

DRAFT REPORT



THE ASSESSMENT OF POVERTY IN ST LUCIA

VOLUME I: MAIN REPORT

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ACRONYMS

ACP	-	Africa, Caribbean and Pacific
BNTF	-	Basic Needs Trust Fund
CARE	-	Centre for Adolescent Rehabilitation and Education
CARICOM	-	Caribbean Community
CBI	-	Caribbean Basin Initiative
CBO(s)	-	Community Based Organisation(s)
CDB	-	Caribbean Development Bank
CET	-	Common External Tariff
CFCs	-	Chlorofluorocarbons
CIDA	-	Canadian International Development Agency
CRED	-	
CSME	-	Caribbean Single Market and Economy
DFID	-	UK Department of International Development
DOTS	-	
EC	-	Eastern Caribbean
EC	-	European Commission
ECTEL	-	Eastern Caribbean Telecommunications Authority
EDF	-	European Development Fund
EIB	-	European Investment Bank
EM-DAT	-	
EU	-	European Union
FAO	-	Food and Agriculture Organisation
FGT	-	Foster-Greer-Thorbecke
GDP	-	Gross Domestic Product
GOSL	-	Government of St Lucia
HIV/AIDS Syndrome	-	Human Immunodeficiency Virus/ Acquired Immunodeficiency
HDI	-	Human Development Index
HBS	-	Household Budgetary Survey
IBRD	-	International Bank for Reconstruction and Development
ICC	-	International Cricket Council
IDB	-	Inter-American Development Bank
ILO	-	International Labour Organisation
LUCELEC	-	St. Lucia Electricity Services Ltd
MDGs	-	Millennium Development Goals
MoSSaiC	-	Management of Slope Stability in Communities
NAFTA	-	North American Free Trade Area
NAT	-	National Assistance Team

NELP	-	National Learning and Enrichment Programme
NGO(s)	-	Non-Government Organisation(s)
NIC	-	National Insurance Corporation
OECD	-	Organization for Economic Cooperation and Development
OECS	-	Organisation of Eastern Caribbean States
OFDA	-	USAID's Office of Foreign Disaster Assistance
OPSR	-	Office of Private Sector Relations
PPA	-	Participatory Poverty Assessment
PRF	-	Poverty Reduction Fund
PROUD	-	Programme for the Rationalisation of Unplanned Developments
PSIP	-	Public Sector Investment Programme
PWDs	-	Persons with Disabilities
RC	-	Roman Catholics
REDIP	-	Rural Economic Diversification Incentives Project
SEDU	-	Small Enterprise Development Unit
SFA	-	Special Framework of Assistance
SIDS	-	Small Island Developing State(s)
SLBC	-	St Lucia Banana Corporation
SLBGA	-	St Lucia Banana Growers Association
SMEs	-	Small and Medium Sized Enterprises
SPICES	-	
SLC	-	Survey of Living Conditions
SLADA	-	St. Lucia Agricultural Diversification Agency Ltd
SLBGA	-	St. Lucia Banana Growers Association
TFRs	-	Total Fertility Rates
TRP	-	Textbook Rental Programme
UNDP	-	United Nations Development Programme
UNECLAC Caribbean	-	United Nations Economic Commission in Latin America and the Caribbean
UNESCO	-	United Nations' Educational, Scientific and Cultural Organization
UNIFEM	-	United Nations' Development Fund for Women
UNODC	-	United Nations Office on Drugs and Crime
VAT	-	Value Added Tax
WIAP	-	Windward Islands Action Plan
WIBDECO	-	Windward Islands Banana Development and Exporting Company
WINBAN	-	Windward Islands Banana Grower's Association
WTO	-	World Trade Organisation

EXECUTIVE SUMMARY

This study on living conditions in St. Lucia was conducted in the latter half of 2005 and first quarter of 2006 by Kairi Consultants Limited (Kairi) in collaboration with the National Assessment Team of St. Lucia. The study was commissioned by the Caribbean Development Bank (CDB) with the support of other development partners – DFID, EU, and CIDA.

This poverty assessment study has three overall objectives. The first is to assess the current living conditions affecting the welfare of people of St. Lucia and analyse the poverty situation, the processes that generate and maintain conditions conducive to poverty, existing responses to the poverty situation and the means available for effective actions to reduce poverty.

The second is to identify the policies, strategies and action programmes that would reduce the extent and severity of poverty in St. Lucia, enhance social development and improve the overall quality of life in the country. The third is to develop recommendations and a programme of action which sets out strategic options for addressing critical issues emerging from the study, including recommendations to improve existing social development interventions, and the institutional and legal framework.

The study consists of four main components:

- A Macro-Economic and Social Analysis;
- A composite survey comprised of a Survey of Living Conditions (SLC) and a Household Budgetary Survey (HBS);
- A Participatory Poverty Assessment (PPA), and
- An Institutional Analysis (IA).

The Study combined both quantitative and qualitative research methods, each with its own merit, but also complementing each other to provide a comprehensive picture of poverty in St Lucia. The Macro-economic assessment was based on information collected mainly from published information, but also from interviews with key officials in Government. The SLC/HBS generated quantitative information on households and individuals for the country. The PPA was conducted in 17 communities, through focus group discussions, community meetings, participant observation, open-ended interviews, and walk-about in selected communities and on the basis of interviews with selected individuals. The IA was conducted mainly through interviews with key personnel in the organisations identified. Secondary data were also reviewed in generating information on the respective institutions.

PROCESS

The training of nationals of the country in the conduct of poverty assessment was a major objective of the exercise. A National Assessment Team (NAT) was appointed for the purpose. The goal was to ensure that on the completion of the study, there would reside in the country the level of skill and preparation, to replicate the exercise or to conduct similar or related studies in future.

The NAT worked with the Consultants for the most part, but there were other personnel in the country who were provided with training and collaborated in the exercise. The various components were initiated with a training session at every stage of the exercise: other specific training sessions were conducted from time to time. In some cases, participants or groups additional to the members of the NAT were beneficiaries of the training.

EARLIER RESULTS

The study has to be contextualised against the backdrop of the Poverty Assessment of 1995, which found that 25.1 percent of the population was poor and 7.1 percent was indigent. The present report allows for an assessment of the degree to which there has been change, having regard to the measures mounted by the Government of St. Lucia and the pro-poor approaches that it adopted as a result of that study.

Some of the more recent results are seen in Table 1. Poverty increased but indigence fell substantially, and was 1.6 percent of the population: indigence implies that the level of expenditure was too low to guarantee proper nutrition. The Gini coefficient of inequality fell also: in other words, while measured poverty increased, inequality fell. This information is reflected in Figure 1. It should be noted that the finding of increased poverty in 2005/06 does not mean that the poor were necessarily worse off. Indeed, comparisons of indigence are 'purer', in so far as they ignore relative factors that intervene in poverty comparisons.

Table 1: Indigence and Poverty 1995 and 2005/06 (Percent)

	1995	2005/05
Poor Households	18.7	21.4
Poor Population	25.1	28.8
Indigent Households	5.3	1.2
Indigent Population	7.1	1.6
Gini Coefficient	0.5	0.42

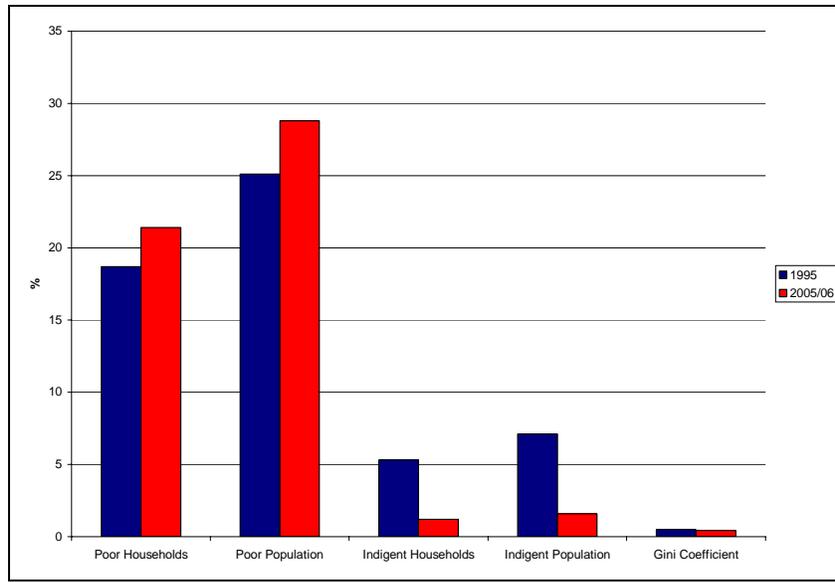


Figure 1: Indigence and Poverty in 1995 and 2005/2006

THE CURRENT SITUATION

The estimate for the indigence line was EC\$ 3.40 (US\$ 1.27) daily or EC\$131 (US\$46.06) per month or EC\$ 1,570 (US\$ 588.02) annually. The poverty line per adult was estimated to be EC\$13.93 (US\$5.22) daily or EC\$423.83 (US\$158.74) monthly or EC\$ 5,086 (US\$ 1,904.87) per annum. While these estimates are not based on purchasing power parities, they do give some sense of proportion having regard to the fact that St. Lucia is a highly open economy with relatively free movement of goods into the economy, and a high import content in domestic demand.

Summary information on quintile distributions is provided in Table 2 with comparisons between the two years.

Vulnerability: Using an estimate of 33 percent above the poverty line as the criterion of vulnerability, 46.6 percent of the population was deemed to be vulnerable: in addition to the poor, an additional 16.2 percent of the population would be vulnerable to shocks that could place them below the poverty line, were these to eventuate.

Size of Household: While the pattern of larger households with a larger number of children in lower quintiles than in higher quintiles was maintained, the average number of children fell between the two years. This is consistent with the decline in the rate of growth of the population: even though the poor tend to have more children than the better off, the poor are having fewer children than they did in 1995. The average number of earners per household increased in 2005, thus demonstrating an increase in labour commitment, and/or in the need to work in the formal labour market.

Table 2: Comparative Quintile Estimates 1995/2005

	Per Capita Consumption Quintiles					All St Lucia
	Poorest	II	III	IV	Richest	
2005						
Sex of Head of Household	%					
Male	57.5	56.6	50.3	53.3	62.0	56.4
Female	42.5	43.4	49.7	46.7	38.0	43.6
Both Sexes	100.0	100.0	100.0	100.0	100.0	100.0
	<i>Mean</i>					
Age of Head	49	50	49	50	53	51
Household Size	4.7	4.3	3.9	3.3	2.6	3.6
Children Per Household	1.9	1.5	1.2	0.9	0.5	1.1
Earners Per Household	1.6	1.5	1.3	1.1	0.7	1.2
1995						
Sex of Head of Household	%					
Male	51.7	49.0	49.1	58.3	67.0	56.7
Female	48.3	51.0	50.9	41.7	33.0	43.3
Both Sexes	100.0	100.0	100.0	100.0	100.0	100.0
	<i>Mean</i>					
Age of Head	49.2	48.7	46.5	44.5	45.7	46.6
Household Size	5.3	4.6	4.2	3.7	2.6	3.8
Children Per Household	2.7	2.0	1.7	1.4	0.7	1.5
Earners Per Household	1.1	1.2	1.4	1.5	1.4	1.3

Geography of Poverty: Another important finding is in respect of the geography of poverty. This is seen in Table 3 and Figure 2 which provides a map of the poverty in St. Lucia.

Generally, the data reveal that poverty in St. Lucia has been primarily a rural phenomenon as predominantly rural districts such as Anse-la-Raye (44.9%), Soufriere (42.4%), Choiseul (38.4%), Laborie (42.1%) and Micoud (43.6%) have exhibited prevalence rates in excess of 35%. Moreover, Anse-la-Raye and Micoud were also observed to have had highest rates of indigence which amounted to 5.3 per cent and 4.1 per cent, respectively. Further flight from such rural communities can be anticipated in the absence of measures to encourage people to stay.

Poverty and Age: The data reveal, as has been found in most Caribbean countries, that those persons living below the poverty line are disproportionately young in comparison to the proportion of youth in the general population. While the percentage of the poor who were elderly was less than their presence in the population, the plight of the elderly poor was remarked on by community residents. Those who were totally reliant on public assistance would have been among the poorer of the poor, having regard to the fact that public assistance payments were lower than the indigence line. Figure 3 provides information on the age distribution of the poor.

Table 3: Head Count, Poverty Gap, Poverty Severity by District

District	Population	Percent Indigent	Percent Poor	Poverty Gap	Poverty Severity
St Lucia 2005/06	164,842	1.6	28.8	9.0	4.1
St Lucia 1995	144,000	7.1	25.1	8.6	4.4
Castries City 2005/06	16,594	1.7	13.1	3.4	1.8
Castries City 1995		---	15.2	4.4	1.7
Castries Sub-Urban	51,100	0.6	22.2	6.7	2.9
Castries Sub-Urban 1995		---	22.6	8.2	3.8
Anse-La-Raye / Canaries	10,287	5.3	44.9	17.7	9.6
Soufriere	9,329	0.4	42.5	12.4	4.8
Choiseul	5,401		38.4	9.7	3.8
Laborie	7,190		42.1	10.6	3.5
Vieux-Fort	14,096	4.8	23.1	10.2	5.9
<i>Micoud</i>	<i>18,071</i>	<i>4.0</i>	<i>43.6</i>	<i>14.1</i>	<i>6.8</i>
Dennery	11,986		34.2	11.4	5.2
Gros-Islet	20,787	0.4	24.4	5.8	2.2

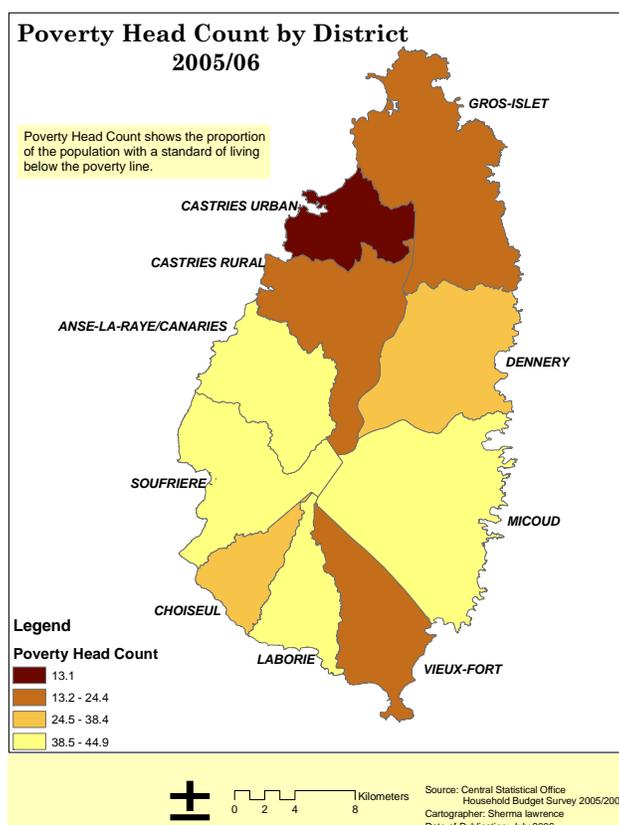


Figure 2: Poverty Map (Head Count by District)

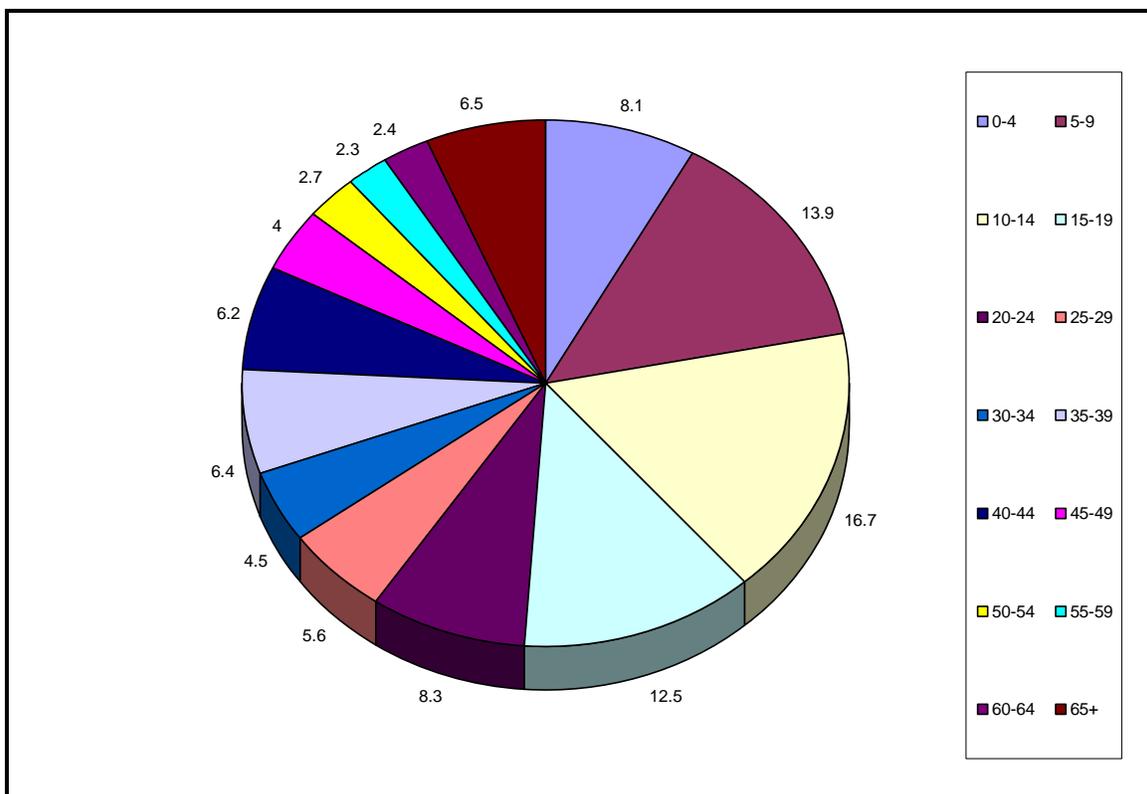


Figure 3: Distribution of Poor Population by Age Groups

With reference to children aged 0-14 years, relatively large numbers were also observed to have been living in Anse-la-Raye (26.8%) and Vieux Fort (19.5%). The long term consequences for indigent children in Anse-la-Raye, Vieux Fort and Micoud could impact the self-concept among children from these communities will influence their choices and behaviours in the short to medium terms.

Poverty and Gender: With regard to females 15 years and over, the data revealed that Micoud (27.5%), Vieux Fort (21.8%) and Sub-Urban Castries (15.3%) have the largest proportions of females who were classified as indigent poor in St. Lucia. Another significant finding is the high level of indigence among men in Vieux Fort. This may be explained by the fact that although there has been a decline in manufacturing in this town, the residual employment is still oriented to the employment of women. In the remaining districts, the concentrations of indigence did not appear to be as profound.

People's Perspectives: PA provides perspectives of the people themselves on the poverty that has been experienced in St. Lucia. Poverty was seen to be different to what is observed elsewhere.

"We are affected by a different category of poverty. We cannot be compared with people in Africa: poverty here has to do with unemployment".

While there were other factors like access to public utilities, residents in all of the communities agreed that lack of jobs and of opportunities to earn an income was one of the main causes of private poverty. Other causes were lack of and low levels of education, few skills, and lack of self esteem. In the rural areas, people were unanimous about the impact of the decline in competitiveness of the banana industry.

"Ten years ago banana had money, put money in people's pocket"

"There are no jobs in Belmont now."

Unemployment had contributed to several problems, including the resort by young unemployed men to the use and trafficking in illegal drugs. A sense of stasis seems to have fallen over most of the rural communities, thus leading to massive rural urban migration.

Family Dynamics and Poverty: Household with single parents and three generations are particularly at risk of poverty. One causal factor that seems to be at work in this instance is the family dynamics associated with being chronically poor, from one generation to another. This manifests itself in part in high rates of fertility. Both the quantitative and qualitative studies establish that poor women tend to begin childbirth much earlier than their non-poor counterparts.

Many of the chronically poor women with large families are 'single,' begins to make sense. The seemingly 'missing men' are either involved in simultaneous or serial relationships with these women.

Another feature on family dynamics is the impact of emigration. Internal migration and external migration has led to the decline of the extended family and to the denudation even of its nucleus. There are cases of parentless families, with children left by themselves, or under the presumed watch of neighbours, while parents go to look for work in the urban areas or abroad.

Household Headship: The propensity to absenteeism among men has an impact on household headship. Interviewees in the PPA identified several factors that determine household headship. Among these were earning power and responsibility for the welfare of the family, ownership of the house, absence of an adult male and responsibility for decision making.

"I am the mother, there is no father here"

"I am in control" I make the decisions."

The large number of female heads found in the PPA is an indication that women living in these poor communities have the major responsibility for the welfare of families and for meeting their own economic and other needs as well as those of family members.

Poverty was alleged to affect child rearing practices, and also affected relationships between family members in several ways. Break up of families, domestic violence and abuse of women and children were seen to be common problems in some of the households.

*"When the man can't provide, the women leave him and go to another man."
"Frustration and anger leads to fights and abuse of women and children"*

Men felt at some disadvantage in contesting headship. The greatest need expressed by most of the men was the need for a job that paid enough money to maintain themselves and their families. Their limited skills and education made employment and income precarious, thus leading to poor self-concept, and anxiety over relationships with partners.

*"I cannot get a job and I have five children, I feeling really depressed"
"When I work STEP I can't maintain my family"
"My pay too small I can't take care of my three children on that."
"As a man, no work, no money, it makes you mad."
"Your girlfriend might horn you when you have no money."
"You can loose your woman because of poverty you know."*

Coping with Unemployment: The data from the survey and the PPA suggest a number of structural and cultural factors that preclude greater participation in the labour force among poor female heads of households. The findings attest generally to substantial segmentation of the labour market. The PPA also provides insights on the impact of unemployment on various groups, and by sex. Many of the unemployed were young people between the ages of 19 and 35 and the majority had only a primary school education and few marketable skills. Lack of qualifications and age were identified as the key factors in determining employment access. The majority of people who participated saw unemployment, their inability to get a job and to earn income, as the main reasons why they were poor.

*"Poverty is no work, no money, you can't buy any stuff."
"Next month will be a year since I not working."*

Lack of qualifications and age created vulnerability in securing employment. There was also discrimination and exploitation by potential employers and several participants shared experiences of being abused and exploited. The STEP programme was identified as a potential source of income, and for some including hotel and construction workers, employment is seasonal. At the same time, many said that the jobs that they did get paid wages too low to satisfy their basic requirements. Women were exposed to special risks.

*"For you to get a job you have to sleep with the boss."
"It is a job we want that's why we have sex."*

The stigma attached to particular communities like Faux a Chaux, Wiltons Yard and the Mangue militates against employment opportunities.

The rural economy has generated even fewer jobs and offered little prospects, and while prospects were better in the urban communities, possibly because of a buyers market, wages were sometimes so low that it was not worthwhile to work.

Informal Sector and Underground Economy: During the PPA, participants revealed that high levels of unemployment and underemployment have led to the growth of the informal sector and to a reliance on seasonal and low level work including buying and selling of agricultural produce (men and women), construction (mostly men), and domestic work in homes or offices (women). Others, especially young men, have to “hustle” and do odd jobs, including car washing and running errands and some young women are engaged in the sex trade.

The drug culture seems to have become fully institutionalised and is seen as important source for common economic activities. The majority of the communities reported an increase in underground or illegal activities including crime, gambling and drug trafficking in generating income.

“Some people make a living by selling weed.”

“The drug helping the community, it help pay the bills, feed families.”

The drug culture appears to have become a “normal” activity and large numbers of young people, both male and female but larger numbers of the former are involved in trafficking and use of illegal drugs. Not only has there been an increase in the use of illegal drugs, including cocaine, in all of the communities, but smoking of marijuana in particular is now done in the open.

“People no longer hide to take drugs”

“Marijuana, cocaine, hash, it is a competition, I have the ting so I have to sell it to him before someone else.”

Occupational Distribution: The relationship between occupation, socio-economic status and sex of household heads was also addressed. It was found that poor male heads were primarily engaged in skilled agricultural work, elementary occupations and craft-related work. In contrast, female heads were primarily engaged in work akin to sales and services, craft-related work and skilled agricultural activities. The PPA showed that most of those employed were working in low skilled, low paying jobs, like cleaning Government offices and facilities, including public toilets and baths, working in the STEP programme, in construction, and as labourers or doing odd jobs.

Coping with Low Income: In the PPA, respondents intimated a number of mechanisms that they use to survive, ranging from careful budgeting, making do and doing without, dependency on others, to begging, crime and drug trafficking, odd jobs, and prostitution. Some face their plight with a certain resignation and put their faith in God. A significant number of households rely on remittances and gifts of various kinds to survive and to sustain their livelihoods.

Women and Coping: The PPA suggests that women face graver hardships in coping with poverty than men. The survey data demonstrate that they face higher unemployment. Some women saw prostitution as an economic activity and admitted that they would do anything,

including prostitute themselves, to feed their children. In other cases, they would give in to sexual advances to get money, but could not always afford the protection of contraception.

"Women cannot afford contraceptives so they cannot space their children, then the baby comes and the cycle of poverty continues."

"I prefer doing prostitution than stealing."

"The child father only feed him if he get sex."

"Men take advantage, they want you to have sex with them before they give you anything."

"Without money, you keep passing from man to man, child after child... you can get AIDS so."

Children and Youth: In twelve of the communities, separate discussions were held with children under 14 years and with young people 15 to 25 years of age: five hundred children and youth participated. For many children poverty meant not getting enough food and not being able to get things that they needed and wanted when they needed them.

"My belly boils, we don't always have food, I am always hungry."

"When you see something you cannot afford it the children cut style on you at school."

"Poverty makes parents quarrel with their children."

"You feel as though your parents hate you."

The children valued education and saw it as a way for moving out of poverty. However, absence of day nurseries and preschool in some communities and parent's inability to pay for these even when these are available, means that many young children are not adequately prepared for entry into primary school.

A few were concerned about becoming pregnant or victims of sexual abuse and incest they were aware that adults who should be protecting them can abuse them. The girls observed that, *"if you (are) left home with a stepfather who is abusive it is a problem"* and *"...your mother may not believe you."*

While some poor children do receive help from neighbours, friends and family, in order to survive others may have to. Some also admitted that in order to survive children or other family members may beg or earn money by doing odd jobs or become involved in illegal activities including stealing, crime and drug trafficking.

Youth: Several were of the view that the education system and the irrelevance of the curriculum have contributed to their inability to get a job, to move out of poverty and to function effectively in community life. Unemployment is high among the youth and several complain of not being able to get jobs and even if they do manage to get a job, the pay is so low that it is insufficient.

Poverty also leads young people to become involved in illegal and criminal activities. Several admitted to using and selling drugs, and to being involved in gangs and crime and saw these activities as providing them with the money they needed to get the things they wanted.

"Poverty affects most teenagers here they end up doing prostitution or drugs."

The Elderly and Persons with Disabilities: A small number of elderly persons and persons with disabilities were interviewed as heads of their households. Among those who participated were widows and widowers, physically challenged persons and persons who were parents of children, including adult children with disabilities. Many of them had only had a primary education and a few had not been to school at all. A few were still engaged in subsistence farming on a small scale but most were unemployed and had no regular source of income.

Several elderly persons admitted to being poor and provided reasons for their condition. Among the reasons cited were: age and the inability to work, ill health or sickness, responsibility for supporting children, including children with disabilities, or grandchildren, lack of support by adult children and lack of access to resources. This does not prevent many from being still responsible for the welfare of children and grandchildren.

"I have asked to be placed on the paupers list."

"Pension is from hand to mouth since it so small and not increasing."

"The amount I receive from the government is not enough."

"The public assistance small but without it I would be worse off."

A significant number of older persons are not in good health. Other concerns identified include the absence of legislation to protect the rights of the elderly persons and persons with disabilities, lack of education and training opportunities, of recreational and economic activities and of markets for things that they might make and absence of facilities to provide care.

Education: The SLC/HBS survey data reveal a predominance of primary education as the highest level attained by household heads irrespective of their socio-economic status (approximately 60.0%). When the sex of household heads is taken into account, this pattern persists especially among male heads for whom it was much more pronounced. Among the male population, 53.1 per cent had attained no certification as opposed to a smaller proportion (49.7%) among the female population.

Health: The anthropometric data suggest that the vast majority of children were immunised by age five years. Other survey data establish that high prevalence rates in respect of five main lifestyle diseases namely - diabetes, high blood pressure, heart disease, cancer and HIV/AIDS. Irrespective of per capita consumption quintile, high blood pressure is the most prevalent lifestyle disease affecting persons with diseases in St. Lucia: diabetes ranks second to high blood pressure. In sum, socio-economic status has no impact on the pattern of lifestyle diseases affecting the population of St. Lucia. Not unexpectedly, the poor were more likely to use the public health system than the better-off and persons belonging to the poorest quintile were the least likely to have had insurance coverage.

Dwellings: The majority - 78.5 per cent of all households - lived in dwelling units that were owner-occupied with or without mortgage. However, while the pattern of accommodating owner-occupied dwelling units does not vary much across household quintile groups, the

quality of housing and the amenities available to household members do vary across household quintile groups: occupancy of undivided private houses is commonplace in St. Lucia transcending the socio-economic status of households. It is the wealthiest quintile that would select alternative arrangements to single family units. It is the nature of outer walls that status differentials surface between poor and non-poor.

While the largest single group of households (43.4%) occupied dwelling units with outer walls of concrete, 20.2 per cent occupied dwelling units with wooden outer walls while a slightly lower proportion amounting to 18.3 per cent occupied dwelling units with outer walls of wood and concrete, and plywood was used by 15.5 per cent of all households.

The evidence from the PPA attests to poor housing conditions for the majority in these poorer communities. In the majority of households, families were living in small wooden houses with limited room and some of which were literally falling apart and lacked basic amenities like indoor pipes, kitchens, toilets and bathrooms. Although a significant number did have pit latrines, in several of the household members disposed of human excreta in the surrounding environment. Cooking gas was the principal cooking fuel of choice in St. Lucia being used by 91.1 per cent of all households.

In the main, the majority (66.6 per cent) of households had toilet facilities with water closets that are either linked to sewer systems or septic tanks. Another 28.7 per cent of households relied upon pit latrines while 2.5 per cent had no facilities whatsoever. The majority of households claimed that they relied mainly upon water being piped into dwelling from a public source (68.6%), piped into yard from public source (19.9%) or obtained from a public standpipe (5.3%). However, while 90.1% of all households in the wealthiest quintile obtained pipe borne water from public sources, the corresponding proportion for the poorest quintile was 40.1 per cent.

Environment and Poverty: The urban communities reported lack of physical space leading to overcrowding, poor drainage and flooding, poor sanitation and inadequate storage of food, littering and improper garbage disposal, absence and poor condition of toilet facilities, sewage problems and disposal of feces in the sea and surrounding areas. Rats and mosquitoes are also prevalent.

In the rural communities, the use of natural resources while providing income for some depletes these resources and limits the ability of others to benefit from them. Deforestation and removal of top soil have resulted in landslides and soil erosion. Residents reported on the incidence of over-fishing, poisoning of rivers and sea to increase the fish catch size, and prevalence of sand mining.

Public Goods and Poverty: Poor communities often lack public goods that are important to welfare. Their absence contributes to poverty. Some of the communities are well served with services and facilities and residents can readily and easily access them. In several communities residents agreed that there has been an improvement in sanitation service because garbage is now being collected on a regular basis, e.g. in Belle Vue and also in the urban communities because of their proximity to Castries and Vieux Fort.

However, in several of the rural communities, including Morne Jacques, Balca, Migny, and Park Estate, there are few, if any facilities and/or services in the community.

"Belmont is not yet a place, government refuse to build roads because this area is not in the project." (Resident in Belmont)

"We do not have roads in Desrameaux, access to water is poor and the water quality is poor."

Residents in these and in some other communities were also concerned about poor roads, absence of electricity and telephone lines, and inadequate water supply and absence of recreational facilities, preschools and day care centres. In several of the communities residents were particularly concerned about the unavailability of health services.

Other Household Amenities: Amenities like good quality running water, electricity, telephone land lines and cell phones, and household appliances were not any longer regarded by interviewees as luxuries, but as essentials for enjoying a good standard of living and quality of life. Their presence in households therefore cannot by themselves be used as one of the indicators of the absence of poverty, and although some or all of these were absent in many of the households, there were present in a significant number. Although land line telephones were not as common, several of the interviewees did have cell phones, and some of those who did not, expressed a wish for them.

CAUSES OF POVERTY

The SLC/HBS establish the level of poverty in St. Lucia and some of the dominant characteristics, including lack of education, unemployment, and labour market segmentation. Together with the PPA, it has been possible to identify situations of chronic poverty, transitory poverty and structural poverty. The precipitous decline of the banana industry, and the shrinking of the export-oriented light manufacturing and assembly sector created severe unemployment. The fall-out in bananas, dictated by external factors, precipitated a massive rural urban drift, leading to the depopulation of the country-side.

The surviving foreign exchange earning sector did not achieve rates of growth enough to absorb labour being shed in manufacturing and in banana production. Moreover, the lack of skills in the labour force does not make it attractive enough to encourage investment in other competitive industries. The labour force is not yet well equipped for competitive participation in the knowledge-driven economy of the early 21st century.

A number of social problems have followed in the wake of this structural difficulty in the economy of St. Lucia. In addition to rapid growth in slums in the urban areas, there was a developing informal sector, and underground economy, integrating St. Lucia into the international narco-trafficking industry as a transshipment point for drugs coming from South America and as a market in itself. There is evidence of conditions of anomie in some of the marginalized urban communities. All of this has exacerbated other socio-cultural problems – segmentation of labour markets that excluded women, including single mothers heads of households, the decline of the extended family that left many of the elderly living alone.

INSTITUTIONAL STRUCTURES

St. Lucia has a range of institutions that are interstitial in the process of social and economic change and modulate the impact of the structural and other problems that present in households, communities, and with individuals. Most of these are state organizations. There is a relative dearth of NGOs and CBOs, but among these few there are some very effective organizations that are worthy of emulation.

Having regard to the structural adjustment imposed on the country by the decline in two of its key foreign exchange earning sectors, the country would have been well served if there was capacity for trade adjustment built into its formal structures. Unfortunately, this has been lacking relative to the needs of the banana industry, agricultural diversification and the management of the decline in the light manufacturing sector.

St. Lucia, like the rest of the Commonwealth Caribbean, is only slowly adjusting to the reality of radical changes in external conditions which make it imperative to organize its work-force for as orderly a withdrawal as possible from declining sectors and a shift to new activities. The PRF was established to support the adjustment process by way of capacity building in a general sense. Its role was to assist with funding mainly of other organizations and institutions.

There is a host of other institutions and organizations, which generally have provided services to their client groups. There are developmental, supportive, remedial and preventive functions performed by most of them. Their reach is not universal. Some communities have the services of a range of these institutions while some others have few interventions of note. This adds to the level of poverty in a rural community like Park Estate. There are urban communities that need the dedicated community development services that take account of the fact of breakdown in values and potential anomie, with the potential therein for social dysfunctionality.

Meanwhile in the area of transfers to the poor, there is in place public assistance and old age pensions as the primary transfer mechanism. However, the sums provided fall far short of the indigence line or the food poverty line. In other words, the transfer payments from the state may help the poor but would not free them of indigence. The at-risk groups in the society do not have universally the range of services needed.

There are organizations and institutions engaged in some path-breaking initiatives that may, if properly resourced, contribute to the transformation of St. Lucia and assist in the necessary transition that it has to undertake to face the reality of a competitive international order, driven by the swift application of new knowledge in the production of goods and services. While St. Lucia has performed well on the MDGs, there is need to revisit its institutional structures to secure a shift to a higher productive platform that is the only real safe-guard against poverty of the type that it has experienced.

PEOPLE'S PERSPECTIVES ON DEVELOPMENT

The residents of the seventeen communities have very clear views on their requirements. These are summarized in Table 4

Table 4: Summary of Communities' Needs

Community	Needs
Anse-la-Raye	Jobs, better housing for the elderly, bathroom facilities, clean water
Anse-la-Verde	Employment opportunities, better quality water, speed bumps, better housing for the elderly, foot paths and drains, access to computers
Balca	Access to the land, employment opportunities, better road, food for the elderly
Barons Drive	Jobs, food, licenses, access to credit, good governance, public toilet and laundry, speed bumps, daycare, better drains
Bouton	Work for young people, factory to process fruits, better roads, better quality water, a factory, land titles, telephone land lines
Belle Vue	Community centre, library, computer lab, daycare centre, skills training, employment opportunities, greater involvement by government and more proactive approach by residents to developing the community.
Belmont	Employment, better roads and drainage, preschool, multi-purpose centre, playing field, activities for young people, access to land, better transportation, reliable water supply
Des Barras	More access to land as before, street lights on main road, more reliable transportation, control/eradication of the African snail and mosquitoes, control of stray dogs and other animals
Desrameaux	Better roads and drainage, better water quality and supply, employment opportunities, more reliable transportation, help for the elderly, computer classes, preschool, land tenure
Faux au Chaud	More access to toilet and bath facility better housing, relocation, job opportunities, education and skills training, behaviour change and conflict resolution programmes, recreational facilities
The Mangue	Job opportunities/creation, skills training, greater assistance from government institutions, social activities to improve self esteem, reopen the public laundry and toilets, reduction in the cost of social amenities, reduction in criminal activity,
Mingy	Work/jobs, phone booth, laundry, better roads, library, youth centre, skills training, help for the elderly, school bus, land lines
Mon Jacques	Library, computers, multi-purpose court, playing field, better roads, help for the elderly and for persons with disabilities, more assistance from government
Praslin	Jobs, education and training, markets for produce like sea moss, better representation from government, government to be more concerned, title to land, day care centre and pre school, to be rid of thieves, a multi-purpose centre
Park Estate	Job opportunities, markets for produce, title to land, fix the bridge and the road, basic amenities, community centre, health centre, pre school, telephone, recreation facilities, skills training
Roseau	Better housing, relocation, the toilets to be opened, employment opportunities and jobs, education and training programmes, repair and cleaning of drains, day car centre
Wilton's Yard	Better housing and living conditions, relocation, employment/jobs, adequate salaries, food, clothing and shelter, access to credit, skills training,

MAJOR IMPLICATIONS

There are a number of implications that arise from this study:

- There is need for improvement in the management of the macro-economics of structural adjustment: reliance on international partners might have frustrated some of the domestic initiatives;
- The social fall-out of adjustment requires coordinated approaches in community interventions: the depopulation of Micoud and the concentration of people in Faux-a-Chaux presents problems for community development, the one being the complement of the other;
- The 'new' attractive rewards system in the underground economy will be highly attractive and corrosive the development of human capital;
- The development of the safety net has to be addressed positively with a view to protect the groups at risk and not in a residual mode;
- The upgrading of the work-force is at the centre stage of the investment strategy and industrial policy of the country;
- There is need for behaviour change in education and training and in health: social marketing to induce a yearning for learning and to enlist public commitment to wellness is an imperative;
- Local government reform is necessary to encourage fuller participation and involvement of people in their communities;
- There is need to reform the tax system and to bring more levers at the disposal of the government in dealing with transformation objectives: if left to the dictates of international donors, there is likely to be mismatch between measures and the needs of domestic clients;
- Security of the individual has declined several notches with the spread in the use of illegal weapons: timely investment in security to arrest the entrée of more weapons is likely to cost less than the social and economic costs of increase crime and its likely impact on the vital tourism industry.

