing support for children by fathers who are not forthcoming with maintenance payments to the mothers of their children. Although single motherhood may be equally prevalent in SKN as in other Caribbean countries, the Court System seems to work well enough such that in the course of the PPA, men admitted to being concerned about being arraigned by the Court for maintenance. Some sense of responsibility might have been introduced by an active Court, which might mitigate the poverty that single mothers would have faced.

The crisis created by the escalation in prices in 2007/08 prompted an early response on the part of the Government to reduce the impact on the poor. Moral suasion in the direction of containment of prices and selective controls on essential items constituted some of the measures applied by the Government. However, a Government faced with a high debt to GDP ratio could not support an extensive system of subsidies. By and large, though, having regard to its resource base and limited degrees of freedom, the Government has institutional mechanisms in place that are relatively pro-poor in their thrust. However, with better targeting and better coordination, much more can be achieved in terms of reach and quantum to those most in need.

At the level of the society at large, the migration circuit is part of the response of the society at large, in the face of economic and social difficulties. The SLC data show that the lowest socio-economic group in St. Kitts displays heavy reliance on remittances as an income source. The severe downturn in the economies of the North Atlantic would have constricted this source. Most importantly for present purposes has been the institutionalisation of migration, even temporary migration as a response to poverty and hardship.

16.4 INSTITUTIONS AND ADJUSTMENT

In the closure of the sugar industry, the Government sought to pursue an orderly exit, and to support this with a range of measures designed to ease the pain for those most affected. This is perhaps one of the few cases in the Commonwealth Caribbean in which a Government has attempted to plan in detail the exit strategy for a dying export-oriented industry. The country has been in the throes of major economic adjustment which might not have been experienced in the living memory of most of its citizens. In the circumstances, it has need for institutions that allow it to face the challenge of economic reorganisation in the context of a globalised environment. The *Adaptation Strategy in Response to the New Sugar Regime 2006-2013* put out by the Ministry of Sustainable Development, was designed to guide the process of adjustment.

The thrust needed to overcome its economic difficulty required a coherent and coordinated response from the relevant institutions, to help diversify the economy in the context of greater competition in a globalised world, and to create the capacities among the citizenry to support this effort. At the same time, there would have been need for structures to deal with the fall-out effect of the decline of this important sector, and to manage the socio-psychological challenge on the groups directly affected, and on the wider society, faced with the difficulty of reorienting to new realities.

The multi-causal nature of poverty is mediated through institutions that impact on households. The Logit Model applied regression analysis to differentiate a range of 'causative' factors, as potential explanatory variables, and identified household income, number of earners, household size and wealth, and education of head as significant in explaining poverty.²⁰ There are institutional determinants in all of these: access to education and to employment, nature of employment, sector in which one works, occupation, and work culture.

Thus, the present configuration of institutions is critical in determining the effectiveness of the society in keeping individuals safe from poverty. For a start, requirements of the individual vary across the various stages of the life cycle, but they also vary on the basis of the social circumstances in which individuals find themselves. Society is at its most

²⁰ See Technical Appendix for the full elaboration of the Logit Model.

effective, where its institutions are properly geared and appropriately resourced to serve the individual under the various circumstances, and in the face of divergent risks and vulnerabilities.

The country has seen its poverty level and indigence levels fall. However, SKN remains highly vulnerable to economic and environmental shocks. The recent international recession which was initially triggered by the sub-prime crisis in the United States with its contagion effect across a number of advanced economies illustrates the level of vulnerability of the economy of SKN to the vagaries of the international system. In all likelihood, as the markets of the developed countries slowed in the latter half of 2008 and in 2009, there would have been more people who might have fallen into the poverty trap in SKN. Over 50 percent of the population was potentially vulnerable in 2008 on the basis of the data from the SLC.

In addition to the focus on poverty and vulnerability, there is need to examine the impact on living conditions generally since the poor of tomorrow may in fact be persons whose living conditions or quality of life today are being impacted by social and economic problems in the society.

16.5 SOCIAL DYSFUNCTIONALITY

There are specific risks and vulnerabilities that afflict certain groups and need to be addressed in society. In contemporary SKN, teenagers face certain risks, and those who succumb can find themselves on a path to poverty for themselves or might succeed in miring others in poverty. Teenage pregnancy is clearly a major problem in the society. In St. Kitts, there are in place measures that allow teenaged mothers to return to the educational system to complete their education.

NIA more recently has adopted similar measures. However, the culture and mores in Nevis create revulsion in some sections of the community with the result that teen mothers may suffer stigmatisation making it difficult to resume their education, with eventual implications for their economic status. NIA has had to resort to the provision of school fees to a private institution to guarantee that a teenage mother can be afforded the continuation of education.

Another area of dysfunctionality has been the spread of the drug culture and the associated rise of gangs and gang violence. Quite apart from the social and economic costs of a high crime rate on a tourism driven economy, there is the matter of impact on productivity and economic growth in the long term if large sections, especially of the male youth, come to accept as role model 'successful' drug lords able to flash expensive jewellery and to own luxury vehicles. Commitment to formal study and to acquiring and applying knowledge in responsible employment would fall a poor second compared to the apparent rewards of drug running in terms of a career choice.

Unfortunately, the institutional arrangements to combat this phenomenon do not seem to exist except among a few CBOs and in a few communities - eg. Saddlers Collaborative Group and the Molineux Youth in Action Group. The Ministry of Social Development and the Department of Youth have not been able to mount the level of response required. The Ministry of National Security, through the Police Service, has not been effective in crime prevention.

TABLE 16.1 UNIVERSAL SERVICES AND COHORTS

Age Group	Institutions or Institutional Arrangements	Commentary
Babies and Children (0-5 years of age)	<ul style="list-style-type: none"> • Primary Health Care System with network of health centres providing pre-natal and ante-natal services • Early Childhood Development Unit ensures basic standards in all nursery and early childhood care and education. • Early Childhood Unit provides service to some children through own centres. • Private sector providers of early childhood education. 	<ul style="list-style-type: none"> • Services available for pre-natal and post-natal care and within easy reach of all pregnant women. • Universal access to early childhood education a major objective of the Government. • Standards vary in private sector.
Children (6-11 years of age)	<ul style="list-style-type: none"> • Primary Health Care available through centres. • Visits to school by nurses. • Universal Primary Education 	<ul style="list-style-type: none"> • Services accessible through health centres. • Visit to schools by health personnel may not be maintained consistently. • System of Primary Education universal; assistance provided to needy pupils with books and meals, and uniform assistance to some.
12-18	<ul style="list-style-type: none"> • Primary Health Care universal • Universal Secondary Education • Project Strong AVEC • Adult Education and continuing Education 	<ul style="list-style-type: none"> • Health Services available to everyone in need • All students have access. Curricula being adapted to suit different needs • Project Strong effective in working with troubled youth especially young males unable to cope in regular secondary school system • Project Strong not available in Nevis • Programmes for post-school education available but not universally accessible
19-60	<ul style="list-style-type: none"> • Primary Health Care but some services subject to user charges • AVEC 	<ul style="list-style-type: none"> • National Health Insurance mooted for supporting Secondary Care, but no measures in place as yet • Limited in terms of retraining needs of labour force
60 and Over	<ul style="list-style-type: none"> • Primary Health Care provides services to all • Ministry of Social Development provides Home Care Visiting service for Shut ins. • Old Age Pensions for those in need. 	<ul style="list-style-type: none"> • Formulary available for some chronic diseases.

The following summarises in tabular form, the focus and the effectiveness of the various institutions in St. Kitts and Nevis.

TABLE 16.2: LISTING OF KEY AGENCIES IN ST. KITTS

No.	Name of Organisation	Primary Focus	Score
1.	Ministry of Agriculture	Developmental	3
2.	CARDI	Developmental	4
3.	Ministry of Industry, Commerce and Consumer Affairs	Developmental, Regulatory	4
4.	Development Bank	Development	3
5.	Small Enterprise Development Unit	Developmental	3
6.	St. Kitts Cooperative Credit Union	Developmental	5
7.	Foundation for National Development	Developmental	3
8.	Central Marketing Corporation	Developmental	2
9.	Chamber of Commerce	Developmental	3
10.	Large Scale Corporate Sector	Developmental, Supportive	4
11.	Ministry of Finance	Developmental	3
12.	Ministry of Tourism	Developmental	3
13.	Tourism Authority	Developmental/ Regulatory	3
14.	Tourism Association	Developmental	3
15.	Ministry of Sustainable Development	Developmental	4
16.	Office of Labour Commissioner	Developmental/ Regulatory	4
17.	St. Kitts Trades and Labour Union	Supportive	2
18.	Social Security Board	Developmental, Supportive	4
19.	Ministry of Health	Preventative, Supportive	4
20.	National Advisory Council on AIDS	Supportive	4
21.	Ministry of Education	Developmental, Supportive, Remedial	4
22.	Early Childhood Development Unit	Developmental/Regulatory	5

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No.	Name of Organisation	Primary Focus	Score
23.	Project Strong	Developmental/ Remedial	5
24.	Ministry of Social and Community Development and Gender Affairs	Developmental, Preventative, Remedial, Supportive	3
25.	Department of Youth	Preventative, Developmental	3
26.	Basic Needs Trust Fund	Developmental	4
27.	Ministry of National Security	Developmental/ Regulatory	2
28.	Anglican Young People's Association	Developmental	2
29.	The Grange	Supportive	
30.	Nyabinghi Order	Supportive	3
31.	Pathfinders Club	Developmental, Supportive	4
32.	Red Cross	Supportive	3
33.	Rotary Club	Supportive, Developmental	4
34.	Salvation Army	Developmental, Remedial, Supportive	4
35.	St. Vincent de Paul	Supportive	3
36.	Youth Impact Ministries	Supportive, Developmental	3
37.	Cayon Community Council	Developmental, Supportive	2
38.	Molineux Youth in Action Club	Developmental, Supportive	5
39.	Saddlers Collaborative Interest Group	Developmental	4
40.	National Housing Corporation	Developmental	3
41.	Ministry of Public Utilities	Developmental, Regulatory	3
42.	Water Services Department	Developmental	3
43.	Cable and Wireless	Developmental	4
44.	National Emergency Management Agency	Supportive	3
45.	Physical Planning Department	Developmental (Regulatory)	3

TABLE 16.3: LISTING OF KEY AGENCIES IN NEVIS

No.	Name of Organisation	Primary Focus	Score
1.	Ministry of Finance	Developmental	4
2	Nevis Tourism Authority	Developmental, Regulatory	4
3.	Department of Agriculture and Fisheries	Developmental	3
4.	Contractor Association	Developmental	2
4.	Nevis Development Bank	Developmental	3
5.	Four Seasons Hotel	Developmental	4
6.	Nevis Credit Union	Developmental	5
7.	Department of Cooperatives	Developmental	4
8.	Division of Social Services	Supportive, Remedial, Developmental, Preventative	3
9.	Ministry of Health	Developmental, Preventative	4
10.	Community Health Nurses	Supportive, Preventative	4
11.	Bank of Nevis	Developmental	4
12.	Nevis Financial Services Department	Developmental (Regulation)	4
13.	Department of Public Works	Developmental (Preventative)	3
14.	Flamboyant Nursing Home for the Elderly	Supportive	4
15.	Ministry of Education	Developmental	3
16.	Nevis Teachers Union	Supportive/Developmental	3
17.	Dyslexia Association	Remedial/Developmental/ Supportive	4
18.	Social Security	Supportive/Developmental	4
19.	Asociacion de Dominicanos	Supportive	3
20.	The Change Centre	Supportive	4
21.	Nevis Christian Council	Supportive	3
22.	Red Cross	Supportive	4
23.	Rotary Club of Nevis	Developmental/Supportive	4

The list above presents a panoply of organisations on both islands that is impressive, and many of these have a remit that suggests a developmental perspective. However, even though they are largely well run, the limited coordination among them suggests that together they fail to impart the motive force required to overcome the developmental hurdle with which SKN is faced. There are a number of challenges to the Adaptation Strategy which the institutional framework has to address. On the economic front, they are evident in the following problems that require cross-cutting measures:

- The country has to grow its foreign exchange earning sectors, with a mix of domestic and foreign capital, but the promotion of domestic capital has to move closer to centre stage, rather than being seen in the mode of small business on the margins of industrial and commercial development;
- Boutique hotels and guest accommodation in which nationals can more readily participate as entrepreneurs require investment in the training and upgrading of a cadre of nationals;
- Diversification of the economy has to be founded on a large stock of human capital, and while the labour force is literate, it is still characterised largely with workers with limited educational qualifications;
- The capacity to embrace Science and Technology and to adapt R&D to productive networks, which is one component of competitiveness in the Knowledge Economy of the 21st century depends on the country having a high level in the base in the education of the labour force, which is not its current reality, and is only achievable with a wide national commitment to life-long learning;
- While there have been measures to promote domestic agriculture since the closure of the sugar industry, and some evidence of new supplies, the development of a sustainable agriculture with farmers steeped in knowledge of Agricultural Science and capable of providing for food security and positive forward linkages to tourism and agro-processing, seems inchoate at best;
- If an equitable share of the benefits is to be earned by SKN from the recently signed EPA, there is need for a number of stakeholders in the public and private sector to be fully conversant with its implications and to collaborate in preparing the country to participate actively in creating new economic possibilities;
- The disposal of prime real estate in St. Kitts to foreign capital, has become a conditionality faced by the Government in its current fiscal crisis, but is likely to create social tension in the society.

There are also such difficulties as adjusting to climate change and sea-rise: coastal erosion is ever more present and the retrofitting of all buildings, and infrastructure to the level where they can withstand Category 3 hurricanes imposes a major economic cost on the society.

On the social side, there has developed on both islands a range of social services that ensures that certain basics are within reach of those who succumb to problems. Public assistance and old age pensions are well administered, and there is a range of transfers in education and health that alleviate burdens on poorer people. However, preventive measures such as programmes directed at youth-at-risk are inadequate to the task. The following table provides a summary of the major issues that need to be addressed and the agencies involved in addressing some of them.

TABLE 16.4: ISSUES AND INSTITUTIONS

Issue		Evidence from Study	Main Institutions Involved	Nature of Existing Challenge
1.	Economic Restructuring/Trade Adjustment	<ul style="list-style-type: none"> Export earnings heavily reliant on Tourism and Financial Services, but facing current and prospective threats; Some Agriculture and Fisheries, but structural problems limit viability; Ex-sugar workers not well prepared for new realities 	Ministry of Finance, Ministry of Agriculture, Ministry of Sustainable Development, Ministry responsible for Trade and Industry, and Tourism, Ministry of Education and Private Sector	Building competitive economy in face of new realities of trade and other agreements that country has signed; even with considerable planning for post-sugar adjustment, groups directly affected not well prepared for transitions; While Adaptation Strategy exists, enormity of task might be underestimated; tighter coordination necessary
2.	Entrepreneurship	<ul style="list-style-type: none"> Limited number of large corporate businesses; Some promotion of Small businesses in selective areas 	Ministry responsible for Trade and Industry, especially in St. Kitts, SEDU, Development Bank, FND, Credit Unions	Promotion of domestic capital in growth industries of the future; Tendency of policy-makers to rely on foreign capital mainly; Small business not being promoted in expectation of its becoming big business
3.	Disposal of Crown Land	<ul style="list-style-type: none"> Government being pressured to dispose of lands previously under sugar in large parcels to foreign operators to treat with debt reduction; Land distribution in small island highly charged issue, but more so in St. Kitts given history 	Ministry of Sustainable Development	Development of strategies for reconciling debt reduction with slowing alienation of land to non-nationals not being addressed; social consequences of rapid disposal to non-nationals might be under-estimated.

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Issue		Evidence from Study	Main Institutions Involved	Nature of Existing Challenge
4.	Population and Immigration	<ul style="list-style-type: none"> Underlying shrinking of national population Population aware of non-national presence in certain fields of endeavour and sense of being marginalised 	Ministry of Sustainable Development, Ministry of National Security, Ministry of Social Development	Population issue not being addressed directly; Economic citizen programme in place; inflows of workers from the rest of Caribbean; no programmes formally in place to deal with social integration of new or potential citizens
5.	Housing conditions	<ul style="list-style-type: none"> Poor in Homes of Wood/Timber – 32.4% in St. Kitts and 20.0% in Nevis Poor with Pit-latrines – 18.2 in St. Kitts and 16.2 percent in Nevis 	National Housing Corporation, St. Kitts Cooperative Credit Union, Nevis Credit Union,	'Housing revolution' still to reach large numbers
6.	Water	<ul style="list-style-type: none"> 8.1% of households with no water in past week 	Ministry of Public Utilities, Water Resources Department	Ground water supplies 65 percent of needs. Arid areas in some parts of the Federation.
7.	Education and Training	<ul style="list-style-type: none"> 49.9% of male and 47.3% percent of female labour force participants in lowest quintile had no educational certificates 	Adult Education	Adult Education not well subscribed; lack of knowledge of programmes; Country requires major thrust to continuing education to prepare for knowledge economy; 3.0% of adults enrolled in Distance Education Programmes
8.	Preparation of marginalised youth to enter labour market	<ul style="list-style-type: none"> In spite of universal secondary education, some number of youth not achieving full potential 	Adult Education, AVEC, Project Strong	Thirst for learning needs to be encouraged; Project Strong limited to St. Kitts;

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Issue		Evidence from Study	Main Institutions Involved	Nature of Existing Challenge
9.	Labour Market Segmentation	<ul style="list-style-type: none"> Occupational stereotyping – men in Construction, women in Hotel 	AVEC, Community College	No formal barriers in respect of training; special effort needed to eliminate gender segmentation
10.	Protection of Workers	<ul style="list-style-type: none"> Some workers subject to exploitation 	Labour Commissioner	While generally effective, Labour Commissioner's Office not protective of immigrant workers
11.	Transfers in Education	<ul style="list-style-type: none"> 65.2% in lowest quintile at primary school had access to school feeding 62.9% of lowest quintile received books cost free 	Ministry of Education	While beneficiaries tended to concentrated in lower quintiles, over 40% of the well-off accessed school meals; 31.6% of the richest quintile got books free; Better targeting can reduce costs and free resources for other needs
12.	Health Status	<ul style="list-style-type: none"> Chronic diseases affecting at least 16% of the population Much smaller percentage of men reporting chronic diseases than women across all socio-economic groups 	Ministry of Health	Need for 'marketing' of health and wellness and changed habits in eating and physical exercise
13.	Pre-natal care	<ul style="list-style-type: none"> 25.4% of pregnant women in lowest quintile did not attend Public Health Clinic 	Ministry of Health	Lack of knowledge might be a factor
14.	Teenage Pregnancy	<ul style="list-style-type: none"> 62.2% in lowest quintile, and 42.3 percent of women had first child as teenagers 	Ministry of Health, and Ministry of Education	Lack of Sex Education in schools might be a problem

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Issue		Evidence from Study	Main Institutions Involved	Nature of Existing Challenge
15.	Crime	<ul style="list-style-type: none"> • 3.8% of women had suffered bodily harm and 9.7% of men in St. Kitts had suffered assault; • 42.0% of victims would not report crime because of lack of confidence in the justice system; • Perception of lack of efficacy in security services; • Gangs emerging across both islands and in schools; • Involvement in underground economy with drugs and prostitution seen as appropriate strategy among some sections of population; • Recidivism high 	Ministries of National Security, Social Development and Youth, and selective NGOs and CBOs	Upsurge in crime leading to sense of insecurity in the society; lack of robust intervention on part of security services; social services limited in response; coordination lacking among governmental agencies and between governmental agencies and civil society sector in addressing the problem of social dysfunctionality.

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Issue		Evidence from Study	Main Institutions Involved	Nature of Existing Challenge
16.	Areas of vulnerability of the individual	<ul style="list-style-type: none"> Babies and children 0-5 years of age Children in need of foster care Young males succumbing to deviant behaviour and culture Battered women Single Mothers Elderly 	<p>Early Childhood Education</p> <p>Ministry of Social Development</p> <p>Ministry of Youth and Ministry of Social Development and a host of NGOs in St. Kitts and Nevis</p> <p>Change Centre in Nevis</p> <p>Family Court</p> <p>The Grange in St. Kitts and the Flamboyant Home in Nevis</p>	<p>First class programme in the public sector, but some infants and children not being reached by existing programmes;</p> <p>Numbers seem to be small;</p> <p>State and NGO interventions in need of coordination and need for commitment to high level of collaboration on both islands</p> <p>Limited Interventions and absence of safe houses for victims of domestic abuse</p> <p>Fears expressed by men of being jailed for non-payment of maintenance suggest that Family Court System is working, but responsible parenthood needs to be addressed among men</p> <p>Both set a standard of care for the Elderly on both islands; With ageing of society, not enough of such facilities in the offering relative to number in need of care; policy on ageing.</p>
17.	Environmental Sanitation	<ul style="list-style-type: none"> Garbage disposal problematic in Nevis, given tourism sector 	Ministry responsible for Public Works	Closure of dump and operation of landfill matter of urgency; sustainable waste disposal systems are major national problem for the Federation
18.	Coastal Protection	<ul style="list-style-type: none"> Coastal Erosion Sea defences being breached in some areas 	Ministry responsible for Public Works	Enormity of task in face of climate change might be underestimated by policy-makers

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Nevis

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Extent of Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 15.9 percent. St. John had the highest percentage of the poor (39.3) followed by St. George (19.7%). 	<ul style="list-style-type: none"> <i>"I don't consider myself poor, I get food every day."</i> <i>"Once you happy it makes no difference if you poor or rich."</i> 	
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: 22.3 percent of residents felt that conditions had worsened compared to a year ago. Only 7.5 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> <i>"Poverty is not having enough to meet your basic needs."</i> <i>"When you hungry and have nothing to eat."</i> <i>"Being poor is when you can't afford to pay electricity and water bills."</i> <i>"Once I wake up and can get what I want I don't feel poor."</i> <i>"I poor but I quite satisfied."</i> <i>"A satisfied mind is important."</i> <i>"I poor but I happy."</i> <i>"I not poor I cool."</i> 	<ul style="list-style-type: none"> Division of Social Services has range of services available. The Change Centre involved in limited service to abused women and children. Asociacion de Dominicanos assisting members of group in social integration.
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 1.5 percent of labour force participants were unemployed. The unemployment rate in the lowest quintile was 3.2 percent. The mean number of hours worked in the reference week by those in the lowest quintile was 36 hours. For those in the highest quintile it was 43, and the average was 40 for the island. 	<ul style="list-style-type: none"> Unemployment appears to be relatively low in the communities studied. Residents in one community were of the view that they did not have equal opportunities to obtain employment even though they were aggressive in seeking jobs as well as qualified for jobs they sought. Some immigrant women engaged in prostitution to make ends meet. 	<ul style="list-style-type: none"> Up until closure for repairs Four Seasons Hotel was major private employees and employer of choice. Contractors Association faced shortage.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Education	<ul style="list-style-type: none"> Highest Grade completed: 21.9 percent of persons had only reached up to primary level education and 51.9 percent had reached the secondary (1-5) level. 	<ul style="list-style-type: none"> In communities, it was noted that several children were not taking advantage of or benefiting from formal education. 	<ul style="list-style-type: none"> The Ministry of Education has had to face overcrowding of schools in Nevis and an influx of immigrant children, along with negative social pressures of mounting crime and violence that has reached the school system. Officials in Education showing concern over the performance in the school system Dyslexia Association providing information and engaged in advocacy in Nevis.
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> 15 percent of males and 18.4 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. Most persons choose to visit a public hospital, a health centre or a private doctor/dentist for medical attention on account of illness. Generally, persons were satisfied with the treatment they received at the place where they sought medical attention (over 96 percent of respondents). 39.2 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> <i>"Poverty has given me diabetes."</i> 	<ul style="list-style-type: none"> Basic health care services are available in Nevis through the six health centres on the island.

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St. Kitts and Nevis, 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> Remittances accounted for 8.2 % of total reported income in Nevis. 	<ul style="list-style-type: none"> Residents in some communities where PPA research activities were conducted did admit to receiving remittances from abroad: <i>"People away send us money."</i> 	<ul style="list-style-type: none"> Nevis Credit Union has members abroad sending saving home.
Physical Living Conditions	<ul style="list-style-type: none"> 82 percent of households had supply of water seven days per week. 88.9 percent of the population has access to electricity from a public source, and in the lowest quintile, over 92 percent used electricity. The vast majority of households used Gas/LPG for cooking: 00 percent of those in the lowest quintile using this fuel. Only 00 percent of households used coal or wood. 	<ul style="list-style-type: none"> On the whole, in all of the communities, housing is much better now than it was five or ten years ago. There was however evidence of poor housing. In all of the communities residents have access to public utilities like electricity and telephones. Of the interviews conducted with 20 heads of households, the majority had water piped into the house, baths and toilets, electricity and telephones and electric appliances and used gas for cooking, and a few had a computer, washing machine and microwave. Only two had bathrooms outside and used pit latrines. <i>"No water, no lights."</i> 	<ul style="list-style-type: none"> Nevis Credit Union involved in mortgages in addition to support of NIA in housing.
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 1.9 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> Residents in all communities were concerned about the increase in crime and several said that the safety of their communities was threatened. <i>"The community not safe as before."</i> <i>"You can't take chances to walk out at night."</i> 	<ul style="list-style-type: none"> Intervention attempted by Departments of Education and Social Services in respect of gangs in schools.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Teenage Pregnancy	<ul style="list-style-type: none"> 37.2 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 47.8 percent in the lowest quintile to 31.2 percent in the highest quintile. 	<ul style="list-style-type: none"> In 4 of the 5 of the communities on Nevis where PPA research activities were undertaken teenage pregnancy was reported as a major social problem. 	<ul style="list-style-type: none"> NIA ensures access to education and the return of teenage mothers to school after birth of babies. Nevis Christian Council opposed to return of mothers to schools.
Economic and social structural change and poverty	<ul style="list-style-type: none"> Poverty and indigence levels have fallen. 	<ul style="list-style-type: none"> Residents in the communities studied in the last CPA felt that there had been significant changes since then, with improvements in infrastructure, housing, schools, health centres, community centres, public baths, shops and supermarkets. 	<ul style="list-style-type: none"> Division of Social Services has pulse on social issues in Nevis.
Current policies and programmes in social protection	<ul style="list-style-type: none"> School meals: 74.3 percent of children received a meal/snack from the school service. 36.7 percent of those who received meals were not required to pay for such. 	<ul style="list-style-type: none"> According to residents, the government has initiatives to alleviate poverty included housing projects, social and welfare programmes, home help for the elderly, employment opportunities and job creation programmes. Also, there were many NGOs, and CBOs operating in the communities. 	<ul style="list-style-type: none"> Change Centre, Asociacion de Dominicanos, Community Health Nurses, Flamboyant Nursing Home all engaged in different interventions in support of groups at risk.