A five point minimum platform for poverty reduction has been derived from the analysis, namely

1. *The development of the people to be effective participants in the knowledge economy of the 21st century: beneficiation through the human assets;*
2. *The mobilisation of financial resources from abroad and through the tax system to allow the country greater leverage in pursuing strategies better geared to the participation of nationals and regional entrepreneurship in the development of the place;*
3. *Coherent and systematic physical planning in the management of the land resources of the country, and consistently with the needs of agriculture, industry, tourism, including eco-tourism and sustainable tourism, and housing: the beneficiation of the land assets, including through state involvement in real estate investment trusts;*

4. *The development of the safety net to provide social protection where necessary, with clear mechanisms to graduate those whose condition no longer justify protection;*
5. *The reorganization of Community Development to assist in social integration in the light of the challenges of rapid urbanization and rural depopulation.*

SPECIFIC MEASURES

The specific measures required consist of the following:

- *Investment in the work-force upgrade through education and training utilising user-friendly approaches and with programmes designed to encourage participation and a yearning for learning among those who have already left the regular school system, including with the use of social marketing;*
- *Special provisions to support the educational and training upgrading of mothers, and more so single mothers to improve labour market participation, such provisions to include day-care and evening care services;*
- *Macro-economic adjustment supported by industrial policy, private sector cooperation, and reform of the tax system;*
- *Renewed efforts at agricultural diversification with due recognition to the requirement vis-à-vis support systems, credit, marketing and training of farmers, including ex-banana farmers;*
- *Coordination by the CDB of major donor support to St. Lucia to ensure timeliness in disbursements, especially with regard to trade adjustment initiatives;*
- *Social marketing of wellness to encourage changed behaviours to the management of health and control of incidence of chronic diseases, and of spread of HIV/AIDS;*
- *Development of new nodes of growth through comprehensive physical planning, and with a view to reduce the rate of concentration in the north west of the island;*
- *Upgrading of building codes, including in home construction, in the light of the greater frequency of hurricane and storm episodes in the Caribbean;*
- *Redoubled efforts at squatter regularisation and slum clearance;*
- *Improved services in respect of land titling having regard to the scarcity of land and to the need for coherent arrangements for the promotion of agriculture, tourism and eco-tourism on the island;*
- *Coordination through the Ministry of Social Transformation of the interventions undertaken by other Ministries at the community level and through encouragement of state and civil society collaboration at the community level, to avoid overlap and wasteful use of resources;*
- *Entrepreneurial development with special reference to promoting the involvement of St. Lucians in the expansion of the hotel and guest house plant through exquisite niche and boutique establishments owned and operated by them;*
- *Upgrading of public assistance in keeping with estimates of the costs of living a health and decent life;*
- *Empowerment of the people through local government reform; and*

- *Mobilising resources under the control of St. Lucians abroad, through 'inshoring' their savings to domestic institutions geared to expand the productive base of the country, that is, 'inshoring off-shore funds' of St. Lucians abroad.*

CONCLUSION

St. Lucia has experienced the travails of adjustment of two of its export sectors. This has created hardship to a population and a country that has had limited experience in trade adjustment. Given the scale of the changes that have been necessary in the banana industry, elimination of marginal producers has created major social dislocation, firstly on rural communities, and with the flight to Castries and environs, excessive concentration and overcrowding, crime, and other forms of social decay.

The interplay of economic and social factors has impacted on the individual, the family, and the community. The observed poverty is one dimension of the economic and social crisis that the country has faced. The statistics generated by the SLC/HBS provide measurable indicators of the problems. Through the PPA, the people have voiced their distress, and the institutional analysis has exposed the weakness of the existing structures in managing major economic and social transformation.

The experience that St. Lucia has built up over the last ten years in running pro-poor programmes equips it for a renewed thrust at poverty reduction in the emerging dispensation. There is need for coordination of the machinery of the state with the other interested actors. On the previous occasion, the NAT that was formed to provide for constant monitoring got disbanded with the reorganisation of Ministries and Departments.

It behooves the authorities on this occasion to institutionalise the NAT as part of the required machinery of coordination, evaluation, monitoring and of mobilising action in the face of the dynamic changes in poverty that would engulf one group in one time period and a different group in another. There is also a rich trove of information being generated by the Department of Statistics that would allow the NAT to continue to monitor and conduct research and provide evidence-based analyses on the dynamics of poverty and social conditions among the population.

In the short term, the country would have little recourse but to depend on the international community for assistance, while it reorganises its internal structures to generate income and foreign exchange earnings from which it can exact some of the resources needed for its own continued development as well as for administering to the poor.

It would need to assistance of international partners that are sensitive to the fact that poor banana farmers cannot wait for fifteen months to be supplied with new seed or research results to embark on diversification. In the absence of support, some have succumbed to their own perspectives of crop substitution with marijuana production. The impact of such choices will ultimately lead to problems in St. Lucia itself, but increasingly, these overflow beyond the boundary into the wider international community.

CHAPTER ONE

INTRODUCTION

The Caribbean Development Bank (CDB) contracted Kairi Consultants Limited (Kairi) to undertake an assessment of poverty in St. Lucia in 2005/2006. This poverty assessment study has three overall objectives. The first is to assess the current living conditions affecting the welfare of people of St. Lucia and analyse the poverty situation, the processes that generate and maintain conditions conducive to poverty, existing responses to the poverty situation and the means available for effective actions to reduce poverty. The second is to identify the policies, strategies and action programmes that would reduce the extent and severity of poverty in St. Lucia, enhance social development and improve the overall quality of life in the country.

This Report, the main output of this study, provides the findings of the Poverty Assessment, and more specifically examines the:

- (a) Characteristics, extent, geographic concentration, severity and causes of poverty;
- (b) Dynamic links between:
 - Employment, unemployment, and conditions in the formal and informal sectors and poverty;
 - Poverty and issues affecting development of the natural resources sector in St Lucia;
 - Poverty and social development issues affecting the country;
 - Structural changes in the society (economic and social) and the generation, maintenance or reduction of poverty;
 - Poverty and processes of social, economic, cultural, civil and political discrimination and exclusion; and
 - Governance and poverty;
- (c) Impact of the social and economic policies and institutional and legal environment on poverty, the regulatory social and legal framework, the institutional arrangements and socio-cultural systems of the country;
- (d) Constitutional, legal and policy framework for meeting the United Nations Convention on Human Rights; and
- (e) Effectiveness of existing responses by government institutions, non-governmental organisations, (NGOs) and community-based organizations (CBOs), to the poverty situation.

In addition, the Report offers recommendations and a programme of action which sets out strategic options for addressing critical issues emerging from the study, including recommendations to improve existing social development interventions, and the institutional and legal framework.

1.1 ANALYTICAL FRAMEWORK AND APPROACH

One of the most important observations that can be made about poverty is that it is a multi-dimensional phenomenon and therefore there is need to have a broad definition of poverty. Sen (1987)¹ in his work on famine, proffered the concepts of entitlements and capabilities that call attention not only to food requirements, and the importance of freedom from hunger, but proclaim the desire of most persons for self-actualisation.

In the today's world this means access to basic education, to primary health care, personal safety, to the supply of information necessary to make informed choices and to participate in the running of the society. It also means being a part of a cohesive self-affirming social network. Latterly, Sen (2000) has defined development as freedom, that is to say the freedom of the individual to live the life that he or she desires². Such conceptualisations broaden our understanding of poverty along two lines. In the first place, they alert us to the fact that in our understanding of poverty there are goods and services that are essential to the well being of the individual that are outside of the individual's control. These have to do with the existence of social infrastructure and the provision of social services by the State.

Secondly, we are alerted to a conceptualisation of poverty that entails the non-possession of tangible as well as intangible things. According to this conceptualisation, poor people are now deemed to be, not only those that suffer from lack of food, clothes and shelter, but also those whose personal and social circumstances limit the range of choices that they are free to make in the process of self actualisation.

Perhaps the most well known practical expression of this conceptual development is the UNDPs, Human Development Report and its Human Development Index (HDI). The HDR defines development as the process of enlarging people's choices. It has developed a poverty index that includes life expectancy and literacy. This kind of conceptualisation has also influenced the World Bank. In 1999 the World Bank described poverty as "multidimensional, extending from low levels health and lack of education, to other non-material dimensions of well-being, including gender gaps, insecurity, powerlessness and social exclusion."

A corollary of this second dimension of poverty and one that is important in strategising for its eradication is that the poor possess intangibles in the form of social capital that constitute an important part of their survival strategy. Social capital speaks to the trust that exists between citizens in a nation, or members of a community. It determines the quality of social relations as measured by their cohesiveness and the extent to which they are informed by goodwill. Social capital affects economic activities and relationships in any society since they are embedded in social networks.

¹Sen, Amartya. (1987). *The Standard of Living*, Cambridge: Cambridge University Press.

²Sen, Amartya. (2000). *Development as Freedom*, New York, USA: First Anchor Books (a division of Random House Inc.).

Intrinsically related to this concept of social capital, are the coping strategies used by the poor to deal with their social conditions. Coping strategies can take a variety of forms, some of which are detrimental to overall socioeconomic well-being, while others may be positive and can inform social policy in the eradication of poverty.

Therefore the analytical approach to this Poverty Assessment Study embraced a multi-faceted view of poverty and encompassed analyses which revealed this factor. The Study combined both quantitative and qualitative research methods; each with its own merit, but also complementing each other to provide a comprehensive picture of poverty in St Lucia. The study consisted of main four components:

- A macro-economic and social situational analysis - Volume Two;
- A Combined Survey of Living Conditions/Household Budgetary Survey (SLC/HBS) - Volume Three;
- A Participatory Poverty Assessment (PPA) - Volume Four; and
- An analysis of selective institutions and organisations operating in the country that have relevance to the conditions of poorer people.

A Macro-economic and Social Situational Analysis – The macro-economic and social situational analysis relied on secondary information collected mainly from governmental institutions and from research exercises that have been conducted in recent years.

Combined SLC/HBS – The SLC/HBS was a composite exercise in which information on expenditures and a host of other information were collected from a sample of household across the country, in the last quarter of 2005 and in the first few weeks of 2006. This component of the study was responsible for most of the quantitative data collected on living conditions and the poor in St. Lucia. Further information on the SLC/HBS can be obtained in Volume Three.

PPA – the PPA generate a variety of qualitative data at the micro level on the type, nature and distribution of poverty and deprivation in 17 selected poor communities in St Lucia. This assessment gave deeper meaning to the quantitative data generated by the SLC/HBS and to the data collected in the Institutional Assessment. In the conduct of the PPA, the emphasis was on securing the views and perspectives of people living in poorer communities. The PPA allowed for a substantial degree of training, both of personnel in the certain state agencies and NGOs, and among people in the communities as well. Additional information on the methodological approach of the PPA can be obtained in Volume Four.

Institutional Assessment – The institutional analysis involved the collation of data through interviews of personnel responsible for key agencies, and from secondary information available on the operations of such agencies.

In effect, the components of the study allowed for the triangulation of primary quantitative and qualitative data from the survey and the PPA with information collected on the economy and society and with the data drawn from interviews with representatives of key organisations.

1.2 THE 1995 ASSESSMENT VERSUS THE 2005/2006 ASSESSMENT

The Government of St. Lucia initiated the assessment of poverty in 1995, with a study financed by the CDB. That study provided the basis for many of the interventions that have been undertaken over the years and was responsible for some of the institutional structures established to combat poverty in its various dimensions. Box 1.1 summarises the key findings of the 1995 Study. This current Assessment represents an opportunity for comparative examination of the results of the previous study with the current findings and to evaluate the progress the country has made in meeting the needs of the poor.

However, it must be emphasised that the SLC of 1995 was based on the recall of expenditures of representatives of 600 households or 2,200 persons. On the other hand, the SLC/HBS of 2005/06 is based on data collected from 1,222 households, or 4,319 persons representing 2.78 percent of the population: the data collected on expenditures came from diaries of the individual spenders in the households.

The comparison may suggest longitudinal analysis. However, each survey is specific in time and is cross sectional. Like other living conditions surveys of Caribbean society, they lump together three fundamentally different categories of persons living below the poverty line. The first of these groupings is the *chronic poor*, or those individuals and households that have been poor for more than one generation. Secondly, there are those individuals, or households living below the poverty line that have only recently come to experience impoverishment as a result of recent structural changes in the economy. Finally, there are those individuals or households that move into and out of poverty on a seasonal basis, and whose poverty may be transitory³.

³ This characterisation has been developed by C.Y. Thomas.



**PART ONE:
CONTEXT, MAGNITUDE, CAUSES,
CHALLENGES**

CHAPTER TWO

CONTEXT OF POVERTY

IN ST. LUCIA

Poverty is multi-dimensional in nature. Thus, the poverty witnessed in St. Lucia currently derives from a variety of sources – economic, political, social and socio-psychological and cultural, all interacting on one another and contributing to the reality faced by households in this island state.

2.1 INTERNATIONAL AND MACRO-ECONOMIC CONTEXT

The economic and social reality of St. Lucia has been shaped in large measure by its relationship with the rest of the world. In the colonial period, it was a tropical appendage of Britain, whose entire *raison d'être* was its capacity to supply primary raw materials. St. Lucia continues to be linked to the international economy by its exports of primary products. Since political independence in 1979, there have been attempts to diversify by developing alternative sources of foreign exchange earnings: by the late 1980s, light manufacturing and tourism had emerged as viable activities outside of export agriculture, with bananas continuing to contribute to the GDP with good prices and rising output.

2.2 VULNERABILITY

St. Lucia is an acute case of vulnerability. Like most Small Island Developing States (SIDS), its vulnerability stems from economic exposure, insularity and susceptibility to environmental events and hazards. According to Briguglio (1995), the defining characteristic of SIDS is their inability to shelter themselves from forces outside of their control⁴.

Its survival depends on its export platform which has consisted of banana exports, light manufactures and tourism. Two of the legs of this 'tripod' have weakened in recent years – bananas, and light manufactures - with the result that, in spite of the attempts at diversification, it has become even more dependent on one sector - tourism - which is now the main stay of its foreign exchanges. Its vulnerability has been heightened by the exposure to hurricanes of higher intensity: Hurricanes Ivan in 2004 and Katrina and Emily in 2005 have brought home forcibly the reality of climate change and its impact on small island economies in the Caribbean.

Change in trade access has had devastating 'Ivan-esque' effects on the economy of St. Lucia. The formation of the North American Free Trade Area (NAFTA), and the push on the part of a number of Central American countries and the Dominican Republic to take advantage of the CBI rendered uncompetitive its labour intensive manufacturing by the middle of the decade of the 1990s. At the same time, there were major reverses in the banana industry as well, following the unification of Europe and the coming into being of WTO. The dramatic impact on the Windward Islands and on St. Lucia is seen in Figure 2.1.

⁴ Briguglio, L. 'Small Island Developing States and their Economic Vulnerabilities,' *World Development*, Vol. 23, No. 9, 1995.

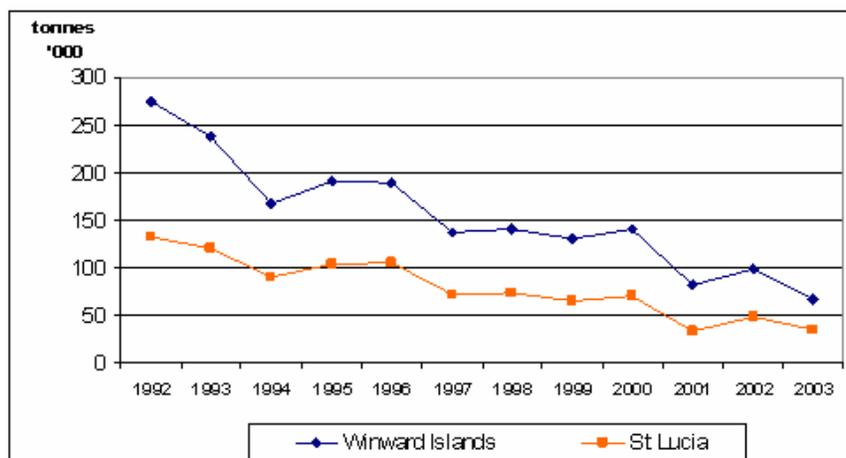


Figure 2.1: Banana Exports (1993-2003), Windward Islands and St Lucia

While it has sought and won assistance on the basis of its status as a SIDS, and thus in need of *special and differential* treatment, its export capability has been weakened by events of recent years.

2.3 RECENT ECONOMIC PERFORMANCE

The issue of gravest significance then has been the decline in the Agricultural Sector and of the Banana Industry in particular, since the middle of the last decade. While there were attempts made at diversification of agriculture, the size of exports of non-banana agriculture and the level of growth were miniscule relative to bananas. Exports and production of non-banana agriculture came no where near replacing bananas in terms of employment and production. This has had the effect of spreading a pall of doom and gloom across the agricultural communities of St. Lucia.

Attempts at creating a financial services sector were being made at the very time when these became subject to the hostile gaze of the OECD countries out of their alleged concern over money laundering, but really about off-shore financial centers creating an opportunity for tax avoidance among large corporate entities.

Its most recent economic performance has been modest. GDP in constant prices fell in 2000 and 2001. In real terms, there was a 13 per cent increase in output between 1998 and 2003. Manufacturing fluctuated and grew by less than the average – 10 per cent over the period. To the extent that there was any increase in manufacturing, this would have been due to an expansion in production serving the domestic market, for example, food and drink. The room for expansion on the basis of domestic demand is severely limited.

Tourism, as represented in large measure by Hotels and Restaurants, was the lead export-oriented sector and grew by 25 per cent over the period, and has been the prime mover of the entire economy. There has been a rebound in the industry following the impact of September

11, 2001, but the country has to contend with increasing competition within the Caribbean region. The increased reliance on tourism exacerbates volatility in economic activity, as the experience of September 11, 2001 has illustrated.

In the first half of 2006, there is evidence that the economy has been growing, with Tourism and Construction in the lead. The stimulus to the Construction Sector came in 2005 with a number of developments related to the ICC Cricket World Cup tournament planned for 2007. This, along with road and other infrastructure development, has created a boom in Construction.

2.4 FISCAL CHALLENGES

The role of Government takes on a special significance in SIDS. In the absence of strong private sector growth, the Government has to stimulate economic activity, but the resources for so doing tend to be limited. A notable feature of the fiscal operations of the country has been the heavy reliance on indirect taxes. For 2005/06, taxes on goods and services and on international trade transactions accounted for 68 percent of current revenue. A requirement under CARICOM and in compliance with international practice, there is need for downward adjustment in tariffs and duties.

The Government has had to face the challenge of raising revenue to assist in the transformation of the economy, and at the same time, manage the fall-out from adjustment which wreaks havoc on the lives of large sections of the society. There has been an inexorable rise in recurrent expenditure, pushed in large measure by the need for the Government to expand services in such areas as education, health, and the social services. Recurrent expenditure in 2005/06 was 22 per cent of GDP, underlying the fact that Government is a large player in the domestic economy.

In the financing of capital expenditure the Government has had to rely heavily on loans and grants. While St. Lucia is not the most indebted among the Commonwealth Caribbean countries, it does face some major financing gaps. According to the CDB, between 2004 and 2005 the public debt increased by 6.3 per cent and the external debt, by 8.4 per cent. Central Government Debt Service increased from 24.8 per cent of Current Revenue to 34.7 per cent.

These fiscal challenges have forced the country to rely heavily on creditors and donors, with the result that the Government is heavily dependent on sources of funds from outside the tax system in undertaking much of the existing capital investment in the economic and social infrastructure of the country. This means also that St. Lucia is at the mercy of these external agencies in respect of their rules and procedures on disbursement, which may be not always sensitive to the needs of its people.

The close of the decade of the 1990s and the beginning of the 21st century found St. Lucia in a period of acute adjustment. Although the country could be described as middle income on the basis of the accepted indicators, its limited economic base has exposed all the features of vulnerability characteristic of Small Island Developing States in the face of the forces of globalisation.

2.5 POLITICAL SYSTEM

Representative government is well institutionalised in St. Lucia. The House of Assembly and the Senate constitute the legislature of the country. There is a multi-party democracy, with two main parties in place. There is the occasional rise to prominence of independent candidates or smaller groupings that eventually become absorbed in one or the other main parties. The legislature is male dominated: at the last general elections, two women were elected and both were given Cabinet positions. The Head of State is the Queen of England and her representative is the Governor General who is also female.

The current ruling party, the St. Lucia Labour Party, was re-elected to a second term in office in 2002. It had won by a landslide in 1997, defeating the United Workers Party that had been in power for a number of terms. There are no major ideological differences separating the two main parties, and political contests tend to be dominated at times, by personality issues. In spite of its title, the political party in power, the St. Lucia Labour Party, is not an arm of any formal labour organization.

Although the Government of St. Lucia remains an important actor in the economic life of the country, there is a vibrant private sector comprised of domestic and foreign interests and a wide range of small and medium sized enterprises. The Government is committed to free operation of market forces and has set in place an Office of Private Sector Relations - OPSR - which provides assistance to the private sector, and is the mechanism through which it maintains close relations with it.

On the matter of decentralization of political administration, there has been little real movement in spite of the announced intention to develop local governance structures and to endow them with certain powers. This issue has been the subject of formal study with the support from the CDB, and recommendations have been developed on the modalities of implementing local government reform. There are local councils, but these are appointed by the Government. However, this appointive structure has not prevented the growth of independent CBOs with executives that are elected by their members, and which exercise considerable influence in the geographic areas in which they operate. The Laborie Planning Committee and the Soufriere Foundation are two such examples.

One major recent issue in the politics of St. Lucia was the matter of abortion and pro-choice. One member of the Government withdrew from the party over the matter and resigned her seat to force a by-election. She subsequently lost at the polls in seeking a new mandate from constituents, and as well, the candidate of the party in power. This suggests that the electorate has concerned itself with issues facing the population, rather than with personality issues.

Meanwhile, the strong Catholic lobby has called for the excommunication of the Governor General for sanctioning the legalization of abortion by assenting to Clause 166 of the revised Criminal Code in 2004. The Clause provides for abortion on the grounds of rape, incest or in the interest of protecting the mother's health or life. St. Lucians seem divided on the issue, but it

remains a moot point whether it will be an election issue at the next constitutionally due elections later in 2006.

There are no daily newspapers, but there are a couple of weekly and thrice weekly publications, which air the views of a wide cross-section of the population. There are also a number of privately run radio stations, catering to a wide range of audiences. A number of programmes in Creole, enjoy a listener-ship among those sections of the society that feel greater comfort in speaking Creole.

There are also talk-shows which have considerable audience, and which provide avenues for critique and outright criticism of the Government. The Government introduced legislation in 2003 which was deemed to be draconian in some quarters in that it provided for the incarceration of anyone who knowingly publishes false news with the intention of creating harm to the society. Whatever the legislation in place, St. Lucians seem not to have any fear of censorship and there is open discussion on most matters that excite public interest.

Roman Catholicism remains the dominant religion of St. Lucia, but has to contend with the rise of evangelical and other Christian denominations that have come in mainly from the United States. Tele-evangelical programmes attract a substantial audience as well. While still influential, especially in the area of education, the Roman Catholic Church is no longer the dominant force that it was in the 20th century.

There are at least a couple of areas in which there is considerable divergence between the formal observance of international conventions and the actual provisions within the country for the implementation of these conventions. One relates to the provisions in place to give effect to the rights of persons with disabilities. The country is still at some considerable distance from the implementation of the United Nations Standard Rules on the Equalization of Opportunities for Person with Disabilities (PWDs).

Another area is the observance of the conventions of the International Labour Organisation (ILO). The country has ratified some 28 conventions of the ILO. There is debate among the social partners as to the degree to which the country is abiding by these conventions. The legislative agenda tend to lag behind the formal acceptance of conventions, and this may work negatively for those in the lowest socio-economic categories.

There has been some advance in social legislation in recent times and some updating of legislation relating to adoption. Issues relating to gender are handled by a Department of Gender Affairs in the Ministry of Health, Human Services, Family Affairs and Gender. However, there are still elements of the law that do not accord equal rights in respect of property to married women vis-à-vis their husbands. Generally, the country has performed well on the basis of governance indicators developed by the World Bank as shown in Table 2.1.

Table 2.1: Governance Indicators by Country (Percentile Ranks, 2004)

Countries	Governance Indicators					
	VA	PS	GE	RQ	RL	CC
Antigua And Barbuda	62	92	64	73	82	82
Bahamas	87	81	88	75	88	88
Barbados	88	98	86	78	87	80
Belize	74	66	61	62	58	55
Bermuda	79	84	89	83	85	82
Brazil	56	44	59	59	47	54
Canada	95	87	96	93	94	94
Cayman Islands	71	99	89	81	86	86
Costa Rica	84	83	68	71	66	77
Cuba	2	53	36	4	12	33
Dominica	86	89	64	67	68	64
Dominican Republic	54	48	38	42	39	41
Germany	95	80	88	89	93	93
Grenada	72	82	60	63	62	72
Guyana	66	33	50	47	40	46
Haiti	9	4	0	14	2	1
Jamaica	64	37	61	57	43	39
Puerto Rico	81	86	85	74	71	83
Singapore	44	97	100	99	96	100
St. Kitts And Nevis	70	95	52	65	70	68
St. Lucia	78	95	62	67	72	66
St. Vincent & Grenadines	76	92	63	67	74	68
Suriname	66	58	46	30	46	69
Sweden	99	93	95	92	97	98
Switzerland	98	95	100	93	99	97
Trinidad And Tobago	62	49	67	70	56	59
United Kingdom	94	72	94	95	94	95
United States	90	61	94	87	92	93

VA Voice and Accountability refers to the extent to which citizens of a country are able to participate in the selection of governments, as well as freedom of expression, association and in the media.

PS The Political Stability index combines perceptions of the quality of public service provision, the quality of the bureaucracy, the competence of civil servants, the independence of the civil service from political pressures, and the credibility of the government's commitment to policies into a single grouping. The main focus of this index is on "inputs" required for the government to be able to produce and implement good policies and deliver public goods.

GE Government Effectiveness

RQ Regulatory Quality refers to the ability of the government to formulate and implement sound policies and regulations enabling private sector development.

RL Rule of Law

CC Control of Corruption

Source for data and detailed country ratings: 'Governance Matters IV: Governance Indicators for 1996-2004b, by D. Kaufmann, A. Kraay and M. Mastruzzi, www.worldbank.org/wbi/governance.

CHAPTER THREE

THE FACE OF POVERTY

This section examines the social characteristics of the poor on the basis of quantitative data that have been collected for the SLC/HBS and the qualitative data collected in the PPA.

3.1 THE CHRONIC POOR

The chronic or long term poor evince certain features that appear integral to their condition. First of all, they are usually poorly endowed in terms of capabilities that allow them to function adequately in the labour, credit and financial markets. In practical terms, this means that they are lacking in educational and skill certification, have no access to land, or other forms of physical capital, beyond miniscule parcels, and tend not to be richly endowed in terms of social capital. Certainly, they are lacking in terms of social networks that extend outside of their immediate communities and which would place them in good standing for accessing these markets. Finally, because of their educational and financial capital deficiencies, the chronic poor tend to be socially marginalized and disempowered. When poverty becomes long term, it translates into chronic poverty, in a vicious cycle of entrapment.

3.2 POVERTY AND INDIGENCE

The data reveal that 28.8 per cent of the population of St. Lucia fell below the poverty line. The poverty line is based on a measure of the value of a lowest cost basket of goods that provide the minimum number of kilocalories needed for proper functioning by human beings on a daily basis: this is estimated at 2,400 kilocalories for an adult male. It also consists of the value of all other basic non-dietary needs of the individual or household. Those living below the line cannot afford both sets of items. The estimate for the indigence line was EC\$ 3.40 (US\$ 1.27) daily or EC\$131 (US\$46.06) per month or EC\$ 1,570 (US\$ 588.02) annually. The poverty line per adult was estimated to be EC\$13.93 (US\$5.22) daily or EC\$423.83 (US\$158.74) monthly or EC\$ 5,086 (US\$ 1,904.87) per annum. While these estimates are not based on purchasing power parities, they do give some sense of proportion having regard to the fact that St. Lucia is a highly open economy with relatively free movement of goods into the economy, and a high import content in domestic demand.

The data also reveal that 1.6 per cent of the total population existed in a state of indigence. This means that they might have suffered malnutrition or were not securing the kilocalories deemed by nutritionists to be basic for the proper functioning of the human organism.

3.3 COMPARISON OF 1995/2005

Table 3.1 and Figure 3.1 present a comparison between the SLC of 1995 and the SLC/HBS of 2005/06. This latter survey is far more robust than the first in terms of the quantum of data collected.

Table 3.1 Indigence and Poverty 1995 and 2005/06 (Percent)

	1995	2005/06
Poor Households	18.7	21.4
Poor Population	25.1	28.8
Indigent Households	5.3	1.2
Indigent Population	7.1	1.6
Gini Coefficient	0.5	0.42

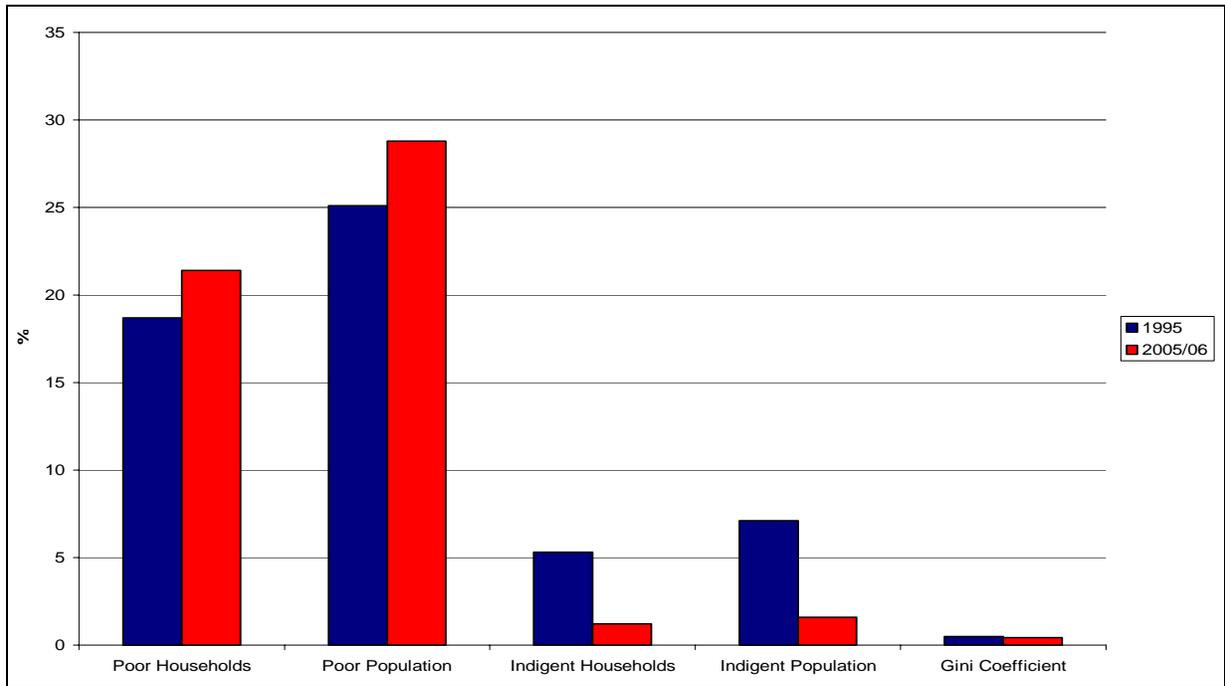


Figure 3.1 Indigence and Poverty 1995 and 2005/06 (Percent)

The data suggest that poverty has increased from 25.1 per cent of individuals to 28.8 per cent over the period. However, indigence seemed to have dropped substantially from 7.1 per cent to 1.6 per cent of individuals. In other words, while poverty might have increased, the percentage

of the population that was extremely poor had dropped. It might well be that the poor in St. Lucia in 2005/06 had a much improved standard of living and quality of life than in 1995 than are suggested by the data: food or the indigence component represented a much larger percentage of the poverty line in 1995 compared to 2005/06 – 47.5 per cent vis-à-vis 30.1 per cent.

Another interesting result is the level of inequality in the society. The Gini coefficient which provides an index of inequality was estimated to be 0.42 which is lower than the estimated result for the 1995 SLC – 0.5. The lower the Gini, the lower is the level of inequality. However, while the decline in the Gini was considerable, inequality was still high. The poorest 20 per cent enjoyed just 5.7 per cent of the expenditures compared to almost 50 per cent enjoyed by the richest 20 per cent. It must be noted as well, that the Gini presents distribution of private expenditure or income, and may not reflect the entire picture on distribution: there are ‘public goods’, the distribution of which could have been even more pro-poor, thus improving the quality of life of poorer citizens. The differences between poor and non-poor need not be as wide as reflected in the Gini. Figure 3.2 provides a scatter of the per capita expenditures.

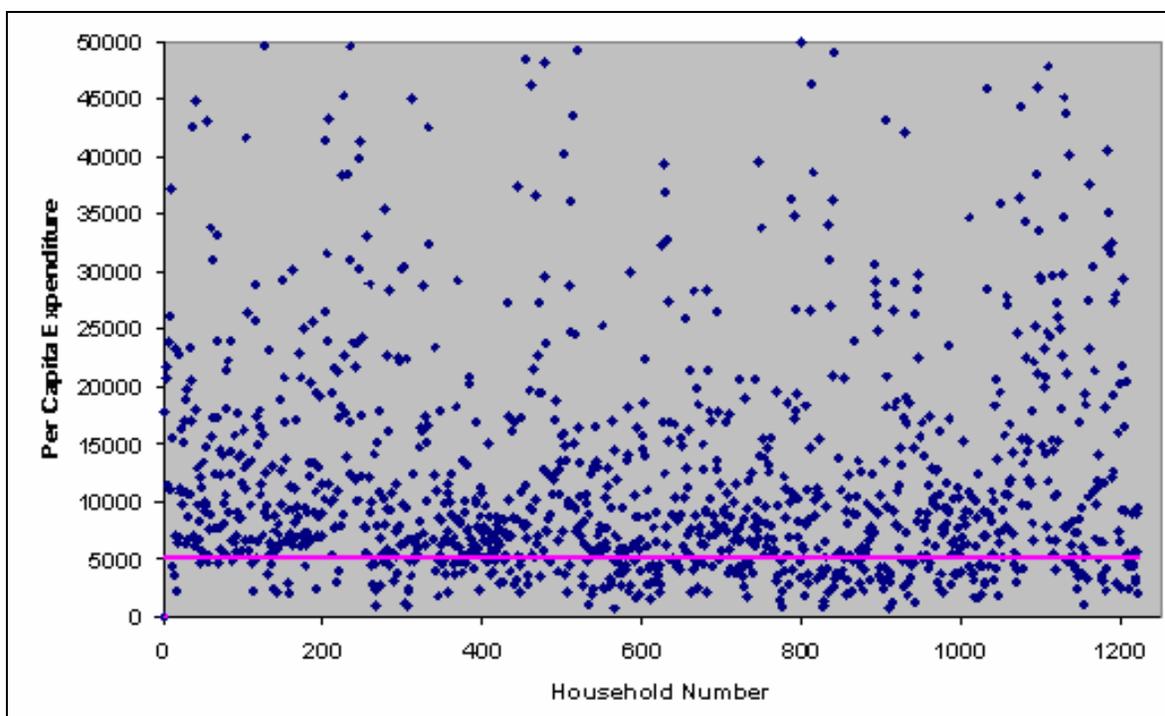


Figure 3.2: Scatter Diagram of Per Capita Expenditures

Table 3.2 compares the results on certain critical variables over the two surveys. The average size of households seems to have fallen slightly from 3.8 persons to 3.6 persons. Likewise, the number of children has fallen from 1.5 to 1.1. The number of children falls as income increases in both surveys. Importantly, the number of children in the poorest quintile in 2005 was much

lower than in 1995 - 1.9, as compared to 2.7. The poorer quintile still had more children than the richer quintiles: thus, a higher percentage of children were in poorer homes.

There was a slightly larger number of earners per household in 2005 than in 1995: there were relatively more working poor in 2005. A smaller percentage of household heads in the poorest quintile were female in 2005 than in 1995. Indeed and interestingly, a larger percentage of households were female-headed in the two highest quintiles in 2005 than in 1995, even though over the period, the percentage of the households that were male and female headed, for the entire population was remarkably similar. Clearly, women who have been able to escape the barriers in the world of work and could rise to the top of their profession or occupational category would be equally likely to be heads of households as men.

Table 3.2: Comparative Quintile Estimates 1995/2005

	Per Capita Consumption Quintiles					All St Lucia
	Poorest	II	III	IV	Richest	
2005						
Sex of Head of Household	%					
Male	57.5	56.6	50.3	53.3	62.0	56.4
Female	42.5	43.4	49.7	46.7	38.0	43.6
Both Sexes	100.0	100.0	100.0	100.0	100.0	100.0
	<i>Mean</i>					
Age of Head	49	50	49	50	53	51
Household Size	4.7	4.3	3.9	3.3	2.6	3.6
Children Per Household	1.9	1.5	1.2	0.9	0.5	1.1
Earners Per Household	1.6	1.5	1.3	1.1	0.7	1.2
1995						
Sex of Head of Household	%					
Male	51.7	49.0	49.1	58.3	67.0	56.7
Female	48.3	51.0	50.9	41.7	33.0	43.3
Both Sexes	100.0	100.0	100.0	100.0	100.0	100.0
	<i>Mean</i>					
Age of Head	49.2	48.7	46.5	44.5	45.7	46.6
Household Size	5.3	4.6	4.2	3.7	2.6	3.8
Children Per Household	2.7	2.0	1.7	1.4	0.7	1.5
Earners Per Household	1.1	1.2	1.4	1.5	1.4	1.3

3.4 THE GEOGRAPHY OF POVERTY

Table 3.3 provides information on the geographic distribution of poverty, indigence, the poverty gap and poverty severity. While at the national level, indigence fell, there were some districts in the country where indigence was much above the national average. Thus, in Anse-la-Raye and Canaries, 5.3 per cent of the population was indigent. These two areas of the country seemed to have suffered a stasis in the development for more than one generation. Soil and

weather did not permit for competitive banana production in those areas, and, therefore they could not participate actively in the banana industry when bananas were 'green gold'.

Table 3.3: Head Count, Poverty Gap, Poverty Severity by District

District	Population	Percent Indigent	Percent Poor	Poverty Gap	Poverty Severity
St Lucia 2005/06	164,842	1.6	28.8	9.0	4.1
St Lucia 1995	144,000	7.1	25.1	8.6	4.4
Castries City 2005/06	16,594	1.7	13.1	3.4	1.8
Castries City 1995		---	15.2	4.4	1.7
Castries Sub-Urban	51,100	0.6	22.2	6.7	2.9
Castries Sub-Urban 1995		---	22.6	8.2	3.8
Anse-La-Raye / Canaries	10,287	5.3	44.9	17.7	9.6
Soufriere	9,329	0.4	42.5	12.4	4.8
Choiseul	5,401		38.4	9.7	3.8
Laborie	7,190		42.1	10.6	3.5
Vieux-Fort	14,096	4.8	23.1	10.2	5.9
<i>Micoud</i>	<i>18,071</i>	<i>4.0</i>	<i>43.6</i>	<i>14.1</i>	<i>6.8</i>
Dennery	11,986		34.2	11.4	5.2
Gros-Islet	20,787	0.4	24.4	5.8	2.2

In Vieux-Fort and Micoud also the rates were much above the average. Vieux-Fort witnessed the collapse of much of its manufacturing sector and Micoud succumbed to a precipitous decline in the competitiveness of its banana industry. In effect, there was some change in the geography of poverty as the stagnation that had characterised much of the west and south-west of the island in the earlier period, spread to the east of the island. For the country as a whole, the poverty gap in 2005 was nine per cent, and the FGT 4.1, and in 1995 was 8.6 and 4.4, respectively. Transfers equivalent to nine per cent of the GDP would have been required to bring the poor up to the poverty line in 2005.

Differential poverty and indigence can lead to geographic mobility over time. What has been significant about St. Lucia in the last few years has been the rapid shift to the north-west of the island. In the absence of investments and economic activity to arrest these trends, only the negatives of congestion would discourage such flows.

The concern about managing the challenges of economic volatility has led, in recent years, to the estimation of the percentage of the population that is so close to the poverty line, that any decline in economic conditions would push them into poverty. For present purposes and in keeping with the developing convention, the vulnerable are those who are at or below 1.33 times the poverty line of 33 percent above it.

Table 3.4 shows the distribution of the population of St. Lucia by district according to socio-economic status. Among the indigent poor nationwide, the largest concentration is found in Micoud (27.4%). Slightly smaller concentrations are found in Vieux Fort (25.6%) and Anse-la-Raye (20.4%) but are considerably higher than those observed for northern districts, such as the City of Castries, Sub-Urban Castries and Gros Islet. Despite their relatively smaller population sizes when compared to these northern districts, the high concentrations of poverty in Micoud, Vieux Fort and Anse-la-Raye are worthy of note.

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Dennery	11,986		34.2	11.4	5.2
Gros-Islet	20,787	0.4	24.4	5.8	2.2

With respect to the non-indigent poor resident in St. Lucia, the highest concentration lived in Sub-Urban Castries (24.3%). This result is consistent with the fact that Sub-Urban Castries has the largest share of St. Lucia's population. The next largest concentration of non-indigent poor persons was found to be resident in Micoud (15.9%) while levels observed in Anse-la-Raye, Dennery and Soufriere were similar despite being lower than in Micoud.

For St. Lucia, the number of vulnerable persons was more equitably distributed across the major districts though the level appeared to be substantially higher in Sub-Urban Castries. However, the relative sizes of the population in the different districts is likely to influence the observed spatial concentrations of poor persons to the extent that one should examine variations in the prevalence of poverty and more specifically, variable living conditions within the different districts when compared to the country as a whole.

Table 3.5 and Figure 3.3 highlight the percentage distribution of the population by socio-economic status according to district. While for St. Lucia as a whole, 28.8 per cent of the population were estimated to be poor of which, just 1.6 per cent was considered to be indigent, another 16.2 per cent were deemed vulnerable, but not poor. This means that 46.6 per cent of the population are technically vulnerable and could be affected by the volatility of income and other vicissitudes. Figure 2.1 above is also proof of this point.

Generally, the table reveals that poverty in St. Lucia has been primarily a rural phenomenon as predominantly rural districts such as Anse-la-Raye (44.9%), Soufriere (42.4%), Choiseul (38.4%), Laborie (42.1%) and Micoud (43.6%) have exhibited prevalence rates in excess of 35%. Moreover, Anse-la-Raye and Micoud were also observed to have had highest rates of indigence which amounted to 5.3 per cent and 4.1 per cent, respectively. Table 3.6 and Figure 3.4 provide additional indicators of the divergence in life chances by districts, while the maps in Figure 3.3 give a pictorial summary. Further flight from the rural communities can be anticipated in the absence of measures to encourage people to stay.

Table 3.5: Percentage Distribution of Population by District According to Socio Economic Status

District	Socio-Economic Status				Total %
	Indigent %	Poor But Not Indigent %	Vulnerable %	Non Poor %	
Castries City	10.9	4.2	13.1	12.1	10.1
Castries Sub-Urban	11.3	24.7	32.1	34.4	31.0
Anse-La-Raye	20.4	9.1	10.1	3.3	6.2
Soufriere	1.5	8.7	4.0	4.7	5.7
Choiseul	-	4.6	2.0	3.1	3.3
Laborie	-	6.7	3.0	3.7	4.4
Vieux-Fort	25.6	5.7	8.1	9.6	8.6
Micoud	27.4	15.9	8.8	8.6	11.0
Dennerly	-	9.1	7.6	6.5	7.3
Gros-Islet	2.9	11.1	11.2	14.1	12.6
Total %	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Count	2670	44845	26680	90646	164842

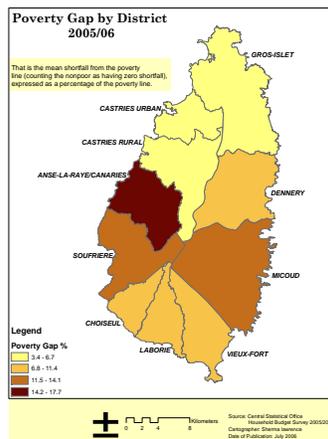
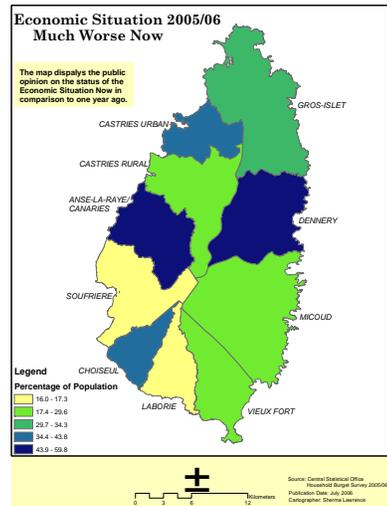
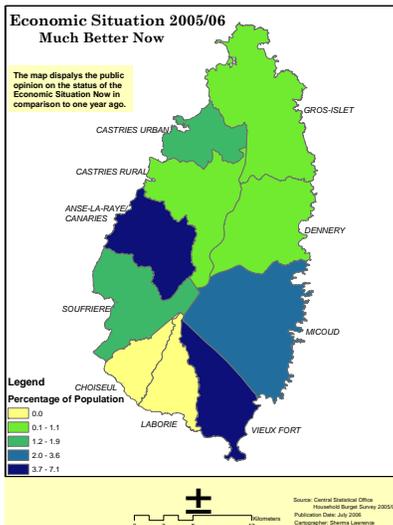
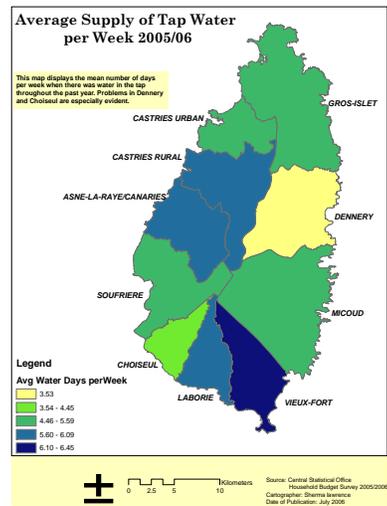
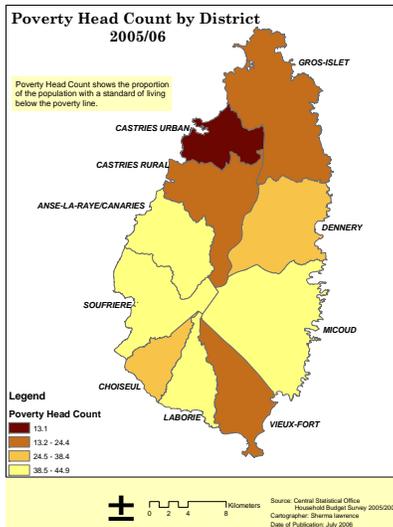


Figure 3.3: Percentage Distribution of the Population by Socio-economic Status according to District

Table 3.6: Percentage Distribution of Population by Socio Economic Status according to District

District	Socio-Economic Status				Total %
	Indigent	Poor But Not Indigent	Vulnerable	Non Poor	
	%	%	%	%	
Castries City	1.7	11.4	21.0	65.9	16594 (100.0)
Castries Sub-Urban	0.6	21.6	16.8	61.0	51100 (100.0)
Anse-La-Raye	5.3	39.6	26.1	29.0	10287 (100.0)
Soufriere	0.4	42.0	11.5	46.0	9329 (100.0)
Choiseul	-	38.4	9.9	51.7	5401 (100.0)
Laborie	-	42.1	11.1	46.8	7190 (100.0)
Vieux-Fort	4.8	18.2	15.4	61.5	14096 (100.0)
Micoud	4.1	39.5	13.0	43.4	18071 (100.0)
Dennerly	-	34.2	16.9	48.9	11986 (100.0)
Gros-Islet	0.4	24.0	14.3	61.3	20787 (100.0)
Total	1.6	27.2	16.2	55.0	164842 (100.0)

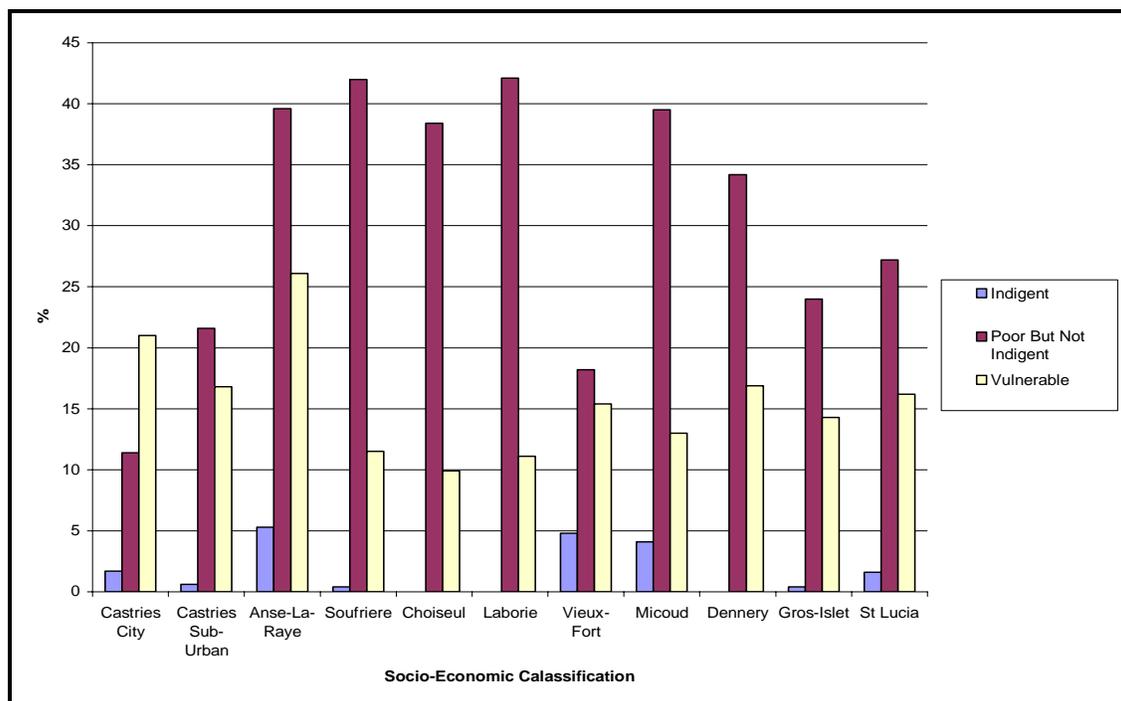


Figure 3.4: Distribution of Population by Socio Economic Status and District

3.5 PEOPLES' PERSPECTIVES ON POVERTY

The PPA provides perspectives of the people themselves on the poverty that has been experienced in St. Lucia. Seventeen communities were selected for study – four urban, one semi-urban and twelve rural. In all of the communities there was a great deal of discussion about whether the community was poor or not. There were residents who thought that their community was poor and others who thought that it was not, but poverty was seen to be different to what is observed elsewhere.

“We are affected by a different category of poverty. We cannot be compared with people in Africa: poverty here has to do with unemployment”.

Five communities were classified by residents as very poor, 10 as poor and two as better off, but with small pockets of poverty. This can be seen in Table 3.7.

Table 3.7: Level of Poverty in Communities: Resident's Perception

Community	Very Poor	Poor	Not Bad Compared To Others	Better Off
Anse le Raye		*		
Anse Le Verde			*	
Balca		*		
Baron's Drive		*		
Belmont		*		
Belle Vue			*	
Bouton		*		
Des Barras				*
Desrameaux		*		
Faux au Chaud	*			*
Mangue	*			
Migny		*		
Morne Jacques			*	
Park Estate	*			
Praslin		*		*
Rosseau		*		
Wilton Yard	*			

Distinctions were also drawn between private and public poverty, individual, household and community poverty: poor infrastructure, lack of facilities, services and resources and neglect by government contribute to public poverty. Private poverty was seen as poverty and deprivation being experienced by individuals and households. Residents in all of the communities agreed that lack of jobs and of opportunities to earn an income was one of the main causes of private

poverty. Other causes were lack of and low levels of education, few skills, and lack of self esteem. Residents were also cognizant of the reality of the working poor.

"Most persons live from paycheck to paycheck."

"The money not enough to pay the bills and buy food."

Estimated poverty increased between 1995 and 2005, but indigence fell. There were four communities in the 17 that had been the subject of a community situational analysis in 1995: residents were asked to compare their situation with 1995 and indicate whether things had got better or worse. There were mixed views on changes that had taken place. Residents seemed to base their assessment on a mix of economic, social and infrastructural measures.

Residents in Balca were of the view that the community was a better place 10 years ago: some members of the community were employed on the estate and were allowed to cultivate small plots. However, there had been a reduction in access to land, with consequential unemployment. The resulting loss of income was a major setback which had contributed to poverty as well as to an increase in involvement in use of illegal drugs, criminal activity and the mushrooming of "...a kind of ghetto called "the Gulf" where young men go to smoke". Family relationships had deteriorated, and there was a decline in respect for parents and for the elderly, by young people, and women were being treated worse.

Belmont was traditionally a banana producing community, but with the decline in the industry unemployment had increased.

"Ten years ago banana had money, put money in people's pocket"

"There are no jobs in Belmont now."

Unemployment had contributed to several problems. Young unemployed men had resorted to the use illegal drugs; there was more indiscipline and delinquency, and there had been an increase in teenage pregnancy, and more people were turning to alcohol.

Residents in Belmont pointed to the poor conditions of the infrastructure including roads and drains, which they said were in a worse condition than they were 10 years ago. Absence of facilities like a health centre, community centre, day care centre or preschool, and a good playing field were seen to contribute to poverty in the community. At the same time while there has been some improvement in toilet facilities, public property is being abused and vandalized. Residents were concerned about poor water quality and irregularity of the water supply, but agreed that there had been an increase in the number of households that now have telephones, including cell phones.

In Roseau over the last 10 years, housing had improved as government and house owners repaired leaking roofs and rotting floors. More homes now have electricity, but there is a problem with drinking water since the standpipe has ceased to function. The public toilets are not functioning and people defecate in surrounding areas and while there is now a place designated for garbage disposal some residents still litter and dispose of their garbage

irresponsibly. The main road is better now and more buses are operating so transportation is not a problem but the road to the beach needs to be repaired. Roseau also had been devastated by the decline in the banana industry. There are fewer job opportunities and higher unemployment; few people have access to land, or could secure credit or acquire other resources needed to sustain their livelihoods.

A major change in Bouton was outward migration that has been alleged to result in a dramatic decrease in population and the resulting loss of vital human resources; as a result the small population is made up mostly of older persons. There are no opportunities for employment in Bouton no recreational facilities and nothing to do. Nor has migration brought upliftment: residents lamented that “... *young people have to go to Castries and sell their bodies to make money*”. There has been some improvement in the road, but ten years later it is still in a poor condition and few vehicles attempt to traverse it, so that transportation to and from the community is still a big problem.

In Baron’s Drive the only urban community surveyed in 1995, residents reported that the infrastructure has improved: the road is good, there are two stand pipes, telephone lines and most people have electricity. However poor drainage contributes to flooding, there are no public wash rooms or toilets - most people use pit latrines, and several others have no toilet facilities - and residents expressed concern about disposal of feces in public places.

3.6 OTHER KEY DIMENSIONS OF POVERTY

3.6.1 Poverty and Age

The data reveal, as has been found in most Caribbean countries, that those persons living below the poverty line are disproportionately young in comparison to the proportion of youth in the general population. Table 3.8 shows that some 51 per cent of those living below the poverty line are below the age of 20. Among the non poor the corresponding figure was 37 per cent. It is to be noted that the 65 and over were almost 10 percent of the population: data over the last two censuses have established the fact of ageing of the population. While the percentage of the poor who were elderly was less than their presence in the population, the plight of the elderly poor was remarked on by community residents. Those who were totally reliant on public assistance would have been among the poorer of the poor.

With reference to children aged 0-14 years, Table 3.9 shows that the largest proportion of those classified as indigent poor lived in Micoud (32.9%). As in the case of the entire population, relatively large proportions were also observed to have been living in Anse La Raye (26.8%) and Vieux Fort (19.5%). Among the non-indigent poor, Sub-Urban Castries did not only have the largest share (30.4%) of the island’s children but also the largest proportion of children classified as non-indigent poor (24.2%). Disproportionately large proportions of children among the ranks of the non-indigent poor were found to be living in Micoud (14.4%), Anse-la-Raye (10.6%), Soufriere (11.3%) and Dennery (10.3%). The City of Castries and Sub-Urban Castries accounted for just under one half of the children who were considered to be vulnerable (45.6%).

Table 3.8: Poverty by Age in St Lucia

Five Year Age Groups	Socio Economic Status				Total	
	Poor		Non Poor		N	%
	N	%	N	%		
0-4	3,844	8.1	8,763	7.5	12,607	7.6
5-9	6,624	13.9	10,286	8.8	16,910	10.3
10-14	7,923	16.7	12,387	10.6	20,310	12.3
15-19	5,932	12.5	11,404	9.7	17,336	10.5
20-24	3,923	8.3	9,100	7.8	13,023	7.9
25-29	2,642	5.6	7,713	6.6	10,355	6.3
30-34	2,153	4.5	8,027	6.8	10,180	6.2
35-39	3,063	6.4	8,776	7.5	11,839	7.2
40-44	2,951	6.2	7,917	6.7	10,867	6.6
45-49	1,912	4.0	6,584	5.6	8,496	5.2
50-54	1,271	2.7	4,892	4.2	6,163	3.7
55-59	1,077	2.3	4,527	3.9	5,604	3.4
60-64	1,121	2.4	3,898	3.3	5,018	3.0
65+	3,080	6.5	13,053	11.1	16,133	9.8
Total	47,516	100.0	117,326	100.0	164,842	100.0

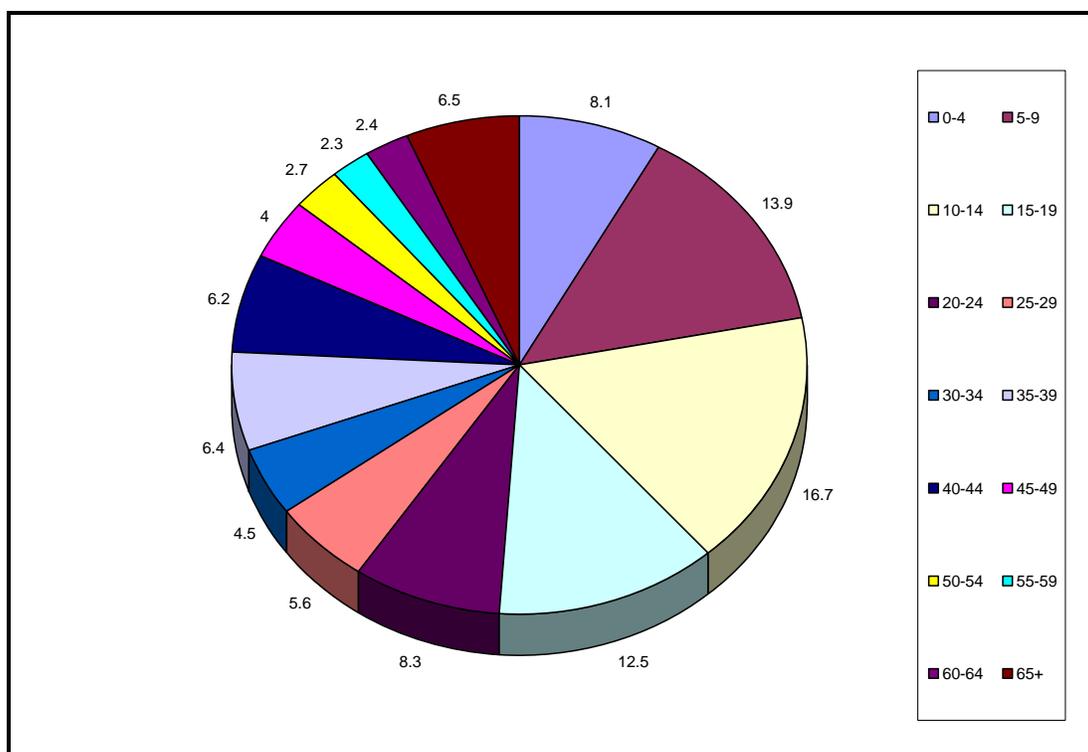


Figure 3.5: Distribution of Poor Population by Age Groups

With reference to children aged 0-14 years, Table 3.9 shows that the largest proportion of those classified as indigent poor lived in Micoud (32.9%). As in the case of the entire population, relatively large proportions were also observed to have been living in Anse La Raye (26.8%) and Vieux Fort (19.5%). Among the non-indigent poor, Sub-Urban Castries did not only have the largest share (30.4%) of the island's children but also the largest proportion of children classified as non-indigent poor (24.2%). Disproportionately large proportions of children among the ranks of the non-indigent poor were found to be living in Micoud (14.4%), Anse-la-Raye (10.6%), Soufriere (11.3%) and Dennery (10.3%). The City of Castries and Sub-Urban Castries accounted for just under one half of the children who were considered to be vulnerable (45.6%).

**Table 3.9: Percentage Distribution of Children Aged 0-14 Years by District
According to Socio-Economic Status**

District	Socio-Economic Status				Total %
	Indigent	Poor But Not Indigent	Vulnerable	Non Poor	
	%	%	%	%	
Castries City	11.8	3.6	12.6	10.7	8.6
Castries Sub-Urban	6.1	24.2	33.8	35.1	30.4
Anse-La-Raye	26.5	10.6	11.0	2.9	7.6
Soufriere	-	11.3	2.8	4.8	6.5
Choiseul	-	4.8	1.2	3.0	3.2
Laborie	-	7.1	1.3	3.0	4.0
Vieux-Fort	19.5	4.4	8.5	10.0	8.1
Micoud	32.9	14.4	9.1	10.1	12.0
Dennery	-	10.3	11.1	7.5	9.0
Gros-Islet	3.2	9.2	8.7	12.9	10.6
Total	1234 (100.0)	17158 (100.0)	8940 (100.0)	22495 (100.0)	49826 (100.0)

The long term consequences for indigent children in Anse-la-Raye, Vieux Fort and Micoud would need to be examined. For example, do all schools in these areas have a school feeding programme in place? And what has been the level of secondary level participation of students in this area? Answers to such questions may well alert planners to the prospective poverty map over the next three to five years or more. Moreover, the self-concept formed among children from these communities will influence their choices and behaviours in the short to medium terms.

3.6.2 Poverty and Sex

3.6.2.1 Women

With regard to females 15 years and over, Table 3.10 shows that Micoud (27.5%), Vieux Fort (21.8%) and Sub-Urban Castries (15.3%) have the largest proportions of females who were classified as indigent poor in St. Lucia. With respect to those females who were classified as non-indigent poor, the largest proportions were observed in Sub-Urban Castries (23.2%), Micoud (15.9%) and Gros Islet (12.2%). Disproportionately high proportions of the non-indigent poor females were also found to be living in Anse La Raye (9.3%), Laborie (7.3%) and Dennery (7.6%).

According to Table 3.10, over one half (56.2%) of the female population aged 15 years and over were estimated to have been living in urban areas such as the City of Castries, Sub-Urban Castries and Gros Islet. Whether in the context of the indigent poor, the non-indigent poor or the vulnerable, the spatial distributions observed among females aged 15 years and over are consistent with those observed among children under 14 years and thus, indicative of the co-existence of children and adult females living within specific districts in circumstances where their social and economic well being is either impaired or under threat from external shocks.

Table 3.10: Percentage Distribution of Females Aged 15 Years and Over by District According to Socio Economic Status

District	Socio-Economic Status				Total
	Indigent	Poor But Not Indigent	Vulnerable	Non Poor	
	%				
Castries City	9.9	5.2	16.6	13.1	11.8
Castries Sub-Urban	15.3	23.2	30.1	35.4	31.6
Anse-la-Raye	14.7	9.3	8.1	3.0	5.4
Soufriere	5.5	6.8	5.3	4.7	5.3
Choiseul	-	5.6	2.7	2.8	3.4
Laborie	-	7.3	4.4	3.8	4.6
Vieux-fort	21.8	6.9	7.3	9.3	8.6
Micoud	27.5	15.9	7.8	8.1	10.1
Dennerly	-	7.6	6.3	6.2	6.5
Gros-Islet	5.3	12.2	11.5	13.5	12.8
Total	739 (100.0)	14,009 (100.0)	9,405 (100.0)	36,962 (100.0)	61,114 (100.0)

3.6.2.2 Men

A significant finding is the high level of indigence among men in Vieux Fort. This may be explained by the fact that although there has been a decline in manufacturing in this town, the residual employment is still oriented to the employment of women. However, with respect to entire population of males who were aged 15 years and over and among the indigent poor, Table 3.11 shows that the largest concentration was estimated to be in Vieux Fort (40.3%) being more than twice as large when compared with concentrations in any of the other districts. Though lower, concentrations of similar magnitudes were observed in Micoud (17.5%), Sub-Urban Castries (16.2%) and Anse-la-Raye (15.6%). In the remaining districts, the concentrations of indigence did not appear to be as profound.

With respect to those males who were classified as non-indigent poor, the largest proportion was observed in Sub-Urban Castries (26.8%). Notably high proportions were observed in Micoud (17.8%) and Gros Islet (12.4%) and to a somewhat lesser extent in Dennery (9.2%) and Soufriere (7.5%). In the context of males aged 15 years and over who were deemed to be vulnerable, the largest concentrations were observed in the two most highly populated districts, namely, Sub-Urban Castries (32.6%) and Gros Islet (13.5%). Though notably high in Micoud (9.7%), the disproportionately high concentration in Anse La Raye (11.3%) is worthy of attention.

Table 3.11: Percentage Distribution of Males Aged 15 years and over by District according to Socio Economic Status

District	Socio-Economic Status				Total %
	Indigent	Poor But Not Indigent	Vulnerable	Non Poor	
	%	%	%	%	
Castries City	10.5	4.0	9.6	11.9	9.5
Castries Sub-Urban	16.2	26.8	32.6	32.7	30.9
Anse-La-Raye	15.6	6.9	11.3	3.8	5.9
Soufriere	-	7.5	4.0	4.8	5.3
Choiseul	-	3.4	2.1	3.4	3.2
Laborie	-	5.8	3.2	4.1	4.4
Vieux-Fort	40.3	6.2	8.7	9.5	8.9
Micoud	17.5	17.8	9.7	8.2	11.0
Dennery	-	9.2	5.3	6.0	6.6
Gros-Islet	-	12.4	13.5	15.5	14.2
Total	698 (100.0)	13679 (100.0)	8335 (100.0)	31189 (100.0)	53901 (100.0)

3.7 FAMILY DYNAMICS AND POVERTY

Household with single parents and three generations are particularly at risk of poverty. One causal factor that seems to be at work in this instance is the family dynamics associated with being chronically poor, from one generation to another. This manifests itself in part in high rates of fertility. Poor women, it has emerged out of both the quantitative and qualitative studies, tend to begin childbirth much earlier than their non-poor counterparts and have less reason for restraining themselves from childbearing during their fecund years. Poverty is more likely to result in mating behaviour that increases levels of fertility which thus becomes a concomitant with the exacerbation of poverty. Herein lies one significant contributor to the disproportionate representation of youth and women among those living below the poverty line.

Note however in Table 3.12, that the fertility among poor women is slowly coming into line with the rest of the general population. This is reflected in gradual reduction in difference in proportionate size between the age groups that reflect the young in the two populations. Note that the difference between the 0-4 group of the poor and the non-poor (the most recent fertility experience of both groups) is much less than that between 5-9 and 15-19 and that these differences have been in steady decline over the past 20 years. Given this trend it seems safe to conjecture that in the next five years there might be no difference in the proportionate share of the 0-4 age groups in the total poor and non-poor populations. This would have meant that poor women had reduced their rate of childbearing to that of their non-poor counterparts⁵.

Table 3.12: Poverty by Age in St Lucia

Five Year Age Groups	Socio Economic Status				Total	
	Poor		Non Poor			
	No.	%	No.	%	No.	%
0-4	3,844	8.1	8,763	7.5	12,607	7.6
5-9	6,624	13.9	10,286	8.8	16,910	10.3
10-14	7,923	16.7	12,387	10.6	20,310	12.3
15-19	5,932	12.5	11,404	9.7	17,336	10.5
20-24	3,923	8.3	9,100	7.8	13,023	7.9
25-29	2,642	5.6	7,713	6.6	10,355	6.3
30-34	2,153	4.5	8,027	6.8	10,180	6.2
35-39	3,063	6.4	8,776	7.5	11,839	7.2
40-44	2,951	6.2	7,917	6.7	10,867	6.6
45-49	1,912	4.0	6,584	5.6	8,496	5.2
50-54	1,271	2.7	4,892	4.2	6,163	3.7
55-59	1,077	2.3	4,527	3.9	5,604	3.4
60-64	1,121	2.4	3,898	3.3	5,018	3.0
65+	3,080	6.5	13,053	11.1	16,133	9.8
Total	47,516	100.0	117,326	100.0	164,842	100.0

In the Caribbean a complex pattern of mating and union formation exists. This has its genesis in the region's cultural antecedents in Africa, and its historical experiences in the era of Plantation slavery. The outcome among the population of African descent has been a system of union formation in which formal marriage often represents the culmination of a mating system, takes place late in life and, more often than not, represents the embellishment of an existing union between a man and a woman rather than its initiation.

⁵ This postulate, of course, assumes that there is no differential mortality or migration affecting the two groups.

The majority of mothers are involved in a socially, but not formally sanctioned relationship with a man at any given point in time. Some of the households counted as being single mother female headed, in fact represent a family spread between two households with the male member of the family living in a separate household. This type of relationship is known as a visiting union. Not all visiting relationships lead to cohabitation and a woman might in the course of her childbearing years enter into a number of visiting or common law relationships without ever entering into formal marriage.

A man on the other hand may be involved in more than one visiting relationship, or may be involved in a formal marriage or common law relationship even whilst being involved in the visiting relationship. Against this background the fact that many of the chronically poor women with large families are 'single,' begins to make sense. The seemingly 'missing men' are either involved in simultaneous or serial relationships with these women. This pattern of family formation and dissolution more often than not, therefore, has an immediately deleterious impact on women and the children that they bear.

As the nurturer the woman bears a disproportionate share of the responsibility of providing for family. In their early manhood, males have the socially expected role of provider, but not that of nurturer. Another 'socially sanctioned attribute' of manhood is the ability to impregnate a woman. Low levels of educational endowment in the context of a labour market that is highly segmented (primary and secondary) means that whereas most men are able to meet the second expectation they are oftentimes unable to meet the first. It would be simplistic to argue that poor men seem to excel at the second in order to make up for shortcomings in the first. There are a host of social and cultural factors that have to be taken into account in explaining this behaviour pattern.

In the PPA, interviews were conducted with the head of household or responsible adult in fifty four households but only six (11.1%) of the interviewees were male. Efforts to identify and interview more adult males proved to be futile, and highlights the absence of adult males not only in single parent female headed households but in multi-generational and in those with elderly females. About 30% of the households were nuclear families in which common law relationships predominated, in which most of the parents were between 30 and 40 years and in which the majority of children was under five years old. A similar percentage - thirty percent - was comprised of multi-generational families that consisted of grand parents their child/children, mostly daughters, and their grandchildren. The majority of the grandmothers were between 40 and 50 years of age and the majority of children under twelve years of age. Just over 20% of the households were single parent female-headed families. Single person households were 18.5% of those interviewed, and the majority was elderly women (90%) living alone, half of whom were over eighty. In 37.03% there were between 6-10 persons. While only a small number of households were interviewed, the conditions portrayed are widespread enough from the other data generated. The evidence points to the entrapment of poor women and their children as is illustrated in Box 3.1 in the case of Rachael, Janet and Joyce.

BOX 3.1

Not much is known about Rachael. She is the mother of Joyce and the grandmother of Janet. Rachael did 'housework.' She had 10 children with five different men. She had her first child when she was 16 years old or younger. At age 19 she had Joyce, her third child. Joyce's father in turn had 6 children with women other than with Rachael. He worked as a machine operator in an edible oil factory.

Joyce is 39 years of age. She had schooling up to the primary level. Her attendance was intermittent since as she puts it, "is not all the time my mother had to give me." Joyce left school at the age of 15 to have her first child. The child's father '..... didn't give me nuthing, he didn't give me nothing." After having the child Joyce started washing for 'people.' At sixteen she had her second child by another man, a man other than her first child's father. By 18 she had a third child by yet another man. Joyce explains that the first baby father did not support her or the child. This forced her to resort to getting help from the man who was to become the father of her second child and so on. She had her last child 11 years ago and eventually had 10 children with 5 different men. She lives in a small room with three of her sons, a daughter and three grandchildren. Her other children are adults living on their own. Her eldest child is 29 years old.

Joyce earns a living by washing for people. No one in her household works besides herself. Two of her children are of school age. They are both boys. One attends Primary school the other attends a senior comprehensive school. She reports that both are doing well and she is particularly confident about the successes that the eldest will achieve. She says she sends them to school everyday. "If I don't have", she says "they getting in school" (in reference to assistance to needy children in school). "The two last one they learning a lot, but Janet and they, they were lazy they learning nothing."