In sum, the capacity of the country to overcome the challenge posed by its small size and its absolute dependence on the international economy, is mediated by the institutional mechanisms that it has in place. Their internal capabilities and their efficiency in dealing with the environment in which they function will be a major factor in the success of the country in the years ahead, in achieving sustainable development and, in so doing, poverty reduction and mitigation

SECTION III

TOWARD POVERTY REDUCTION

CHAPTER SEVENTEEN TOWARD POVERTY REDUCTION IN SKN

17.1 POLITY, ECONOMY AND SOCIETY

Policy formulation and decision making on poverty reduction in a country revolves around the nature of the polity, economy and society. SKN is formally a federation of two islands. Federal structures of governance anticipate relatively autonomous entities with authority for making major decisions including raising revenues and deciding on expenditures within their jurisdiction. The constitution of SKN has long been a source of tension among the political parties of the country, and constitutional reform currently engages the attention of the political parties. The early experience of the dissolution of the three island state of St. Kitts, Nevis and Anguilla continues to serve as a warning of the need for dialogue and compromise in the maintenance of the country as a nation state.

The federal structure of SKN may be inherently unique in that decisions over the administration of St. Kitts are made by the Federal Government which includes representatives of Nevis on the Federal Government. However, in matters relating to Nevis, the Nevis Island Administration (NIA) represents the views of the people of Nevis and decisions taken by NIA are not necessarily subject to approval by the Federal Government, unless there is some extra-territorial implication.

Another interesting feature of governance in SKN is that the two political parties in St. Kitts, in spite of their nomenclature, are essentially parties of St. Kitts and are expected to operate only in St. Kitts. The parties in Nevis are parties of Nevis and vie for office in Nevis. Political mobilisation in Nevis centers on the administration of government in Nevis and the negotiation of resources that are collected by the Federal Government and due to Nevis.

This has meant that while there are programmes designed for implementation across the federation, in actual practice, the NIA seems to determine what remains 'federal' in terms of actual implementation on the island, what is to be adjusted and made specific to conditions in Nevis and what may developed by NIA, for Nevis without any reference to the Federal Government. In effect, then, policies and measures for poverty reduction on the two islands need not necessarily be identical.

This applies as well in respect of economic policies on the two islands. The development of the offshore financial services sector has been essentially and initially, derived from initiatives that might have been due more directly to the NIA rather than the Federal Government, just as the earlier initiatives to promote export oriented light manufacturing

was based on decisions taken by the Federal Government and directed at industrial development in St. Kitts.

The two islands are marketed separately in international tourism, and in effect, SKN has two distinct tourism products. St. Kitts is promoted more as a mass market destination, while Nevis is promoted as an up-market and selective destination, which is 'hard to get to, and more difficult to leave.' Policy makers in Nevis have been able to set the island on a discretely different growth path to that of St. Kitts, and the results suggests that the differentiation has brought positive results to Nevis specifically, and to the Federation generally.

The societies of St. Kitts and Nevis display their distinctiveness that derives from historical differences: the world view of a peasant society is likely to be different to that of a people in a plantation society. It is suggested that there is a higher propensity to save among the people in Nevis than in St. Kitts. The society of Nevis may also be more conservative in religious values. Thus, it is only recently in Nevis, that girls have been allowed to return to school after a pregnancy. Such a decision was taken and implemented in St. Kitts some ten years before. Although the Federal Government recognise the rights of girls to education, according to the Education Act, Nevisian society could not accept the idea of girls returning to school following a pregnancy.

17.2 RECENT EXPERIENCE IN POVERTY REDUCTION IN ST. KITTS AND NEVIS

Since the conduct of the CPA in 1999, the Government and its social partners have implemented a number of measures that have brought improvement in the quality of life of the population in general and of the poor in particular. This has been achieved against considerable odds.

It could be argued that the first decade of the 21st century has been rife with crises. No sooner had the country weathered the difficulty created by the slowing of world income growth as a result of the Asian crisis, that there occurred the terrorist attack in September 11, 2001. This triggered a level of response in the United States that forced all countries to introduce a new security infrastructure as a condition precedent for the continuation of trade and travel links with the United States and other trading partners.

The effect on the tourism sector was immediate, with a precipitous fall in revenue from this source. The year 2001 was one of the worst in terms of tourist arrivals which had consequences not only for the revenues of the Government but also for employment and income at the household levels.

The other important sector – Financial Services – had its own travails as a result of the black listing by the OECD of states deemed to be providing a haven for tax evasion and for money laundering. The Government of the Federation worked hard to secure the removal of the country from the black-list of OECD. This required the updating of its legislation in the Financial Services Sector. There was need to ensure that the country could retain a presence in this sector that contributed substantially to revenues of the Government, and in particular to the island of Nevis.

Another crisis was in managing the closing of the sugar industry. This was a momentous decision having regard to the place the sector held in the economic and social life of the country. The winding down of a dominant industry in a small undiversified country cannot but create a major challenge. In supporting the industry long after it could achieve break-even in revenues versus costs of production, the Government incurred a massive debt, putting the country among one of the more indebted in a region known for high levels of debt.

Finally, there has been the upsurge in crime in the country and in most of the rest of the Eastern Caribbean, in part fuelled by the international narco-trafficking industry into which these countries have been incorporated. Lacking the resources in terms of security services and finance, their borders and their coast-line make them easy staging posts for transshipment of narcotics to the markets of the North Atlantic. While poverty does not necessarily predispose people to criminal activity, the allure of drug-running remains enticing as an income source to marginalised youth. There is no doubt that there are households whose income levels are sustained by this source. Another important source at the household level has been remittances: this flow would have been constricted by the depressed conditions in the destination countries to which citizens seek to migrate.

This is the context in which SKN sought to engage in poverty reduction initiatives. The data generated in the SLC suggest a decline in measured poverty. While inequality as measured by the Gini coefficient, might have remained unmoved, poverty fell in both islands, even more dramatically so in Nevis. Moreover, indigence was substantially cut in St. Kitts and was practically non-existent in Nevis.

The PPA and the IA generally corroborate the findings of the SLC, or complement them, thus creating a profile of the developmental challenges that the country faces as the Government seeks to bring a higher standard of living to the population of the Federation. Table 17.1 gives a triangulation of findings, from the three main instruments utilised in the CPA. The information is reported for each island separately.

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TABLE 17.1: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT

ST. KITTS

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Extent of Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 23.7 percent. St. John accounted for the largest percentage of the poor (20.9%) followed by St. George Basseterre W (18.0%). 	<ul style="list-style-type: none"> Poor living conditions and social problems in most of the communities studied in the PPA 	<ul style="list-style-type: none"> Department of Social and Community Development involved in provision of social welfare and public assistance in face of poverty among persons at risk.
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: 30.9 percent of residents felt that conditions had worsened compared to a year ago. Only 25 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> Of the 10 communities where PPA research activities were undertaken, residents in 6 communities felt that they were poor, 2 felt they were better off and 2 felt that they were not poor. <i>"We rich in housing, but poor when we look at the rest of stuff."</i> <i>"Because they live in a large house with electricity, don't mean they rich."</i> 	<ul style="list-style-type: none"> Department of Social and Community Development, Early Childhood Unit, and NGOs – Salvation Army, Rotary Club, Nyabinghi Order undertake interventions among the poor.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 6.3 percent of labour force participants were unemployed. The unemployment rate in the lowest quintile was 18.4 percent. The mean number of hours worked in the reference week by those in the lowest quintile was 37 hours. For those in the highest quintile it was 41 hours, and the average was 39 hours for the island. (underemployment is defined as working less than 35 hours per week) 	<ul style="list-style-type: none"> <i>"Unemployment is a big problem since the industry close".</i> <i>"Females can't look for jobs on construction sites they have no privacy to ease themselves."</i> <i>"A large amount of people unemployed, they can't find a job."</i> <i>"Before talking about unemployment, you need to look at crime, violence and education."</i> <i>"I have skills, I apply but they tell me no jobs available, but the same day they hire a foreigner who willing to work for less."</i> 	<ul style="list-style-type: none"> Labour Commissioner Office monitors labour market and seeks to create institutional arrangements to balance supply with demand for various types of labour. Minimum wage has been updated in November, 2008, to protect vulnerable workers. Labour Commissioner's Office involved in labour inspection. National Skills Programme in place to promote upgrading of work-force. Ministry of Sustainable Development creating framework for growth through Adaptation Strategy in post-sugar economy. Range of organisations contributing to job creation including through provision of support for micro and small business – Development Bank, SEDU, FND.
Education	<ul style="list-style-type: none"> Highest Grade completed: 17.4 percent had only reached up to primary level education and 59.7 percent had reached the secondary (1-5) level. 	<ul style="list-style-type: none"> Many of the household heads interviewed have only had a primary education. Communities admitted to indifferent participation of large sections of youth in evening programmes. 	<ul style="list-style-type: none"> A number of Adult and Continuing Education programmes exists through the Ministry of Education.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Training	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Participants recognised the importance of education and training in escaping poverty. • Concern of older ex-sugar workers in having to seek employment in different field and in locations seen to be alien to what they were accustomed to. 	<ul style="list-style-type: none"> • Project Strong most pathbreaking in treating with training of youth-at-risk. • National Skills Programme and Youth Skills Programme in place to allow for work-force upgrading. • BNTF supported training of ex-sugar workers. • Department of Youth runs outreach programmes to inculcate positive values among youth-at-risk.
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> • 11.4 percent of males and 15.3 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. • Most persons choose to visit a public hospital, a health centre or a private doctor/dentist for medical attention on account of illness. • Generally, persons were satisfied with the treatment they received at the place where they sought medical attention (98.2 percent of respondents). • 25.5 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> • There was a high incidence of lifestyle diseases (such as <i>diabetes and high blood pressure, prostate cancer among males and a few cases of HIV/AIDS</i>) among both male and female residents in all of the communities studied. • <i>"We do not have cancer and AIDS in Bath."</i> • <i>"The way people behaving can lead to AIDS."</i> 	<ul style="list-style-type: none"> • Universal access to primary health care guaranteed by Ministry of Health through health centres in easy reach. • Community Health focus being adopted by the Ministry of Health to manage life style diseases. • Formulary in place for diabetics and hypertensives. • National Advisory Commission involved in advocacy on HIV/AIDS. • The Red Cross runs a support group for persons with HIV/AIDS. • Official recognition of need for National Health Insurance but not much by way of implementation. • There is free AIDS testing as well as free anti-retrovirals.
Remittances	<ul style="list-style-type: none"> • Remittances constituting over 30 percent of income of those in the lowest quintile in St. Kitts and 12 percent for population of St. Kitts. 	<ul style="list-style-type: none"> • For several people in some of the communities remittances from relatives overseas contribute to their financial well being. 	<ul style="list-style-type: none"> • Personnel in institutions recognised importance of remittances in managing difficulties at level of household.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Physical Living Conditions	<ul style="list-style-type: none"> Just over 86 percent of households had supply of water seven days per week. 93.2 percent of the population has access to electricity from a public source, and in the lowest quintile, 94 percent used electricity. The vast majority of households used Gas/LPG for cooking: 96.2 percent of those in the lowest quintile using this fuel. Only 1.1 percent of households used coal or wood. 	<ul style="list-style-type: none"> <i>"I alternate the bills, I may pay electricity this month, and leave the water."</i> 	<ul style="list-style-type: none"> Affordable Housing Programme provided by the Government, through housing agency. St. Kitts Cooperative Credit Union involved in the provision of mortgages to members. BNTF providing community facilities in poorer communities. Electricity Corporation, Telephone companies, Ministry of Public Utilities involved in reach of their services to the vast majority of the population.
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 4.4 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> Residents in some communities where PPA research activities were undertaken were concerned about crime: gambling, the sale, use and abuse of illegal drugs, violence and gang warfare. <i>"When I pull the gun everybody respect me."</i> 	<ul style="list-style-type: none"> Ministry of National Security and Social Development limited in response to crime situation. Saddlers Collaborative Interest Group, CBO seeking to reduce violence in the community
Teenage Pregnancy	<ul style="list-style-type: none"> 42.2 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 62 percent in the lowest quintile to 19.4 percent in the highest quintile. 4.7 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"> In seven of the ten communities in St. Kitts where PPA research activities were undertaken, residents noted that teenage pregnancy was a major social problem. 	<ul style="list-style-type: none"> Ministry of Education assures the right of teenage mothers to return to school if interested.