*Joyce's daughter, Janet, is 21 years old. Janet has 3 children for three different men. She had her first child at 16. Joyce says of Janet's mating and childbearing pattern, "just like me, the first one not **feeding** her, she have to go and look for another one." The father of Janet's first child is from St. Vincent. Janet worked briefly with the STEP (govt sponsored casual labour). Her means of support though was from her children's fathers, washing and assistance from Joyce. Janet has no formal skill besides washing. She has no immediate plans for her life. Joyce says she is tired of telling Janet to go and look for work. She says she also tells her 'not to make anymore children'.*

Janet says even though she is not working now she is interested in doing so. She would take any kind of job and has gone out to look, but has not found any. She says she has no plan. Her eldest child, a girl, is 5 years old. Her mother is her main source of assistance now in providing for the child. When her mother has nothing Janet says she stays without anything and the child does not go to school. She insists she cannot send the child to school everyday. "Everyday? What if I have nothing? She going and watch children in the eye?"

Janet says she would like everything about her life to be changed. When asked why she does not change it she replies, "how I changing it and there is nothing to do?" She regards washing as her skill, but says she can also comb hair, and baby sit. She would take a course in these areas, "if I could get it." Her plan is that she would pay her mother to look after her children if she got a job. If she could get a job, Janet says, she would change the circumstances of her life. She is relying on Divine intervention through prayer to enable that to happen. She has not accompanied the prayer with any particular works, but "sometimes if you pray God will make things happen." Right now the only jobs available are through the STEP programme. Janet says "they are only giving to those who have already." She is unsure about the future. Her children she says, "could be in the same situation or it could be much better."

When asked, neither Joyce nor Janet can say what can stop the transmission of poverty across the generations. Janet says she does not plan to have anymore children, yet she has not done anything to stop herself from conceiving. In spite of the sparseness and squalor of the surroundings the infants all appear well fed, robust and healthy. Janet's daughter is at home today because all her uniforms are dirty. She does not send her to school also when she has nothing to give her. Janet, herself, did not take the secondary school entrance examinations (Common Entrance) because at the time the family lived outside of Soufriere and could not make it into town that day.

Another factor feature on family dynamics is the impact of emigration. Internal migration and external migration has led to the decline of the extended family and to the denudation even of its nucleus. There are cases of parentless families, with children left by themselves, or under the presumed watch of neighbours, while parents go to look for work in the urban areas or abroad. They may be left in the charge of grand parents, leading to situations of the elderly being heads of households in which grand-children are resident. Another scenario is for the grand-parent to be left in the community. The population of Bouton is made up mostly of older persons.

Household Headship: The propensity to absenteeism has an impact on household headship. Interviewees in the PPA identified several factors that determine household headship. Among these were earning power and responsibility for the welfare of the family, ownership of the house, absence of an adult male and responsibility for decision making.

"I am the mother, there is no father here"

"I am in control" I make the decisions."

Not only were most of the interviewees female but nearly sixty percent (59.3%) of the households were headed by women. Based on interviewees' definition of head of household, in addition to single parent female headed households, women were household heads in one third of the multigenerational households, in 35.3% of the nuclear and in 90% of the single person households.

The large number of female heads is an indication that women living in these poor communities have the major responsibility for the welfare of families and for meeting their own economic and other needs as well as those of family members. However, the majority of these women although they have children, and sometimes grand children who are dependent on them, are unemployed. For example, 90% percent of the women who are single parents have children under the age of 18 years, but 80% of them are unemployed. Yet they took their responsibilities seriously, and were especially concerned about their inability to meet even the basic needs of food and shelter for their children, and their ability to escape poverty through education.

"The key is education you should start with your kids."

"Education is the key to success without it you can't get a proper job to be able to care for your family."

"The price of books too high more than a thousand dollars to buy secondary school books, I can't afford it."

Poverty was alleged to affect child rearing practices, that insufficient food and poor nourishment not only limited the physical development of children in poor households, but that such children often went hungry, could not go to school every day and were unable to learn. Poverty also affected relationships between family members in several ways.

In many poor households relations between partners, and between parents and children were not harmonious and were characterised by tension, quarrels, disagreements, and conflict. Break up of families, domestic violence and abuse of women and children were seen to be common problems in some of the households.

"When the man can't provide, the women leave him and go to another man."

"Frustration and anger leads to fights and abuse of women and children"

Men felt at some disadvantage in contesting headship. The greatest need expressed by most of the men was the need for a job that paid enough money to maintain themselves and their families. Their limited skills and education made employment and income precarious, thus leading to poor self-concept, and anxiety over relationships with partners.

"I cannot get a job and I have five children, I feeling really depressed"

"When I work STEP I can't maintain my family"

"My pay too small I can't take care of my three children on that."

"As a man, no work, no money, it makes you mad."

"Your girlfriend might horn you when you have no money."

"You can loose your woman because of poverty you know."

CHAPTER FOUR

LABOUR MARKET ISSUES AND POVERTY

Access to employment is the main source of income for most households in the economy of St. Lucia. The employment generation capacity of the economy was severely weakened by the decline in competitiveness of two of the three primary foreign exchange earning sectors. The transmission effect of performance of the export sector on employment across the economy has its own peculiarities in an export-propelled economy of the type that is St. Lucia. The decline in employment immediately impacted poorer households. The survey data as well as the PPA have identified the sequel at the level of the household and the community.

4.1 EMPLOYMENT STATUS OF HEAD

The income generated by the head of household is an important source of income for many. Table 4.1 permits an examination of the relationship between labour force participation, socio-economic status and sex of household heads. Overall, 66.1 per cent of all household heads actively participated in the labour force. Moreover, substantially higher levels of participation were observed among male household heads than among female heads being estimated to be 75.8 per cent and 53.6 per cent respectively. Nevertheless, there were greater rates of participation than non-participation irrespective of the sex of household heads.

Table 4.1: Distribution of Household Heads by Labour Force Participation according to Socio-economic Status and Sex

Labour Force Participants	Socio Economic Status				Total	
	Poor		Non Poor			
	<i>N</i>	%	<i>N</i>	%	<i>N</i>	%
MALE						
Participant	4245	73.7	15558	76.4	19803	75.8
Non Participant	1511	26.3	4818	23.6	6330	24.2
Total	5756	100.0	20377	100.0	26133	100.0
FEMALE						
Participant	1684	39.4	9129	57.4	10813	53.6
Non Participant	2585	60.6	6784	42.6	9369	46.4
Total	4269	100.0	15913	100.0	20182	100.0
BOTH SEXES						
Participant	5929	59.1	24687	68.0	30616	66.1
Non Participant	4097	40.9	11602	32.0	15699	33.9
Total	10025	100.0	36290	100.0	46315	100.0

Among poor heads of households, however, Table 4.1 shows lower levels of participation in the labour force when compared to participation rates observed for all household heads (59.1% as opposed to 66.1%). Upon taking the sex of household heads into account, a greater proportion among male heads appears to have participated than to have not participated in the labour

force. Among female heads, however, the situation was reversed with a lower proportion claiming to have participated than to have not participated in the labour force. While 73.7 per cent of poor male household heads participated in the labour force, the corresponding proportion among females was 39.4 per cent. This suggests that poor male heads would have had greater prospects than their female counterparts of obtaining income through employment either because the former were employed or may have exposed themselves to prospects of obtaining work.

For poor female household heads who were not participating in the labour force, these results suggest that State agencies and various organs of civil society should embark upon interventions to empower such women and enable them to develop coping strategies to overcome any material or symbolic deprivation. Failure to make such provision could have negative implications for such women and their families either because substantive means to raise their living standards and expose them to income or financial support may not be forthcoming prompting them to respond in ways that do not improve their living conditions and perhaps even more likely to result in further deterioration in their living conditions. To this end, attention ought to be placed on the wide array of structural and cultural factors that preclude greater participation in the labour force among poor female heads of households especially since many have been highlighted in earlier discussions in this section.

It is worth noting that among non-poor female heads of households, there were greater levels of participation in the labour force than non-participation (57.4% as opposed to 42.6%). By comparing poor female heads of households with their non-poor counterparts, it might be possible to discern factors that are likely to be associated with differential levels of participation across the two groups of women and as such, deemed to be ideal levers that can be manipulated to empower poor female heads with regard to their participation in the labour force.

Table 4.2 examines the relationship between employment status, socio-economic status and sex of household heads who have been economically active. Overall, 7.2% of the all economically active household heads were estimated to be unemployed, a greater proportion being observed among female heads than among male heads (12.5% as opposed to 4.2%). Among poor household heads, 11.0% were estimated to be unemployed. When compared to heads of households in general, higher rates of unemployment were estimated among poor household heads irrespective of the sex of the household head. Moreover, the rate of unemployment among poor female heads was estimated to be substantially higher than that of their male counterparts and the magnitude of this difference was greater than that observed in the case of the overall population of household heads.

These findings reinforce earlier findings suggesting that poor male have greater prospects than their female counterparts of obtaining income through employment and the need for empowering poor female heads to elevate their living standards and that of their families. They also attest to substantial segmentation of the labour market. Another interesting result is the reason advanced for not working by adults 15 years and over. Some 46 per cent reported being retired for the population as a whole. However, while 62.5 per cent of the richest quintile gave

this reason, only one quarter did so in the lowest quintile. This suggests that while finding a job would have been challenging, the poor could not afford to be unemployed.

Table 4.2: Distribution of Household Heads in the Labour Force by Employment Status according to Socioeconomic Status and Sex

Employment Status	Socio Economic Status				Total	
	Poor		Non Poor			
	N	%	N	%	N	%
MALE						
Employed	3,935	92.7	15,026	96.6	18,961	95.8
Unemployed	309	7.3	532	3.4	842	4.2
Total	4,245	100.0	15,558	100.0	19,803	100.0
FEMALE						
Employed	1,341	79.6	8,117	88.9	9,458	87.5
Unemployed	343	20.4	1,012	11.1	1,355	12.5
Total	1,684	100.0	9,129	100.0	10,813	100.0
BOTH SEXES						
Employed	5,276	89.0	23,143	93.7	28,419	92.8
Unemployed	652	11.0	1,544	6.3	2,196	7.2
Total	5,929	100.0	24,687	100.0	30,616	100.0

4.1.1 Coping with Unemployment

The PPA provides insights on the impact of unemployment on various groups, and by sex. Approximately one hundred and fifty unemployed persons between the ages of 19 and 60 years of age participated in the focus group discussions and just over half of these were women: many of the unemployed were young people between the ages of 19 and 35 and the majority had only a primary school education and few marketable skills. Lack of qualifications and age were identified as the key factors in determining employment access.

The majority of people who participated saw unemployment, their inability to get a job and to earn income, as the main reasons why they were poor. Those who lived in rural communities in the banana growing areas attributed their poverty to the decline in the industry. They all recognized that being employed was essential in order to meet basic needs and they lamented the absence of job opportunities and their inability to obtain permanent employment.

“Poverty is no work, no money, you can’t buy any stuff.”

“Next month will be a year since I not working.”

Lack of qualifications and age created vulnerability in securing employment. There was also discrimination and exploitation by potential employers and several participants shared experiences of being abused and exploited. The STEP programme was identified as a potential

source of income, and for some including hotel and construction workers, employment is seasonal. At the same time, many said that the jobs that they did get paid wages too low to satisfy their basic requirements. Women were exposed to special risks.

"For you to get a job you have to sleep with the boss."

"It is a job we want that's why we have sex."

"A fella can't get work, but a girl with long hair, short skirts and high heels are getting the job."

"I can't get a hole in STEP, it's the same people all the time who get work in STEP."

The stigma attached to particular communities like Faux a Chaux, Wiltons Yard and the Mangue militates against employment opportunities, effectively locking an entire community from economic and thus social mobility: this leads to a vicious cycle of marginalization from one generation to another.

"When I tell them that I live in Faux-a-Chaux, he told me to get out of his office because he don't trust people who live here."

The rural economy has generated even fewer jobs and offered little prospects, and while prospects were better in the urban communities, possibly because of a buyers market, wages were sometimes so low that it was not worthwhile to work.

"Imagine at the hotel they paying the girl \$100.00 a fortnight, it was too little bit, she had to stop."

4.1.2 Informal Sector and Underground Economy

During the PPA, participants revealed that high levels of unemployment and underemployment have led to the growth of the informal sector and to a reliance on seasonal and low level work including buying and selling of agricultural produce (men and women), construction (mostly men), and domestic work in homes or offices (women). Others, especially young men, have to "hustle" and do odd jobs, including car washing and running errands and some young women are engaged in the sex trade.

The drug culture seems to have become fully institutionalised and is seen as important source for common economic activities, especially for unemployed young people, and especially for unemployed young men: illegality counts for little importance. The majority of the communities reported an increase in underground or illegal activities including crime, gambling and drug trafficking in generating income.

"Some people make a living by selling weed."

"The drug helping the community, it help pay the bills, feed families."

The drug culture appears to have become a “normal” activity and large numbers of young people, both male and female but larger numbers of the former are involved in trafficking and use of illegal drugs. Not only has there been an increase in the use of illegal drugs, including cocaine, in all of the communities, but smoking of marijuana in particular is now done in the open.

“People no longer hide to take drugs”

“Marijuana, cocaine, hash, it is a competition, I have the ting so I have to sell it to him before someone else.”

4.1.3 Occupational Distribution

The relationship between occupation, socio-economic status and sex of household heads was also addressed. Overall, the majority of heads who declared to having a job were engaged in work related to sales and services. The respective proportions for males, females and all heads were 8.8 per cent, 7.0 per cent and 8.0 per cent indicating that the same pattern persisted across the sexes. Among male heads, work related to craft activities and skilled agricultural pursuits appeared to be popular and were reported by respective proportions of 7.3 per cent and 6.0 per cent. Among female heads, work related to craft activities and elementary tasks appeared to be popular and were reported by respective proportions of 4.5 per cent and 4.3 per cent. In sum, poor male heads were primarily engaged in skilled agricultural work, elementary occupations and craft-related work. In contrast, female heads were primarily engaged in work akin to sales and services, craft-related work and skilled agricultural activities. Low levels of education and skills had their concomitant in low level employment for the poor.

4.1.4 Coping with Low Income

In the PPA, respondents intimated a number of mechanisms that they use to survive. These ranged from careful budgeting, making do and doing without, dependency on others, to begging, crime and drug trafficking, odd jobs, and prostitution. Some face their plight with a certain resignation and put their faith in God.

“I do what I can, God will do the rest.”

“I use what ever I have to make ends meet.”

“I make do with what I have.”

A significant number of households rely on remittances and gifts of various kinds to survive and to sustain their livelihoods. Neighbours are often willing to help out, especially with food. Twenty of the individual head of households (37.5%) interviewed during the PPA received remittances from relatives abroad and at home, but for some, these are not always received on a regular basis. Fourteen of the households receive small amounts of money in the form of social welfare, but only three interviewees said that they received a small amount of pension.

The finances of the households are very fragile and are dependent on the ability of household members to obtain employment that would produce enough money to meet needs. There is differential capacity here. In the elderly single person households where individuals are unable to work, they depend on small pensions, welfare, and help from children or other relatives and friends. Many of them are vulnerable and lack food and their dietary, nutritional and health needs are not being met because of lack of money.

In forty two (77.7%) of the households one or two family members were employed either in fulltime, part time, or seasonal jobs. In more than half (53.70%) of these households there was at least one person employed, and in (24.07%) more than one person was employed. There were persons with full time employment in 17 households, persons with part time employment in 12 and persons with seasonal employment in 13.

While the data show that a significant number of persons in these households were employed and therefore were generating some income, nearly half (46.3%) of them were working part time or in seasonal jobs. In addition, most of those employed were working in low skilled, low paying jobs, like cleaning Government offices and facilities, including public toilets and baths, working in the STEP programme, in construction, and as labourers or doing odd jobs. A few were engaged in small scale farming or were self-employed, earning low incomes.

In sixteen of the households weekly income ranged between \$100.00 and \$200.00, and in nineteen households with monthly incomes, eleven earned between \$100.00 and \$500.00, and eight over \$500.00. In some of the households absent fathers did contribute money to the support of their children, but in several cases neither the amount of money nor the frequency of the contributions was consistent or reliable. At the same time while some of the households did occasionally receive remittances of money and gifts in the form of barrels from relatives or friends abroad they could not depend on these. Most of the available money was spent on food and on electricity and medical bills and often one had to be neglected in order to do the other.

In sum, then, the relatively high level of unemployment that has been witnessed in the country has been reflected in the experiences of residents in the selected communities, who have been unemployed, or underemployed, or engaged in low level activities in the informal sector, and occasionally, the underground economy in eking out an existence. There are the few who reap high rewards from the latter and would find it difficult to revert to mainstream employment. This convergence with a low capacity formal labour market has implications in creating labour commitment, especially among young people.

CHAPTER FIVE

POVERTY AND SPECIAL GROUPS AT RISKS

In-depth analysis of the survey data suggests differential impact of poverty on particular groups. In this subsection, we explore these risks groups – women, children and youth, the elderly and persons with disabilities. Most of the information used in this chapter was derived from the PPA.

5.1 WOMEN AND COPING

Women face graver hardships in coping with poverty than men. The survey data demonstrate that they face higher unemployment. In the PPA, women were of the view that poverty affects women more than men, especially women who were single parents and grandmothers who were solely responsible for the welfare of their children and grandchildren.

All of the women were concerned about being able to feed their children to provide health care and to send them to school, and while they saw education as a way of moving out of poverty, for many the cost of education is prohibitive. They were all working in unskilled low paying jobs for wages that were too small to meet even basic needs and in some cases their labour was being exploited. Some women saw prostitution as an economic activity and admitted that they would do anything, including prostitute themselves, to feed their children. In other cases, they would give in to sexual advances to get money, but could not always afford the protection of contraception.

“Women cannot afford contraceptives so they cannot space their children, then the baby comes and the cycle of poverty continues.”

“I prefer doing prostitution than stealing.”

“The child father only feed him if he get sex.”

“Men take advantage, they want you to have sex with them before they give you anything.”

“Without money, you keep passing from man to man, child after child... you can get AIDS so.”

Several women shared their experience of not receiving any support from their children’s fathers, and for some this was a major factor that contributed to them being poor and living in poverty. But some were aware that some fathers were unemployed and therefore could not provide for their children.

Women’s physical and mental health could be also affected by poverty. Early pregnancy, multiple pregnancies, poor diet, inability to access or afford health services, and the stress and anxiety of having sole responsibility for their families all take a toll on their health. In addition the health of those who are victims of abuse and domestic violence, and those who have multiple sexual partners or are engaged in the sex trade, is threatened.

Poverty also has a psychological effect on women and on their emotions. Many said that it contributed to low self esteem and several reported suffering from stress and depression, and of being sad and angry. The question of relationships with other women was also discussed and while in some communities women recognized the need to work together and to help each other, in others relationships among women were characterised by friction, jealousy, arguments and quarrels.

5.2 CHILDREN

In twelve of the communities separate discussions were held with children under 14 years and with young people 15 to 25 years of age. In three communities discussions were held with youth only and in two with children only. Over five hundred children and youth, one hundred and twenty boys, and 108 girls, and 87 young men and 75 young women participated in the focus group discussions.

For many children poverty meant not getting enough food and not being able to get things that they needed and wanted when they needed them. Many of the children felt that being poor when you are young is worse because parents 'have no money to give you what they need, other children pick on you, call you names and make jokes about you.' This causes some of them not to want to go to school.

"My belly boils, we don't always have food, I am always hungry."

"When you see something you cannot afford it the children cut style on you at school."

"Poverty makes parents quarrel with their children."

"You feel as though your parents hate you."

Many of the children said that they did not like living in their communities, they hated the dirtiness, the closeness of the houses, and the constant quarrelling. They were also concerned about alcoholism and about the amount of illegal drugs in their communities. However while some children in the urban communities disliked the police presence and actions, others in some of the rural communities felt that the police was not doing enough to patrol the areas where weed was being smoked and sold.

The children valued education and saw it as a way for moving out of poverty, however absence of day nurseries and preschool in some communities and parent's inability to pay for these even when there are available, means that many young children are not adequately prepared for entry into primary school. At the same time, the absence of electricity, telephones, computers, internet affects children's performance in school and limits their ability to do homework especially if it includes research on the internet. In addition their school performance is often affected by parents' inability to afford lunch, transportation, school books and other vital supplies.

A few were concerned about becoming pregnant or victims of sexual abuse and incest they were aware that adults who should be protecting them can abuse them. The girls observed that, *"if you (are) left home with a stepfather who is abusive it is a problem"* and *"...your mother may not believe you."*

While some poor children do receive help from neighbours, friends and family, in order to survive others may have to beg and to earn money by doing odd jobs. Some also admitted that in order to survive children or other family members may become involved in illegal activities including stealing, crime and drug trafficking.

Several children claimed they were always hungry, and their home environment was one of confusion, quarrelling, fighting and arguments. Many were also very concerned about alcoholism and the use of illegal drugs, and complained of the lack of recreational facilities.

5.3 THE YOUTH

Many of the young people who participated in the activities of the PPA have grown up and are caught in the cycle of poverty. They are aware that being poor not only affects the situation in which they live but that it affects them physically and mentally and determines their life chances. They were also aware that some people were born into poverty while others 'fall into poverty', and they recognised that several young people were caught in the cycle of poverty, that the effect on them was devastating, and that many were disenchanting.

"The way I look at it, poverty is a cycle. Some people born in poverty and very few get out of it."

According to them several factors contributed to and perpetuated the cycle of poverty. Among these were attitude, lack of resources, absence of educational and job opportunities, and for some, lack of ambition and unwillingness to take the jobs that may be available. Some of the youth were part of large families and commented on the environment in which they and some of their peers grew up. They expressed concern about the number of children that poor people had and about their reluctance to go to family planning programmes and to ask for contraceptives. Some were of the view that contraceptives should not only be free, but that they should be given to people at their homes.

Young people recognise the importance of education and see it as a strategy for escaping from poverty but several of them had been not been able to pursue, complete or benefit from their education because their were poor and their parents lacked the financial resources needed for food, transportation, books and examination fees. Several were also of the view that the education system and the irrelevance of the curriculum have contributed to their inability to get a job, to move out of poverty and to function effectively in community life. Unemployment is high among the youth and several complain of not being able to get jobs and even if they do manage to get a job, the pay is so low that it is insufficient.

Young people also lamented the absence of facilities, activities and programmes for youth and said that this was one of the reasons why they got involved in illegal activities.

"There is nothing for young people to do here so the guys just hang around and smoke and the girls talk people business."

Poverty is affecting young people in a number of ways. Their self esteem is low, they feel inadequate, worthless, unimportant, helpless and disenchanting. Such feelings result not only from attitudes of their peers and of people in their communities and the wider society but sometimes are the outcomes of how they are treated and what they are told by parents.

Poverty also leads young people to become involved in illegal and criminal activities. Several admitted to using and selling drugs, and to being involved in gangs and crime and saw these activities as providing them with the money they needed to get the things they wanted.

"Poverty affects most teenagers here they end up doing prostitution or drugs."

Given the number of young people who are engaging in risky sexual activity, some groups expressed concern about the risks to which they were exposed, including teenage pregnancy, contracting STDs, and HIV/AIDS. While little information was offered on the incidence of HIV/AIDS, there was much discussion about family planning, about the use of contraceptives, and about whether family planning programmes were reaching young people. Discussion with several young women also revealed a variety of myths about contraceptive use and a few admitted that their boyfriends did not want them to use contraceptives. At the same time there was a recognition that young men do and/or will not go to health clinics.

There was concern about the level of crime in their communities and felt that *"we need to see a documentary on prison life to discourage young people from crime"*, in order to discourage young people from becoming involved in crime and other illegal activities. They were of the view that stricter laws and stiffer prison sentences were not effective deterrents.

Some young people are also concerned about their future and that of their children. And many identified the need for resources, for sporting facilities and activities, and for education and skills training programmes, and saw these as important for the long term development of young people.

"Education is the key."

"I need to get a better education but where to get the money from?"

"The ideal is to go to school, but that is not always realistic many have to stop at primary school."

"That is why a lot of children, especially boys drop out, they don't have the money to go to school."

5.4 THE ELDERLY AND PERSONS WITH DISABILITIES

A small number of elderly persons and persons with disabilities were interviewed as heads of their households, and in most of the communities focus group discussions were organised to include elderly persons as well as persons with disabilities. In some cases, because of challenges being faced by the latter, discussions took place at someone's home. A total of 132 persons

participated in the discussions. The majority was over 65 years of age and about two thirds were women. Among those who participated were widows and widowers, physically challenged persons and persons who were parents of children, including adult children with disabilities. Many of them had only had a primary education and a few had not been to school at all. A few were still engaged in subsistence farming on a small scale but most were unemployed and had no regular source of income.

Several elderly persons admitted to being poor and provided reasons for their condition. Indeed, the circumstances that these elderly persons face are often reflective of the families they have created through the mating and fertility experiences they have had as young persons. Among the reasons cited were: age and the inability to work, ill health or sickness, responsibility for supporting children, including children with disabilities, or grandchildren, lack of support by adult children and lack of access to resources. This does not prevent many from being still responsible for the welfare of children and grandchildren. Many older persons and persons with disabilities are living in poor conditions, in small houses badly in need of repair and without adequate furniture and amenities like water, toilet and bath, and while some may have electricity, they are unable to pay the bills.

There is a grave concern about the plight of the elderly and about persons with disabilities. The lack of a regular and steady income, the small amount of money that a few receive from the government, their inability to eat balanced meals and regularly, their poor health, isolation and social exclusion are issues seen to need urgent attention.

"I have asked to be placed on the paupers list."

"Pension is from hand to mouth since it so small and not increasing."

"The amount I receive from the government is not enough."

"The public assistance small but without it I would be worse off."

A significant number of older persons are not in good health. Elderly women as well as elderly men suffer from diabetes, and hypertension and alcoholism, rheumatism, arthritis, and asthma. Eye problems are also common. A few men suffer from prostate cancer. All complained about the high cost of health care and the difficulties they experience in accessing health services.

Other concerns identified include the absence of legislation to protect the rights of the elderly persons and persons with disabilities, lack of education and training opportunities, of recreational and economic activities and of markets for things that they might make and absence of facilities to provide care.

Box 5.1 provides an example of the plight of Mavis, an elderly woman, whose mental condition as she ages, might hardly have been addressed. The case also illustrates the impact of emigration on the household, and on those elderly whose offspring have all emigrated.

BOX 5.1: MARVA'S STORY

Mavis is 94 years of age. She lives by herself in a small wooden house. The house shares the same space with two or three other dwellings. The house belongs to her but she rents the land on which it sits for EC\$10 per month from a prominent family in the community. It has no kitchen or toilet. The latter facility is lacking in two thirds of the households in this community. Like all of the elderly interviewed in this community, she uses a bucket which is emptied for her by someone in the community. As the interview is being conducted Mavis goes about her chores, in this instance preparing lunch. She goes about her task conscientiously moving about in a nimble way that belies her age and the fact that she is completely blind.

"Of all the sicknesses you can get in your old age", Mavis says, "pray that you never get blindness." Mavis says she has been blind since 1960. It happened in stages. It started when she used to work on the sugar estate for the "white people" for \$1 per load of cane carried. One day as she was attempting to lift a load of cane the strap that bound the cane burst and hit her in her eye. She never received any compensation, but eventually took an operation. However she gradually lost sight in her eyes until sometime later she lost her sight completely. The lady who takes care of her reports that Mavis never made an issue of the accident. Furthermore, when she took the operation Mavis is said to have disregarded the doctor's advice regarding care of herself during the healing process. The rationale for this though is that because she was poor Mavis had to continue working and doing chores even though she was supposed to be resting. Mavis reports that she worked at the Police station in the community after her accident and up until the time that she lost her sight.

Mavis is feisty and fiercely independent. She used to live with a woman who took care of her, but could not stand to be dependent on others for everything. Furthermore she felt the things that people gave her such as groceries were being taken by the people taking care of her. She eventually decided to leave and come on her own to the place where she presently resides.

Mavis has one child, a male. The father of that child had children with other women. He is now deceased. Her son lives in the U.K. Mavis mourns his absence and the fact that they are not communicating. This is in spite of the fact that she has a telephone and has asked him to call. He occasionally sends 20 pounds for her the last occasion being on Christmas. The story is told that their estrangement stems from the fact that on the last occasion that her son visited Mavis from the U.K. He did so on the basis of her assurance that she had money. On arrival in the district he discovered that all she had was EC\$200.00. This left him financially embarrassed and having to resort to loans from the neighbour. Mavis cries when she speaks of her son and how she misses him... She says that if she does not see him she will die. She laments that when there is rain and thunder and lightening she is all alone. Her son is reported to be a 70+ year old U.K. pensioner.

Mavis receives EC\$85 per month from the government. She also receives donations made by any charitable organization that might be passing through the area. Finally she receives food and care from friends in the community. A friend buys coal for her to cook with and water for domestic use. She also has a couple of relatives who pass by to help her out or ask someone to do so. Still, it is obvious that she feels lonely and neglected. She cries when she recalls that there are young people around that she cared for when she was younger, but today because she is old and nobody is taking care of her. She is blind and nobody is taking care of her. Nobody knows her they have to see some misery before anyone pays her attention. Today she is poor and old nobody pays any attention to her.

She expresses thankfulness for the fact that her blindness was not a result of her taking somebody's man. "I got blind through working and thank God for that. I have one child and that child is not taking care of me, but thank God I am alive today". One of her caregivers reports that a part of the reason why not many people come around is that Mavis' tongue is very sharp and accusatory. She (the care giver) started taking care of Mavis when one day she told her she was hungry. An immediate neighbour also takes care of her, but Mavis sometimes quarrels with her. Mavis is described as not being grateful and thankful for what people do on her behalf. Mavis receives medical care from the local clinic.

The nature of the risks can change in response to economic cycles. The discussion and the examples above provide some perspectives on the current realities of St. Lucia as it seeks to encourage the growth of new sectors, while its social services manage the fall-out effects on particular vulnerable groups in the society, some of whom are not in the labour market, but are indirectly reliant on it.

CHAPTER SIX

EDUCATION AND HEALTH

The Government of St. Lucia, like other governments of the region, has invested heavily in Education and Health, both together accounting for a large share of public expenditure. In both areas, the objective of public policy is to universalize certain services in the public interest. The reach to the poor is the litmus test in the achievement of this objective. The survey provides information on the educational attainment and to some extent, the health status of the population, including the poorer sections of the society.

6.1 EDUCATION

6.1.1 Educational Attainment of Head

Table 6.1 examines variations in the educational attainment of household heads according to socio-economic status and sex. In St. Lucia, the majority (approximately 60.0%) of household heads were estimated to have attained a maximum of primary education. This was the case irrespective of sex with the respective estimated proportions for male and female heads being 60.8 per cent and 59.5 per cent. While a maximum of about 22.2 per cent of household heads attained secondary education, just about 4.0 per cent had attained a maximum of a university level education. Interestingly, the observed pattern remained virtually unchanged irrespective of the sex of household heads.

Table 6.1 shows the predominance of primary education as the highest level attained by household heads irrespective of their socio-economic status. Moreover, it shows that poor household heads were much more likely to have attained a maximum of a primary education and less likely to have attained higher levels when compared to their non-poor counterparts. When the sex of household heads is taken into account, this pattern persists especially among male heads for whom it was much more pronounced. In the case of female heads however, sex differentials in educational attainment across socio-economic status were observed but were not as pronounced as in the case of their male counterparts. The difference in the proportions of poor and non-poor female household heads attaining a maximum of secondary education was 3.7 percentage points. The corresponding difference for male heads was 16.3 percentage points.

This implies that despite attaining secondary level education, greater proportions of females rather than males end up being the heads of households that may be unable to sustain the well being of their members.

Table 6.1: Distribution of Household Heads by Highest Educational Attainment according to Socio-Economic Status and Sex

Highest Educational Attainment	Socio Economic Status				Total	
	Poor		Non Poor			
	N	%	N	%	N	%
	BOTH SEXES					
None	38	.4	189	.6	227	.5
Nursery/ Kindergarten	-	-	72	.1	72	.1
Primary	6,585	74.3	19,299	56.6	25,884	60.2
Secondary	1,215	13.7	8,424	24.7	9,638	22.4
SALCC	114	1.3	1,558	4.6	1,672	3.9
Other Tech/Vocational	75	.9	793	2.3	869	2.0
University	-	-	1,912	5.6	1,912	4.4
Other Not Specified	76	.9	269	.8	345	.8
Don't Know	760	8.6	1,477	4.3	2,237	5.2
Not Stated	-	-	118	.3	118	.3
Total	8,864	100.0	34,110	100.0	42,973	100.0
	MALE					
None	38	.7	151	.8	189	.8
Nursery/ Kindergarten	-	-	36	.2	36	.2
Primary	4,120	80.2	10,680	55.6	14,799	60.8
Secondary	411	8.0	4,661	24.3	5,072	20.8
SALCC	75	1.5	950	4.9	1,025	4.2
Other Tech/Vocational	-	-	337	1.8	337	1.4
University	-	-	1,144	6.0	1,144	4.7
Other Not Specified	76	1.5	193	1.0	269	1.1
Don't Know	418	8.1	947	4.9	1,365	5.6
Not Stated	-	-	118	.6	118	.5
Total	5,138	100.0	19,216	100.0	24,354	100.0

Table 6.1 (Continued)

Highest Educational Attainment	Socio Economic Status				Total	
	Poor		Non Poor			
	<i>N</i>	%	<i>N</i>	%	<i>N</i>	%
	FEMALE					
None	-	-	38	.3	38	.2
Nursery/ Kindergarten	-	-	36	.2	36	.2
Primary	2,465	66.2	8,619	57.9	11,084	59.5
Secondary	804	21.6	3,763	25.3	4,566	24.5
SALCC	39	1.0	608	4.1	647	3.5
Other Tech/Vocational	75	2.0	456	3.1	531	2.9
University	-	-	768	5.2	768	4.1
Other Not Specified	-	-	76	.5	76	.4
Don't Know	342	9.2	530	3.6	872	4.7
Not Stated	-	-	-	-	-	-
Total	3,726	100.0	14,894	100.0	18,619	100.0

6.1.2 Highest Examination

Highest examination passed is analyzed for all individuals 15 years and over and has been reclassified to reflect the attainment of post-secondary level qualifications “en masse” rather than at specific levels. For the purposes of these analyses, the attainment of post-secondary level qualifications is consistent with certification at different levels including A Level, Diploma, Associate Degree, Undergraduate Degree, Post Graduate Degree and Professional Qualification.

6.1.2.1 Highest Examination Passed by Quintiles

Table 6.2 shows that 51.4 per cent of the population aged 15 years and over had no certification and that 10.0 per cent had at least acquired post-secondary level certification. Among the male population, 53.1 per cent had attained no certification as opposed to a smaller proportion (49.7%) among the female population. With respect to post-secondary certification, the situation was reversed as a slightly higher proportion of the female population had at least acquired post-secondary certification when compared to the corresponding proportion among the male population, the respective proportions being estimated to be 10.4 per cent and 9.7 per cent. With respect to the attainment of different levels of certification at the secondary level, a similar pattern was observed among the male and female populations.

Table 6.2 is indicative of an association between highest examination passed and per capita consumption quintile. For the population aged 15 years and over, the proportion with no certification decreased with progression to higher consumption quintiles so that while 69.0 per cent of persons from the poorest quintile had attained no certification, a lower proportion amounting to 51.4 per cent had attained no certification in the wealthiest quintile. For those

persons who had attained post-secondary qualifications, the pattern was reversed so that while 1.1 per cent from the poorest quintile had attained post-secondary certification, the corresponding proportion in the wealthiest quintile was estimated to be 25.6 per cent. There appears to be little variation in the proportions that attained a maximum of a school leaving certificate as one progresses from the poorest to the wealthiest quintile.

Table 6.2 points towards to interesting conclusions. The first relates to the fact that 2.0 per cent of females with post-secondary certification were in the poorest quintile group as opposed to 0.3 per cent among males. Such an outcome points towards an inequitable distribution of resources between the sexes with respect to persons attaining post-secondary certification and at the same time, being among the ranks of the poorest in St. Lucia. A gender analysis would be required to establish the differential impact of individual and group perspectives pertaining to roles and expectations in the context of living arrangements, duties and responsibilities of the sexes in different spheres such as the household and the workplace, and discriminatory behaviour and labour market segmentation. The second point relates to the fact that relatively more females than males attaining a maximum of school leaving certification had progressed to quintile 4 and the wealthiest quintile. This might be indicative of the resilience of some older women who had no more than a school leaving certificate but at the same time, had been able to acquire the means to sustain a standard of living equivalent to that experienced within the two wealthiest quintile groups.

The examination of highest examination passed by socio-economic status (see Volume Three) follows the pattern identified in Table 6.2. Among poor persons overall, 64.5 per cent had no certification as opposed to a smaller proportion amounting to 46.7 per cent among non-poor persons. With respect to persons who had attained at least post-secondary level certification, a substantially lower proportion was observed among the poor than among the non-poor, the respective estimates being 1.7 per cent and 12.0 per cent. A consistent pattern emerged across the sexes. For males who had no certification, 67.2 per cent were poor and 47.8 per cent were non poor. For females, the corresponding proportions were 61.7% and 45.7 per cent. With respect to persons who attained at least tertiary certification, the respective proportions among the poor and the non-poor were 0.9 per cent and 13.0 per cent in the case of males and 2.4 per cent and 13.0% in the case of females. The results demonstrate that the attainment of certification enhances one's socio-economic status and facilitates one's prospects of being among the ranks of the non-poor.