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Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequality	<ul style="list-style-type: none"> Segmentation of labour market 	<ul style="list-style-type: none"> Women referred to the easier access of men to available employment. 	<ul style="list-style-type: none"> Ministry for Gender Affairs and Labour Commissioner committed to gender equity, but legislative arrangements to support gender equity still limited.
Natural disaster	<ul style="list-style-type: none"> n/a 		<ul style="list-style-type: none"> The Red Cross, which works closely with NEMA in times of disaster, distributes supplies to victims of natural disasters.
Democracy and governance	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> Some participants at PPA research activities clamour for greater say in management of community facilities 	<ul style="list-style-type: none"> Constitutional Reform on the agenda Two party system in place allowing competing agenda to be put to the population
Economic and social structural change and poverty reduction	<ul style="list-style-type: none"> Poverty and indigence levels have decreased on basis of indicators. 	<ul style="list-style-type: none"> Some participants admit that some services have improved e.g education and training 	<ul style="list-style-type: none"> Ministry of Sustainable has Adaptation Strategy in place to deal with fall-out from Sugar Industry. FND, Development Bank and credit to SMEs.
Current policies and programmes in social protection	<ul style="list-style-type: none"> The school feeding programme was available at the schools of 66 percent of students. 	<ul style="list-style-type: none"> In the ten communities where PPA research activities were undertaken, residents felt that efforts were being made to increase the number and quality of services available to people in poor communities, especially in education and health. Though several residents were of the view that the government was not effective or not doing anything (<i>"Government not doing anything here."</i> <i>"I don't know what they doing."</i> <i>"As long as government involve it will go nowhere, they only care about de money not de people."</i> <i>"We can't depend on government to do anything for us"</i>) they did note that there were NGOs whose work was making an impact on communities-supportive and remedial. <i>"Leaders' ears are clogged, they not listening to poor people."</i> 	<ul style="list-style-type: none"> The Ministry of Education collaborates with the Ministry responsible for Social Development in meeting the needs of poorer student (school meals, textbooks, and uniform assistance). Social Development provide support to poorer households. Ministry of Community and Gender Affairs, Salvation Army, St. Vincent de Paul, Early Childhood Education Unit,

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Nevis

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Extent of Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 15.9 percent. St. John had the highest percentage of the poor (39.3) followed by St. George (19.7%). 	<ul style="list-style-type: none"> <i>"I don't consider myself poor, I get food every day."</i> <i>"Once you happy it makes no difference if you poor or rich."</i> 	Division of Social Services in Nevis recognises social problems among households and communities in Nevis even if poverty not extreme..
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: 22.3 percent of residents felt that conditions had worsened compared to a year ago. Only 7.5 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> <i>"Poverty is not having enough to meet your basic needs."</i> <i>"When you hungry and have nothing to eat."</i> <i>"Being poor is when you can't afford to pay electricity and water bills."</i> <i>"Once I wake up and can get what I want I don't feel poor."</i> <i>"I poor but I quite satisfied."</i> <i>"A satisfied mind is important."</i> <i>"I poor but I happy."</i> <i>"I not poor I cool."</i> 	<ul style="list-style-type: none"> Division of Social Services has range of services available. The Change Centre involved in limited service to abused women and children. Asociacion de Dominicanos assisting members of group in social integration.
Employment/ Unemployment	<ul style="list-style-type: none"> Overall 1.5 percent of labour force participants were unemployed. The unemployment rate in the lowest quintile was 3.2 percent. The mean number of hours worked in the reference week by those in the lowest quintile was 36 hours. For those in the highest quintile it was 43, and the average was 40 for the island. 	<ul style="list-style-type: none"> Unemployment appears to be relatively low in the communities studied. Residents in one community were of the view that they did not have equal opportunities to obtain employment even though they were aggressive in seeking jobs as well as qualified for jobs they sought. Some immigrant women engaged in prostitution to make ends meet. 	<ul style="list-style-type: none"> Up until closure for repairs Four Seasons Hotel was major private employees and employer of choice. Contractors Association faced shortage of skilled workers.

COUNTRY POVERTY ASSESSMENT

St. Kitts and Nevis, 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Education	<ul style="list-style-type: none"> Highest Grade completed: 21.9 percent of persons had only reached up to primary level education and 51.9 percent had reached the secondary (1-5) level. 	<ul style="list-style-type: none"> In communities, it was noted that several children were not taking advantage of or benefiting from formal education. 	<ul style="list-style-type: none"> The Ministry of Education has had to face overcrowding of schools in Nevis and an influx of immigrant children, along with negative social pressures of mounting crime and violence that has reached the school system. Officials in Education showing concern over the performance in the school system Dyslexia Association providing information and engaged in advocacy in Nevis.
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> 15 percent of males and 18.4 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. Most persons choose to visit a public hospital, a health centre or a private doctor/dentist for medical attention on account of illness. Generally, persons were satisfied with the treatment they received at the place where they sought medical attention (over 96 percent of respondents). 39.2 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> <i>"Poverty has given me diabetes."</i> 	<ul style="list-style-type: none"> Basic health care services are available in Nevis through the six health centres on the island.

COUNTRY POVERTY ASSESSMENT

St. Kitts and Nevis, 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> Remittances accounted for 8.2 % of total reported income in Nevis. 	<ul style="list-style-type: none"> Residents in some communities where PPA research activities were conducted did admit to receiving remittances from abroad: <i>"People away send us money."</i> 	<ul style="list-style-type: none"> Nevis Credit Union has members abroad sending savings home.
Physical Living Conditions	<ul style="list-style-type: none"> 82 percent of households had supply of water seven days per week. 88.9 percent of the population has access to electricity from a public source, and in the lowest quintile, over 92 percent used electricity. The vast majority of households used Gas/LPG for cooking: 00 percent of those in the lowest quintile using this fuel. Only 00 percent of households used coal or wood. 	<ul style="list-style-type: none"> On the whole, in all of the communities, housing is much better now than it was five or ten years ago. There was however evidence of poor housing. In all of the communities residents have access to public utilities like electricity and telephones. Of the interviews conducted with 20 heads of households, the majority had water piped into the house, baths and toilets, electricity and telephones and electric appliances and used gas for cooking, and a few had a computer, washing machine and microwave. Only two had bathrooms outside and used pit latrines. <i>"No water, no lights."</i> 	<ul style="list-style-type: none"> Nevis Credit Union involved in mortgages in addition to support of NIA in housing.
Crime /Substance Abuse	<ul style="list-style-type: none"> Overall, 1.9 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> Residents in all communities were concerned about the increase in crime and several said that the safety of their communities was threatened. <i>"The community not safe as before."</i> <i>"You can't take chances to walk out at night."</i> 	<ul style="list-style-type: none"> Intervention attempted by Departments of Education and Social Services in respect of gangs in schools.

COUNTRY POVERTY ASSESSMENT

St. Kitts and Nevis, 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Teenage Pregnancy	<ul style="list-style-type: none"> 37.2 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 47.8 percent in the lowest quintile to 31.2 percent in the highest quintile. 	<ul style="list-style-type: none"> In 4 of the 5 of the communities on Nevis where PPA research activities were undertaken teenage pregnancy was reported as a major social problem. 	<ul style="list-style-type: none"> NIA ensures access to education and the return of teenage mothers to school after birth of babies. Nevis Christian Council opposed to return of mothers to schools.
Economic and social structural change and poverty	<ul style="list-style-type: none"> Poverty and indigence levels have fallen. 	<ul style="list-style-type: none"> Residents in the communities studied in the last CPA felt that there had been significant changes since then, with improvements in infrastructure, housing, schools, health centres, community centres, public baths, shops and supermarkets. 	<ul style="list-style-type: none"> Division of Social Services has pulse on social issues in Nevis.
Current policies and programmes in social protection	<ul style="list-style-type: none"> School meals: 74.3 percent of children received a meal/snack from the school service. 36.7 percent of those who received meals were not required to pay for such. 	<ul style="list-style-type: none"> According to residents, the government has initiatives to alleviate poverty included housing projects, social and welfare programmes, home help for the elderly, employment opportunities and job creation programmes. Also, there were many NGOs, and CBOs operating in the communities. 	<ul style="list-style-type: none"> Change Centre, Asociacion de Dominicanos, Community Health Nurses, Flamboyant Nursing Home all engaged in different interventions in support of groups at risk.

17.3 REDOUBLING THE POVERTY REDUCTION THRUST

Poverty reduction can be seen as comprised simply of two main components:

- A capacity building or investment component; and
- A transfer component.

The economic strategy pursued by the Government has been based on expanding the tourism sector, deepening the involvement of the country in offshore financial services, adoption of information and communication technology, diversification within agriculture and supporting all of the above with human resources development and infrastructure that can facilitate economic expansion. The full elaboration of the national strategic initiatives undertaken or proposed to date can be found in the 'Adaptation Strategy' document.

However, it must be noted that SKN is an integral member of the Organisation of Eastern Caribbean States, which in the last two years have committed themselves to deepening integration among themselves first, through the establishment of the OECS Economic Union. One of the implications of the thrust to economic union is the likely increase in labour flows to SKN, which, while it experiences a substantial exodus of people, and is thus, a sending country, is also a destination or receiving country in terms of the member states of the Union. Another implication is that the Government of SKN cannot be unmindful of the requirement to extend social protection to other citizens who may enter the country to work and live.

In either regard, there is need for resources to implement the required measures. In the case of St. Kitts and Nevis, a major requirement is likely to be made on the State. Much depends therefore, on the degree to which the Government can secure the quantum of resources.

There are already some measures in place to treat with those who in the short to medium term, cannot escape poverty except through transfers, much of which is allocated through the Ministry of Social Development. On the other hand there is a host of measures that are required on the investment side, to create new possibilities in the economic and social spheres.

In either case, the overriding challenge is the capacity of the Government to mobilise additional resources in the context of the heavy debt burden with which it is saddled. Its revenue base is in part a function of the rate of growth or expansion of the economy and the elasticity of revenue flows in response to growth. On the other hand, there is the willingness of the Government to increase its tax take in the short term and medium term or raise the share of government revenue relative to GDP or GNP. An increase in the tax

take or in the size of government revenue relative to National Income has consequential implications including the response that it is likely to elicit in the productive sector to changes in the tax regime and most importantly on the foreign exchange generating or traded goods and services to sectors.

The present prospects are not very encouraging however, in the context of a slump in the world economy and its impact on the main sectors through which the economy of St. Kitts and Nevis articulates with the rest of the world. With the closure of the sugar industry, the main sectors for traded goods and services that remain are tourism and offshore financial services on both islands, and to a very limited extent, light manufacturing in the industrial estate and information processing in St. Kitts and agriculture and fisheries. The Adaptation Strategy has identified tourism, financial services and other services in particular, information processing.

There is evidence from the SLC, that remittance income especially to the lowest income group might have exceeded 30 percent in St. Kitts. In Nevis, the figure was much lower. Up until the crisis towards the end of 2007, Nevis seemed to have experienced relatively full employment, compared to St. Kitts where unemployment and underemployment would have been exacerbated in the wake of the closure of the sugar industry. In that latter regard, some sections of the population would have migrated and those remaining would have come to rely on relatives abroad. Adjustment to more difficult conditions has its extraterritorial dimension, in a society where external migration has long been institutionalised as a response mechanism to economic downturn at home.

17.4 PROSPECTS IN OFFSHORE FINANCIAL SERVICES

The country had been engaged in a process of continuous updating of its legislation. Anti-Money Laundering Legislation has been accommodated in the Financial Services Commission Act and in the Financial Intelligence Unit Amendment 2008.

One of the implications of the bail-out arrangements being made by government in the developed world markets is that the monetary authorities are likely to secure a greater reach to information on the offshore services sector. It is highly unlikely that it will be business as usual for Offshore Financial Services Operations. Governments in the Developed World are unlikely to engage in the bail-out of banks and of other financial institutions while allowing them to continue to act as a conduit for expatriate funds beyond the reach of the very governments that step in to save them from collapse. It is inevitable that the regulatory regime in place in OECD countries will be tightened even further which will impact offshore financial service centres.

It is likely that the St. Kitts and Nevis will be challenged in to avoid some shrinking of the sector, let alone encouraging its expansion. The revenues that are derived in the sector are unlikely to be sustained.

17.5 PROSPECTS IN TOURISM

The country has been able to attract high end tourism in the more recent past, in respect of stay-over visitors, most of whom would have stayed at its two upper marque properties – The Four Seasons in Nevis and the Marriott in St. Kitts. However, the Tourism Sector of both islands is likely to be affected by the global financial crisis or meltdown. There have been newspaper reports already, of a decline in bookings, and Four Seasons, the premier hotel in the Federation, and the dominant private sector firm in Nevis, remains closed for renovation. The deep fall in incomes in most of the source markets from which tourists come to St. Kitts and Nevis suggests that at best tourist arrivals are likely to be flat or falling with consequential implications for employment and income at household level and for government revenues.

17.6 GENERAL PROSPECTS

An IMF Mission visited the country and other members of the Eastern Caribbean Currency Union in January 2009. Its back-to-the-office report is instructive in the comments on SKN. For the region as a whole, the IMF expects growth to remain flat at best, in 2009, in the midst of the global financial crisis and the economic downturn. Its reports states:

With very high public debt levels, there is little, if any, room for counter-cyclical fiscal policy in the ECCU. Minimising fiscal slippages would require following through on revenue reforms (including the introduction and successful implementation of value added taxes), containing expenditures and enhancing efficiency (particularly public investment and civil service wage bills), and strengthening debt management. Within this framework, a well-targeted social safety net is crucial for mitigating disproportionate impact of economic hardships on the poor.²¹

In respect of St. Kitts and Nevis in particular, the IMF notes:

Macroeconomic outcomes in St. Kitts and Nevis have strengthened significantly in recent years, with four consecutive years of sizeable primary surpluses achieved during 2005-08. While public debt has declined by 20 percentage points of GDP since 2005, it remains formidably high at more than 170 percent of GDP at end-2008. The paramount challenge is to reduce vulnerability through demonstrating a commitment to place

²¹ <http://www.imf.org/external/np/sec/pr/2009/pr0915.htm>

public debt on a downward trajectory towards a sustainable level, while maintaining macroeconomic stability amid the global downturn.