Table 6.2: Distribution of the Population Aged 15 years and over by Highest Examination Passed According to Per Capita Consumption Quintiles and Sex

Highest Examination Passed	Per Capita Consumption Quintiles										Total	
	Poorest		II		III		IV		Richest			
	N	%	N	%	N	%	N	%	N	%	N	%
MALE												
None	7538	71.6	6056	57.6	5654	58.0	5137	48.7	4072	33.3	28457	53.1
School Leaving	1434	13.6	1928	18.3	1527	15.7	1678	15.9	2067	16.9	8634	16.1
CXC Basic	38	.4	190	1.8	233	2.4	450	4.3	304	2.5	1214	2.3
CXC 1-4 Passes	646	6.1	1078	10.3	832	8.5	912	8.6	699	5.7	4168	7.8
CXC 5 and More Passes	298	2.8	540	5.1	710	7.3	1077	10.2	1528	12.5	4154	7.8
Post-Secondary	36	.3	453	4.3	530	5.4	993	9.4	3158	25.9	5171	9.7
Other	153	1.5	112	1.1	153	1.6	150	1.4	114	.9	682	1.3
Not Stated	389	3.7	153	1.5	117	1.2	152	1.4	270	2.2	1080	2.0
Total	10531	100.0	10510	100.0	9756	100.0	10549	100.0	12213	100.0	53561	100.0
FEMALE												
None	6673	66.4	5332	53.9	6138	52.8	6040	47.6	4345	33.1	28528	49.7
School Leaving	1302	12.9	2064	20.9	1796	15.4	2324	18.3	2865	21.8	10351	18.0
CXC Basic	76	.8	372	3.8	487	4.2	339	2.7	116	.9	1390	2.4
CXC 1-4 Passes	732	7.3	777	7.8	1289	11.1	911	7.2	909	6.9	4617	8.0
CXC 5 and More Passes	465	4.6	753	7.6	807	6.9	1215	9.6	1264	9.6	4504	7.8
Post-Secondary	196	2.0	299	3.0	497	4.3	1602	12.7	3328	25.4	5922	10.4
Other	226	2.2	186	1.9	228	2.0	73	.6	151	1.1	863	1.5
Not Stated	387	3.8	112	1.1	382	3.3	197	1.6	151	1.2	1229	2.1
Total	10056	100.0	9895	100.0	11626	100.0	12701	100.0	13127	100.0	57404	100.0
BOTH SEXES												
None	14211	69.0	11388	55.8	11792	55.1	11177	48.1	8417	33.2	56985	51.4
School Leaving	2736	13.3	3993	19.6	3323	15.5	4002	17.2	4932	19.5	18985	17.1
CXC Basic	114	.6	562	2.8	720	3.4	790	3.4	420	1.7	2605	2.3
CXC 1-4 Passes	1378	6.7	1855	9.1	2121	9.9	1823	7.8	1608	6.3	8785	7.9
CXC 5 and More Passes	763	3.7	1293	6.3	1518	7.1	2293	9.9	2792	11.0	8658	7.8
Post-Secondary	232	1.1	753	3.4	1028	4.9	2596	10.2	6485	25.6	11093	10.0
Other	379	1.8	298	1.5	381	1.8	223	1.0	265	1.0	1545	1.4
Not Stated	775	3.8	264	1.3	499	2.3	349	1.5	421	1.7	2309	2.1
Total	20587	100.0	20405	100.0	21382	100.0	23251	100.0	25340	100.0	110965	100.0

In the buyer's market of early half of the decade, for the poor, the fact of education might have improved employment opportunity, but provides no guarantee. The stigma of being resident in certain communities can elide advantage of securing educational qualifications. In the discussions in the PPA, people were very much aware of the link between education and employment. However, they expressed frustration at the failure of the education system to prepare them for the world of work.

"Education does not prepare you for the job market."

"When you go for a job, they asking how much paper and how much experience you have"

"How can you get experience before you get a job?"

6.2 HEALTH

6.2.1 Anthropometric Data

The quality of care available to babies and infant in the first few years of life is one criterion of the capacity of a health care system. Anthropometric data were collected in the course of the survey. Of the estimated 6,110 children under five years of age, there were 20 reported cases of diarrhea. The vast majority of children are immunised by age five years.

6.2.2 Lifestyle Diseases by Type

The survey collected data on the main lifetime diseases among persons who indicated that they are suffering from some disease. The prevalence rates relate to five main lifestyle diseases notably diabetes, high blood pressure, heart disease, cancer and HIV/AIDS.

Table 6.3 shows the number of persons suffering from the main lifestyle diseases and their specific prevalence rates relative to all persons who indicated that they were suffering from diseases. However, in order to interpret these results, it is critical that one bears in mind differential levels of awareness, knowledge and pursuit of treatment that are likely to be associated with socio-economic status.

Irrespective of per capita consumption quintile, Table 6.3 shows that high blood pressure is the most prevalent lifestyle disease affecting persons with diseases in St. Lucia. In every quintile group, Table 6.3 also shows that the prevalence of diabetes ranks second to high blood pressure as a lifetime disease affecting persons with diseases in St. Lucia. In each of the quintile groups, more than three fifths of the persons with diseases reported suffering from high blood pressure while more than one quarter reported suffering from diabetes.

According to Table 6.3, heart diseases have been observed to be more prevalent than cancer in each of the quintile groups. Table 6.3 indicates that socio-economic status as gleaned from the quintile groups has no impact on the pattern of lifestyle diseases affecting the population of St. Lucia. It is worth noting that data on the prevalence of HIV/AIDS were not forthcoming and as such precluded any further analyses.

Table 6.3 presents results that permit assessments of variation in prevalence rates of the different main lifestyle diseases due to individuals' socio-economic status. With reference to persons who claim to have had a disease, the highest prevalence rates among persons claiming to be living with a heart condition or cancer have been observed for persons in the wealthiest quintile. For persons claiming to be living with diabetes, higher prevalence rates have been observed among persons in wealthier quintiles than among those in the two poorest quintiles.

Table 6.3: Persons Suffering from Disease by Type of Disease and Quintiles, Number and Percentage

Per Capita Consumption	Diabetes		High Blood Pressure		Heart Condition		Cancer		HIV/AIDS	
	N	%	N	%	N	%	N	%	N	%
Poorest	771	28.7	1711	63.7	194	7.2	41	1.5	-	-
II	915	29.2	2099	67.0	347	11.1	41	1.3	-	-
III	1440	38.7	2501	67.3	307	8.3	79	2.1	-	-
IV	1601	35.2	3095	68.1	483	10.6	77	1.7	-	-
Richest	2569	37.6	4598	67.3	1151	16.9	189	2.8	-	-

It should be noted that these differential prevalence rates across socio-economic status groups are likely to be a function of status differentials on awareness of the onset of specific diseases: the better-off are more likely to display a different approach to access to treatment, interpretation of diagnosis and orientation towards reporting the condition. For persons living with high blood pressure, there is no clear pattern of variation in prevalence rates across socio-economic status as prevalence rates appear to have stabilized at a little over two thirds of the persons claiming to have had a disease. This, however, was not the case for persons in the poorest quintile for whom, a slightly lower prevalence rate was observed when compared to the four wealthier quintiles. On the other hand, this might reflect simply greater information on health matters among higher quintiles.

Altogether, these result point to the need for greater public health education programmes across the population targeting persons from poorer strata, to raise awareness and promote pro-activism with respect to treating with the main lifestyle diseases. The results also point towards the intensification of possible strategies such as institutionalising Employee Assistance Programmes to counsel and treat employees who might be at risk of succumbing to the various lifestyle diseases.

This is especially important in the context of persons from wealthier quintiles as they seem to bear greater risks of succumbing to such diseases and at the same time, appear more likely to possess the human capital that is absolutely essential in making greater contributions to national well being.

6.2.3 Use of Health Care Facilities by Type

Individuals' use of health care facilities is being gauged in accordance with the type of medical facility first visited during the last thirty days as a result of an illness or injury. According to Table 6.4, 87.8 per cent of persons who reported having a main lifestyle disease or in the past 30 days, experienced other forms of illness or injury due to accidents, indicated that they had either first visited a public hospital, a community health clinic or a private physician/dentist. Given that good personal health is a critical factor in enhancing individuals' prospects of pursuing educational opportunities and obtaining education credentials on one hand, and participating in productive enterprise through participating in the labour force on the other, it is absolutely essential that such individuals have access to quality health care. In the event that there is evidence that is indicative of variations in the delivery of quality health across different types of health care facilities, it becomes important to learn more about variations in the use of such facilities resulting from differences in individuals' socio-economic status.

Table 6.4: Percentage Distribution of Persons with Main Lifestyle Diseases or Illness and Injury due to Accidents in the Past 30 days by Type of Place First Visited for Medical Attention according to Per Capita Consumption Quintiles

Place First Visit Made	Per Capita Consumption Quintiles					All St Lucia
	Poorest	II	III	IV	Richest	
	%	%	%	%	%	%
Public Hospital	33.7	26.8	34.7	29.3	24.5	29.1
Private Hospital	1.5	-	-	7.2	10.8	5.0
Community Health Clinic	30.1	35.2	33.3	26.4	13.9	25.9
Polyclinic	2.8	5.0	-	2.7	2.7	2.6
Private Doctor/Dentist	24.5	30.6	29.9	28.2	43.4	32.8
Out of state hospital	-	-	-	1.8	1.3	.8
Pharmacy/Chemist	2.8	1.2	1.0	1.8	2.6	2.0
Other	3.0	1.2	-	2.7	.7	1.4
Not Stated	1.5	-	1.1	-	-	.4
All St Lucia	100.0	100.0	100.0	100.0	100.0	100.0

In the poorest quintile group, for instance, the majority of individuals used public hospitals (33.7%) with lower percentages using community health clinics (30.1%) and private physicians/dentists (24.5%). In the case of the wealthiest quintile group, the majority of individuals used private physicians/dentists (43.4%) with lower percentages using public hospitals (24.5%) and community health clinics (13.9%). Also worth noting is the fact that the proportion of individuals visiting private physicians/dentists is lower in the poorest quintile

than in any of the wealthier quintiles. In addition, there is relatively greater use of private hospitals among individuals belonging to the two wealthiest quintiles than among their counterparts from the poorer quintiles. In particular, the use of private hospitals is most pronounced among the members of the wealthiest quintile.

Assuming that the individuals have been seeking similar medical services from different sources that may differ in the quality of their service delivery, some attention ought to be placed in redressing any imbalance that might arise in terms of differential access to quality services across socio-economic status groups. The relatively greater use of private physicians/dentists and private hospitals among individuals from wealthier quintiles relative to their counterparts from the poorest quintile is a critical determinant that could facilitate public policy reform geared towards improving health delivery systems. This may have implications for the redistribution of health coverage and resources that could provide better access to quality health care among poorer sub-populations. Moreover, other implications might include building capacity in public hospitals and community health care facilities to render health care services at higher standards that are deemed to be acceptable and in line with best practices.

6.2.4 Health Insurance Coverage

Health insurance coverage is a function of the extent to which individuals are covered by private health insurance, employee medical plan, National Insurance Scheme or Social Welfare. Table 6.5 shows that the vast majority of individuals, estimated to be in the vicinity of 72.5 per cent of the national population, did not have any medical coverage, as opposed to just 26.3 per cent who had such coverage. Altogether, Table 6.5 suggests that relatively fewer persons had health coverage when compared to those who had no such coverage, a pattern that persisted irrespective of individuals' socio-economic status group. Notwithstanding this, persons belonging to the poorest quintile were the least likely to have had insurance coverage which generally increased relatively speaking with a progression to wealthier quintiles, in particular, the two wealthiest quintiles. While just 5.7 per cent of the persons belonging to the poorest quintile were estimated to have had health insurance coverage, the corresponding proportion among persons from the wealthiest quintile was estimated to be 40.9 per cent. Such results should provide further means for explaining and appreciating outcomes indicating relatively greater use of private hospitals among persons belonging to the two wealthiest quintiles.

Table 6.5: Percentage Distribution of Population by Health Insurance Coverage according to Per Capita Consumption Quintiles

Covered By Health Insurance	Per Capita Consumption Quintiles					All St Lucia
	Poorest	II	III	IV	Richest	
	%	%	%	%	%	
Yes	5.7	21.7	16.1	31.6	40.9	26.3
No	92.8	75.9	83.9	67.5	57.8	72.5
Not Stated	1.5	2.3	-	.9	1.4	1.2
All St Lucia	100.0	100.0	100.0	100.0	100.0	100.0

CHAPTER SEVEN

PHYSICAL LIVING CONDITIONS

This Chapter examines selected aspects of living conditions in St. Lucia. Physical conditions are often the outward visible evidence of poverty. The examination of the housing conditions by socio-economic status reinforces other findings.

7.1 TENANCY OF DWELLING

Home ownership is a means towards the acquisition of wealth. It is the outcome of an investment that provides owners with an asset base that can potentially enhance the well being of household members. Data from the Survey (Table 7.1) show that 78.5 per cent of all households lived in dwelling units that were owner-occupied with or without mortgage. Not surprisingly, the greatest proportion of households in owner-occupied dwelling units was evident in the wealthiest household quintile with rates of ownership amounting to 82.8 per cent. In general, rates exceeding 75.0 per cent were observed among households in each of the remaining household quintiles. Interestingly, less than one percent of household admitted to squatting although almost 6 percent in the lowest quintile claimed to be living rent-free. There could be a thin line here between squatting and traditional rights to property. While the pattern of accommodating owner-occupied dwelling units does not vary much across household quintile groups, the quality of housing and the amenities available to household members are likely to vary across household quintile groups.

Table 7.1: Percentage Distribution of Households by Tenancy of Dwelling according to Household Quintiles

Tenancy of Dwelling	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
Owned With Mortgage	338	3.6	559	6.0	686	7.4	1142	12.3	2002	21.3	4727	10.1
Owned Without Mortgage	7115	76.0	6558	70.8	6522	70.3	5897	63.7	5788	61.5	31880	68.4
Rented-Furnished	-	-	36	.4	-	-	110	1.2	268	2.8	414	.9
Rented-Unfurnished	1223	13.1	1698	18.3	1615	17.4	1733	18.7	1209	12.8	7479	16.1
Rent-free	541	5.8	415	4.5	411	4.4	340	3.7	74	.8	1781	3.8
Squatted	73	.8	-	-	38	.4	-	-	77	.8	188	.4
Other	38	.4	-	-	-	-	39	.4	-	-	76	.2
Not Stated	39	.4	-	-	-	-	-	-	-	-	39	.1
Total	9367	100.0	9267	100.0	9272	100.0	9261	100.0	9417	100.0	46584	100.0

7.2 TYPE OF DWELLING UNIT

Despite the wide array of dwelling units, Table 7.2 shows that the vast majority (85.2%) of households occupied undivided private houses. Another 8.6 per cent of all households shared a private house while 4.8 per cent occupied a flat, apartment or condominium. It is clear that the occupancy of undivided private houses is commonplace in St. Lucia transcending the socio-economic status of households. Notwithstanding such an outcome, the proportion of households occupying undivided private houses increases with declining household socio-economic status. Thus, while 80.7 per cent of all households in the wealthiest quintile occupied undivided private houses, the corresponding proportion for the poorest quintile was 90.2 per cent. Such a pattern suggests that household members from wealthier quintiles may have a wider array of housing options as reflected in the relatively larger proportions sharing private houses, occupying flats, apartments or condominiums, and living in units that assume other forms.

Table 7.2: Percentage Distribution of Households by Type of Dwelling Unit according to Household Quintiles

Type of Dwelling Unit	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
Undivided Private House	8448	90.2	8321	89.8	7765	83.7	7572	81.8	7597	80.7	39703	85.2
Part of a Private House	660	7.0	572	6.2	831	9.0	1049	11.3	905	9.6	4016	8.6
Flat, Apartment, Condominium	221	2.4	259	2.8	563	6.1	526	5.7	682	7.2	2250	4.8
Double House/Duplex	-	-	-	-	-	-	38	.4	38	.4	75	.2
Combined Business & Dwelling	38	.4	76	.8	76	.8	38	.4	195	2.1	423	.9
Barracks	-	-	39	.4	-	-	-	-	-	-	39	.1
Other	-	-	-	-	38	.4	39	.4	-	-	76	.2
Total	9367	100.0	9267	100.0	9272	100.0	9261	100.0	9417	100.0	46584	100.0

7.3 MAIN ROOFING MATERIAL

In St. Lucia, the use of sheet metal as an option for roofing is virtually universal. According to Table 7.3, 96.2 per cent of all households lived in dwelling units that used sheet metal (galvanize) as the main roofing material. At the same time, Table 7.3 also shows that the proportion of households living in dwelling units that use sheet metal as the primary roofing material increases with declining household socio-economic status. While 90.3 per cent of all households in the wealthiest quintile lived in dwelling units that used sheet metal as the main roofing material, the corresponding proportion for the poorest quintile was 98.4 per

cent. These results indicate that households belonging to the wealthiest quintile group may have been able to exercise greater choice in the purchase of dwelling units and the use of roofing material. The prevalence of sheet metal across socio-economic status groups does not allow for differentiation in respect of the adequacy of protection from the elements.

Table 7.3: Percentage Distribution of Households by Main Roofing Material of Dwelling according to Household Quintiles

Main Roofing Material	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
Sheet Metal (galvanize)	9214	98.4	9112	98.3%	9043	97.5%	8952	96.7%	8500	90.3%	44821	96.2
Shingle Asphalt	40	.4	40	.4	77	.8	234	2.5	462	4.9	853	1.8
Shingle Wood	-	-	-	-	-	-	-	-	77	.8	77	.2
Shingle Other	-	-	-	-	-	-	-	-	115	1.2	115	.2
Tile	-	-	-	-	-	-	-	-	112	1.2	112	.2
Concrete	-	-	114	1.2	72	.8	-	-	76	.8	263	.6
Makeshift/Thatched	-	-	-	-	38	.4	-	-	-	-	38	.1
Other	38	.4	-	-	41	.4	75	.8	75	.8	229	.5
Don't Know	75	.8	-	-	-	-	-	-	-	-	75	.2
Total	9367	100.0	9267	100.0	9272	100.0	9261	100.0	9417	100.0	46584	100.0

7.4 MATERIAL OF OUTER WALLS

In St. Lucia, dwelling units are built mainly with materials such as wood, concrete, a combination of wood and concrete or plywood. According to Table 7.4, the majority of households (43.4%) occupied dwelling units with outer walls of concrete. A further 20.2 per cent occupied dwelling units with wooden outer walls while a slightly lower proportion amounting to 18.3 per cent occupied dwelling units with outer walls of wood and concrete. Plywood was used to construct the outer walls of dwelling units that contained 15.5 per cent of all households. Except for households belonging to the poorest quintile, those belonging to wealthier quintile groups occupied dwelling units with outer walls of concrete more frequently than units built with any other materials.

Outer walls of concrete are highly likely to enhance the physical strength of dwelling units and provide occupants with a greater sense of security against environmental agents. Table 7.4 shows that the proportion of households occupying dwelling units with outer walls built of concrete decreases with declining household socio-economic status. While 68.5 per cent of households in the wealthiest quintile occupied dwelling units with walls of concrete, the corresponding proportion for the poorest quintile was 20.9 per cent. In contrast, the situation was reversed in the context of household occupying dwelling units with outer walls made of

plywood. In such cases, the proportion of households living in units with outer walls of plywood has been increasing with declining household socio-economic status. According to Table 7.4, 1.6 per cent of all households in the wealthiest quintile occupied dwelling units with outer walls made of plywood as opposed to a much higher proportion amounting to 30.7 per cent in the case of households belonging to the poorest quintile. The evidence points towards imbalances that place lower socio-economic status groups at clear disadvantages that have implications for the social and physical well being of group members.

Table 7.4: Percentage Distribution of Households by Material of Outer Walls of Dwelling according to Household Quintiles

Material of Outer Walls	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
Wood/Timber	2,997	32.0	2,192	23.7	1,774	19.1	1,488	16.1	953	10.1	9,404	20.2
Concrete/Concrete Blocks	1,955	20.9	2,833	30.6	3,860	41.6	5,120	55.3	6,455	68.5	20,222	43.4
Wood & Concrete	1,309	14.0	2,205	23.8	1,721	18.6	1,634	17.6	1,670	17.7	8,540	18.3
Stone	-	-	-	-	-	-	-	-	41	.4	41	.1
Brick/Blocks	194	2.1	227	2.4	224	2.4	188	2.0	111	1.2	943	2.0
Plywood	2,872	30.7	1,774	19.1	1,655	17.9	790	8.5	150	1.6	7,241	15.5
Makeshift	40	.4	36	.4	38	.4	-	-	-	-	114	.2
Other/Don't Know	-	-	-	-	-	-	41	.4	-	-	41	.1
Not Stated	-	-	-	-	-	-	-	-	38	.4	38	.1
Total	9,367	100.0	9,267	100.0	9,272	100.0	9,261	100.0	9,417	100.0	46,584	100.0

The evidence from the PPA attests to poor housing conditions for the majority in these poorer communities. In the majority of households, families were living in small wooden houses with limited room and some of which were literally falling apart and lacked basic amenities like indoor pipes, kitchens, toilets and bathrooms. Although a significant number did have pit latrines, in several of the household members disposed of human excreta in the surrounding environment.

7.5 MAIN COOKING FUEL

Cooking gas was the principal cooking fuel of choice in St. Lucia being used by 91.1 per cent of all households as a means of preparing meals. Coal and to a lesser extent, wood, were used by 5.2 per cent and 2.2 per cent of all households. Table 7.5 shows that the proportion of households using cooking gas decreased with declining socio-economic status. While 96.8 per

cent of all households in the wealthiest quintile used cooking gas, the corresponding proportion for the poorest quintile was 78.4 per cent. In contrast, the situation was reversed with respect to the use of coal and wood as main fuels, the respective proportions actually increasing with declining socio-economic status within households.

Table 7.5: Percentage Distribution of Households by Main Cooking Fuel Used according to Household Quintiles

Main Cooking Fuel Used	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
Coal	1043	11.1	489	5.3	529	5.7	262	2.8	115	1.2	2438	5.2
Wood	742	7.9	116	1.2	111	1.2	36	.4	36	.4	1042	2.2
Gas/LPG/Cooking Gas	7348	78.4	8662	93.5	8596	92.7	8734	94.3	9112	96.8	42451	91.1
Kerosene	-	-	-	-	-	-	76	.8	-	-	76	.2
Electricity	39	.4	-	-	36	.4	116	1.3	154	1.6	345	.7
Other	195	2.1	-	-	-	-	36	.4	-	-	231	.5
Total	9367	100.0	9267	100.0	9272	100.0	9261	100.0	9417	100.0	46584	100.0

7.6 TOILET FACILITIES

In the main, the majority of households had toilet facilities with water closets that are either linked to sewer systems or septic tanks. Altogether, Table 7.6 reveals that 66.6 per cent of all households claimed to have such facilities. Another 28.7 per cent of households relied upon pit latrines while 2.5 per cent had no facilities whatsoever. The proportion of households with water closets decreased with declining socio-economic status so that while 93.0 per cent of all households in the wealthiest quintile used toilet facilities with water closets, the corresponding proportion for the poorest quintile was 31.0 per cent. With respect to the proportion of households with pit latrines as toilet facilities or where no toilet facilities were available, proportions actually increased as the socio-economic status of households declined. It is also worth noting that except for households belonging to the poorest quintile, those belonging to wealthier quintile groups claimed that they used water closets more frequently than any other type of toilet facility. In contrast, households in the poorest quintile claimed that they used pit latrines more frequently than any other type of facility.

Table 7.6: Percentage Distribution of Households by Toilet Facilities Used according to Household Quintiles

Toilet Facilities Used	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
W.C. Linked to sewer	263	2.8	412	4.4	337	3.6	381	4.1	1377	14.6	2770	5.9
W.C. Linked to Septic tank/Soak-away	2644	28.2	5013	54.1	6136	66.2	7088	76.5	7388	78.4	28269	60.7
Pit-latrine	5415	57.8	3399	36.7	2386	25.7	1524	16.5	652	6.9	13375	28.7
Ventilated Pit-latrine	38	.4	38	.4	75	.8	-	-	-	-	151	.3
Other	300	3.2	293	3.2	183	2.0	77	.8	-	-	853	1.8
None	707	7.5	73	.8	154	1.7	192	2.1	-	-	1126	2.4
Not Stated	-	-	39	.4	-	-	-	-	-	-	39	.1
Total	9367	100.0	9267	100.0	9272	100.0	9261	100.0	9417	100.0	46584	100.0

7.7 MAIN SOURCE OF WATER

In St. Lucia, the majority of households claimed that they relied mainly upon water being piped into dwelling from a public source (68.6%), piped into yard from public source (19.9%) or obtained from a public standpipe (5.3%). Thus, according to Table 3.37, almost 94.0 per cent of all household relied principally upon public sources for their water supply. Table 7.7 shows that the proportion of households with water piped into their dwelling units from public sources decreased with declining socio-economic status so that while 90.1% of all households in the wealthiest quintile obtained pipe borne water from public sources, the corresponding proportion for the poorest quintile was 40.1 per cent.

Altogether, pipe borne water from public sources was the most frequently cited main source of water supply in spite of household socio-economic status. Nonetheless, it is worth noting that in the proportions of households that relied principally on a public supply of water in a yard or from a standpipe increased with declining socio-economic status. While only 7.0 per cent of all households in the wealthiest quintile reported having their main supply of water piped into a yard from a public source, the corresponding proportion within the poorest quintile was estimated to be 34.4 per cent. With respect to time-consuming means of gathering water, whether by means of a public standpipe, a public well, tank or truck, or a private catchment area, relatively greater numbers of households from the poorest quintile relied upon such means when compared to households in the wealthier quintile groups.

Table 7.7: Percentage Distribution of Households by Main Source of Water according to Household Quintiles

Main Source of Water	Household Quintiles – AE										Total	
	Poorest		II		III		IV		V			
	N	%	N	%	N	%	N	%	N	%	N	%
Public, piped into dwelling	3795	40.5	5546	59.8	6546	70.6	7604	82.1	8488	90.1	31979	68.6
Public, piped into yard	3220	34.4	2408	26.0	2008	21.7	1000	10.8	657	7.0	9293	19.9
Public standpipe	1266	13.5	601	6.5	341	3.7	272	2.9	-	-	2480	5.3
Public well/tank or truck	39	.4	-	-	-	-	-	-	-	-	39	.1
Private, piped into dwelling	38	.4	221	2.4	109	1.2	112	1.2	110	1.2	590	1.3
Private catchment not piped	38	.4	151	1.6	36	.4	-	-	41	.4	266	.6
Private catchment piped	77	.8	-	-	-	-	-	-	41	.4	117	.3
Other	894	9.5	302	3.3	231	2.5	274	3.0	79	.8	1780	3.8
Not Stated	-	-	39	.4	-	-	-	-	-	-	39	.1
Total	9367	100.0	9267	100.0	9272	100.0	9261	100.0	9417	100.0	46584	100.0

In addition to satisfying the daily preparation of meals and individuals' daily dietary requirements, for water, adequate means of accessing a potential supply of water permits household members to accomplish a number of other personal daily functions that enhance their quality of life and overall living standards. Thus, Table 7.7 produces results that point towards a greater engagement in more time-consuming water-gathering practices by members of poorer households. Such an allocation of time is likely to reduce the amount of time available for individuals to develop their human capabilities and retard their transition to more favourable conditions and opportunities in life. Altogether, the main sources of water supply are distributed inequitably across household socio-economic status groups and will require infrastructural interventions within the public arena to enhance the quality of service delivery and reduce inequities. There are also problems across the various districts of St. Lucia. The map of water mean water supply shows substantial disparity: the area of Dennery is the worst affected.

7.8 THE ENVIRONMENT AND POVERTY

The physical environment within which poor people live has an impact on their lives. The environment can provide them with natural resources that can be used as the basis for economic activity, for food security and to sustain their livelihoods; at the same time environmental conditions can be a threat to the health and well being, and the security and safety of its inhabitants. Perspectives on the relationship of poorer people with their environment were derived in the PPA.

There is a significant difference in the physical environment of the urban, semi-urban and rural communities studied. The urban and sub-urban communities have few natural resources on which residents can depend to sustain their livelihoods. However the poor condition of their physical environments is a threat to health. The urban communities reported lack of physical space leading to overcrowding, poor drainage and flooding, poor sanitation and inadequate storage of food, littering and improper garbage disposal, absence and poor condition of toilet facilities, sewage problems and disposal of feces in the sea and surrounding areas. Rats and mosquitoes are also prevalent. This creates an unhealthy physical environment that creates risks and poses threats to health of residents.

In the rural communities, many residents depend on the natural resources for their livelihoods. The land, sea, rivers and forests were not only sources of income but provided food security for many who may not have money, but who are able at least get a meal of ground provision, fish and fruit. However the use of natural resources while providing income for some depletes these resources and limits the ability of others to benefit from them. Deforestation and removal of top soil have resulted in landslides and soil erosion. Residents reported on the incidence of over-fishing, poisoning of rivers and sea to increase the fish catch size, and prevalence of sand mining.

Indiscriminate deforestation along with poor drainage in Desrameaux, Des Barras and Park Estate and poor agricultural practices including the use of chemicals, have had serious negative impacts on the natural resources in these communities. In Praslin there is a concern about pollution of the mangrove about cutting down of the trees there to burn in the charcoal pit and about the use of the ravine as a source of water which can result in depletion of the crayfish and tilapia stock.

Availability of good quality drinking water is essential but residents in Desrameaux, Rosseau, Anse Le Raye, and Morn Jacques did not always have access to good quality drinking water on a regular basis, and in others like Anse Le Verde several people reported that they had to walk long distances to get water. In some communities like Anse Le Raye, Faux-a-Chaux and Baron's Drive their water sources, including the rivers and the sea were being polluted by human faeces, by seepage of agricultural and other chemicals, and by the dumping of garbage. In Park Estate and Des Barras, where rivers were being used for bathing and washing of clothes and vehicles, chemicals were also being deposited in the water.

Residents in Belle Vue, The Mangue and Rosseau were concerned about the presence of rats and mosquitoes; in Park Estate, Desrameaux, and Praslin, about stray dogs; in Praslin and Des Barras about the African Snail; and also in Praslin about wild pigs near the river bank. In communities where residents rely on rivers for their water supply, they were concerned about stagnant water and pollution of the river. In addition, in a few communities residents were concerned about the present of snakes as a result of clearing of land, about air pollution from second hand smoking and burning of rubbish. There were also concerns about smells from livestock pens (for chicken and pigs) in Rosseau and Des Barras and about noise pollution in Belle Vue.

All of these environmental issues have implications for the conditions under which residents live, for their health, the quality of their lives and their sense of well being. While many of the health problems appear to be linked to life style diseases, some of the illnesses like asthma and other respiratory diseases in children and adults can be caused by environmental factors. Contamination of food by rats and other pests, and by chemicals in agricultural produce and fish can also cause certain diseases. At the same time in several communities, lack of toilet facilities and disposal of human waste in the sea, rivers and banana fields are dangerous activities that threaten the health of everyone in a community.

All of the communities had experienced the effect of natural disasters, especially storms and hurricanes and residents were now more willing to take these seriously and to prepare for them. However, the quality of their housing, and in some cases their location, increases their vulnerability to natural disasters. It would be important to establish programmes

Drought also creates problems in some communities. At the same time there was a feeling that while people were somewhat more aware of and concerned about environmental issues much more needs to be done to educate them about environmental conservation and degradation and about their responsibility for and the benefits that would be derived from judicious use of natural resources and from protecting the environment.

7.9 PUBLIC GOODS AND POVERTY

Poor communities often lack public goods that are important to welfare. Their absence contributes to poverty. While facilities and services may be available the extent to which residents can access and/or afford them, availability to the household is determined ultimately by factors such as distance, hours and time of delivery, the cost and the quality of the services being provided, and the attitude of the providers.

Some of the communities are well served with services and facilities and residents can readily and easily access them. In several communities residents agreed that there has been an improvement in sanitation service because garbage is now being collected on a regular basis. This is so in Belle Vue and also in the urban communities because of their proximity to Castries and Vieux Fort.

However, in several of the rural communities, including Morne Jacques, Balca, Migny, and Park Estate, there are few, if any facilities and/or services in the community.

"Belmont is not yet a place, government refuse to build roads because this area is not in the project."
(Resident in Belmont)

"We do not have roads in Desrameaux, access to water is poor and the water quality is poor."

Residents in these and in some other communities were also concerned about poor roads, absence of electricity and telephone lines, and inadequate water supply and absence of recreational facilities, preschools and day care centres. In several of the communities residents were particularly concerned about the unavailability of health services.

Another issue that affects the quality of services being offered is the attitude of the providers, including issues of confidentiality as in the case of health service providers, and in the user-friendliness of services provided. Residents confirmed that these issues influence their decision on whether to use the service or not. Although there are public toilet and bath facilities in these communities, residents do not always have access to them. Among the reasons cited for this situation is the inability to pay the small fee required for use, the hours when the facility is open and in the case of Faux a Chaux, the unacceptable, poor and abusive attitude of the Manager of the facility. These factors have led to indiscriminate disposal of human excreta in surrounding areas, including the waterfront opposite.

The degree to which residents have been able to create and sustain social capital contributes to the quality and quantity of public goods. Relationships between residents vary from community to community, but in some of the communities relationships are harmonious, there are networks of formal and informal support systems, and residents cooperate and help each other in time of need. This is conducive to community action that can mobilise social capacity.

"I love my community, you can have confusion here, but when a house in flames everybody running, people forget they vex with you." (Faux-a-Chaud)

However in some other communities, including The Mangue and Roseau, relationships are characterized by mistrust, disagreements, conflict over petty situations, quarrels and fighting. While in many communities there are networks of mutual support and cooperation, especially in times of need, in others, lack of cooperation and community spirit were seen as stumbling blocks that adversely affected progress and initiatives designed to improve and develop the community.

7.10 OTHER HOUSEHOLD AMENITIES

Amenities like good quality running water, electricity, telephone land lines and cell phones, and household appliances were not any longer regarded by interviewees as luxuries, but as essentials for enjoying a good standard of living and quality of life. Their presence in households therefore cannot by themselves be used as one of the indicators of the absence of poverty, and although some or all of these were absent in many of the households, there were present in a significant number.

In the PPA, forty three (nearly eighty percent - 79.6%) of the households interviewed had electricity and electrical appliances, particularly fridges and TVs, including cable. However in many cases these were not working because interviewees could not afford to pay the electricity bill which according to them was too high and on which they would have to spend most of their money. Given the role of television in communications and in providing access to the mass media, some number of poorer households would have suffered information poverty as well.

Several persons also complained about the high cost of water and felt that WASCO was charging too much. In many of the households there were also gas stoves, but either because of inability to afford gas or as a strategy to save, wood and/or charcoal was being used extensively for cooking. Although land line telephones were not as common, several of the interviewees did have cell phones, and some of those who did not, expressed a wish for them.



**PART TWO:
THE INSTITUTION FRAMEWORK FOR
POVERTY REDUCTION**

CHAPTER EIGHT

INSTITUTIONAL REVIEW

8.1 INTRODUCTION

There has been considerable research and documentation on the role of institutions in shaping social and economic life. Institutions are here described as both organisational forms and as patterns of behaviour. This section examines the contribution of a number of agencies and organisations to the poverty reduction and alleviation in the context of the current reality of St. Lucia: behaviour patterns would also be discussed, information permitting. As has been indicated earlier, this country as one of the SIDS, is susceptible to economic volatility deriving from the vulnerability that is a fact of life of for such countries.

But the very international environment in which St. Lucia has to hold its own is subject to major structural changes. The economic transformation of Asia has already started to eclipse the North Atlantic countries, which have been the main markets for Caribbean countries. The North Atlantic has to deal with its own problems of adjustment in the face of the rise of Asia. All of these external forces impact, in the final analysis, on communities and people in the island states of the Caribbean, including on St. Lucia.

The nature of the institutional structure of the country has considerable relevance in the way the various groups in the society accommodate to change. A host of agencies will be surveyed to establish their efficacy in assisting the population in coping with the economic and social changes in their midst. This section will examine the contribution of these organisations, in the provision of services in the four main areas into which services could be disaggregated for present purposes – developmental, preventive, remedial, and supportive. Where possible, the views of some of their clients will be noted, from the discussions that took place in the PPA.

Developmental institutions contribute to capacity building, and equip individuals and/or groups with the wherewithal to grow and expand. They assist in empowerment. Training institutions, for example, are engaged in developmental work. Institutions that perform functions that are preventive by nature, assist in protecting individuals or groups from risks or vulnerabilities, and from succumbing to particular problems. Youth programmes in high risk communities may engage in preventive work by encouraging young people to become involved in constructive activity, in the face of models in their immediate environment, which prompt delinquent behaviours.

Remedial entities seek to restore individuals or groups to a state of wholesomeness following their having been subjected, or having succumbed, to particular social challenges. Supportive agencies focus on the provision of succour to those in need, without necessarily being concerned with their capacity to respond to social and economic challenges on their own.

8.2 DEVELOPMENT AGENCIES

Following the Poverty Report of 1995, the Government embarked on a number of initiatives designed to reduce and alleviate poverty in St. Lucia over time. In some cases, special institutions were created. In others, existing structures were modified with a view to rendering their work more sensitive to the requirements of poverty reduction. The incoming administration of 1997 made poverty reduction the focus of its platform and committed itself to collaborate with CBOs, and NGOs – domestic and foreign – and the international community in mounting an attack on poverty.

Two of the primary programmes in poverty reduction merit specific review, since their roles have been expansive, spanning a range of functional areas. The Government of St. Lucia had had a long standing arrangement with the Caribbean Development Bank that allowed the country to benefit from the Basic Needs Trust Fund. The refocused initiative led to the establishment of the Poverty Reduction Fund, for which funding came from the World Bank and other sources. The two programmes have existed side by side.

8.2.1 Poverty Reduction Fund

One the most significant initiatives undertaken by the Government was the establishment of the Poverty Reduction Fund (PRF), which became its flagship in the attack on poverty in St. Lucia. It was established 1998 by an Act of Parliament, and began operations in August 1998. It was initially under the Ministry of Planning, which was the focal point for poverty reduction until responsibility was transferred to the Ministry of Social Transformation, as the Government took the decision to put all the agencies responsible for the social sectors under one roof, under this new Ministry created in 2001.

The Fund draws its inspiration from the social funds that were created in Latin America and Africa in the 1980s. These were designed to give early effect to poverty interventions in recognition of the fact that the structure of government agencies normally prevented their responding quickly to the needs identified by communities. The World Bank has been a major supporter of the idea of social funds to mitigate the negative effects on the social sectors of structural adjustment measures in the face of fiscal and balance of payments crises. Social Funds have been used elsewhere in the social sectors- education, health, population, nutrition, AIDS – and in the provision of community infrastructure – wells, rural roads, markets, upgrading schools, health clinics. Social Funds are expected to respond to the needs identified by local groups and communities.

The PRF was initially established with a ‘learning and innovation’ loan from the World Bank, with the expectation that it would eventually be routinised into the structure of operations of the Government, while retaining the flexibility allowed it under the Act. Other funding sources, in addition to the World Bank, have been the French Government, and the Japanese Government, with some technical assistance coming from the European Union.

While overall policy for the Fund is set by the Government, it is managed by a Board of Directors drawn from the government agencies, NGOs and CBOs. The strategy of the Fund has been guided by the Millennium Development Goals (MDGs) generally and seeks to focus on:

- Sustainable economic opportunities at both the macro and micro levels;
- Empowerment of people and communities and the inclusion of the concerns of poorer people;
- Promotion of universal access to health, education, water, and sanitation and the protection of vulnerable individuals and groups.

The staff complement has been as high as 17 persons at one stage. The existing structure is oriented to monitoring and evaluation, and to management of the information systems to support this function.

8.2.1.1 PRF and Communities

The thrust of the work of PRF is to reduce poverty in communities by building social capital, improving geographic equity, and encouraging initiatives that contribute to environmental sustainability. Much of its work in St. Lucia has been oriented to building capacity at the local level e.g., Belvedere, Canaries, Riviere Mitant and Dennery.

PRF has targeted the poorest communities: for example, in respect of Bouton - one of the communities identified as poor in the Poverty Assessment of 1995 - there were initiatives in the area of health over a period of many months. The effort consisted of observation, awareness building in respect of health issues, treatment, and network building. Other communities benefitting from this programme have been Fond Maiye, La Bordelais, Paix Bouche, La Caye and La Guerre.

In other words, PRF interventions have gone beyond the provision of physical facilities, as significant as these have been in its programme. It imposes no restrictions on the nature of the applications that it entertains. More recently, it has developed a poverty map electronically with poverty indicators, with the help of consultations that were conducted. This participatory exercise has resulted in the development of priorities - I, II, and III, with I being the highest - and there may even be voting on the part of the community in undertaking any exercise. The agency conducts cost-benefit analysis of its interventions. In its Annual Report 2001-2002, it argued that its interventions have been heavily weighted in favour of the poor, since 75 percent of the resources had been allocated to communities with a poverty index that rated them as 'very bad' or 'bad'.

8.2.1.2 PRF and Agencies

PRF seeks to make meaningful interventions with the support of certain government agencies. These initiatives are often supported by memoranda of understanding: this has happened with Ministries of Health, and Education and Planning. There have also been arrangements with the St. Lucia Cancer Society, with organisations representing nurses, mental health and other national umbrella organisations.

The PRF has collaborated with the National Skills Development Centres in the provision of training – 50 -100 hours of training. The goal has been to ensure the expansion of skills for self-employment. There have been problems of apathy on the part of potential recipients. The Adult Education programme of the NSDC has been transformed into a national enrichment programme. Also emphasis is placed on improving productivity, and in inculcating positive values and ethics.

The agency has collaborated with other agencies in addressing critical issues in the society-

- Life style management
- Employment
- Early childhood education
- Enterprise development

The key problems identified by PRDF at the present time are:

- HIV/AIDS – in part exacerbated by sexual promiscuity.
- Nature of the family, and the looseness in parenting arrangements.
- Lack of community structures.

In the more recent past, it has been seen as a mechanism for assisting in the development of labour intensive programmes and the Landslide Risk Reduction Programme in unplanned communities in urban and peri-urban areas inhabited by poorer people. Communities such as Trou Rouge, Pavee/Parkers Hill, Bagatelle, Morne Du Don, and Bruce Ville were to receive allocations through the Poverty Reduction Fund in the budget of 2005/06.

While its presence has been recognised by communities, there has been some frustration over its remit. For example, residents of Bouton felt that it was unresponsive to the request for assistance in the establishment of a fruit processing operation in the village to provide employment in the village with a link back to a plentiful supply of local fruit.

It seems that there is now some official ambivalence on the way forward with PRF. It was perhaps obligatory on the Government to establish it as a separate entity through which there could be a transparent provision of funds from the World Bank and other external agencies. These funds were time bound, however, and it was the expectation that following the thrust of the programmes deriving from the Fund, there would be continuation on the part of the Government, where this was necessary: World Bank funding ended in 2003.

PRF and the Basic Needs Trust Fund (BNTF) have remained the prime agencies involved in implementing the projects under the Ministry of Social Transformation. In its most recent budget exercise, the allocation to the PRF is much lower than to the BNTF - \$1.8m as against

\$7.2m - suggesting that the policy may be gradually to absorb the PRF in the BNTF, which has been of longer standing.⁶

8.2.2 Basic Needs Trust Fund

The Basic Needs Trust Fund has been part of the development landscape of St. Lucia for almost as long as this programme has been in existence as part of the approach of the CDB to target poverty since the late 1970s. Indeed, the CDB was in advance of most development institutions in the support of poor communities hurt by structural adjustment and stabilisation programmes. Through BNTF, CDB has provided a structure within which other donors have contributed to the effort at poverty reduction in St. Lucia: for example, CIDA and Stabex funding has supplemented the resources provided by the CDB.

St. Lucia is the beneficiary of the Fifth Programme under the BNTF, with a total of over EC\$12m of grant funding earmarked for the period 2003-2010. In the Fourth Programme, which spanned the period 1997-2003, a number of the poorer communities identified in the last Poverty Assessment were targeted for infrastructure and other forms of support - Bouton, Anse La Raye, Belmont, and Belvedere with water, Bacadere with footpaths and drains, and public conveniences, Roseau with public toilets, and Anse La Raye with training in leather craft. The Poverty Assessment of 1995 provided the base information that allowed for better targeting of the poor.

The CDB has required of the Government, an action plan for the BNTF in St. Lucia - the Poverty Action Plan - with an operations manual that gives detailed approaches for targeting, supported by community profiles. Highlights of the Programme are:

- Water for all - this has been achieved in actual practice.
- Physical access to communities through roads and footpaths.
- Targeting of the indigent - the homeless and the aged, in particular.
- Skills training and improvement of the employability of young people.
- Improvement of School Plant.

Other aspects of the contribution of BNTF include the provision for direct labour, thus allowing the services of residents to be utilised in the construction of public facilities, and creating a strong sense of ownership in the community, at the same time as skills are being upgraded. There is also allowance for a micro-enterprise component in the BNTF. A major challenge has been in upgrading squatter communities in urban areas. BNTF can only invest in property which belongs to the state. The poor in urban areas are often squatting on private property, and this makes it impossible for the BNTF to intervene.

⁶ Minister of Finance, Budget Address 2006-2007: From Recovery to Expansion, April 25, 2006.

While some \$14m had been allocated to the year 2010, the list of projects already approved could result in the exhaustion of funds by the end of 2006. The wide geographic spread of the programmes of intervention, and the high degree of targeting on the poor have meant that the BNTF has brought considerable improvement in the plight of poorer people of St. Lucia.

On the other hand, the attempt at wide reach with limited resources relative to the requirements of communities, did create disappointment in some communities. In the conduct of the PPA, residents of Balca claimed that PRF and BNTF had been insignificant in their interventions in the area.

8.2.3 Other Important Development Interventions

There is wide range of government and non-governmental agencies which, from their mandate, contribute to the development of the country and thus, indirectly to the poor. However, there has been a poverty focus in many of the projects and programmes of the Government which has sought to make much of its expenditure pro-poor. This has not meant that all of its agencies have been successful in this regard. However, most of the key personnel in charge of the various agencies of the state are aware of the need for a pro-poor thrust, even though this has not meant that there is the level of collaboration to maximise the benefits of their individual agency interventions. Even prior to the Poverty Assessment of 1995, there were NGOs that concerned themselves with the development of the poor, and in organising resources for their assistance in pulling themselves up on their own initiatives. Some of the initiatives can be assessed at the sectoral level.

8.2.3.1 Agriculture

Given the role of agriculture in the economy of St. Lucia, the institutions that contribute to its development would be critical in determining its success as a sector. The PPA establishes that people in the rural communities did see agriculture as important to their development. They were cognisant of the fact that most farmers were no longer competitive with bananas. However, under the right conditions, there was still a future in agriculture.

"We have land, we must look at agriculture".

"Agriculture is one way of making money".

However, the rural communities recognised a number of constraints. There was the issue of credit for agriculture.

"The people who really need it can't benefit because they set come criteria that the common poor man cannot get in, those who already have are the ones who benefit."

"I don't have title so I can't get a loan."

"As a poor man you have to have a certain amount of money to get land."

A major intervening variable was the ownership of such land. While good land might have been available near to some poorer communities, ownership could be in the control of the Catholic Church, the State, private companies and individuals, and the failure in dealing with

land titling has led to lands lying idle or abandoned. The issue of family land, land distribution and land titles was raised in most of the communities.

"I want land but I still don't have it yet."

"We don't have title to the land."

"The land is there but they don't do anything with it"

In villages that were dependent on fishing, the availability of credit for the purchase of boats and equipment were the constraints which needed to be addressed by emerging institutions.

"Ten years I am a fisherman but I can't achieve what I want. I wanted my own boat, but I don't have the deposit

"What ever set up to help is difficult to access. These things are set up to keep people poor."

"The fishing complex buying the fish much lower than it is worth."

Thus, institutions involved in the agricultural sector needed to take all these issues into consideration. Most of the institutions fall within the ambit of the Government, but there are NGOs and CBOs as well that have been formed to assist the sector. Moreover, in conditions where the Government sees its role as being primarily facilitative of sector growth, much will depend on institutions outside of the State Sector and on the degree to which the farming community itself can create effective organisation to represent its interests. In this subsection, the role of a few state agencies and non-state actors will be assessed briefly.

Ministry of Agriculture, Forestry and Fisheries

This agency has had the prime responsibility for managing the challenge of the reorganisation of the agricultural sector in the face of the radical changes that have taken place in the market for the output of the St. Lucian farming sector. There have been, over the years, many policy statements on the need to diversify the agricultural sector.

It should be noted that the banana industry had, over time, developed a well oiled institutional infrastructure that was reasonably effective in delivering high levels of output for export. Although production in the field was under the control of a host of small farmers, many of them not highly educated, the supporting infrastructure compensated for any deficiency that existed at this level. The Banana Board organised marketing and a system from farm-to-market delivery that guaranteed decent product to the final consumer. The Board had in place an extensive extension service that delivered advice to the farmer in the field. WINBAN provided high level research support.

Although the Banana Board operated with some measure of independence, the State was represented and had to provide tangible financial support from time to time. In the new dispensation of greater reliance on non-banana agriculture, it would have been necessary to re-create a comparable sophisticated infrastructure to support small farmers venturing into the unknown with the commercial production of produce with which they might have been familiar only by way of back-yard production. For example, there were few standing orchards of the types of tree-crop agriculture proposed for diversification in the mid 1990s.

It is possible that the requirements for a successful transition to viable non-banana agriculture have been seriously underestimated. It is a moot point whether the Ministry of Agriculture and other related agencies were able to create in short order a comparable institutional infrastructure that applied to bananas for the range of produce that was identified as offering potential to farmers seeking to diversify. Farmers would have required extension services, research support, credit, marketing arrangements, and as well training, all adequate to the demands of their producing for external markets or increasingly sophisticated domestic markets in competition with the rest of the world. Official statements seemed to recognise the challenge, whatever might have been the difficulties in meeting the imperatives. Between two important departments of the Ministry of Agriculture – Extension and Advisory Services and Production and Support Services - there have been more than 50 professional officers directly involved in the field monitoring the farming sector, comprised of 1,500 banana farmers and others engaged in non-banana agriculture. However, despite its work, Box 8.1 shows that there may be still be farmers who do not fully understand the function of the Department.

BOX 8.1: STEPHANIE'S STORY

*Stephanie and the younger three of her six children live in one of the rural communities. She lost her husband five years ago. He was fatally **stabbed** one evening on returning from one of his visit to town to sell his produce. Stephanie is in her late forties, and has been the sole breadwinner since. The other children are grown up and have their own families to maintain and have all left the community to earn their livelihoods in Castries. Two of the children still at home are at secondary school and the last is nearing the end of primary school. It is not easy trying to make ends meet and Stephanie makes every sacrifice to ensure that the children can attend school. There are times when she does not have the wherewithal to send the secondary students to school – transport and food.*

Stephanie farms the two acres of land left by her husband. She used to work the land with her husband before his demise. She now has to do it all by herself. It is backbreaking work and she attempts to plant on every area of the land, so that there is always something that she can sell to earn an income. The road to her little acreage is bad and in that remote area, it costs her very much to get transport to come and collect her produce to take to Soufriere. She could get sale for some produce in the hotels, but she has not been able to set up firm long term arrangements.

The area was in marginal banana production before the industry declined, and Stephanie has continued the switch to other crops which her husband had started. She produces beans, tomatoes and other short crops along with some ground provisions. Water is a problem at some times of the year, and Stephanie was saving to buy a pump. However, unseasonable weather devastated her farm and she had to use the limited savings to start the process all over again. There are technical problems that she has had to grapple with by trial and error. There are pests to control. Fortunately, the land is of good quality.

When asked about assistance from the Extension Services of the Ministry of Agriculture, Stephanie remains incredulous. She is not aware that she is entitled to help from that source and has never been visited by any Agricultural Officer. Nor is she the sole farmer in the area where she operates. It would be great if only she could get advice on how to improve productivity on the operation, and how to finance the pump so that she could get water from the river when the dry season comes.

She has not got into any relationship since the death of her husband. She still grieves at his passing, and is a deeply religious person. She prays God to help her carry her burden. She will continue to work for as long as she can and hopes that the children would all succeed at school and get good jobs that would allow them to assist her in her later years. She tries to encourage them to perform well at school.

Early in its administration, the Government announced that it would pursue 'a market-led approach to agricultural diversification' (Minister of Finance Budget Speech, 1998/99). It was recognised that the banana industry needed to be rationalised, and complementary with this radical reorganisation, there had to be a number of measures put in place. The pillars of its approach to diversification were encapsulated in the following:

- 1) Establishment of a system for collaboration with individual Farmers and Farmer Groups, Exporters, the Ministry of Agriculture, Regional Marketing Organisations and Buyers (both local and overseas), for effective delivery of services by the St. Lucia Marketing Board;
- (2) Establishment of a comprehensive produce marketing network, based on adequate market intelligence, and with the capability to absorb commercial agricultural production, for both local distribution and export;
- (3) Expansion of the range and quantity of local output through the promotion of new agricultural commodities for export, and for new markets locally and overseas;
- (4) Bulk purchasing of planting materials and inputs for sale to farmers at reasonable margins, in collaboration with other regional Marketing Boards;
- (5) Facilitating improvement in standards of production and final product, through the use of suitable packaging material, and post harvest facilities, and provision of training for farmers and produce handlers;
- (6) Provision of technical and facilitatory services (such as training, research and current, relevant market information) to farmers and other stakeholders to guide production planning, marketing activities and maximisation of sector earnings;
- (7) Assistance in the marketing of locally produced agro products.

The Government sought funding from STABEX, to cover among its top priorities 'Agricultural Diversification, Poverty Reduction, Economic Diversification and Training' (Minister of Finance, Budget Speech, 1998/99). At that time, there were such other programmes in place as the Rural Economic Diversification Incentives Project (REDIP), also with funding from STABEX, the Small Farmer Irrigation Scheme being financed by the United Nations Food and Agriculture Organisation, and the Multi-Purpose Agricultural Development Centres that were planned for establishment with funding from the Government itself.

On the admission of one official in the Ministry of Agriculture, the efforts at diversification have been 'quite modest'. The available statistical data reviewed in Section II showed that banana agriculture declined, and non-banana agriculture did not fare much better, whether in terms of production for domestic or for export markets. This confirms that St. Lucia was not able to overcome the development challenges posed by the structural adjustment of its vital agricultural sector. In this regard, some of the problems stemmed from the difficulty in

developing quickly, the appropriate institutional infrastructure, and others from lack of finance to support these institutions.

One major difficulty was the reliance on external finance by a Government seeking to stave off fiscal crisis. As was seen in Section II, the country became heavily reliant on its external partners for development assistance. The formal agreement with them may have led to some complacency, in that Government budgeting was configured with the external assistance factored into the annual estimates. When this was not forthcoming on time, because of the bureaucracy involved in securing disbursements, important measures had to be postponed.

In the recently read Budget Speech 2006-2007, the Minister of Finance expressed the regrets of the Government that the agricultural diversification programme that had been announced in the previous year could not get off the ground, because of the non-receipt of the necessary funding under the Special Framework of Assistance of the European Union. Clearly, in the context of the binding fiscal constraints faced by the Government, resources for the diversification process had to be secured from outside. The Government had announced in its budget of 2005-06, the establishment of a state-owned company, the St. Lucia Agricultural Diversification Agency Ltd (SLADA), to be managed in a private sector mode and clearly to be market driven in its approach. However, it was to be funded by SFA sources. Timing of development funds for diversification would have been of crucial importance for farmers faced by their increasing lack of competitiveness in their main market, and needing to make the switch expeditiously. This was not forthcoming with the timeliness required at the time.

The decline of the banana industry led to the some farmers seeking alternative livelihood in the fisheries industry. The Fisheries Department forms part of the Ministry of Agriculture with a mandate to promote self-sufficiency and increased production of marine and aquaculture products, and to develop and ensure the sustainability of the fishing industry. With a staff complement of about 40 persons, the Department consists three Units - Research, Extension and Aquaculture - and is currently involved in several programmes aimed at ensuring the conservation and sustainable use of the country's marine resources, enhancing the livelihood and skills of local fishers, improving the island's potential for fisheries, aquaculture and product development. Its main intervention in poor communities is through the conduct of training programmes aimed at improving the fishing techniques and management of fishers. However, the effectiveness of these training programmes to fishers in poor communities is questionable since they total dependence on fishing and their lack of assets make them more resistant to change in the industry geared at protecting the fisheries resources.

Other Associations in Agriculture

There are a few organisations, both state and non-state actors, which have sought to support the development of the farming community, with variable success. One such is Laborie Development Planning Committee. This is an umbrella organisation that has a number of Laborie related organisations in its fold, including two farmer organisations. The committee has addressed the need for strategic planning for the area against the background of declining population and has marshaled resources to suit. However, there has been a rural urban drift to Castries as fishing and agriculture have not been able to sustain the local population. This is in

spite of a strong local identity and a commitment to development. Much of the credit now supplied by the Laborie Credit Union goes to other activity than agriculture. However, while fishing has declined, it is still important to the people of the area. It would appear that the general climate in agriculture has been so discouraging that farmers even in an area of the country with a strong sense of identity and with a supporting development agency, seem reluctant to embrace an agricultural future, albeit in a part of the country which has not been at the centre stage in the heyday of a vibrant export agriculture.

The St. Lucia Farmers Credit Union was established in 1994, with a membership drawn mainly from banana farmers at the time. It was expected to help farmers organise their savings in managing their households and their farming operations. It has a small staff and its officers operate from two offices, one in Castries and the other in Vieux Fort. Its membership has since been extended to general workers, and this has allowed it to survive in the face of the decline in the income of its once core membership. It has become a general credit union. It is not in the position of being able to undertake any major strategic initiatives on behalf of the farmers.

Meanwhile, the St. Lucia Marketing Board established in 1967, in its earlier incarnation, was expected to provide an outlet for the produce of farmers in the domestic market. It remains a state-owned agency under the control of the Ministry of Agriculture, and is engaged in importation of selected goods targeted at lower end consumers. It is severely strapped for resources.

It is torn between the role of a development agency for which role it lacks resources and that of a commercial operation, for which it is badly equipped in the face of the competition from an increasingly concentrated supermarket sector. It lacks loyal support from the farming community and is used as a last resort when supplies are not taken by the high end supermarkets and the hotels. This agency seems clearly in a state of limbo at the present time and incapable of creating any new thrust for the declining agricultural sector. Nor does it have the resources to take on the challenge of the supermarket industry against which it is technically in competition.

The St. Lucia Banana Corporation is one of the institutions that have remained following the dissolution of the St. Lucia Banana Growers Association (SLBGA). It occupies the premises previously utilised by the SLBGA. While it has been able to survive and to branch out into other activity –for example, supporting initiatives in respect of poultry production, it is keenly aware that the remaining banana industry is not yet ready for the challenge of open competition. The current banana industry does not have the research infrastructure that existed in the past with WINBAN, and needs support even if it is going to move into such areas as ‘fair trade bananas’.

Nor have the alternatives to banana offered an easy transition for the farming community. In the area of poultry production, there would be need for some overarching strategy informed by policy – for example, self-sufficiency – to provide the breathing space for new activities to emerge and survive. The poultry industry offers such a possibility especially since it allows for a regular flow of cash to farmers.

However, in the more open market conditions of the early 21st century, in the face of the possibility of the dumping of chicken parts on the domestic market by producers in the United States through domestic agents in St. Lucia, the poultry industry offers no ready-made panacea for banana farmers seeking to escape income collapse. By and large then, St. Lucia has not been well served by an institutional structure capable of managing the adjustment to a world of more competitive markets for its main primary export.

Diversification to new agricultural activity has not been met with any major success, which eventuality has spread gloom across a wide cross-section of the farming community of the country, in addition to its contributing to declining employment in agriculture and related pursuits. In terms of geographic spread of the decline, the once highly productive agricultural communities of the eastern side of the island have come to resemble the west of the island south of Roseau which remained in a social stasis over the period when the east benefited from vibrant export markets for bananas.

In summary then, the setback in the achievement of a successful diversification to date can be attributed to the financial constraints facing the Government and its excessive reliance on external support, on the one hand, and to the difficulty in creating the supporting institutional environment appropriate to the major structural reform in agricultural sector built mainly on small farmers with limited resources to tide them over bad times.

8.2.3.2 Community Development Initiatives

Effective community development opens for populations possibilities that might have remained unrealised otherwise. There are some communities in St. Lucia that are blessed with institutions that contribute to the general development of the community, and thus to an expansion of the opportunities available to the people of the area.

In the PPA, residents were very aware of institutions that had made a positive impact on their lives. In some, there was a level of independence and social capital that they could rely on their own initiatives in addressing most problems.

"We help ourselves, we don't depend on people from outside."

The Laborie Development Committee is one such which has impacted on a wide swathe of activities in Laborie over the years. There is a credit union that has emerged out of it and a number of other formal structures as well, through which it can mobilise support from within and outside the community to target at particular needs of the community. There is evident organisational structure in terms of office, staff and board of management that meets from time to time to examine local and national issues.

The Committee has been instrumental in a range of activities and initiatives in the area, and received support from the St. Lucia Heritage Tourism Programme in developing a strategic plan for the area. It has also been the beneficiary of research support from the Department of Fisheries of St. Lucia, the Institute of Development Studies of the University of Sussex, and UK

Department of International Development (DFID) in the examination of the potential for sustainable seamoss production from the Laborie Bay⁷.

BOX 8.2: LABORIE DEVELOPMENT AND PLANNING COMMITTEE

Starting in 1999, the Laborie Development and Planning Committee engaged the population of Laborie and its environs in process of popular participation leading to a Strategic Development Plan for Laborie¹. This initiative was conceived when in the word of the Committee,

'.....our nation faces formidable challenges from issues such as globalisation, equity, access to education, sustainable development, health for all, the decline of the banana industry, unemployment and under-employment and consequent pressures on scarce resources.'

Drawing inspiration from Arthur Lewis, and especially his dictum that the cure for poverty is not wealth but knowledge, the Committee developed a number of programmes and strategies with the following long-term objectives:

- *Develop the human resources of the community;*
- *Foster positive attitudes among citizens;*
- *Ensure that the people of Laborie and its environs are mentally, physically, spiritually and socially well and quality health care is available to them;*
- *Institute mechanisms for facilitating the sustainable socio-economic well being of persons involved in the productive sectors of the community, especially agriculture, fishing and tourism;*
- *Optimise the use of resources so that the need of every member of the community can be satisfied;*
- *Ensure that the use of natural and financial resources is sustainable;*
- *Develop the youth sector of the community through a process of social integration, education and personal growth through sports, participation and cultural expression;*
- *Develop a general appreciation for the history and culture of the community; and*
- *Develop self-esteem and community pride.*

This led to a long list of concrete measures and actions that the Committee committed to implementing over the period 2002 – 2007, including – establishment of an Education Foundation providing funding for scholarships, expansion of the school feeding programme, home-visiting and parenting, research on male academic under-performance, community environmental education, development of natural, cultural and agro-tourism sites, development of craft and the development of marine-based cottage industries.

It saw financing coming from:

- *Grants and donations;*
- *Community fund-raising events and activities;*
- *Establishment of an endowment fund in collaboration with the Laboire Cooperative Credit Union;*
- *Fees collected from sites and events;*
- *Fees collected from services (website, training, and information management)*
- *Channeling of funds from community-level projects from other agencies and programmes.*

⁷ See Smith, A. H., and J. Gustave, 2001. A Description of the harvest of wild seamoss in Laborie, St. Lucia. CANARI LWI Project Document no. 2. CANARI Technical Report No 292:4, <http://www.canari.org/292harvestpdf>.

A more recent example of vibrant community development initiative is that of the Canaries Community Club, which was formed in 2003 on the conclusion of a community consultation that was called to consider the development of the Canaries Basin. Its primary concern is the development of the people of the Canaries Basin by encouraging their self-empowerment and community participation. There has been a general recognition that the community, along with much of the west coast of St. Lucia south of Roseau, has lagged behind many others in terms of its level of transformation over the years. A Youth Arm has been formed in the Club to mobilise the youth of the area and to ensure their active involvement in the development process.

Because of the presence of this organisation, the Canaries area has been able to secure resources from PRF, the Department of Youth and Sports, the National Lotteries Authority, and the private sector. Funding for rehabilitation works for foot paths at Flora Villa was secured from the PRF. The Club was instrumental in securing support from PRF for the intervention of the National Learning and Enrichment Programme (NELP), to attack the problem of unemployment and underemployment of people in the area: the assessment conducted by the Club of unemployment in the area suggested that some 70 percent of the residents were seasonally employed or unemployed.

Garment construction classes have since been introduced in the evening programme at the Canaries Primary School and a number of people have participated in an information technology course in Soufriere. Also children of the area have been sponsored for information technology summer courses in Soufriere.

The Club had also introduced a home-work centre with free After-School Classes Programme on evenings. In the face of fluctuating attendance at such classes, the Club had initiated work among parents and guardians, with a view to stimulate greater interest in the educational performance of the children of the area. An Education Fund has been established and a summer programme has been introduced for youth between the ages of 18 to 25 years of age.

Through its activities in Canaries itself, the Club had started to impact positively on the adjacent communities of Anse-la-Verde and Belvedere. Its efforts cut across a wide range of activities and it has been instrumental in promoting sports and positive recreational activities among youth of the area.

Another interesting development agency along the western side of the island, is the Soufriere Development Foundation. It was formed in 1993, and has as its objective the fostering of the social and cultural development of the region, consistent with the aspirations of people, and without damaging their cultural and natural resources. It promotes projects in the area, and is self-financing from managing the Sulphur Springs and the jetty in Soufriere. The Foundation has been a major participant in the Soufriere Regional Development Foundation which was successful in having the Pitons declared a World Heritage Site in 2005. The management of the Sulphur Springs for which the Soufriere Foundation is responsible has to be seen in the context of its presence next to a World Heritage Site.

Its board consists of persons drawn from a range of organisations in the area. Its contribution is largely in the touristic development of the area and in the management of the resources of the area to that end. It provides employment directly and indirectly to people of the town in the management of the most important resource – the Sulphur Springs, which attract a large number of visitors.

It rates itself as excellent and has been an inspiration to organisations like the Laborie Foundation, and comparable agencies contemplated for Dennery and Micoud. The Soufriere Foundation has demonstrated what a community based organisation can perform in an entrepreneurial endeavour that redounds to the credit of the people of the area. Having demonstrated how the presence of the Sulphur Springs can be exploited in a sustainable way for the population, it was well placed to identify the potential of the Pitons, for which were once proposed by a foreign investor, a ‘development’ with hotel, tram cars etc under private sector control.

8.2.3.3 General Educational Development

The Ministry of Education is, of course, the main agent of transformation in respect of the educational development of the country. St. Lucia has witnessed an explosive growth in its educational system. Expansion has taken place at all levels, and there is reasonable articulation among the various parts of the educational system. In the last five to ten years, the concern has been with the expansion of the system at the base, i.e., Early Childhood Education and the achievement of universal secondary enrolment.

In respect of the first – Early Childhood Education – educational authorities are fully seized of the need to ensure that all children are exposed to the early stimulation that can be achieved in an effective Pre-School system. There is, however, some degree of overlap between the role performed by the Ministry of Education in respect of Pre-Schools and that discharged by the Ministry of Social Transformation in respect of day care centres.

There were about 1,500-1,600 children in day-care centres in 2005/06, according to the records of the Ministry of Social Transformation. Meanwhile there were over 4000 children in pre-schools. At both levels, parents are expected to pay, and while there is a fair presence of government run day care centres, the private sector dominates the provision of pre-school exposure. There is a strong sentiment that there is need for regularisation of the roles of the two Ministries in the interest of parents and their children.

The Ministry of Education has as another top priority the fulfillment of the challenge of universal secondary education: this is seen as the basis for creating a competitive country in the twentieth century. It is expected that the country would move from the provision of places to 87 percent of the children in the cohort in 2005 to 100 percent in the coming academic year, that is, by September 2006. This is a general provision, which is consistent with the objective of ensuring that the upcoming generation of St. Lucians can function effectively in the knowledge economy of the early 21st century. It is a moot point though, whether the Ministry has been successful in its attempt to widen educational opportunity by converting three remaining senior primary schools to a more integrated programme leading to a life skills programme.

Moreover, there is concern within the Ministry that to the extent that its efficacy and efficiency are judged by the performance of students on such examinations as the CXC, the results have not been very encouraging. This may well mean that poorer children may not be receiving the intended benefits of the widening of the provision of secondary education, thus rendering them poorly equipped to face the challenges of the knowledge economy of the 21st century. Universal secondary education conforms to the principle of human resource development. However, it is the quality of the delivery system – the commitment to teaching and learning – that would determine the eventual outcome.

8.2.3.4 Adult and Continuing Education

What is equally critical in the development of the country will be the kind of institutional structures that are put in place to allow those who might not have had an opportunity in their school age careers of getting the level of education and training adequate to their participating in the economy of St. Lucia which has to upgrade to ensure sustainable foreign exchange earning capacity in the emerging dispensation. There are a few organisations whose work addresses this challenge.

The National Enrichment and Literacy Unit

This is the successor organisation to the Adult Literacy Programme. It is a department of the Ministry of Education, and targets adults with a range of courses that comprise technical and vocational training and as well programmes for enrichment and personal development of the individual. These are all configured in the National Enrichment and Literacy Programme (NELP). Many of the latter are community based, and can be seen in the demands that have been made on the programme in recent times for such courses as the Care of the Elderly, and Parenting. Some courses relate directly to the world of work – Electrical Installation, Plumbing, Carpentry and Cake Baking and Decoration. The delivery infrastructure consists of the schools throughout the island. It does seek novel approaches of engaging the target population.

An experiment was tried over the period 2002- 2003 with help of PRF. It involved the provision of a stipend by the PRF, and NELP providing the facilitators and the facilities. Only in Choiseul was the programme successful. Everywhere else, when the PRF funding ran out, people dropped out. Some participants had problems with baby-sitting. Others got jobs and could not get time-off from their employers to participate. In Anse Ger which was the last area in which the programme was attempted, there was the greatest percentage of drop-outs, and in Babonneau, participants wanted PRF to pay their examination fees. Many of the participants from the Mangué stayed the course.

The lessons of the experiment are that one must get people to commit to the course, and the materials for running it, must be available in the quantum required. While the approach of the programme is excellent in terms of its perspective of radical transformation, the organisers may do well to borrow from another programme developed in St. Lucia (CARE) which concentrates its attention on the psychological frame of reference of participants long before any initiative is taken in respect of the preparation of the skill set and formal knowledge acquisition of participants. Many young people who exit the school system have been reduced to seeing little

meaning in the programmes that they have been through in the formal educational system. In giving them a second chance the issue of meaning has to be addressed if they are to exploit fully the opportunity for training and educational upgrading.

8.2.3.5 Skills Training

National Skills Centres

The concept of the National Skills Centre was developed in 1997/98. There are now four of such institutions at Marc, Choiseul, Bexon and Castries. Usually, the trainee spends three days with the agency and the rest of the period with a firm or agency elsewhere over some six months. Most are placed with firms in the private sector. The centres have not yet become involved in the training of workers in the labour market.

The centres were developed to provide a wide range of skills training to young people 18 to 25 years of age. The skills are presumably acquired on-the-job in the attachment that the trainee has with a firm or institution where the particular skill is employed. The Government pays 50 percent of the stipend of the trainee up to a limit of \$400 per month, and the firm or organisation pays the rest. In effect then, the programme seeks to provide some entry level skills to young people who may not have worked before. On the other hand, persons in other age groups are not excluded from the programmes.

The regular programme of the National Skills Centres lasts six months. Some number of trainees might be retained by their firms at the end of the six month period. The following are the fields offered - cosmetology, electrics, culinary skills, bartending, masonry, auto-mechanics, photography, telemarketing, plumbing, and carpentry. There is also an occasional in-house training programme for people 16-60. The last such programme was conducted in 2004, and was funded with resources from the EU.

8.2.3.6 Housing Development

The housing of the population is one of the most challenging problems faced by countries in the Caribbean, and has been at the centre of socio-economic strategy since the Second World War. Indeed, the first major thrust in this regard came with the recommendations of the Moyne Commission. The first public sector initiative in housing in St. Lucia dates back to this period.

The present administration on acceding to Government, sought to rationalise the number of structures that had developed around the provision of housing in the country. It established two agencies - the National Housing Corporation and the Programme for the Rationalisation of Unplanned Developments (PROUD). Loan financing was secured in 2001 from the CDB to assist in this programme.

The fundamental objective of PROUD is to either relocate squatters where their abode is unsuitable for habitation or to upgrade the location by the provision of basic amenities such as roads, drains, pipe-borne water and electricity. Fiscal incentives have also been introduced to encourage the private sector to participate in the building of homes for lower income earners (homes costing less than \$90,000) and to encourage first time home ownership by tax

allowances. There was also a provision for a Low Income Housing Grant Facility through which the Government would give grant support in respect of homes of less than a certain quantum, to a low income dweller. However, the funding for this facility was funds from the European Union: the facility had to be suspended in 2005 because of non-availability of resources from the EU.

The need for housing is acute especially among lower income groups in the context of the rapid urbanisation that has taken place in the last ten years, partly a result of the rural-urban drift in response to the decline in the banana industry. This has put considerable strain on the infrastructure – social and physical – resulting in overcrowding and indiscriminate squatting in the Castries Basin and surrounding communities. The Government has earmarked a number of communities for redevelopment through PROUD: it will purchase the lands occupied by squatters from the owners in a phased approach at redevelopment. Listed communities are:

- Faux-a-Chaux
- Bananes
- Bagatelle
- Cedars
- Morne Du Don
- Marchand
- George Ville

PROUD is an ambitious project and has contributed by regularising ownership of lands for a number of poorer households. However, it does not seem to have contained the growth of squatting, partly because of a number of difficulties: the rapid rate of inflow from the rural areas to Castries, in particular, lack of expertise, the novelty of the programme and the legal and administrative challenges involved in implementing it, the lack of a land bank on the part of the Government which constrains its ability to take forthright action in the identification of locations for relocation of squatters and its proceeding to implement⁸. Moreover, PROUD is following after initiatives which have not been altogether successful in the past – Conway and Roseau.

There has been some increase in housing starts and in new homes constructed, but it is not possible to establish how much of this is due to the direct intervention of the Government and its policies and programmes in respect of housing development.

8.2.3.7 Utilities

The provision of basic utility services is a necessary though not a sufficient requirement for economic and social development. Given the size of the country and its population, these cannot escape being natural monopolies and thus in need of regulatory control to ensure that the population is not exploited by the providers. The country is still in the process of developing a regulatory regime, in every other area but telecommunications which has been

⁸ According to one informant, Lands under the jurisdiction of the Crown account for less than 30 percent of lands outside of the forest reserve of the country.

open to competition in respect of cellular services. There is a National Telecommunications Regulatory Commission which is linked to a regional regulator for the OECS countries – ECTEL. Cell phone penetration is considered high such that the most remote residents are no longer cut off from telephone services. Even in the remote community of Bouton, residents have cell phone access.

The programme of electrification has been effective enough to bring electricity with the physical reach of most households in the country. It can be argued, according to officials at the electricity company LUCELEC, that electrification is almost universal. Officials at the Ministry of Public Utilities estimate that penetration could have reached 90 percent in 2004, and remote communities like Bouton and Des Barras have access to electricity. Once a house has been inspected and found to be habitable, the owners are entitled to be supplied with electricity. The challenge for poorer homeowners is adjustment to the rates in the face of the upward shift in energy prices from which the Government cannot shield the citizen.

In respect of water, it was estimated by the authorities of the Ministry of Public Utilities, that just under 80 percent of households have access to potable water supplied from a public source. Through the BNTF and PRF, lines have been laid to many communities that did not have access in the past. However, the laying of lines does not give any guarantee of supply. There are, apparently, areas of the country that have suffered chronic water shortage. On the matter of the sewage disposal, only a small percentage of the households are connected to the public sewage system. This creates a vicious cycle. Connection charges are high and rates are deemed to be prohibitive. Small customer base militates against the achievement of economies of scale which in turn can help bring the price of service into a more acceptable range.