Specifically, the IMF recommends that the Government persevere with its Fiscal Stabilisation Programme, and focus on debt reduction by containing expenditures, strengthening debt management and disposing of land and other assets.

In effect, then, the Government has to address poverty reduction and alleviation in the face of an international economic crisis, in which its own debt burden puts it under the watchful eyes of the international community. Its degrees of freedom are set by the imprimatur defined from time to time, by the IMF and the international community. SKN is likely to be severely restricted in expanding its expenditure measures designed to reduce or alleviate poverty.

The Government has also made a number of commitments at the regional level, beyond those like the MDGs at the international level. These include commitments on:

- The development and implementation of a comprehensive programme for HIV/AIDS Reduction by the 'One Authority, One Plan, and One Mechanism' made by OECS member states;
- The reduction by member states of CARICOM of non-communicable diseases by, among other measures, establishing plans for screening and management of chronic diseases and risk factors, reintroduction of physical education in schools where necessary, enhancing food security, elimination of trans-fats from the diet of citizens, promotion of policies to increase physical activity in the entire population, including at work sites, public education programmes in support of wellness, and healthy life-style changes, and surveillance programmes of the risk factors for NCDs;
- The enactment of legislation among CARICOM member states to support regional security, surveillance of the maritime environment;
- The creation of an enabling environment among CARICOM member states for strengthening youth and culture policies, and improving capacity building in Ministries of Culture and Youth;
- The pursuit of the OECS Education Reform Project, and the Caribbean Knowledge and Learning Network, including the rolling out of the pilot e-learning courses;
- The mobilisation, among CARICOM Member States, of professional skills and the development of institutional capacity for more efficient management of water resources with a view to ensuring safe water to poor communities, efficient

utilisation of water in the agricultural sector, and minimisation of pollution of water resources, reduction of water based sources of pollution to coastal areas, and enhancing public awareness of watershed management, waste water management and waste management.

As part of the capacity building, the country has to persevere with the task of economic diversification, which has to be contextualised against the backdrop of regional integration at the level of OECS and CSME in which there is the freeing of trade totally and freer movement of factors.

As well, SKN needs to initiate processes in anticipation of the implementation of the EPA with the European Union, in which regard, St. Kitts and Nevis as one of the smallest countries in the world, has committed to reducing duties and eliminating barriers with the largest economy of the world – the European Union. While this project does not involve the selection of winners as part of an industrial strategy, it is inevitable that any programme of poverty reduction has to address the issue of prospective areas of growth.

The following outlines the main initiatives that need to be taken against the backdrop of the poverty situation established from the study and in the context of the economic, social and political realities of the country. It is expected that its Poverty Reduction Strategy will be mounted over a five year period and will be monitored by its National Assessment Teams, with the use of data generated by the Department of Statistics, and other agencies from their annual reports and from such other periodic data and information that they generate. There are *immediate* measures that can be mounted with six months of a decision. *Short-term* implies decision within the year, and implementation within eighteen months. *Medium term* suggests a period that is longer, but with implementation well within the five year period to allow for review of efficacy of measures. The institutions identified for possible follow-up are assumed to operate at the federal level unless otherwise specified: the appropriate responsible agency in the Nevis is implied as the main actor, where it exists.

17.7 CONSTITUTION REFORM

17.7.1 Constitution Reform

The completion of the process of Constitution Reform should allay any source of tension in administration and governance over and between the two islands. The benefits of devolution of power to NIA are evident in the vibrancy of the economy of Nevis and in its capacity to maintain some level of dynamism even when the economy of St. Kitts slowed.

The relationship between Nevis and St. Kitts has to be contextualised in the deepening of political integration and to eventual political union among OECS. The thrust to Economic Union among the OECS countries presages greater social integration among the peoples of the various states. The tenets of Constitution Reform must include the equity in the access and use of resources, closeness of the people to the governance structure in the running of their affairs. Respect for the role of each in the development thrust of the country makes for mutual support and for better coordination of the initiatives of the Federation in treating with a perilous international economy.

TABLE 17.2: COMPLETION OF PROCESS CONSTITUTION REFORM

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Involvement of peoples of Nevis and St. Kitts in shared economic and political development	I	Update constitutional provisions	Ensure equity and full partnering between the two islands in the development process	Federal Government and NIA	Equity in arrangements between the two islands and sense of fullest involvement of peoples of the two islands in charting destiny	Reports of Federal Government and of NIA

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.8 COMMUNITY PARTICIPATION AND MOBILISATION

17.8.1 Community Participation

The Ministry of Social Development has supported the establishment of community centres in St. Kitts, with encouraging results in some communities. There is evidence of high community spirit and commitment to undertake initiatives for building themselves. In Nevis, there was also evidence of communities that are vibrant and committed to their own development.

The institutionalisation of measures that provide for maximum community involvement is likely to contribute to the improvement of the quality of life, by tapping resources that would have remained dormant otherwise, and enlisting the energy and resources that reside among the people in their communities.

TABLE 17.3: IMPROVING COMMUNITY PARTICIPATION

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Involvement of Communities in matters related to their development	I	Encourage growth of Community Councils	Ensure greater participation of residents in their own affairs	Ministry of Social Development in St. Kitts and agency responsible for Community Development in Nevis	Views of communities formally sought and their commitment enlisted in community based programmes	Reports of the Ministry of Social Development and agency responsible for Community Development in Nevis

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.9 STIMULATION OF ECONOMIC ACTIVITY

The present economic crisis in the world compares only with the Great Depression of the 1930s. As one of the smallest countries in the world, dependent on trade and its relationship with the international economy because of its smallness, SKN faces gloomy prospects at least for the next two years until the world economy is restored to growth.

The island of St. Kitts was already in the midst of managing a crisis brought on by the closure of the sugar industry, which compounded its difficulty in managing the earlier decline in the export-oriented light manufacturing and assembly operations. The country has never sought to establish formal institutions of trade adjustment.

The economy of Nevis was performing well up until the subprime crisis. Financial services in offshore financial centres are set for targeting by the OECD countries some of which have had to bail out banks with links to offshore centres. Further tightening of the regulatory environment in addition to the direct control that Governments will now exercise over some areas of the banking system does not augur well for offshore operations in Nevis and in St. Kitts. The closure of the Four Seasons Hotel for renovations will hurt the economy of Nevis since this hotel accounts for much of its private sector activity.

The serious indebtedness of SKN prevents its Government from embarking on any real countercyclical fiscal stimulus. The country has little option but to strive to contain the impact of the world recession to the best of its ability. At the same time, there is need to continue to strive for the diversification of the economy, based on a strategy that engages nationals as key participants in the development process, even as it maintains its openness to foreign direct investment.

17.9.1 *Promotion of Domestic Entrepreneurship*

There is a strong sentiment among the population of SKN, that their Government has made foreign capital and foreign entrepreneurs the central actors in the transformation and development of the country. The world has become more diverse and there is large scale movement of people and capital across the global village. However, there is need to create the environment in which the promotion of foreign direct investment is not completely at the expense of domestic capital, or in a form imposing its absolute marginalisation.

Nor should domestic entrepreneurship be seen solely in terms of small and micro-business. Rather the promotion of a business culture among nationals might start with businesses which, though starting small, are destined to become medium sized and large. There is a

high premium set on the involvement of nationals in the growth industries of SKN. This has to be achieved without any semblance of exclusion of foreign capital, and requires sensitivity on the part of policy-makers. Moreover, the presence of nationals has to be contextualised against the deepening of the regional movement, and the advent of the EPA. The new entrepreneurs of the Federation have to see themselves working across an economic space that includes distant Bulgaria, Estonia, and Latvia, even as they become accustomed to doing business in the nearer markets of Trinidad and Tobago, Guyana, the Dominican Republic and Haiti. The larger enterprises of the Federation should already be on course. In the absence of such entrepreneurship, citizens of SKN will consign themselves to be witnesses of development in their midst rather than active participants.

17.9.1.1 Tourism

SKN will need to rely heavily on tourism, but there is need to diversify within tourism to include boutique establishments run by locals, but which display an up-market orientation. This is in addition to the ancillary and related services that create an integrated tourism sector, like taxi services, dive operations, tour guiding to which locals invariably gravitate. There will be need for specific training, mobilisation of domestic capital, and infrastructure support in this regard. There is need to arrange short study tours abroad for nationals involved in smaller or boutique operations to see best practices in other countries, to improve quality of service delivery of nationals. Between five to ten operators per annum from across the Federation should be sponsored on month long visits.

TABLE 17.4: IMPROVING DOMESTIC PARTICIPATION IN TOURISM

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Maximise involvement of nationals in tourism sector as entrepreneurs and operators of facilities	I	Mount short intensive programmes in entrepreneurship for nationals interested in business of tourism and ancillary activities	Ensure involvement of nationals as investors and entrepreneurs in tourism and related activities and as high level managers in hotel operations	Department of Industry, and Development Bank, with collaboration of Department of Tourism	Nationals with a range of capabilities in the management and operation of hotel industry	Department of Industry, Development Bank and Department of Tourism
	S	Mount short study tours and visits for Local Owners to observe best practices abroad – 5 -10 per annum	Improve capacity of Nationals in providing up-market services in boutique and smaller establishments	Department of Tourism	Nationals owners adept at running up-market hotels and guest accommodation	Department of Tourism
Maximise involvement of nationals in tourism sector as managers and senior staff in larger scale operations	S	Provide scholarships at the tertiary level for nationals to train for highest echelons of Tourism Sector 5 per annum in various areas	Ensure that there is a cadre of nationals, well placed to hold management positions in the highest levels of hotel operations in the country	Ministry of Tourism in SKN, and St. Kitts Tourism Authority and Nevis Tourism Authority	Nationals holding high level position in large private sector operations in tourism	Ministry of Tourism and Tourism Authorities

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.9.1.2 Agriculture and Fisheries

For most of the latter half of the 20th Century, Governments of the Commonwealth Caribbean made countless pronouncements, and prepared planning documents on the diversification of agriculture. At the regional level, the most recent official position is represented by the Jagdeo Initiative.

The Governments have been known to be slow in implementing decisions made at CARICOM. However slow they might have been in implementing the Jagdeo Initiative, it is evident that escalation in prices, especially of basic food, in the latter half of 2007 and into 2008 has alerted governments of the region of an underlying or incipient food crisis. The imminence of a global food crisis was fully revealed in the latter half of 2007 and early 2008. Developments in the international financial sector and advent of an economic slump might mask the underlying factors.

Food security is no longer a vague and distant challenge. The first signs of a return to growth in the world economy would trigger increases in the prices of basic food in the absence of a major expansion in supply. The masses in India and China have now established that their requirements can constitute a massive effective demand, and the expansion of supplies is likely to be attended by substantial increases in prices.

St. Kitts and Nevis has an assured future in agricultural enterprise geared to satisfying some part of domestic demand. With the appropriate physical and institutional infrastructure, sustainable and rewarding employment can be created with a focus on the domestic market and with the possibility of completing the long discussed linkage of agricultural output to the hotel and restaurant sector based on tourism. Quality improvements in a diversified range of agricultural produce can be achieved for the wider international market by focusing first on satisfying the market created by a growing hospitality industry.

SKN, like the rest of the Caribbean, has to invest more than words in their food security. St. Kitts and Nevis, each has a viable agricultural future, allowing SKN to exploit some possibilities in self-sufficiency and to create a forward link to tourism and food processing.

A major implication is the need for a revisit of the plans for lands that were previously in sugar production and have remained idle to date. There is also the challenge of weaning the population from its taste for imported food and towards food that can be produced on the island. There are implications here for the presentation of domestic output, and the demands of the market place. The Extension Services will need to address the challenge of

upgrading the existing farmers to levels such that they become highly knowledgeable in respect of each area of agriculture and agri-business in which they are involved.

Meanwhile, the fisheries sector has remained largely artesanal and will need to be upgraded, with technology and training. The stock assessment exercise should guide the shape of the industry contemplated in short to medium terms. In both areas, there will be need to send 5 to 10 younger people to schools of Agriculture and Fisheries for courses of at least six months, to develop learn the Science and best practice in the field of Agriculture and Fisheries. The objective is that they will become involved in commercial operations on their return, and will be receive appropriate support by way of loans etc on their return.

TABLE 17.5: AGRICULTURE AND FISHERIES

Goal	Time Frame	Strategy/Measures	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Create viable activities in Agriculture and Fisheries	S	Provide land for agri-business and encourage development of fisheries sector	Ensure domestic production geared to satisfy part of domestic demand	Ministry of Agriculture and relevant Departments of Agriculture and Fisheries	Nationals earning attractive income in Agriculture and Fisheries.	Reports of Ministry of Agriculture and Fisheries
Create cadres of Agri-business people and commercial fishers	S	Technical Training in Agriculture and Fisheries – one to two year courses abroad for younger people intent on earning livelihood in the subsector: five to ten in each area	Commercially oriented and trained cadres earning good incomes in the subsector	Ministry of Agriculture and relevant Departments of Agriculture and Fisheries	Nationals earning attractive income in Agriculture and Fisheries.	Reports of Ministry of Agriculture and Fisheries
Make stock assessment exercise in fisheries the base for new initiatives in commercial fisheries	I	Prepare facilitative environment for existing and prospective fishers in a sustainable fisheries	Develop commercial orientation with a sustainable fisheries	Ministry of Agriculture and Departments Fisheries	Nationals earning attractive incomes in Fisheries.	Reports of Ministry of Agriculture and Fisheries

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.9.1.3 Other Business and Enterprise

The Adaptation Strategy anticipates the development of a new service economy beyond the Offshore Financial Services Sector to include Information and Communications Technology. In any event, diversification means a host of new activities and new businesses have to be created. With new and emerging technologies it will be possible to engage in the differentiation for the market place with existing products and services, new products and services with the application and adaptation of new technologies, and/or competitive expansion of traditional products and services by sheer dint of national enterprise being more competitive or as competitive as the rest of the world.