8.2.3.8 Cooperative Development

While the formal cooperative movement was established in the immediate post World War II period, economic and social cooperation among the people date back to the culture that they retained from their African past. One such institution is the sou sou, that has its replica in esusu, a rotating credit arrangement that is still practised in Nigeria, and in Haiti which has more African retentions than most other countries in the Caribbean.

Folk systems of cooperation found official recognition by recasting themselves in the context of the structures established after emancipation. The first such structure was the Friendly Society which was borrowed from 19th Britain. This had declined in importance by mid 20th century. There may be only one such organisation that has survived into the 21st century, mainly because it has reformed itself into a credit union.

The Cooperative Department is responsible for cooperative development and for regulating the sector in St. Lucia. With the coming of integrated supervision of the financial sector, there are major changes in offing, not all of which are propitious to the growth to people's sector institutions like credit unions, created according to the principles of the Rochdale pioneers. Increasingly, the Eastern Caribbean Central Bank is expected to intervene to set standards for the administration of credit on the credit union side. At the same time, the credit union

movement has to face the onslaught of banks that are no longer just banks but rather umbrella financial services organisations that can provide a range of services to their clients.

There has been variable growth within the cooperative movement. There are 46 registered co-operatives distributed as seen in Table 8.1.

Table 8.1: Co-operative Organisations by Type

Type of Organisation	No.
Credit Unions	18
Transport Cooperatives	5
Fishermen Cooperatives	9
Agricultural Cooperatives	11
Consumers' Cooperative	1
Arts and Craft Co-operative	1
School Cooperative	1

The agricultural cooperatives have tended to wither except where they have become credit unions per se as is the case of the National Farmers and General Workers Co-operative Credit Union. Five of the agricultural cooperatives are dormant, but only two of the credit unions.

While the capital base of the credit unions has grown in recent years, it is recognised that their survival depends on amalgamation and consolidation. Their principles of association still make them attractive to their members, in that they have some level of influence on their own economic affairs, and they still retain a level of flexibility that may not be available to their members were they to seek credit from the commercial banks. Total assets of the cooperative sector stood at \$202m in 2003, the last date for which the Department had information. Of this, \$194m was held in the Credit Union sector of the movement, or 96 percent of the assets of the movement.

One interesting factor in the evolution of the cooperative sector in the last seven to eight years is that while there has been every effort made to move the credit union movement in the direction of compliance with the Basel Accord on integrated supervision, there does not seem to have been as much effort exerted in using the cooperative movement as a transformational force especially for the farming community and the small business sector, which could otherwise be the bedrock for sustainable economic development. In spite of the fact that the Government had proposed the development of private sector and cooperative arrangements to manage the shift in the banana industry and in diversified agriculture to more market-led approaches, there is little evidence that the Cooperative Department was seen as a fulcrum of change in assisting the agricultural cooperatives in becoming effective change agents for the farming community.

8.3 PREVENTIVE FUNCTION

Preventive programmes help members of society from succumbing to patterns of behaviour or to problems that would leave them highly vulnerable. The decline into criminal activity in some communities posed a challenge to personnel engaged in community development. There is some reservation about interventions in communities where there are violent gangs, and gang warfare is endemic, and where:

"Fellas live on crime."

There seems generally to be fewer outside interventions in such communities.

A limited number of other preventive interventions are discussed hereunder.

8.3.1 Primary Health Care

The country boasts of the primary health care system anchored around 32 health centres distributed across the island such that no community is more than three miles from a facility.

8.3.2 Substance Abuse

St. Lucians have fallen prey to newer forms of drug abuse in addition to alcoholism. Complementing Turning Point which concentrates on rehabilitation, there is the Substance Abuse and Advisory Council Secretariat which engages in advocacy and seeks to promote wide awareness of the risks of drug abuse. However, it is reduced to a staff of one. Its efficacy is limited given that it is not well endowed with other resources either.

While there is concern to mount a full-blown publicity programme on drug abuse, the resources available allow only for a 'whispering programme' to date. It seeks to work closely with the schools, but has to face up to the reality of the high level of prevalence in the society in respect of the use of marijuana, which is now well entrenched in the subculture of the society and to the fact that even primary school children are aware of this as a major source of income for their parents.

8.3.3 HIV/AIDS

The first case of HIV/AIDS was reported in 1985. By 1987, a Unit was established as part of the Health Education Division. This went into desuetude for a while but was revived in 2002 with the political directorate giving clear signals that the country needed to mount a public campaign to encourage behaviour change among the population. With the support of loan and grant funding, and on the basis of a national strategic plan, a National Council was established to coordinate the country's approach to the problem.

The political commitment of the Government is established with the presence of the Prime Minister as the Chairman of the Council. The message of the Council is simple as 'A, B, C':

- Abstain
- Be faithful or
- Condomise

Even though the Catholic Church still maintains a strong position in respect of artificial methods of birth control, the Council has been successful in ensuring the participation of the Roman Catholics. The Council has not been unmindful of two negative factors that contribute to the spread of HIV/AIDS: the increase in drug use and in prostitution has contributed to the spread of the disease in the country. There is no longer naivete at the fact that with the expansion of the tourism sector, there could be an accompanying increase in the number of commercial sex workers, especially in the context of the unemployment problems that the country has experienced.

The Council has been successful in increasing the level of voluntary testing and has programmes of counseling in place. It has ensured the availability of condoms especially on festive occasions and at popular locations for outdoor entertainment such as 'fish fries' and roast pork open air at Gros Islet and other communities that have copied the Gros Islet model. There are now regular distribution points to guarantee condoms to all those who may need them. Moreover, its very colourful and even its risqué posters are eye-catching and serve to warn the population of the dangers of unprotected sex.

8.3.4 Environmental Protection

There are two important institutional responses that relate to the protection of the environment and add to the preventive functions. The first has come about in response to the collapse of a number of homes in the Black Mallet area. With the increase of unplanned settlements on the hillsides of Castries, many live on slopes that have become unstable. MoSSaiC - Management of Slope Stability in Communities - in association with the Poverty Reduction Fund has piloted solutions for improved drainage in residential zones prone to slope instability, as a result of excessive density of housing on the slopes.

Community management has been vital to the solution, and through their involvement and participation, not only can voluntary labour be mobilised, but the community can exercise appropriate vigilance along with best practice in protecting their precincts. In other words, private benefit reinforces, and is reinforced by public benefit, as a result of public education on drainage, and run-off from the roofs of homes.

Another interesting initiative has been the work of the Forestry Department among some communities in the hillsides of St. Lucia. With the decline of the banana industry lands on hill slopes that were previously under banana agriculture have been abandoned thereby creating an environmental risk, in addition to putting in jeopardy the watershed of the country. The Department has been successful in mobilising a number of poorer communities to engage in

agro-forestry which, in addition to producing commercial supplies of such products as mauby, can create the environment for eco-tourism.

8.3.4.1 Solid Waste Management

The St Lucia Solid Waste Management Authority established in 1996 an Act of Parliament (Act No. 20 of 1996), in which the Authority was given the mission to 'enhance St. Lucia's environmental integrity and the health of her people through the provision and management of an integrated system for public education and awareness and for the collection, treatment, recycling and disposal of solid and hazardous waste management.' The Authority is responsible for waste collection and disposal and the management of the country's landfills. All aspects of collection and disposal of solid waste are privatised, with garbage being collected twice weekly except in Castries and Soufriere where the garbage is collected daily. In low resource hillside communities and unplanned communities where house to house collection is not possible due to limited access, the Authority has developed a collection system comprised of communal bins which is emptied on a weekly basis. The Authority also collaborates with communities through the conduct of public education programmes, community and children workshops and engaging in clean up drives.

8.3.4.2 Public Health

Public health is the responsibility of the Community Councils which are in charge of the cleaning of streets and drains, while the Environmental Health Department regulates the public health and undertake are food and water inspection services and limited vector control for rodents and mosquitoes.

8.4 REMEDIAL FOCUS

Institutions with a remedial focus seek to limit dysfunctionality and to correct for damage that they cause. There are a few organisations in the public and NGO sector involved in providing remedial support to the population in so far as they assist members of society who find themselves trapped in conditions that are difficult to escape on their own. Much store has to be set on the presence of institutions that allow an individual to overcome social ills and to be restored to patterns of existence that are regarded as more socially accepted, or psychologically rewarding. Usually, agencies that direct their attention to this area of social life, have to be equipped to treat with the psychological condition of the vulnerable. There are a number of institutions in St. Lucia that contribute in this regard.

8.4.1 Youth at Risk

One such agency is the Upton Gardens Girls' Centre, which has been in existence since 1979. It is a day care rehabilitation centre catering for girls 12 to 15 years of age, but girls up to age 18 have been accommodated at the centre. They may suffer from some level of dysfunctionality: they may have been abused or neglected, or may be depressed for a variety of reasons, or be members of dysfunctional families. They can be referred by parents, relatives, teachers, social workers, or health workers: however, they are not wards of the court.

The Centre which receives most of its financing from the Government has in the more recent past, accommodated just about 20 girls at anyone time and admits that with that level of enrolment, it is barely touching the surface relative to the number that need the support of such an organisation. The Centre attempts to provide the girls with an academic programme geared to their completing their educational objectives, and a technical programme that allows them to acquire skills needed for the labour market.

In this latter regard, it collaborates with the National Skills Centre. Some of its past charges have gone on to be very successful women in business and even in academia. It has surely helped poorer girls to get on track in leading stable lives after suffering terrible ordeal in their earliest years. By and large, it can be argued that intervention has been a signal success, but the numbers involved are small.

In respect of boys, there exists the Boys' Training Centre, which has been in existence for some 45 years now. It falls under the jurisdiction of the Ministry of Home Affairs, and in charge is an Officer of the Police Service. Some of the inmates are young offenders but most have been placed there for care and protection, because they have been abandoned or neglected. Those who are admitted as offenders would have committed for drugs, fighting and for house breaking.

They range in age from ages 10 to 17 years of age and usually leave before they reach the age of 18. There were 28 boys resident in latter half of 2005, but there have been as many as 40 inmates on occasion.

There are qualified instructors attached to the Centre providing training in woodworking, agriculture, Auto Mechanics, and hotel related training: the training is geared to assist the residents to secure early employment on their being discharged. The Supervisor seeks out employment opportunities for the residents to allow them an easier entrée into civilian life. While its financing is the responsibility of the Ministry of Home Affairs, the Centre does get occasional assistance from the Private Sector, and, from time to time, has got support from the BNTF.

There is programme in group therapy, and the institution also provides some amount of remedial education. A number of pastors support the institution by providing moral and spiritual leadership to the residents. The Supervisor recognises the critical importance of separating inmates under care from those who are in conflict with the law. Unfortunately, the institution has attracted stigma because of its presumed correctional function, and it is a challenge for the boys to rise above it.

While there are ex-residents that have gone on to lead productive and fruitful lives, the conditions at the Centre are well below par and uninspiring, and even depressing, and are not likely to assist in the upliftment of the residents who may have to spend some time there before reaching the age of 18.

One of the more successful initiatives with a remedial and developmental thrust is the programme run by the Centre for Adolescent Rehabilitation and Education (CARE) which was established in 1993, by Roman Catholics caters for youth from all over the country. The programme has grown substantially over the years and is targeted at deprived or disadvantaged adolescents, male and female, between the ages of 15 and 19, most of whom have been excluded from the Secondary School System. The majority of the youths in CARE are teenagers on the 'block', teenage parents, unemployed youth, secondary school drop-outs, and primary school leavers who failed to secure a place at the entrance examination to secondary school.

The programme is patterned after the SERVOL model that was developed in Trinidad and Tobago, initially targeting at the youth of such difficult districts as Laventille. CARE seeks to provide a holistic experience to young people with education that is self-empowering, allowing them to learn to believe in themselves and to select paths that are fulfilling and consistent with the highest values of the society.

Its core programme consists of two phases, each of one year in duration, the first of which is devoted to raising self-esteem and self-confidence and the second to specific skills for income generation. The first year that seeks to develop the whole person through the SPICES approach – spiritually, physically, intellectually, creatively, emotionally and socially – is regarded as the bedrock of the programme. There is a range of skills in which students can be trained and invariably, they have little difficulty in finding worthwhile employment. There are now five centres at which students can access the programme – Castries, Vigie, Anse-La-Raye, Gros Islet and Soufriere, and in the academic year 2005/06, there were some 300 students enrolled, 60 percent of whom were boys.

Funding comes from a number of sources including fees paid by students, the local private sector and the Government which makes a substantial contribution to the organisation. By all reports, CARE has been a very successful programme, and can be regarded as equally successful as a developmental agency as it has been at its remedial function.

8.4.2 Substance Abuse

The organisation, Turning Point Rehabilitation Centre, is the only known agency in St. Lucia involved in rehabilitation of users of illegal drugs such as cocaine and marijuana. It was established in 1988. Its services are not free. The organisation finds itself in an invidious situation. While there are just twenty beds available at this centre, they are not all taken, since most of those who need its services cannot pay the cost. Those who can pay, elect to go abroad, since Turning Point has become stigmatised in the society. The gender ratio tends to be 60/40, percentage males to females. The average length of stay is six weeks and clients range in age from teenage (secondary school students) to mature individuals in their 60s. Referrals may come from the courts, schools or doctors. The agency admits that some of its clients have had to repeat the programme.

8.5 SUPPORTIVE AGENCIES

Historically, the majority of organisations and institutions in the Caribbean that treat with the problems of poverty have been supportive in their orientation. These range from the faith-based organisations which have been around for more than a century: indeed, some of the earliest initiatives and structures emerged in the post-Emancipation period, out of the vestry of the religious groups that came to the Caribbean. Over the years, they have been joined by new agencies from within St. Lucia and those spawned by the international NGOs, in addition to the formal structures established by the Government itself. Some of the most important in this area has been identified hereunder.

8.5.1 Family Services

Since the immediate post World Two period, following on the recommendations of the Moyne Commission, old age pensions and public assistance for certain categories of persons have been part of the landscape in the official provision of support to the poor in the Commonwealth Caribbean for over fifty years. Indeed, public assistance is still defined as ‘poor relief’ or ‘pauper’s allowance’ in some jurisdictions, a hang-over from the early 20th century post-Victorian designation.

The Human and Family Services Department of the Ministry of Health, Human Services, Family Affairs and Gender is the agency responsible in St. Lucia. There were 2,577 persons in receipt of some form of assistance in July 2005, and there was a waiting list of applicants of 203 persons. Many of the cases of public assistance relate to women who have been abandoned with one or more children by their mates. A total of \$262,198 was expended on the poor monthly. Monthly allowances are paid as follows:

- One person - \$85
- Two persons - \$125
- Three persons - \$165
- Four persons - \$200
- Five persons - \$250
- Six persons or more - \$263

This is not the only assistance that may be available to poorer households. In the case of households with children at school, there is support from the Education and School Assistance Fund, which is underwritten by PRF. There is other support in the form of eye-glasses, and dental services at public institutions, and in the case of catastrophic illness – for example, HIV/AIDS, there are resources that are made available for this. The Department also encourages those on public assistance to seek employment and there are cases of persons graduating out of the programme of public assistance.

A worrying trend noted by the Department is that of children being abandoned by their mothers who go off to Martinique to engage in prostitution. There are attitudinal issues to be dealt with as well. The single largest number of recipients are in Vieux Fort, and there seems to be a residual entitlement mentality there that dates back to the presence of the Americans at the base there.

The Mothers and Fathers Organisation was formed in 1983, by a number of parents who thought that it would be a good idea for them to meet from time to time to examine issues of parenting in St. Lucia. There are now about fifteen such groups across the islands, and they attempt to provide a wide range of support in the communities in which they operate. In addition to matters relating to the bringing up of children, they provide support to persons faced with disaster or distress, help for the sick, hampers for the poor, lunches for needy children, and have even built homes for the destitute.

In some communities, they have been able to mount summer programmes with organised activities for children and young people. Internal migration has created problems especially among the youth in some communities, and the Mothers and Fathers have sought to contribute to mitigating some of the difficulties created. Besides serving their communities, the Mothers and Fathers provide recreational support for their members, and would organise outings and trips within the island and excursions abroad.

It is not clear that the Mothers and Fathers Organisation has been able to attract a younger age cohort than those who were involved in its establishment, and it may be reduced to being a mutual support organisation for a passing generation that occasionally can go beyond its own membership to support activity in the wider community. By September of 2005, 163 of its members had passed on. There is now an element of the friendly society focus in the work that it does.

8.5.2 The Elderly

While the Mothers and Fathers Organisation may not be as effective as it once was in working with parents, it does provide bonds of solidarity for mature and elderly people in St. Lucia, which is evidently an ageing society in need of organisations that address the concerns of the elderly. With the increasing decline of the extended family, and given high levels of out-migration, the Mothers and Fathers Organisation may already have shifted its emphasis from parenting issues to being a solidarity agency for the elderly.

Very specifically oriented at the elderly is the work of HELPAGE St. Lucia, which collaborates with organisations that are involved with older people in the development process. HELPAGE advocates against the social isolation of the elderly, assists with income support and access to health care. In St. Lucia, it has distinguished itself by running an adult day care centre in Choiseul, that is, income generating, through vegetable production, at the centre itself. It has succeeded in the development of the St. Lucia Council for Older Persons which is a network of some 24 clubs, including the Blind Welfare Association, the Mothers and Fathers, and the Pensioners Association.

Marion Home is another agency provided direct services to the elderly. It currently accommodates 66 residents and has a staff of 35 persons. It is one of the longer established homes for the elderly in St. Lucia and has been in operation since 1945. It receives a small grant from the Ministry of Health but depends mainly on charitable support. Residents are expected to pay and the lowest charge is \$320 per month: rates vary on the basis of the kind of accommodation that is taken: private rooms are more expensive.

Of much longer standing is the Senior Citizens Home at Malgretoute in Soufriere which started operations in 1902. Its services are free, and it is funded mainly by the Ministry of Health, under whose portfolio resides the provision of public assistance and relief. Residents are admitted on the basis of a means test conducted by the Department of Human and Family Services. However, the accommodation is very dilapidated and it is earmarked for demolition. In its most recent budget, the Government announced its intention of constructing a new home at Eau Piquant, Vieux Fort, with the first year of construction costs coming largely from the sale of the lands at Malgretoute. The new facility is expected to house 150 persons.

Another support programme that has been available to the elderly is the Home Repair Programme, which was introduced in 2000. Over the period 2000/01 to 2003/04, a total of 171 senior citizens benefited from the programme by way of the rebuilding or repair of their homes. These are largely elderly persons who have no relatives living with them, or who have been abandoned by their next of kin: this is symptomatic of two social phenomena – the ageing taking place among the population and the high levels of emigration that the country has experienced.

8.5.3 The Education System and Support to Families

The fact of universal provision of education at the primary level and its approximation at the secondary level, does not guarantee equitable access. Lack of clothing and of school books militates against school attendance. The inability to supply meals can prompt parents not to send their children to school some days of the week. The assistance of the World Food Programme created a source of support for a School Feeding Programme in St. Lucia starting in 1984. This was in response to research by the Caribbean Food and Nutrition Institute that showed that there was severe under-nutrition in the Infant and Pre-School levels in the country.

The programme came to an end of December 1997, and it became immediately obvious that there was need to restore it: STABEX assistance came to the rescue over the period 1998-1999. Since then, there has been a lunch programme in place, funded by the Government of St. Lucia through the Ministry of Education. The current programme caters for just over 6000 students in some 72 primary schools in the country. Students are expected to pay \$1.00 per day, but clear criteria have been put in place to allow principals and teachers to identify need or disadvantaged students who are allowed to receive meals free of charge.

Most recent data of the Ministry of Education for 2004/05 show that while on average 25 percent of children across the country benefit from the School Feeding Programme, there is considerable variation across the eight educational districts into which the country is divided:

the range spans from 9 percent in District 2, to 41 percent in District 4. At the school level, the range is even wider: Bouton Combined, which is the smallest school in the country, provides for 100 percent of the children, while there are some schools at which there is no school feeding programme. There is no school feeding programme at Vieux-Fort Primary to which many pupils from the Mangue would go to school, nor at Soufriere Primary which is the nearest school to Baron's Drive. Some 26 percent of pupils at the Saltibus Combined had access: this is the school to which went the children of Park Estate, one of the poorest in St. Lucia.

According to data compiled by the Ministry of Education, 85 percent of the children at Des Barras Combined benefited from the School Feeding Programme in 2004/05. In the last term of 2005/06, according to the Principal of the school, there were 40 students enrolled at the school and all but six could not pay and did not pay for their meals. It is not clear at the time of writing whether there had been any drastic policy change between the two years, to suggest that conditions at Des Barras would have been different over the two year period.

The Ministry provided bursaries for 5.0 percent of students at public and private primary schools in the academic year 2004/05. However, again there was a wide range - from none at the RC Boys Primary and 0.8 percent in Forestierre Combined and 2.6 percent in Bouton Combined, to 7.1 percent in Soufriere Primary, 8.7 percent in Vieux-Fort Infant, 16.0 percent in Rockhall Senior, and 21.7 percent in Grande Riviere Senior Primary.

At the Saltibus Combined School where the children of Park Estate go to school, and where 4.2 percent of students were in receipt of bursaries, the principal reported on a drop-out problem with parents being unable to support their children at school. Although unemployment levels among the youth population has been very high, mirroring the generally high unemployment that the country has experienced up until recently, the opportunity cost of attendance remained high for children of poorer households. Data compiled by the Ministry of Education for the period 1995/96 to 2003/04 show that generally there has been a downward trend in the number of drop-outs. However, the number of males dropping out was more than twice that of females and tended to be more volatile, possibly reflecting changes in economic conditions, and occurred mainly in G8 and G9.

There is no school feeding at the secondary school. The Principal at the Babonneau Secondary School reported that there was a measure of informal support provided to students who seemed in difficult circumstances. At Vide Bouteille Secondary School, there was evidence of students coming to school hungry.

A most recent initiative has been the Textbook Rental Programme (TRP), introduced in September 2005. It seeks to cater for 30 percent of students in Forms 1, 2 and 3 in public primary and secondary schools in St. Lucia, and is expected to replace the bursary system eventually. During the first phase of the programme, through a means test, it will cater for disadvantaged students. The means test attempts to identify those students who face economically challenged circumstances, because of conditions of their parents or guardians.

Beneficiaries are required to pay an annual rental fee of \$175 per annum, but this can be waived where the school based committee that conducts the assessment concludes that the student lives in extremely challenging economic circumstances. The programme provides the prescribed texts for the class, but not reference texts such as atlases and dictionaries. There is as yet no detailed statistical data on the operation of this programme.

Another phenomenon within the secondary school system that might be dictated by economic conditions relates to the practice of girls having 'boyfriends', who take responsibility for their up-keep. Principals may be in the invidious situation of knowing of such situations but having some ambivalence over reporting it, lest this leads to the withdrawal of the girls from the school, because parents, usually a single mother cannot afford to provide for private costs of school attendance of their daughters. While there may be a system of bursaries in place, the quantum may be inadequate to the needs of the poorer students.

There well may be a complementary response to difficult circumstances among male secondary students. The Principal of the Babonneau Secondary School recognised that there is a problem of gangs in the area and also that some of the gangs might be engaged in drug-running. It is not unknown for male students to be engaged in the sale of marijuana: one student of Vide Bouteille was arrested for possession of marijuana. Students sometimes succumb to participating in gangs, and may well be 'representing' their gangs in the sale of drugs in the school and elsewhere. There are a number of unknowns here, and while this allows for speculation, there are tell-tale signs of problems in the secondary school system that can be attributed to the economic circumstances of the students.

8.5.4 Family in Crisis

The Crisis Centre provides support mainly to women in situations of domestic violence and unemployment. It was established in 1988 and receives most of its funding from the Government but there is also support from UNIFEM by way of capacity building, and a number of private sector firms in St. Lucia. On average, it serves about 75 clients in a year. It collaborates with other agencies in seeking employment for women, assistance for their children of school going age, legal aid and Police protection, where necessary for the women.

8.5.5 Universal Health Care

The Government has announced the phased introduction of universal health care. In the last budget speech, the Minister of Finance outlined the plan to launch this programme through a pilot project. This will focus on the free treatment of persons with diabetes and persons with diabetes accompanied by hypertension. There is to be comprehensive care for ambulatory patients with anti-diabetes and anti-hypertension medications provided free of charge. Diabetes is the leading cause of death in St. Lucia and, according to the Minister, 20 percent of persons over 40 years of are suffer with diabetes: more critically, about half of those afflicted do not know that they are diabetic.

There exists the St. Lucia Diabetes and Hypertensive Association, whose advocacy in respect of these two debilitating life style diseases could have contributed to the recent initiative of the Government. The association has been in sustained existence since 1989 and receives a contribution from the Government, in part through the secondment of a nurse from the Ministry of Health. The association previously attempted some cost recovery for the services that it provided. With the announced provision of drugs to all those afflicted, there is clearly the intention to subsidise fully the work of the association.

8.5.6 Persons with Disabilities (PWDs)

The oversight of the needs of PWDs is exercised by the National Council of and for Persons with Disabilities. This organisation has been in existence since 1981. It serves as an umbrella for a number of organisation, including the St. Lucia Blind Welfare Association, the St. Lucia Association for Retarded Children and the St. Lucia Society for the Deaf.

Its mission is to promote policies, programmes and practices for individuals with disabilities, to improve the quality of life for the disabled community, and to achieve equality, independence and self-sufficiency. The Government of St. Lucia does provide a subvention to the organisation. In the more recent past, the Government has made steps to improve provision of Special Education in St. Lucia, by expanding facilities geographically to Vieux Fort and to Soufriere. There are now four Special Education Centres.

According to the Statistical Digest prepared by the Ministry of Education, Human Resource Development, Youth and Sports, enrolment has grown marginally from 175 students in 1994/95 to 238 students by 2004/05, that is, over the eleven year period. There were 25,009 students in primary schools in 2004/05. Thus, enrolment in the Special Centres represented just about 1.0 percent of the cohort of primary school going age. There would have been no cause for alarm if it was the well accepted practice for primary schools to be user-friendly in respect of PWDs. Unfortunately, this does not seem to have been the tradition in St. Lucia.

Thus, in spite of the more recent initiatives by the Ministry and the Government as a whole, the plight of the PWDs, in the thinking of the National Council, has hardly been touched, because of old, new and emerging issues that create obstacles to the full enjoyment of rights by PWDs. There are still instances where schools refuse to admit paraplegic children, and there are still health centres that cannot be visited by PWDs because they have not been adapted to accommodate them. More resources will be required if the five concepts that are at the heart of announced policy are to be observed – equalisation of opportunities, prevention, rehabilitation, support, and development. A considerable shift in thinking is necessary for PWDs to attain equalisation of opportunity.

8.6 SUMMARY

Generally then, there is a wide array of institutions in St. Lucia that minister unto the general population and to poorer people, in particular. Most of them are state operated, and the thrust of their operations is to provide universal services. Tables 8.2 and 8.3 provide some provisional assessment on their efficacy and the degree to which certain at-risk groups are served.

While these formal structure exist, there are some areas of the country which are not well served, and there are some at-risk groups whose needs are not well served: Des Barras could record the seventeen state and non-state agencies operating there, Belle Vue over twenty, but Anse-la-Verde three, and Park Estate, four.

Even though many of these are within the state structure, cooperation at the level of the community has limited, with the result that some poorer communities could attest to the presence of a number of organisations, while others would affirm their absence. Thus, the existing institutional structure in its operation, creates differential effects in respect of poverty reduction and alleviation. The institutional structures in place would need to be much better resourced and their efforts better integrated, to treat with the multi-dimensional nature of poverty in St. Lucia.

Table 8.2: Assessment of Institutional Efficacy

Name of Organisation	Develop-mental	Preventive	Remedial	Supportive
1. Health Division: Ministry of Health		4		
2. Ministry of Social Transformation: Community Services	4	3		
3. Department of Cooperatives	4			
4. Ministry of Agriculture – Head of Planning Division	3	3		
5. Budget Division, Ministry of Finance	3			
6. Basic Needs Trust Fund	4			
7. National Skills Centre	3			
8. Ministry of Education	4		3	3
9. Poverty Reduction Fund	4			3
10. Welfare Services – Ministry of Health				3
11. Local Government Division, Ministry of Social Transformation	3			
12. Forestry Division	4	4		
13. Boys' Training Centre	3		2	
14. Crown Lands Division	3			
15. Land Registry Department		3		
16. Housing Department	4			3
17. PROUD	4			3
18. Ministry of Public Utilities	3			

Table 8.2 (continued)

Name of Organisation	Develop- mental	Preventive	Remedial	Supportive
19. Ministry of Agriculture	3			
20. HIV/AIDS Unit		5		
21. Hotel and Tourism Association	3			
22. Ministry of Youth and Sport		3		
23. Economic Planning Unit, Ministry of Finance	3			
24. Faux-a-Chaud Community Leaders	3			
25. Canaries Community Club	4			
26. Laborie Development Planning Committee	5			
27. Laborie Credit Union	4			
28. Citizens' Welfare Division				3
29. National Conservation Authority				
30. Solid Waste Management Authority		3		
31. Environmental Health Department		3		
32. Adult Literacy Unit	4		4	
33. Diabetes Association, Heart and Other Special Interest Group in Health and Wellness		4		5
34. Substance Abuse Prevention		3	3	
35. National Insurance	5			5
36. St. Lucia Farmers Association	3			
37. Electricity Company	4			
38. Labour Department	3			
39. Upton Girls Centre	5		5	
40. Ministry of Planning				
41. Helpage International				4
42. St. Lucia Banana Corporation	4			
43. Soufriere Development Foundation	5			
44. St. Lucia Chamber of Commerce	3			
45. St. Lucia Employers Federation	3			
46. St. Lucia Gaming Authority	3			
47. St. Lucia Marketing Board	3			
48. Eastern Caribbean Financial Services – Bank of St. Lucia	3			
49. Southern Development Corporation	3			
50. Saltibus Combined Primary School	4			3
51. Babonneau Secondary School	4			3
52. Desbarras Primary School	4			4
53. Vide Bouteille Secondary School	3			3
54. St. Lucia Workers' Credit Union	4			

Table 8.2 (continued)

Name of Organisation	Develop-mental	Preventive	Remedial	Supportive
55. Mothers and Fathers		3		3
56. Crisis Centre				4
57. National Council For Persons with Disabilities	3			4
58. Bouton Primary School	4			4

Table 8.3: At-risk Groups, Type of Service and Selected Providers

At-Risk Group	Developmental	Preventive	Remedial	Supportive
Ex-banana Farmers	<ul style="list-style-type: none"> • PRF • BNTF • St. Lucia Marketing Board 			
Women in Crisis			Crisis Centre	<ul style="list-style-type: none"> • Crisis Centre • Citizens Welfare Division
Single Women with children and unemployed				<ul style="list-style-type: none"> • Citizens Welfare Division
Abused or Abandoned Children				<ul style="list-style-type: none"> • Citizens Welfare Division
Youth (Female)	Upton Girls Centre		Upton Girls Centre	
Youth (Male)	Boys Training Centre		Boys Training Centre	
Youth	<ul style="list-style-type: none"> • CARE • National Skills Centre 		<ul style="list-style-type: none"> • CARE • National Skills Centre 	
Victims of Substance Abuse		Substance Abuse Prevention Unit		
Victims of Chronic Diseases				Diabetes, Heart and Other Association
Elderly				<ul style="list-style-type: none"> • HELPAGE International • Citizens' Welfare Division • Mothers and Fathers
Persons with Disabilities				National Council For Persons with Disabilities
Adults in need of Educational Upgrading	Adult Literacy Unit			



**PART THREE:
COPYING WITH THE MULTI-
DIMENSIONAL NATURE OF POVERTY**

CHAPTER NINE

COPING WITH POVERTY

The level of poverty discovered in St. Lucia at the end of 2005 and in the first quarter of 2006 stems from a number of inter-related factors – economic, social and socio-psychological. The finding of 28.8 percent of the population in poverty may surprise policy makers, especially against the backdrop of policies and programmes which have been pro-poor in their formal structure, and which were informed by the Poverty Assessment Exercise of 1995. The country is committed to the achievement of the MDGs, and it is useful to assess the degree to which it has advanced and where there are gaps to be closed. But the GOSL and the population have aspirations that go beyond the MDGs. This section seeks to examine the multi-dimensional nature of poverty, based on the results derived from the various components of the study, in identifying the implications for policy for the country as it faces the challenges of the early 21st century.

9.1 MANAGING THE MACRO-ECONOMICS OF STRUCTURAL ADJUSTMENT

The major challenge for the country in the late 1990s and the first half of the present decade has been the restructuring of its economy in the wake of evolving external trade conditions. It is the viability of the foreign exchange earning sectors in small open economies that determine their economic fortunes at any point in time. St. Lucia entered the decade of the 1990s with promise based on the performance of its banana industry, tourism and light manufacturing, which in the political circles of the time, were regarded as a ‘tripod’ that had contributed to diversification and to equitable development of the country.

Two legs of the tripod were badly damaged by changes in the external trading regime. The country was ill-prepared for this. The poverty assessment exercise of 1995 was conducted at the first stage of the adjustment. At that time the warning signals were already evident in respect of banana exports and the export-oriented light manufacturing sector, and assembly operations. The remaining years of the decade of the 1990s and the first half of the present decade were to witness a precipitous decline in banana production and exports of light manufacturing for extra-regional markets virtually disappeared.

In spite of the efforts at the diversification of the export sector, the country has become more reliant on tourism for foreign exchange earnings. In turn, the sector has had to face competition from the wider Caribbean and elsewhere, and the Government has had to work assiduously in redefining the sector to avoid its becoming mature, so as to prevent the tarnishing of the up-market image that the country has sought to portray in its tourism product. Moreover, in the midst of slow growth and of further decline in its vital agricultural sector, there would have been caution at the official level in undertaking any fiscal reform. Macro-economic management in St. Lucia has had to be conducted in the throes of a structural adjustment the likes of which have not been experienced in the living memory of large sections of the population.

The Poverty Assessment Report of 1995 identified a number of initiatives for the Government:

- Reorganization of the Tax Regime
- Resuscitation and expansion of key economic sectors
- Expansion of the physical infrastructure
- Development of human resources
- Improvement of the social infrastructure and of the social safety net
- Empowerment of communities and the promotion of consensus among the social partners.

Much of this was premised on the availability of resources raised through fiscal measures or derived from developmental assistance from international partners. In the absence of draconian economic measures (which often lead to disastrous results), rapid economic growth is a necessary condition for the generation of healthy fiscal surpluses for the Government which can then be used for transformation of the economy, with as little pain as possible. The economic realities of St. Lucia have not been propitious to the creation of major surpluses for the Government.

The analysis conducted above suggests that the demands of structural adjustment might have been seriously underestimated by GOSL and its international partners. Clearly with hindsight, it is now obvious that its key foreign exchange earning sectors faced major hurdles in the face of the changes taking place in the world economy. The impact of globalization has started to make itself felt across Caribbean economies as the protection that was accorded to the primary products of the area were being quickly removed, in some cases under scheduled timetables decided by its partners – the European Union in respect of bananas – and in other cases in response to decisions of the WTO organization, the result of which afforded the country less time and room for adjustment.

In 1997, there were least 3000 banana farmers who earned their livelihoods from bananas; for decades, the industry had been the backbone of the agricultural sector contributing income and employment to a wide swathe of the rural sector. The industry had evolved a structure of production and distribution – farm to market- which had been effective in providing product to the external markets with a well-oiled infrastructure of extension officers, along with research, let alone a structured marketing system, albeit under the control of GEEST.

The new dispensation required the disestablishment of the Banana Board which was, by then heavily indebted. It was expected that private sector oriented companies or cooperative structures would have emerged to work with the farming community that could adjust and measure up to the new demands made on the sector in the light of the more demanding competitive conditions. In other words, a reduced number of farmers would have remained in the industry and would have had the services of their own companies or cooperatives or other private sector operatives that would have emerged to provide support to them in their seeking to compete with Central American and other producers in the European market.

On the other hand, the diversification thrust of the agricultural planning authorities would have provided new opportunities for the farmers withdrawing from bananas, but with their moving almost seamlessly into alternative productive endeavours in agriculture. Thus, lands that had become marginal to bananas would have been deployed to new agricultural pursuits, and would have continued to provide income and employment to the farmers who had made the switch.

There are a number of assumptions and premises that the approach suggested. These can be summarized as follows:

- The remaining banana farmers would have limited themselves to the best land for bananas, and with the exit of marginal operations, some farmers would have sold their plots to those remaining such that more efficient sized operations could have emerged, affording the industry the kind of acreages on which economies of scale could start to be realized;
- The research and development activity and other services that were part and parcel of the banana industry would have reemerged albeit within the context of the new more decidedly profit-oriented structure of banana marketing firms and cooperatives;
- The new diversified agriculture was going to have reasonably secure markets such that farmers who had made the switch would have witnessed only a short period hiatus in their flow of income and would have had in place all the technical supports necessary for them to produce for competitive markets whether domestic or foreign;
- The support system would have been equal to the task whether or not it was under the umbrella of the state or the private sector, in providing the new diversified farming operations with tech-packs and marketing consistent with the standards and the prices that reigned on the market: the tech-packs would have covered the considerable range of produce into which farmers were to be encourage to adopt, including cut flowers, tree-crop agriculture, and short crops targeted at the development of a supply chain to the hotel industry and the supermarkets in St. Lucia or to markets abroad; and
- The state machinery was well geared to supply information and where necessary support by way of focused and selective interventions in the market place, where this seemed necessary.

There is nothing that suggests that these conditions were fulfilled. The discussions with the authorities in agriculture and among other agencies do not provide any evidence that these requirements were secured. The net result is that the changes that were wrought on the agricultural sector did not provide conditions conducive to creating confidence among the farming community. The decline witnessed in banana production and in the supply of alternative produce, was in large measure due to these factors.