There is need to prepare nationals to grow the economy of the country. Where foreign investment is responsible for the new activities, there is still the likelihood of nationals supplying much of the labour required. The deepening of regional integration and the coming into being of the EPA means that nationals face a more competitive environment in future. Not only is there need to create a new cadre of entrepreneurs, but their perspective has to be informed by the sense of their being global or at least regional players starting from their base in SKN.

Another player in the thrust to enterprise development is the cooperative sector. Nevis boasts one of the more successful cooperatives in the entire federation in the Nevis Cooperative Credit Union. Its Cooperative Department has had some limited success in promoting cooperatives in agro-processing and in floriculture. It may well be that enterprise in Nevis may derive from more of the cooperative ethos rather than the private market and atomistic firms in pursuit of private profit.

TABLE 17.6: PREPARING NATIONALS FOR ENTERPRISE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Increase number of nationals for enterprise	S	Development of sectoral profiles outlining opportunities and requirements	Ensure large numbers of nationals are inducted into business culture	Department of Industry in association with other relevant agencies	Cadre of national entrepreneurs in all sectors and able to penetrate regional and foreign markets	Reports of Department of Industry
Promote cooperative initiatives	S	Encouragement of cooperative endeavours where interest exists	Ensure that cooperative spirit can be harnessed for collective effort in creating new businesses and activities	Department responsible for cooperatives	New Cooperatives engaged in viable activities and strengthening of existing cooperatives	Reports of Department responsible for Cooperatives

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.10 UPDATING OF MINIMUM WAGES

There is Minimum Wage legislation in place and minima are updated from time to time. Given the highly dynamic nature of the labour market and given that in the emerging service economy of SKN, it will be difficult for workers to secure trade union representation, there is need for not only for statutory minima to protect the more defenceless workers, but also for the institutionalisation of regular updating of minima to ensure that wages keep up with inflation and maintain protection for the most defenceless of workers. On the other hand, it is not recommended that the country seek index linking of minimum wages given that this can trigger inflationary spirals. Indeed, it may not be possible to increase the existing minima until the country has emerged out of the present international economic crisis. However, the principle of updating on a regular basis should be accepted, all other things being equal.

TABLE 17.7: UPDATING OF MINIMUM WAGES

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Maintain social protection through Minimum Wage	S	Updating of Minimum Wage, with review at least every two years	Protect workers from unscrupulous employers	Labour Commissioner	Protection to workers at lowest end	Reports of Labour Commissioner

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.11 MANAGING REDUCED EMPLOYMENT OPPORTUNITIES

The major slump that has occurred in the international economy is likely to reverberate on the economy of the Federation presently. Vulnerability estimates for the country suggest that over 50 percent of the population is at risk from economic shock. The closure of the Four Seasons Hotel in Nevis, albeit for repairs, cuts employment on that island. There is likely to be some fall in visitor arrivals as the downturn hits across the main source markets for visitors. The Government has little recourse but to use moral suasion and encourage employers to maintain employment levels as far as possible. There are a number of arrangements that are possible, but will need tripartite support. The possibilities include:

- Job sharing in the private sector, where activity levels are reduced, by the resort to part-time employment rather than through shedding workers;
- Special employment programmes on the part of the Government where possible and in respect of the expansion of the necessary social and economic infrastructure.

The geographic areas that have presented with high poverty rates (for example, St. John's in St. Kitts) may need to be specifically targeted, but any decision in this regard has to be informed by up-to-date local information. Flexibility has to be the underlying working principle, to ensure that the programme does not become an entitlements programme, as has happened in other parts of the Caribbean, in which the presumed beneficiaries 'capture' the programme.

As a rule of thumb, it should be accepted that such a programme should cater for no more than 2% of the unemployed. This ensures that it never achieves the level where it can undermine market forces in the labour market, and raise the reserve price of labour to sectors which might otherwise have absorbed unemployed and poorer workers.

Generally, the management of any programme to treat with reduced employment may need to be supported by a wage policy in the Public Sector in the short-term, until the crisis has ended. It may even be necessary for the Government to freeze increases in public sector pay if the international economic crisis leads to a precipitous deterioration in the fiscal situation of the country. The practice of 'Goat Water' may need to be suspended. In effect, the Public Service cannot remain immune to the sharing of employment and income.

TABLE 17.8: MANAGING REDUCED EMPLOYMENT OPPORTUNITIES

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Contain spread of unemployment	I	Develop part-time and special employment programmes	Protect households from loss of income from employment	Labour Commissioner and Tripartite Body, Ministry of Social Development	Protection to workers at risk of unemployment	Reports of Labour Commissioner and Ministry of Social Development

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.12 UPGRADING INFRASTRUCTURE FOR CLIMATE CHANGE

The Government has continued to upgrade the physical infrastructure, which is evident in the basic infrastructure of ports, the road system, electricity, water and communications on both islands. The main challenge faced relates to the demands imposed by climate change and global warming. Not only is there sea rise to contend with, but there are also the devastating hurricanes. There is need for updating the building code and other standards in the light of these changes. The experience of Grenada with hurricane Ivan demonstrates the havoc that can be caused with poor building standards. Climate change and global warming require investment in sea defences to contain coastal erosion, as well as an upgrading of building codes for housing and other built infrastructure. Moreover, in the light of the fact that a substantial section of St. Kitts is low lying, attention has to be paid to the matter of coastal protection and sea defences. There is need to initiate a general process of retrofitting for climate change. The Physical Development Plan should be the base for a Plan that addresses the retrofitting for climate change. Coastal protection will be an important component of this plan.

TABLE 17.9: UPGRADING INFRASTRUCTURE FOR CLIMATE CHANGE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Update and enforce building code	M	Raise standards for buildings and other physical infrastructure	Protect population through superior infrastructure in face of natural hazards	Departments of Physical Planning	Appropriate built infrastructure for new reality	Annual Reports of Departments of Physical Planning
Abate the impact of Sea-Rise and global warming	M	Manage impact of climate change and sea-rise by undertaking appropriate investments in coastal protection	Protect land space and physical integrity of the SKN	Ministry of Works and Departments of Physical Planning	Appropriate built infrastructure for new reality	Annual reports of Ministry responsible for Works and Departments of Physical Planning

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.12.1 Promotion of Investment in Housing

There has been a substantial investment in housing in SKN, on a scale that has prompted a participant in the PPA to advert to a 'housing revolution'. There are still pockets of very bad housing, and there is need for retrofitting in the light of the climate change.

Thirdly, there is need to mobilise more resources for housing. It is well established that Kittitians have a lower saving rate than Nevisians. The promotion of a housing bond such that first time home owners can receive a premium for funds saved towards their first home might be a useful approach in mobilising funds for housing but also in raising the saving rate in St. Kitts.

TABLE 17.10: INITIATIVES IN HOUSING

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Retrofit housing to meet challenge of high frequency of severe hurricanes	M	Promotion of use of better materials and better roofing systems	Provide greater protection in face of climate change	National Housing Corporation and Department of Physical Planning	Housing better able to stand up to severe weather episodes	Reports of National Housing Corporation and Department of Physical Planning
Mobilise resources of low and middle income prospective home owners	I	Development of Housing Bond to attract savings of low and middle income prospective owners as investment in their own homes	Stimulate saving for housing on part of prospective beneficiaries	Ministry of Finance with approval of ECCB	Fund for housing	Report of the Ministry of Finance

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.12.2 Environmental Management

The two islands of the Federation have a highly fragile environment. Nevis is blessed with beaches, and with forests on a mountain teeming with flora and fauna that make it highly attractive as a tourism destination. Moreover, its colonial history and its early architecture have made it one of the more up-market destinations in international tourism.

St. Kitts is also distinctive with its amenity resource of mountains, forest, marshes, reefs and beaches.

The Government needs to put measures in place to ensure that the commitment to sustainable development is adhered to in all the projects that are to be undertaken. This means the institutionalisation of Environmental Impact Assessments in all projects and a commitment to restoration and conservation where human intervention or natural forces threaten to depreciate the natural capital of the country.

Another challenge in Nevis is in the management of waste disposal. Its current landfill site is totally inadequate to the needs of the island. There is need to establish new protocols in waste disposal, that recognise that a very small tourism oriented island has to adopt radical approaches to managing waste.

The country can learn from best practice in other parts of the world, and will need to introduce monitoring systems that generate information in real time on impacts, whether from human intervention or nature. There is also need to inculcate in the population a sense of responsibility for protection of the environment, such that the public interest is always upheld by the public which, in its own behaviour displays a high level of stewardship. This in itself will become the foil for any short term private interest that threatens to depreciate the natural capital.

TABLE 17.11: UPDATE FRAMEWORK FOR ENVIRONMENTAL MANAGEMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Update all legislation and bring regulatory framework in line with requirements of the present realities	I	Develop the necessary legislation for approval	Ensure that relevant agencies are authorised to protect the public interest in the exploitation of the environment	Departments of Physical Planning,	Coherent legal framework for management of the environment	Reports of the Department of Physical Planning,
Develop new approach to manage waste disposal	M	Engage population in waste management, including recycling as far as possible	Protect island from saturation of garbage and waste disposal	Department responsible for Public Works in Nevis	Effective waste management	Reports of the Department responsible for Public Works

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.13 CARE FOR DEPENDENT SUB-POPULATION GROUPS

There are various groups within society, whose needs must continue to be addressed in spite of the economic crisis faced in the country. The Government has already developed a wide range of measures that treat with vulnerability by age cohort – babies and children, teenagers, the elderly. There are also interventions targeted at groups faced with certain risks. In principle, these will need to be continued, but with better targeting where possible.

17.13.1 Universalise Access to Early Childhood Education and Care

The country has a long tradition in Early Childhood Care. However, there are still children who do not have access, especially children of immigrants. The decision to universalise access needs to be implemented as quickly as possible: this will contribute to social equity and create a base for the human resource development strategy which needs to be at the cornerstone of development of the Federation.

TABLE 17.12: UNIVERSALISE ACCESS TO EARLY CHILDHOOD CARE AND PRE-SCHOOLS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Universalise pre-school attendance	I	Establish Early Childhood Care facilities and pre-schools in all communities	Ensure universal access irrespective of socio-economic status	Ministry of Education	All children of pre-school age having access	Reports of Ministry of Education.

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.13.2 Protection of the Elderly

The extended family has declined in its role in the last half century. With this has come the neglect of the elderly. While there are private and public homes for the elderly, as the society ages and life expectancy increases there is a growing percentage of the cohort who are not being served by the existing services.

Those at risk are the ones who might not have worked during the years of working life, or who might not have contributed to Social Security when it was introduced, and are reliant on public assistance for their upkeep. Those in extended families which are poor or live alone, may be at gravest risk. There will be need for support from the Government through

homes run by the state or through subsidies to private institutions admitting poorer elderly people.

TABLE 17.13: PROTECTION OF ELDERLY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Protection of elderly in need of long stay accommodation	S	Guarantee minimum condition of care for elderly	Ensure decent accommodation	Ministry of Social Development	Better quality of care for elderly in need of long stay accommodation	Reports of Ministry of Social Development
Protection of vulnerable elderly	S	Guarantee minimum conditions of care and protection for vulnerable, irrespective of source of vulnerability	Ensure that vulnerable are protected in the diverse circumstances of vulnerability	Ministry of, or responsible for, Social Development	Quality care for vulnerable in moment of need Policy on Ageing needed	Reports of Ministry of, or responsible for Social Development

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.13.3 Protection of Other Groups at Risk

There are a number of other groups at risk, who may need temporary or even longer term support. They can be found among teenaged girls who become pregnant as victims of child abuse, under-aged offenders, persons with disabilities who lack family support in managing their disabilities, mothers with children by fathers who abandon their responsibilities, and are unable to take care of themselves and their offspring, drug abusers, and youth at risk of succumbing to gangs and to pursuit of criminal activity. There has been evidence of a number of cases of such social fall-out in SKN. There have been important initiatives, to address some of these problems, but they are inadequate relative to the need and numbers involved. Teenaged school girls who become pregnant are now allowed to return to school following their pregnancy and there is an emerging support system in place for them. There will be need for collaboration among the public sector, private sector, and relevant NGOs to derive workable arrangements.

TABLE 17.14: PROTECTION OF GROUPS AT RISK

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Protection of abandoned children	S	Expand support for children in need of care and protection, through foster care system	Ensure safety and protection of children in need	Ministry of or responsible for Social Development	Children at risk having a good chance of maturing into normal adult life	Reports of Ministry of or responsible for Social Development
Support for Persons with Disabilities	S	Ensure that support systems are in place to meet the needs of all persons with disabilities, irrespective of type	Guarantee the right of a full life to all citizens, in keeping with their abilities	Ministry of Social Development, Labour Commissioner and relevant NGOs	All persons with disabilities empowered to live life to the fullest	Report of Ministry of or responsible for Social Development
Empowerment of marginalised youth, especially males	I	Expand Project Strong to match numbers of marginalised youth in need of skills training and educational upgrading	Provide alternatives to marginalised youth such that most pursue track of socially acceptable channels of employment and livelihoods	AVEC, Project Strong, and Ministries of Social Development and Education	More youth enrolled in programmes geared to socially productive endeavours	Reports of AVEC, Project Strong and Ministries of Social Development and Education
Protection of Teenagers, and in particular, teenaged girls	I	Provide information for responsible parenthood	Protect teenagers from premature sexual activity, and provide birth control services to sexually active teenagers	Community Health Departments	Reduction in teenage pregnancy	Reports of Ministry of Health, and Community Health Departments
Protection of Abused or Abandoned	I	Provision of support over six month period to allow for training	Prepare abused girls women to be	Ministry of Social Development,	Girls and women capable of	Reports of Ministry of Social

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Girls and Women with Children		and labour market re-entry	self-reliant	Department of Youth and relevant NGOs	being self-reliant following abusive relations	Development, and Youth Department
Rehabilitative Support	S	Assist ex-prisoners opportunity for self-upgrading and labour market re-entry	Reduce risk of recidivism	Probation Department, Labour Commissioner and relevant NGOs	Ex-prisoners rehabilitated	Reports of Probation Department and Labour Commissioner

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.14 EDUCATIONAL UPGRADING AND TRAINING

17.14.1 Expand Opportunities for Continuing Education and Training

Small countries that are heavily dependent for survival on their competitiveness in the international economy have no other recourse but to adopt policies that keep their populations constantly upgraded with new information and knowledge, generated in the international community and by themselves. This is the reality of St. Kitts. While the Federation has the notable achievement of universal primary and secondary education, there are substantial numbers in the economically active population that under-achieved in terms of formal educational qualifications, and are limited in their education and training to low level functions.

Moreover, there are many students, especially in the secondary level who are not well oriented to pursuit of education and training, and lack the motivation to and the stimulus for high commitment to learning. Existing remedial programmes like Project Strong are designed for young people. The notable efforts at the expansion of adult education programmes have not made a dent on the problem, since these programmes have remained largely under-subscribed, and/or the potential beneficiaries are unaware of their existence or are unable to participate because of their jobs, and work commitments.

The rise of Distance Education with the availability of modern technology makes it possible for very small populations to be well served in many programmes relevant to their human resource development needs. Nevisians have availed themselves of the programmes offered by the Community College. While the latter has to be expanded to accommodate clients coming from Nevis, there is need for it to develop an electronic reach in its programmes such that residents of Nevis do not all have to come to St. Kitts to pursue programmes of the institution.

There is need for programmes designed to attract adults back into the educational system and to provide the infrastructure to support their participation: AVEC and the Community College will need to attract many more mature individuals. Women with children may need evening care services for the protection of their children when they are engaged in evening courses.

Given the poorer performance of males in the educational system in recent times, there will be need for some special focus on marketing the notion of life-long education and training among them. In the final analysis, there is need to encourage individual commitment to education and acquisition of knowledge and to its application in the affairs of the country. As a rule of thumb, the Ministry of Education which is the prime provider of services in Adult Education, might make provision for accommodating at least ten percent of the work-force in post-school or part-time education and training at any point in time.

TABLE 17.15: EXPAND OPPORTUNITIES FOR CONTINUING EDUCATION AND UPGRADING

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Stimulate commitment to training, lifelong learning by Kittitians	M	<p>Promotion of Continuing Education</p> <p>Provision of support for job release for training</p> <p>Usage of popular media in promoting individual commitment to maximise learning and growing</p> <p>Specific targeting at young men to encourage return to educational upgrading</p> <p>Provision of evening care for women needing safe care of their children while they seek education and training on evenings</p>	<p>Prepare Kittitians for knowledge driven economy</p> <p>Reduce male marginalisation in education and training</p>	<p>Ministry of Education, NIA, Labour Commissioner, Community College and Private Sector</p> <p>Ministry of Social Development</p>	Highly educated, well trained and adaptable workforce	Reports of the Ministries of Education, Social Development and Labour Commissioner

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.15 PROMOTING INDIVIDUAL RESPONSIBILITY FOR HEALTH CARE

17.15.1 Promote Wellness

The country has developed a primary health care system that has reach across the two islands. There are health centres providing basic services, and located across both islands, ensuring that no community is distant from primary health care. There are few problems that can be attributed to weakness in the primary health care system. There is also some upgrade taking place with respect to secondary care services, and on a case by case basis, the Government provides assistance to persons in need of tertiary care abroad.

The challenge in SKN comes in the area of chronic disease. The population of SKN presents a similar prevalence of chronic diseases as has been established across the Commonwealth Caribbean. The shift from primary activity to a service oriented economy, and the consequential more sedentary life style, the change in diet comprised of greater fat and less fibre, have all contributed to a high incidence of chronic diseases among the population, and even among children. The task is to enlist the population in responsibility for life style behaviour consistent with maintaining good health. A wellness orientation will yield public and private benefits.

TABLE 17.16: PROMOTION OF WELLNESS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Inculcate high commitment to healthy life styles on the part of all	I	Popularise wellness through mass media	Achieve better health among the population	Ministry of Health and the Department responsible for Sports	Healthy Population	Reports of Ministry of Health and Department responsible for Sports

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.16 SECURITY AND FORTIFICATION AGAINST SOCIETAL ILLS

17.16.1 Combat drug trafficking and formation of gangs

SKN and in particular, St. Kitts have for more than a decade been used as a base by drug traffickers with links to South America. There have been high profile cases in which the authorities in the United States have been able to establish the involvement of nationals in transshipment of cocaine. The rise in the formation of gangs and in violence among them over turf, suggests that SKN has its own internal market, which the respective gangs have to guard with heavy weapons.

The high income that can be got by some and the high material comforts that they seem to enjoy make drug trafficking an ineluctable endeavour to marginalised young men in the society. Education and training as the basis of achieving good income runs a poor second to drug trafficking in such a milieu. The violence that the industry has triggered will impact its vital tourism sector. There is no option but to combat the narcotics industry in the Federation.

TABLE 17.17: COMBAT DRUG TRAFFICKING AND FORMATION OF GANGS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Arrest growth of narcotics industry in St. Kitts and the Federation	I	<p>Improve policing of territorial waters.</p> <p>Improve intervention capabilities of the Police</p> <p>Improve resources for National Drug Council</p> <p>Anti-drug education programmes in schools</p>	Prevent SKN from being used by international drug syndicates Rehabilitation of drug users and protection of those at risk.	Police Service, Ministry of Social Development, National Drug Council	Drug-free SKN	Report of the Police Service, and Ministry of Social Development Reports of National Drug Council

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Reduce and eliminate use of illegal firearms	I	Improve detection by occasional police searches in public places for firearms	Prevent carrying and use of illegal arms	Police Service	Safe SKN	Report of the Police Service
Institutionalise wide use of cameras on all public roads	S	Increase surveillance in all public places, including on roads and on the coast line	Improve detection of illegal activities	Police Service	Reduced Crime	Report of the Police Service

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.17 CULTIVATE COMMUNITY INTEGRATION

17.17.1 Reorient Community Development

The country has made substantial physical investment in terms of community centres, some of which are equipped with facilities to serve the needs of the various cohorts in each community. However, there are emerging societal problems suggesting the break-down in community. This is evident in the apparent disenchantment among a significant number of youth and their turning to gangs, the weakness in the family structure and in the socialisation process, and in the lack of social integration in some communities, including a failure of the society to treat with the integration of immigrants, even though it is now reliant on substantial numbers coming from abroad, to fill the demand for labour in the domestic economy.

The community development role of the Ministry of Social Development has to receive greater focus. There will be need for retraining of officers and their preparation to work in difficult ghetto-ised communities. The Community Development Department will need to work closely with the Department of Youth to ensure coherent approaches in interventions at the level of the community, and since some of its interventions will have to do with resocialisation through education, there will be need for the Department to work closely with the Ministry of Education.

TABLE 17.18: REORIENT COMMUNITY DEVELOPMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Reorient Community Development Department	I	Revisit structure and appoint officers with training and experience in Community Development	Ensure interventions in support of building effective community structures	Ministry of Social Development	Effective Community Development Department	Reports of Ministry of Social Development
Continue to Improve Community Social and Physical Infrastructure	S	Build community centres where none exists	Ensure that there are community facilities available for such activities as indoor sports, reading, home-work centres and internet	Ministry of Social Development	Upgraded community facilities	Reports of Ministry of Social Development
		Establish arrangements with schools for the use of schools grounds by the community	Develop active sports programmes in communities	Ministry of Social Development and Ministry of Education	Sports made integral to community life	Ministry of Social Development and Ministry of Education

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.18 PROTECTION OF PURCHASING POWER OF TRANSFERS TO THE MOST VULNERABLE

The last eighteen months have witnessed an unprecedented increase in prices in much of the Caribbean. SKN has been no exception even though the Government has made major efforts to contain increases in the area of essential foods, and in other basics used by poorer people. The upward movement in prices inevitably hurt those on low income and especially those on transfers by way of old age pensions and public assistance. There is need to relate such transfers to the cost of living and to selection of a basket of goods as an

indicator of the levels to be set for such transfers, which may need to be adjusted, at least annually with the fiscal changes being made.

TABLE 17.19: MAINTAIN PURCHASING POWER OF TRANSFERS TO MOST VULNERABLE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Protect purchasing power of the poor in receipt of public transfers	I	Link transfers to changes in the cost of living, with special reference to the price of food with a basket that reflects expenditure of poorer people	Ensure that escalation of prices of food do not erode buying power of poor	Ministry of Finance and Ministry of Social Development	Transfer payment protected from price escalation	Reports of the Ministries of Finance and Social Development

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

17.19 RAISE RETIREMENT AGE

SKN has made a rapid demographic transition, with its underlying base population showing declining death rates and declining birth rates. Life expectancy is rising. Although the country has been able to attract a substantial number of workers from neighbouring countries, the percentage of the population in the lower age cohorts is falling quickly while the percentage at the other end of the age pyramid is rising. This implies a high level of dependency in future with the current work-force being required to contribute to an expanding percentage on pensions or of pensionable age.

The country can no longer afford to not to raise retirement age to the mid sixties or later. This would raise funding for social security and reduce the burden of funding an ever growing number of retirees. There is also the implication of increased savings that can be utilised for investment in the domestic economy.

TABLE 17.20: RAISE RETIREMENT AGE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Strengthen Social Security System	I	Increase retirement age, and improve activity rates among older workers in light of increases life expectancy	Reduce burden of retirement pensions on social security and expand savings	Social Security Board	Reduced burden on Social Security of impact of rising life expectancy	Reports of the Social Security Board

17.20 DEVELOP REAL ESTATE INVESTMENT TRUST

The use and ownership of lands that were previously under sugar has become a contentious issue in St. Kitts. Some of these lands have been mortgaged including to the Development Bank which lent substantial resources to the sugar company. The Government faces contradictory signals. On the one hand, its fiscal situation puts it in an invidious situation in resisting the call, including from the likes of the IMF and the ECCB, to open up this asset to the highest bidder from whichever source. On the other hand, there is a strongly held view that the population, in whose names these lands were acquired, has an inalienable right to the usufruct of land which is a scarce resource on a small island, and is exceedingly valuable real estate in a tourism oriented island.

Its transfer to foreign interests is seen as the rolling back of the programmes and strategies of Government that stood for the interests of the people in the period of decolonisation. It is deemed to be the transfer of wealth to the rich mainly from the rest of the world, without there being obvious benefits to the population of SKN, and in particular to its poor.

Caribbean Governments in countries which have witnessed real estate values skyrocket out of the reach of the mass of the population, can no longer ignore their role in managing competing tensions of encouraging the inflow of foreign capital and of ensuring that the population does not become witnesses to the accretion of wealth through the real estate of their island countries in which they have little share, or face declining equity. According to the Director General of the OECS, the ordinary citizen in the OECS is finding it difficult to break into the class of land owners. About some of the real estate, she remarks:

“When it leaves local ownership once, it is never traded on the local market again.”²²

The process by which the individual islands in the Caribbean are repopulated a la Mustique, may need to be slowed in the interest of the existing residents, as well as the would-be residents from the rest of the world. There is need to examine the use of REITs on behalf of the population with a view to ensuring that nationals of the country, including those resident abroad, can retain an interest even as these land resources are used for resorts and other high end activities related to tourism. This is particularly important in the face of a decline in real estate prices across the world. The rich in the developed world still have the disposable income and wealth to exercise their purchasing power on real estate in poorer countries and in negotiating with a Government strapped in a fiscal crisis.

The ECCB and the CDB should assist in lending technical support in this area, in ensuring that ‘privatisation’ to treat with the present fiscal crisis, does not result in the rapid alienation of land assets to rest of the world, leaving the poorer national population on the margin. The cost in social terms may trigger such negative responses enough to depreciate the value of the land asset.

TABLE 17.21: DEVELOP REAL ESTATE INVESTMENT TRUST

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Establish REIT targeted at nationals	I	Secure participation of nationals in collective investment in the lands that were previously in sugar production	Ensure that some of gains in real estate in St. Kitts accrues to nationals	Ministry of Finance and Ministry of Sustainable Development	Nationals participating in benefits of developments in their midst	Reports of the Ministries of Finance and Sustainable Development

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

²² http://www.oecs.org/Press/news_rethink_development_approach.html

CHAPTER EIGHTEEN CONCLUSION

The Federation of St. Kitts and Nevis has made considerable strides in poverty reduction since the CPA that was conducted at the end of the 1990s. Poverty and indigence have been reduced in spite of the crises that the country has had to endure over the last eight to nine years. The country has scored highly on the MDGs, and in comparison with its neighbours. On all the important indicators, the country is a middle income country, already providing a high quality of life for most of its citizens.

A major challenge that is faced is a debt crisis that limits the scope of the Government in respect of its initiatives in poverty reduction. The most recent estimate suggests that the Debt to GDP ratio, though declining, stood at 174 percent of GDP. According to the Minister of Finance in the most recent budget address, admits as follows:

*'This level of indebtedness does not provide us with the fiscal policy space that we would like or the agility to manoeuvre in times of turmoil.'*²³

With the economic turmoil that has gripped the world economy, the vulnerability estimates point to the enormity of the effect on the people of the Federation. As much as one half of the population might be directly at risk in conditions of crisis. The Government is constrained by the debt crisis and can hardly afford any new programmes of poverty reduction.

It is engaged in a Fiscal Stabilisation Programme, which is the context in which it pursues its Adaptation Strategy that is geared to strengthen its foreign exchange generating sectors and create new capacity or diversify the economy. In respect of fiscal revenues, it seeks to rationalise its tax system in the light of its commitments under the CARICOM Single Market and Economy and under WTO. Consideration is being given to the introduction of VAT and to the improvement of tax administration such that tax revenues can remain highly elastic with regard to growth of GDP in the short to medium term.

On the expenditure side and in particular on measures designed to reduce poverty, the Government, to its credit, has built up a wide array of social programmes some of which have showed up in the various components of this study. A recent report on the host of

²³Minister of Finance, Budget Address 2009, pg.44
http://www.cuopm.com/pdf/Budget_Addresses/2009_Budget_Address_20081216.pdf

measures demonstrates their reach and scale, which are impressive, by any standard.²⁴ Moreover, the data generated in this study, especially in the SLC, show that targeting has been in the right direction. The lower quintiles were more likely to have secured benefits from school meals, text books, uniforms, and other school related services than the higher quintiles. While there is a substantial transfer component in such provisions, the fact that children in lower income homes received support that encouraged full attendance augured well for their successful completion of their education and for their being better prepared for labour market entry. There are also well institutionalised programmes providing a second chance for marginalised youth to complete education and training, and for pregnant teenaged girls to return to school following their pregnancy.

The redoubling of efforts at poverty reduction will need to be informed by new perspectives in the approach of the Government and will require support from the international community. This is elaborated below.

18.1 THE GOVERNMENT OF ST. KITTS AND NEVIS

18.1.1 Targeting

The Government will need to identify areas in which there can be better targeting of its transfer budget to those in need of support. While there has not been much evidence of excessive flows to those least in need, better targeting will allow for the elimination of errors in social targeting. There is need to introduce case load management and close coordination among the various agencies to monitor groups at risk and to 'graduate' them out of programmes when their condition permits.

Electronic networking has to be an important medium of coordination and must be the backbone of integrated social services delivery. All beneficiaries will need to be located on a data base and their progress monitored and documented, with the appropriate sharing of information among agencies involved in social protection.

18.1.2 Efficiency in Government

There is some evidence that there are areas of the public sector where efficiency norms are below par, or bureaucratic procedures are not facilitative. The establishment of a business, according to one interviewee, can involve months in processing through the relevant

²⁴ See Greaves, Lavern, 'Strengthening Social Inclusion through Social Guarantees: A Case Study of St. Kitts and Nevis,' http://siteresources.worldbank.org/EXTSOCIALDEV/Resources/3177394-1168615404141/3328201-1192042053459/St_Kitts&Nevis_FullReport.pdf?resourceurlname=St_Kitts&Nevis_FullReport.pdf

authorities. This means that while there may be formal support in place for micro-enterprises and SMEs, the procedures in place might frustrate would-be applicants. Slothful response mechanisms, in this regard, can thwart the thrust of poverty reduction initiatives in form of the promotion of micro-enterprises.

Poor educational performance of students in the secondary sector may not be due entirely to their domestic circumstances but may be related to the level of commitment of teachers in the discharge of their responsibility. Efficiency in the school system has relevance to human resource development and to the mobility of poorer students on to paths that might protect them from poverty. Productivity improvement in Government is very important in maximising what can be achieved in a situation of resource constraints.

18.1.3 Modes of Thought

There are social-psychological issues that need to be addressed by the national community led by the Government that can result in a shift in the production possibility of the country. While it may not be costless, the resources to be allocated need not be very great. Community self-actualisation will garner energy of people in their communities to engage in programmes that they themselves create.

Individual self-actualisation can result in more adults taking advantage of the range of programmes already in place for upgrading and education, and enlist greater commitment to learning and life-long education which is the sine qua non for the society becoming an active participant in the knowledge economy of the 21st century.

In that regard, there can be an expansion of the social production frontier with higher quality human capital, as the society is better informed, more healthy from wellness programmes, and more entrepreneurial from an appreciation of the need for nationals to be active players in economic transformation of their space and in the relationship of the country with the rest of the world.

Change in modes of thought applies to the public service as well. A facilitative Ministry of Trade is possible only if its officials recognise that they are major factor in the competitiveness of domestic industry. In that regard, they are competing with comparable officials in the rest of the world. The better they are at their task, the more likely is SKN able to compete successfully, and create sustainable employment for its people.

18.2 CIVIL SOCIETY

A volunteer sector exists and some of its constituents are dynamic and perform creditably in a range of areas relating to poverty reduction, social protection and social integration. The growth of the sector is a function of the ethos and philosophical base of the citizenry, and the extent to which people are prepared to form organisation to address issue in the society. The country is the richer for having the Pathfinders or the Molineux Youth in Action Club, in St. Kitts or the Change Centre, Dyslexia Association, and the Asociacion de Dominicanos in Nevis. In so far as some of these organisations have reach to groups that would otherwise find themselves marginalised, the process of social integration is enhanced by their presence.

There are private and cooperative organisation functioning with the legal framework provided by the State, which are making important contributions to the quality of life of the citizenry. The two credit unions – the St. Kitts Credit Union and the Nevis Credit Union are important in the mobilisation of savings in the Federation. Indeed, much more can be achieved in close cooperation between these agencies and the Government. In the final analysis, civil organisations can prove to be critical partners in the development process.

18.3 INTERNATIONAL COMMUNITY

The Government of the Federation needs the support of the international community in addressing the problems with which it is faced. Its fiscal constraints and the difficulties involved in shifting its economic base to a more diversified and robust structure cannot be overcome in short order. Its degrees of freedom are exceedingly limited, given a debt to GDP of over 100 percent. There are a few areas for focused assistance of the international agencies. The list includes:

- **Distance Education:** An infrastructure for Distance Education has to be laid to allow the entire society to become engaged in upgrading and continuing education. The small size of the population militates against the establishment of viable programmes in some fields that are vital to the development of the country. Long term arrangements with an institution or institutions abroad may afford the people of the Federation access to some of these programmes and allow its own institutions to reach across the entire two island Federation.
- **Training Abroad:** The preparation of nationals to function as owners of boutique establishments and at senior levels at the major hotel operations in the country would require formal training in institutions abroad as well as attachments in

organisations where sophisticated operations can be observed. This will open a mobility channel for citizens of the country in the field of tourism.

- In addition, the country needs assistance to send annually a number of nationals for training at Schools of Agriculture and Fisheries to acquire technical knowledge and technical skills in Agri-Science and Fisheries, and to return to become involved in such activities as commercial operators. There will be need for support from the international community for such programmes. Similarly, there is need for training and for selective attachments abroad in respect of the Financial Services Sector.
- **Land Reform:** The issue of land reform is fraught. The challenge is to arrive at an approach that allows the process to fulfil a number of competing objectives, including the provision of land for productive agriculture, for housing and for tourism, the observance of social equity in the distribution of land and the management of alienation of lands to non-nationals such that the country does not succumb to major social tensions between the national population and richer foreigners.
- **Upgrading Security:** The country has witnessed unaccustomed levels of violence, which is purportedly related to the incorporation of countries of the Caribbean in the international narco-trafficking industry. Young men have been attracted to the flamboyant life styles and material display by drug-lords. In addition to the negatives created by the presence of violent gangs, there is the impact of the reward system and the paths it offers through mobility on the basis of education, training and employment.

The Police and Internal Security System need upgrading with technical resources for detection and fighting crime, and for interdiction of imported drugs for the domestic market and for transshipment to the markets of the North Atlantic for which most of it is destined.

- **Design of REIT:** The design of a viable REIT that allows the state to participate, on behalf of the population, in the management of the land resources, and in retention of a substantial percentage of the land in domestic control is a delicate but technical issue. There will be need for technical assistance to assist the Government in this regard. A REIT with state participation can be the vehicle in which funds from nationals including persons in the Diaspora, can be available to 'privatise' land, with the retention of a significant national presence.

- ***Economic Partnership Agreement:*** The country has to prepare quickly to manage the impact of the Economic Partnership Agreement with the European Union, and to organise itself to secure whatever advantages apply. There is need for technical assistance to the Government for this assessment, and to upgrade citizens and provide them with the information that they develop and maintain businesses capable of entering this economic space with competitive services and products. In the absence of this, SKN risks being incorporated into the 'partnership' in ways that result in its receiving residual benefits in the relationship.
- ***Review of Tax System:*** The Government is committed in principle to the introduction of VAT as a substitute for a range of indirect taxes that have been in place and which are not necessarily efficient or elastic. There has been a deep antipathy to direct taxes, although the levy introduced through Social Security is a form of income tax. The Government and the country should benefit from a review of the entire tax structure, with special regard to ensuring a more progressive system of taxation. Technical assistance may be required to support this effort.
- ***Inter-Island Fiscal Equity:*** The two islands that form the Federation have experienced some differences in their rates of transformation. The existing fiscal arrangements may not always ensure equity in results from the effect of policies implemented by the Federal Government and the NIA. There is need for technical assistance to the two levels of Government such that the approach to fiscal federalism results in equitable arrangements between the two levels of government.

In sum, the country has made major strides in poverty reduction in the course of the first decade of the 21st century. Poverty has persisted and at least one-fifth of the population is poor. Unemployment is low generally, although the poor are more susceptible to unemployment. Moreover, the country has not created the quality of employment that provides workers with jobs that take them out of poverty. With limited educational certification, and skills, a large section of the labour force is not well prepared to participate in the knowledge economy, when the international economy recovers.

The Government faces severe constraints, and will continue to be challenged in the short to medium term in undertaking much by way of poverty reduction through social transfers. The more difficult task of poverty reduction through the expansion of the productive base will take time in the context of a world economy that is sluggish. SKN will need the

assistance of the international community in the short term to restructure its economic base, while in the immediate to short term, it must continue its efforts at poverty alleviation and poverty reduction, through programmes targeted at the poorest.

APPENDIX I

The specific Terms of Reference of this study are as follows:

- (a) determine the characteristics, extent, geographic concentration, severity and causes of poverty;
- (b) identify and analyse the dynamic links between the following:
 - (i) employment, unemployment, and conditions in the formal and informal sectors and poverty (e.g. size, composition and changes in the structure of employment, sectoral distribution, the relative position of men and women, and earnings/income);
 - (ii) poverty and issues affecting development of the natural resources sector (e.g. agricultural production, land use policy, financial and infrastructural support, environmental constraints and market access);
 - (iii) poverty and social issues, such as squatter settlements, increased crime, substance abuse and HIV/ AIDS;
 - (iv) poverty, access to housing and housing conditions;
 - (v) structural changes in the society (economic and cultural) 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 access to human rights and poverty;
 - (vii) the economic growth and development policies on poverty and inequality indicators;
 - (viii) poverty and gender equality with a focus on intra-household relations;
 - (ix) poverty, natural hazards and disasters and disaster risk reduction; and
 - (x) the relationship between governance and poverty (e.g. democratic processes, participation of Civil Society in governance, government transparency and accountability, capacity within government to plan and deliver pro-poor and participatory programmes).

- (c) undertake a comparative analysis of poverty, social and economic indicators in relation to results of the previous CPAs;
- (d) analyse the impact of past and current social and economic policies and the institutional and legal environment on poverty, (particularly public expenditure, resource allocation and the impact of monetary and fiscal policies on expenditure and resource allocation), the regulatory social and legal framework, the institutional arrangements and socio-cultural systems;
- (e) assess the effectiveness of existing responses by government institutions, Non-Governmental Organisations (NGOs) and Community-Based Organisations (CBOs), to the poverty situation (including the impact and adequacy of available resources for poverty reduction, safety nets and other programmed interventions to alleviate or reduce poverty, and, where necessary, non-formal mechanisms);
- (f) review the priority civil society and public actions required to assist in moving households out of poverty; and
- (g) develop a draft programme of action which sets out strategic options for addressing critical issues emerging from the research and proposals for improving existing social development programmes or changes to social and economic policy, as well as investment projects to strengthen or enhance the effectiveness of Government, NGO and CBO efforts to sustainably reduce poverty.