When the effect of serious weather episodes and other natural disasters are added, it is not surprising that there has been such a high rural urban migration and such widespread abandonment of land of agricultural land on the island. Once thriving agricultural communities have been abandoned. The lower rate of increase in population and, in some areas, the secular

decline in the size of the population, attest to the underlying weakness of the agricultural sector that had been the mainstay of many communities in the country. This is reflected in the poverty map of St. Lucia.

In the PPA, people in the rural communities all seemed unanimous in the view that the rural population had been rendered impoverished by the changes that took place in the banana industry. There was little in place that allowed them hope.

The Poverty Reduction Fund heralded the major thrust of the Government to develop a range of interventions all geared to attacking some of the root causes of poverty, at the same time that the Government sought to provide alleviation to those whose social and economic condition merited assistance from the state. Funding for the PRF came from the international community, including the World Bank and the EU.

The administration of the programme was placed in the hands of trained professionals and the Board overseeing its administration was given latitude not normally accorded to public sector agencies. Thus, PRF could respond quickly to requests of NGOs, CBOs and other agencies, without speed. It was not the responsibility of the PRF to implement programmes, but rather to contribute to existing structures on the ground, following the analysis of requests and the identification of the degree to which funding from PRF could make a difference in improving the economic and social condition of poorer people.

PRF contributed in the following ways:

- Capacity building and community organizational building
- Community training programmes
- Community health promotion, education, training and life skills development
- Environmental sensitization, education and conservation
- Early childhood education, protection and development
- Maintenance of community facilities

As important as this was, there was little by way of provision for directly productive sectors.

9.2 PRIVATE SECTOR ORIENTATION

The dissolution of the St. Lucia Banana Growers Association (SLBGA) and its replacement by the St. Lucia Banana Corporation (SLBC) marked the shift in policy thinking, and acceptance on the part of the Government, that directly productive activities should be led by the private sector. This non-interventionist stance meant that the adjustment process in bananas and, as well in the diversification of agriculture would be determined by the operation of market forces for the most part. It is a moot point whether the reorganization of an agricultural sector built on monocultural production could be accomplished in short order without substantial state support and transition funding.

The monocultural sector comprised of banana production with over 3000 small farmers were expected to graduate quickly to efficient subsectors in agriculture comprised of the remaining efficient banana producers, and efficient producers of all the other agricultural products and produce, that ex-banana farmers would have been expected to enter. This has to be seen against the requirements for tradable sectors in open markets of the early 21st century. The fiscal resources for such an undertaking did not exist.

In respect of other sectors – tourism, other services and manufacturing, the Government not unexpectedly, limited its role to providing a facilitative environment in the hope that the foreign and domestic entrepreneurs would identify and develop opportunities. The establishment of a special office in the State Sector to relate to the private sector was expected to signal the willingness of the Government to foster the growth of the private sector.

9.3 RELIANCE ON INTERNATIONAL PARTNERS

The analysis of the fiscal operations earlier in this report has pointed to the heavy reliance of the Government, over the period, on external support, illustrated in the annual budget. In the absence of a capacity to generate surpluses from the tax system, the Government has been forced to seek funding from donors and through loans for most of the capital expenditure. Thus, much of its development expenditure has been restricted to those programmes that could secure the approval of these external funders.

While some of this funding was earmarked for structural reorganization in agriculture, the conditions for its provision and the timeliness were not conducive to rapid response which would have been a necessary hallmark of a programme designed for banana farmers, whose small scale operations made them reliant on the a regular flow of income from their farm operations. There were enough references in annual budgets to the fact that the programmes could not be implemented because of the non-receipt of funding from the EU and from other sources that were promised.

It should be noted that there tends to be a substantial divide between what donors and lenders deem to be important and what may be critical to borrowing countries. In a recent review of poverty reduction strategies of the World Bank, its own Operations Evaluation Department has noted that while the Bank has improved the focus on poverty, it has given inadequate attention to growth policies:

Most PRSPs to date have not considered the full range of policy actions required for growth and poverty reduction. They focus largely on public expenditures. And within the realm of public expenditures, they pay more attention to health, education, and other social programmes than to the poverty reduction potential of spending in other areas such as infrastructure and rural development.⁹

⁹ The World Bank, *The Poverty Reduction Strategy Initiative: An Independent Evaluation of the World Bank's Support Through 2003*, World Bank, Washington D.C, 2004.

It is unlikely that the Government of St. Lucia would have been permitted the luxury of seeking to apply an industrial policy orientation, having regard to the prevailing ideological bent of the donors.

9.4 MANAGING THE SOCIAL FALL-OUT OF ADJUSTMENT

There has been a major social fall-out from the decline in the key sectors of the economy of St. Lucia. Although it is only since the last census that the country has started collecting quarterly data on unemployment, there is enough evidence to suggest that the high rates recorded predated the data collection initiatives. As banana farmers went out of production, the demand for labour from the sector fell.

Nor was there anything in place to take up the slack. Meanwhile, the decline of manufacturing exports had already hurt Vieux Fort, the location of the earlier expansion of manufacturing industry. The decline of the southern part of the island deepened with the reverses in agriculture. This explains the flight to the north of the island and to such urban concentrations as the Mangue in Vieux Fort and to Faux-a-Chaux, Conway and Wilton's Yard in Castries.

Internal migration has its obverse in external migration. Small numbers went to the neighbouring Caribbean, including to Martinique. St. Lucians would have added to the trek to North America that the entire region has experienced over the last fifty years.

9.5 NEW REWARDS SYSTEM

There has emerged an underground economy as well as an informal sector, as large numbers of workers seek to organize a living. Peddling of marijuana and now of cocaine has become an established activity mainly among young men, while some women have resorted to prostitution. Marijuana production has become an element of 'crop substitution' among sections of the rural community. This underground economy is linked to the regional and international underground economy, that links South America and the North Atlantic through Caribbean transshipment sites, of which St. Lucia is one.

The sector offers high incomes to a few who are undaunted by the risks. It has also contributed to the emergence of violent gangs, some well armed with weapons secured from and for the narcotics trade. To young men trapped in both rural and urban poverty, it represents an opportunity for high material rewards, that can be achieved from being daring, and demotes substantially other avenues for economic mobility founded on effort in the educational system followed by participation in the formal economy.

9.6 THE IMPACT ON THE FAMILY

At the household level, in addition to the estimated poverty among certain groups, the PPA has established that there has been evidence of break-down in the family, of abandonment of children, of children growing up on the streets, of single mothers deserted by their mates and in destitute circumstances, or having to prostitute themselves to find food for their children, of

parent-less families, and generally of an increase in vulnerability among certain groups of children, the elderly, and women.

The phenomenon of women being trapped with having children in the hope of securing support for themselves and children from earlier liaisons is being reinforced by the limitations of the labour market. There is evidence of the three generational household usually of grand-mother as head of household and of dependent daughter and her children on the way to repeating a cycle of poverty. Where grand-children resided with their grand-parent as head of household, they were more likely to be poor.

A segmented labour market generating employment at a slower rate than the increase in labour market entrants consigned many households to poverty, and in particular female headed households. While there was more recent evidence of an improvement in the employment situation, with jobs emerging in construction with the Cricket World Cup preparations and some infrastructure projects, these would hardly impact on the female single-headed households: even if the employment was pro-poor in absorbing unskilled and low level workers, males were the ones securing jobs in this male-dominated sector.

Although there has been the expansion of educational opportunity through universal primary education and approaching universal secondary education, large numbers of children could not derive the full benefits, because of their coming from homes that could not complement the educational process. They could not afford the school books and the establishment of a book rental system at the secondary level had not protected the poorest of students from not having the required texts for their classes. This seriously compromises their educational advancement.

There are attendant problems putting some youth at risk. Notwithstanding initiatives on the part of the Ministry of Labour, which is responsible to youth programmes, there are youth whose needs are not fully served. The society has overcome some of the hurdles in ensuring the continued participation in education of teenage mothers, although the facilities are limited to the Upton Girls Centre, which is very effective, but could accommodate only a small number of girls. Moreover, there are other situations of girls in abusive situations who do not have access to assistance. The facilities for boys in need of care leave a lot to be desired, and existing arrangements may actually lead to stigmatization and to their succumbing to anti-social behaviour.

The sub-cultural norms associated with poverty stricken conditions have created behaviour patterns that were not conducive to good family life and to the inculcation of values positive to the development of the society. Unemployment, underemployment and low income have trapped large sections of the society in poverty and in hopelessness.

The denuding of extended family networks through internal and external migration has led to the abandonment of the elderly in both rural and urban communities and poverty stricken conditions for some of them, including some on state welfare schemes. The rapid decline of banana agriculture has left many an ex-banana farmer without the personal resources to deal

with old age, in spite of the fact that in the hey-day of the industry they might have acquired some of the material comforts of middle income status.

9.7 UNDER-SKILLED WORK-FORCE

In spite of the rapid expansion of educational opportunity, the work-force of St. Lucia is still poorly equipped for the requirements of the knowledge economy of the 21st century. The vast majority do not have educational certificates at the secondary level that are required for building the flexible work-force needed to treat with a changing global economy in which the competitiveness of a country is determined by the human resource stock and its capacity to rise to technological and scientific shifts.

The failure in respect of the banana industry and in developing a farming community that could quickly adapt to new demands of competition is illustrative of the challenge the country faces. Moreover, lacking the skills and knowledge base, the work-force is not immediately attractive to cutting edge firms seeking higher quality labour in the international market and producing for the world.

The country had mounted a few useful initiatives to correct for the deficiency in skills. Adult education had been revamped. However, participation of the target population has been indifferent at best. There is clearly a need to address the psychological orientation of the participants and would-be participants to inculcate a yearning for learning, and a commitment to life-long education and self-upgrading. The one programme that has developed the appropriate strategy is CARE which is limited to a selected group of youth at risk, and is a fee-paying.

9.8 HEALTH

The reach of primary health care has been universal and the vast majority of the population has access to public facilities well distributed across the country. There is a divide in the services and use thereof between the poor and the non-poor. The latter are less likely to use public facilities and, instead to seek the care of private providers. St. Lucia, like other parts of the Commonwealth Caribbean, suffers the problem of emigration of doctors and nurses and this has meant that there is not the requisite personnel in terms of numbers to supply services at the public health care facilities, thus creating long wait for service on the part of the public.

While there is poverty, estimated indigence is low and while there are households, according to the results of the PPA, that claim to have nutrition and eating challenges, there did not seem to be wide-spread problems of under-nutrition among children: there are however pockets of children at risk, especially in some of the rural communities. The poor elderly, and more so those who are not in receipt of public assistance, may be hard-pressed in respect of their securing balanced meals. School feeding does not reach all children in need, and it is non-existent at the secondary level, with the result that there are students of poor homes who go to school hungry.

There remain other problems in the society. There does not seem to be a deep commitment to breast-feeding. While the incidence of communicable diseases has fallen generally, and there seems to be an effective public programme to attack the most recent challenge created by the HIV/AIDS pandemic, chronic disease has been on the increase. Diabetes and hypertension are particularly high, and there seems to be a lack of awareness among the population of the need for change in life styles to combat these diseases. The Government has introduced free drugs to assist those with these chronic diseases, but the preventive measures are not as well publicized.

9.9 HOUSING

The rapid shift that has taken place in the geographic distribution of the population has led to a number of unplanned settlements especially in urban and sub-urban Castries. Some of these settlements have expanded on the hillsides, without regard to the impact of concentrated building on slopes. There have been disasters with the slippage of entire settlements down the slope. Also, the high concentration of population has strained infrastructure of the area, let alone contributing to deplorable housing accommodation and to the attendant social problems.

The Government has responded with a number of initiatives. Assistance is being given to the elderly who have not been able to maintain their homes. Poorer citizens are being assisted with special grants, and the Government has sought to develop programmes for lower and middle income groups. Much of the funding has to come from external sources, which puts Government budgeting in this regard at the mercy of funding agencies. Resources have not been available in terms of the quantum necessary and with the speed of disbursement with the result that it has not been possible to slow the growth of slums.

9.10 COMMUNITY DEVELOPMENT AND SOCIAL WELFARE

There are just a few CBOs and NGOs engaged in community development. Local government is still of the appointive nature. There are a few cases of CBOs which have been very effective in mobilizing local resources. Given the absence of such initiatives as in Canaries, Laborie and Soufriere across the country, much depends on the role of the Community Development Division. While there exists a complement of well-trained staff, there is generally a lack of resources in terms of personnel, finance and other requirements to treat with the problems created by rapid urbanization and social change in the society.

Moreover, the coordination required with agencies responsible for other areas of social and economic life is poor. The type of intervention needed in such communities as the Mangue or Faux a Chaux may be well understood by the Community Development personnel in the Ministry of Social Transformation, but seldom are they involved in the coordination of the other support needed. The challenge of creating hope among those resident of rural communities of Balca or Park Estate who have not joined the rural urban drift, may be different, but requires focused interventions that have not been evident in the provision of community development services.

There exists a formal structure for social protection for citizens who need supportive care by way of public assistance and old age pensions. However, there exist still perspectives that date back to the middle of the last century. There does not seem to have emerged the recognition that in modern society that there are those, who, in addition to the elderly and to persons with serious disability, will not be able to provide for themselves through the labour market. Terms such as 'pauper' and 'poor relief' are in regular usage, with all their earlier connotations, both on the part of the recipients and of some providers.

In the absence of unemployment insurance in a society that has long departed from subsistence systems and in which employment and participation in the monetized economy is the source of all income, high unemployment as has been experienced by St. Lucia is bound to create serious hardship among the population. Thus, the alleviation of poverty in the short-run depends on the capacity of the state to respond speedily to such situations. The fiscal reality of the late 1990s and in the first decade of the 21st century has not allowed the Government to be expansive in this area.

The PRF would have assisted certain specific groups of poor by way of social assistance, but its programmes were not generalized to all those in need. Moreover, the official programme of the Ministry of Health, while receiving increased budgetary allocations, has not been designed to universalize help to all those in need. Thus, there is a waiting list and some number of the vulnerable may spend a considerable period on the waiting list even after assessed as being in need of assistance. In addition, there does not seem to have been a policy position to relate the quantum of assistance directly to a poverty line or to the costs of providing an appropriate basket to the poor, *pari passu* with the increase in the cost of living.

9.11 PERFORMANCE ON THE MDGS

St. Lucia had adopted pro-poor approaches at the official level even before the enunciation of the MDGs. It was the first country in the Eastern Caribbean to seek the assistance of the CDB in the conduct of a poverty assessment exercise. The following table summarises the situation on the basis of data collected from this study, and from other data.

Table 9.1: Millennium Development Goals Performance

Goal 1. Eradicate extreme poverty and hunger	
<p>Target 1 Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day</p>	<p>Indicators Proportion of population below \$1 (1993 PPP) per day; Poverty gap ratio (incidence x depth of poverty); Share of poorest quintile in national consumption</p>
<p>Target 2 Halve, between 1990 and 2015, the proportion of people who suffer from hunger</p>	<p>Indicators Prevalence of underweight children under five years of age; Proportion of population below minimum level of dietary energy consumption</p>
<p>Status: The results of the current poverty study suggest that poverty has increased from 25.1 percent of individuals in 1995 to 28.8 percent in 2005. However, indigence has dropped substantially from 7.1 percent to 1.6 percent of individuals. The indigence line was EC\$3.40 or US\$1.27 per day in 2005. The index of inequality – the Gini coefficient - was estimated to be 0.42 in 2005, lower than the result for the 1995 SLC, 0.5 (the lower the Gini, the lower is the level of inequality); however, while the decline in the Gini was considerable, inequality is still high - the poorest 20% enjoy just 5.7% of the expenditures compared to the almost 50% enjoyed by the richest 20%. The poverty gap and FGT index in 1995 were 8.6 and 4.4 respectively, compared to 9.0 and 4.1 in 2005.</p>	
Goal 2. Achieve universal primary education	
<p>Target 3 Ensure that, by 2015, children everywhere (boys and girls) will be able to complete a full course of primary schooling</p>	<p>Indicators Net enrolment ratio in primary education; Proportion of pupils starting grade 1 who reach grade 5; Literacy rate of 15-24 year-olds</p>
<p>Status: St Lucia has long achieved universal primary education and is well on the way to achieving universal secondary education; by 2006 secondary level places will be offered to 100% of students who sit the common entrance examination.</p>	
Goal 3. Promote gender equality and empower women	
<p>Target 4 Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015</p>	<p>Indicators Ratio of girls to boys in primary, secondary and tertiary education; Share of women in wage employment in the non-agricultural sector; Proportion of seats held by women in national parliament.</p>
<p>Status: The establishment of a Gender Relations Department has significantly influenced the promotion of gender equality in St Lucia; there is evidence of female parliamentarians, and a number of women serve in the upper levels of the teaching and public service.</p>	
Goal 4. Reduce child mortality	
<p>Target 5 Reduce by two thirds, between 1990 and 2015, the under-five mortality rate</p>	<p>Indicators Under-five mortality rate; Infant mortality rate; Proportion of 1 year-old children immunized against measles</p>
<p>Status Widespread immunization programmes have achieved 100% coverage for immunization against measles for some time the UNDP reported 98% coverage as early as 2002. The Survey results suggest similar coverage.</p>	

Table 9.1 (continued)

Goal 5. Improve Maternal health	
<p>Target 6 Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio</p> <p>Status</p>	<p>Indicators Maternal mortality ratio; Proportion of births attended by skilled health personnel</p>
Goal 6. Combat HIV/AIDS, malaria and other diseases	
<p>Target 7 Have halted by 2015 and begun to reverse the spread of HIV/AIDS</p> <p>Target 8 Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases</p> <p>Status Malaria is no longer endemic to St Lucia; all other communicable diseases generally are under control due to widespread infant immunization programmes. However, the prevalence rates of lifestyle diseases are notably high - diabetes, high blood pressure, heart disease, cancer; Information on the prevalence of HIV/AIDS was not forthcoming from the study.</p>	<p>Indicators HIV prevalence among pregnant women aged 15-24 years</p> <p>Indicators Prevalence and death rates associated with malaria; Prevalence Proportion of tuberculosis cases detected and cured under DOTS and death rates associated with tuberculosis;</p>
Goal 7. Ensure environmental sustainability	
<p>Target 9 Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources</p> <p>Target 10 Halve, by 2015, the proportion of people without sustainable access to safe drinking water and sanitation</p> <p>Target 11 By 2020, to have achieved a significant improvement in the lives of slum dwellers</p> <p>Status Reforestation, coastal and marine conservation programmes are being addressed, but resources are limited. In 2002 the UNDP estimated that 98% of the population had access to improved water resources. The survey shows that there are areas that receive intermittent supply on a weekly basis.</p>	<p>Indicators Proportion of land area covered by forest; Ratio of area protected to maintain biological diversity to surface area; Carbon dioxide emissions per capita and consumption of ozone-depleting CFCs</p> <p>Indicators Proportion of population with sustainable access to an improved water source, urban and rural</p> <p>Indicators Proportion of households with access to secure tenure</p>
Goal 8. Develop a global partnership for development	
<p>Targets 12-18: Summary Indicators Official development assistance; Market access; Debt sustainability; Youth unemployment rate; access to affordable essential drugs; telephone lines and cellular subscribers per 100 population; computers in use per 100 population and Internet users per 100 population</p> <p>Status St Lucia is signatory to a number of cooperation agreements. Development Aid Assistance accounts for a significant proportion of its development budget, and is relied on heavily for the expansion of capacity, and for the PSIP.</p>	

9.12 MACRO-POLICY FORMULATION AND ECONOMIC MANAGEMENT

9.12.1 Assumptions and Background

The GOSL is expected, within a parliamentary democracy, to:

- Manage the structural adjustment of the economy as it is transformed into a competitive industrial structure, capable of generating foreign exchange needed for its sustainable development;
 - ensure that the proceeds of growth and development are equitably distributed throughout the country;
 - create surpluses for economic and social infrastructural investment;
 - facilitate a policy environment conducive to private, domestic and foreign investment;
 - ensure an adequate safety-net for the vulnerable;
 - maintain a peaceable industrial relations climate conducive to the fullest participation of the citizenry in the realisation of their potential.

The growth of the economy of St. Lucia in recent years has been modest. The adjustment to the restructuring of the banana industry has been painful. The country lacks the mechanisms for trade adjustment and the enormity of the task of assisting marginal banana farmers to withdraw from bananas and to embrace alternative crops all of which have different technical and infrastructural requirements has stretched the institutional resources of the country. Moreover, because of the fiscal impact of adjustment, the Government has lacked resources generated from internal sources to support the adjustment necessary.

Not only has the cost been large in terms of shrunken output as banana production fell, but alternative agriculture has not kicked in to compensate. Fallen incomes in the rural sector precipitated a flight from the country-side and added to the parts of the country that had remained in economic stagnation. As agricultural exports declined, the country became even more reliant on tourism services. Export-oriented manufacturing based mainly in Vieux Fort failed to revive and what remained of the sector was geared mainly to domestic and sub-regional markets and thus at constant threat from trade liberalization. The attempt to expand into off-shore financial services and gaming was stalled by challenges from OECD countries. There was some success in the diversification of the tourism product with the expansion of events tourism (e.g., the Jazz Festival), and eco-tourism. However, the attempt to increase the participation of chains in the highest end of the market was set back by the withdrawal of the Marriott Group.

Summary Findings

<i>Issue</i>	<i>Agency</i>	<i>Mechanisms</i>	<i>Results/Situational Analyses/Effects</i>
Macro-Economic Management	Central Government, through the Ministry of Finance	Provision of stable policy environment to promote private sector growth in key sectors	<ul style="list-style-type: none"> ▪ Major challenge of trade adjustment for which the society was ill-prepared ▪ Challenging macro-economic conditions, with rise in debt ratios. ▪ Reasonable control of recurrent expenditure and in growth in size of public service. ▪ Some attempt at linkage between tourism and agriculture and supermarkets and agriculture, with organised initiatives with some limited success. ▪ Limited provision by the State for SMEs and in creating opportunity for deepening participation of St. Lucians in expansion of the economy. ▪ Improved relationship between Government and Private Sector.
Macro-Economic Management	Central Government, through the Ministry of Finance	Maintenance of balance between Government Revenue and Government Expenditure.	<ul style="list-style-type: none"> ▪ Government Revenue inadequate in face of expenditure requirements. ▪ Slow change in tax system to sources more elastic in terms of revenue yield in response to increases in income. ▪ Commitment of the Government to the application of the Common External Tariff of CARICOM
		Provision of resources to develop infrastructure and expand productive base.	<ul style="list-style-type: none"> ▪ Some investment undertaken in human resource development. ▪ Heavy reliance on external funding for expansion of infrastructure and other development expenditure, including laying base for agricultural diversification
		Development and maintenance of tax structure to ensure equity without undermining efficiency of tax collection.	<ul style="list-style-type: none"> ▪ Government Revenue heavily dependent on indirect taxes. ▪ Tax structure likely to have inherent inequity.

<i>Issue</i>	<i>Agency</i>	<i>Mechanisms</i>	<i>Results/Situational Analyses/Effects</i>
Promotion of Development & Transformation	Central Government Laborie Foundation Soufriere Development Foundation	Facilitation of key sectors	<ul style="list-style-type: none"> ▪ Non-interventionist stance in respect of banana agriculture and other agriculture on the part of the Government, not necessarily conducive to agricultural transformation and to retention of agriculture as a viable tradable sector. ▪ Expansion and Diversification of Tourism Sector, with events tourism and ecotourism. ▪ Export-oriented light manufacturing and processing effectively wiped out, except for activities geared to domestic and sub-regional market. ▪ New thrust to create presence in off-shore financial and other services slowed by challenge from OECD countries. ▪ Fiscal constraint restricting industrial policy to what could secure donor support ▪ Community organizations identifying production possibilities and fostering initiatives yielding income generating opportunities – linseed in Laborie, and Praslin, tour-guiding in Soufriere, out-door entertainment in Anse-la-Raye

9.12.2 Implications for Policy

The Government has attempted to pursue tight fiscal management in recognition of the fact that its revenue base would not grow quickly under conditions of the slow pace of economic growth as the country undertook trade adjustment. By and large, the Government planned its budget with anticipation of funding for capital from external sources. However, the application for and the reporting requirements on, such funding proved very onerous with the result that substantial allocations expected from the EU were not forthcoming in time to meet the needs of farmers seeking to switch to non-banana agriculture or to undertake other measures required for their upgrading within bananas. Meanwhile, the requirements by way of development funds are substantial and, dwarf the funding capabilities of the Government and the country at the present time.

The Government will need to explore the reorganization of its tax base to allow for more of the development funds to be raised from domestic sources. In other words, it has to improve its tax effort. In the last budget, it was announced that the issue of VAT is a matter for research. There is a special urgency in this regard, since the requirements of the Common External Tariff of CARICOM would result in the reduction of tariffs. VAT could contribute to the tax base, but requires the establishment of a substantial infrastructure in the tax office. In addition there is a host of administrative and political hurdles to resolve in the implementation of a VAT: for

example, compliance of the private sector and the general public cannot be automatically guaranteed. In the short to medium term, the Government may have to continue to rely on the support of the international community in meeting its need for development funds.

The CDB has had a long history of developing funding among the countries of the Commonwealth Caribbean and has developed the institutional capability to afford, perhaps, a more rapid on-lending of funds, and provision of grants than other agencies. It may be useful if it were to play a greater role in the provision of funds to St. Lucia and if it were used as the channel for loans and grants deriving from other sources. It has secured high rating by international rating agencies for its operations, and generally, is well respected among the administrations in the Region, not least by the Government of St. Lucia.

The need for strengthening the existing tradable sector, and, the same time, the pursuit of a strategy for diversification will remain a major imperative. Firstly, the remaining banana industry needs to be shored up with focused and targeted support for the private sector operations and cooperatives, which have replaced the SLBA. In the final analysis, the strategy must be to ensure that even though restored in private sector mode, the services available to banana farmers are effective in ensuring their competitiveness in the international market place. There is need to recognize that the industrial organization comprised of small-scale banana farmers has to be supported in respect of the other stages of production and distribution such that high quality produce arrives at the market place with a cost structure that allows the farmer to remain viable.

There still remains the need for institutional inputs. These relate to the management of the orderly withdrawal of those farmers who are unable to continue, and their transfer to alternative agricultural pursuits. Implicit in this suggestion is the need for another type of institutional arrangement, which would assist in land administration. Land is in relatively short supply in St. Lucia. Agricultural planning has to be premised on coherent land use planning, with rigid application of rules in respect of land use. The matter of the sale, lease or other arrangements for transfer of land has to be facilitated by the State, so that farmers who desire to withdraw can easily dispose of their lands to farmers willing to stay in the industry.

In present market conditions, it is perhaps impractical to allow best lands for the growing of bananas to be allocated to mixed agriculture and vice versa. Moreover, given the topography of the country, the public interest dictates some level of participation of the state in the protection of the land resources of the country for sustainable use by generations to come. While protection of the rights and freedoms of the individual in respect of property has to be respected, there is a major public good component in land use in St. Lucia that would dictate state intervention to prevent erosion and potential degradation of land through improper exploitation.

The diversification of agriculture into a range of non-banana produce requires that there be support effective systems in place, for production, distribution and marketing of such produce. Thus, for every type of produce that farmers are encouraged to adopt, there is need for tech-packs, fully developed and made friendly to farmers such that they can quickly adopt the

necessary production techniques most capable of producing high yields, and at the same time with their being supported with extension services that assist in the control of any pests, diseases or other challenge that are the perennial imponderables in agricultural production.

The promotion of forward linkages to tourism and to the super-market distribution system has been attempted and while there is a lot still to be done, there have been enough examples of success to elevate the approach to a firm strategy to be supported by the Ministry of Agriculture. The high import content of food supplied to the tourism sector and to the super-market industry, has had at least one positive benefit. The standards in fruit and vegetable presentation have been upgraded as the domestic farming community has become more attuned to the needs of the market place. This has complemented what has become standard in the banana market.

The upgrading of the farming community is an important corollary of diversification of agriculture and of the reorganization of banana agriculture for a more competitive market. At the end of the day, a viable agriculture, whether with bananas or with non-banana produce, has the potential to provide employment that is sustainable and can be rewarding to those sections of the population that would prefer to remain in the rural areas of the island. The country cannot ignore such possibilities.

In the area of tourism, the Government has sought to encourage the entrée of the luxury chains in the interest of bench-marking the country as an up-market destination. It has also explored the possibilities offered by eco-tourism. There is need for more aggressive support for domestic small and medium-sized operators. With the appropriate orientation, this can be the basis for niche markets and for the entrée of more St. Lucians into the industry, providing direct employment for themselves and workers in smaller establishments.

Institutional infrastructure by way of regulation and standard setting would be necessary as well as special training, including by the arrangement of study and familiarizing tours abroad for the small scale sector. The efforts of such institutions like the Laborie Development Committee and the Soufriere Development Foundation need to be complemented with appropriate support from the Government. There is evidence that other communities are stirring and developing entertainment with a view to income generation. The efforts of Anse-la-Raye and others in this regard can make a contribution to the entertainment arts as a defining characteristic of the St. Lucia tourism product. Facilitating such activities may prove to be more effective than what has been accomplished with the Special Development Areas Legislation of 1998 which provided fiscal incentives to firms establishing operations in Vieux Fort, Anse-la-Raye, Canaries and North Micoud.

Collaboration with the private sector seems well institutionalized through the Office of Private Sector Relations, and this augurs well for the future. However, there does not seem to exist a well-functioning tripartite framework. The trade union movement does not seem to have a solidary position, possibly the result of internal conflicts. There is need for collaboration and discussions with the social partners as the economy is reorganized to deal with the changing realities.

9.13 MOBILISING RESOURCES FOR DOMESTIC BUSINESSES

9.13.1 Assumptions

- Access to credit allows some of those in lower socio-economic category to create their own means of poverty reduction.
- Availability of credit will afford the opportunity to St. Lucians fuller participation in the productive sector of their country.
- The entry of St. Lucians into key industries requires facilitation, given their lack of preparation.
- Institutions that facilitate the mobilisation of financial resources from among the population can contribute to increasing the supply of capital for productive purposes.

Summary Findings

Issue	Agency	Mechanisms	Results/Situational Analyses/Effects
Mobilisation of Funds and Provision of Credit	<ul style="list-style-type: none"> ▪ NIC ▪ Bank of St. Lucia - Development Bank ▪ SEDU ▪ OPSR ▪ James Belgrave Fund ▪ Youth Enterprise Development Fund ▪ Laborie Credit Union ▪ St. Lucia Workers Credit Union ▪ St. Lucia Farmers Credit Union ▪ Chambers of Commerce 	<ul style="list-style-type: none"> ▪ Mobilisation of Funds through Social Security Programme ▪ Development Loans to businesses ▪ Maintaining portfolio of credit for SMEs ▪ Promoting St. Lucian entrepreneurship in Tourism and other sectors ▪ Loans to SMEs and micro-enterprises 	<ul style="list-style-type: none"> ▪ Limited credit available to St. Lucians from outside banking system. ▪ Banking system not facilitative of private sector involvement of St. Lucians. ▪ Development arm of Bank of St. Lucia being reorganized currently, and too recent to have impacted. ▪ Need for business support systems including training in addition to facilitative credit arrangements. ▪ National Insurance Corporation sensitive to role as catalyst in provision of credit to non-traditional areas through banking system, and prepared to use sensitive but arms-length and market-related approaches to influence the supply of credit to the productive sector. ▪ James Belgrave Fund providing for micro-enterprises ▪ Tax credits to commercial banks lending to agriculture introduced in most recent budget

The Government of St. Lucia has sought to provide an environment facilitative of private sector growth in the reorganization of the economy. There are a number of institutions through which it has sought to impact micro-enterprise development and SMEs. These include the James Belgrave Fund, SEDU, and the Youth Enterprise Development Fund. The attempt to recognize the varying requirements of the population might have led to an expansion in the number of organizations and some degree of overlap. However, the evidence is that the Government has sought to expand the supply of credit to the domestic private sector, in a generalized thrust at development, without necessarily seeking to provide much direction by way of industrial policy. There have been successes by way of business development, but the level of expansion has not been adequate to eradicate the severe structural unemployment that the country has experienced in recent years.

A significant player in the mobilization of resources has been the National Insurance Corporation. In 2003, it was estimated to exercise control of over 15 percent of the money supply in the country. The fundamental working principle is to influence development by providing funds to particular institutions for on-lending to businesses and the general public in such areas as housing, industry, tourism, agriculture, education and employment stimulation. In recent years, it has exercised its influence through such institutions as the Urban Development Corporation and the St. Lucia Housing Authority, the St. Lucia Mortgage Finance Company, NRDF, and the St. Lucia Development Bank. It could be argued that the NIC has helped correct for conservative policies of the domestic banking system, which finances a wide range of consumer credit that contribute to the expansion of imports with far less impact on capacity expansion.

9.13.2 Implications for Policy

While there is much to be argued for eschewing the picking of winners, the Government has to provide some framework for industrial policy and planning that would improve the coherence among the myriad of initiatives being taken in the stimulation of business. This would ensure the efficient use of financial resources, and would assist such an agency like NIC in the better deployment of resources and in areas most likely to contribute to the expansion of the economy. Apart from measures for the diversification of economy beyond agriculture and tourism and within agriculture and tourism, there have been steps to promote off-shore financial services, gaming and information and communications technology. There is clearly need for some greater focus in the promotion of tradable sector growth. This could be addressed in a comprehensive economic development plan: the recently prepared 'Toward an Integrated Economic Development Strategy,' provides a framework that can be adapted in the light of the findings of this poverty assessment exercise.¹⁰

¹⁰This plan focuses on tourism, agriculture, cultural industries, export-oriented manufacturing and information and communication technology as the drivers. There could be little quarrel with this selection, provided the supporting infrastructure of human resource development is premised on considerable flexibility to respond to shifts and changes in international economy.

An untapped source of financial resources is the large St. Lucian community in the metropolitan economy. The development of appropriate instruments by the Eastern Caribbean Central Bank could lead to the mobilization of funds from abroad: creating mechanisms for bringing inshore resources under the control of St. Lucians, but currently lying off-shore, should contribute to development by expanding the resource base and absorbing the unemployed. The ECCB would have to be interstitial in any effort to ‘in-shore’ resources from ‘off-shore’, and will need to be prepared to expand beyond its regulatory functions with selected development initiatives.

9.14 EXPANDING THE SOCIAL INFRASTRUCTURE

9.14.1 Assumptions

- The development of the social infrastructure is a necessary condition for the attainment of economic and social transformation.
- Asset formation by way of expansion of the social infrastructure is long-lived and provides returns.
- A robust social infrastructure provides private and social benefits with both reinforcing the other, and contributing to social integration and social equity.

Summary Findings

Issue	Agency	Mechanisms	Results/Situational Analyses/Effects
Human Resource Development Education and Training	<ul style="list-style-type: none"> ▪ Ministry of Education ▪ CARE 	<ul style="list-style-type: none"> ▪ Provision of Primary and Secondary Education ▪ Post-school education and training ▪ Post-school education and training directed at youth at risk 	<ul style="list-style-type: none"> ▪ Universal primary education, and imminent universal secondary education ▪ Standards in need of upgrading ▪ Some students at secondary level not able to exploit opportunity because of lack of complementary support from the home ▪ Work-force not equipped for demands of 21st century ▪ Existing state-funded programmes not well subscribed and limited in range ▪ Lack of private sector involvement in formal worker upgrading ▪ Need for social marketing to increase <i>yearning for learning</i> in adult population and to inculcate commitment to life-long learning ▪ Socio-psychological requirements of young adult learners with problems, addressed before start of formal training and education

Issue	Agency	Mechanisms	Results/Situational Analyses/Effects
Reduction in incidence of chronic disease	<ul style="list-style-type: none"> ▪ Ministry of Health 	<ul style="list-style-type: none"> ▪ Primary Health Care System 	<ul style="list-style-type: none"> ▪ Rapid increase in such chronic diseases as diabetes and hypertension ▪ Lack of awareness of the population on incidence of the disease and poor observance of dietary and exercise requirements for healthy living ▪ Chronic diseases imposing costs on society ▪ Provision of free medication will slow the debilitating effects of disease among those afflicted ▪ Prevention measures needed by way of focus on behaviour change
HIV/AIDS	<ul style="list-style-type: none"> ▪ Ministry of Health 	<ul style="list-style-type: none"> ▪ Provision of relevant drugs to manage treatment of disease ▪ Public education on living with HIV/AIDS 	<ul style="list-style-type: none"> ▪ Prostitution and unprotected sex contributing to problem ▪ HIV/AIDS Project in Ministry of Health creating eye-catching programmes with a view to encouraging behaviour change.
Housing	<ul style="list-style-type: none"> ▪ Ministry of Housing and PROUD 	<ul style="list-style-type: none"> ▪ Subsidies to housing low income households 	<ul style="list-style-type: none"> ▪ Rapid rural urban drift has led to overcrowding and squatting in certain communities ▪ Social disintegration, and spread of crime and violence and development of sub-culture subversive of main stream values
Community Development	<ul style="list-style-type: none"> ▪ Ministry of Social Transformation ▪ CBOs and NGOs operating across the various settlements in the country 	<ul style="list-style-type: none"> ▪ Community interventions and community development ▪ Coordination of interventions in communities 	<ul style="list-style-type: none"> ▪ Rapid urbanization has created anomie, social decay, decline in morals, breakdown in the family and emergence of subculture inimical to the social integration. ▪ Reasonably well trained complement of staff in Community Development, but lacking the resources for mounting the required initiatives. ▪ There are a few outstanding local initiatives in community development, but most communities lack CBOs capable of mobilizing them to treat with social problems.

9.14.2 Implications for Policy

The Government has spent heavily on education at the primary and secondary levels over the last twenty years. While there has been a general upgrading of the population in terms of the percentage of the work-force that have achieved certain levels of education, the advances have not been as significant as they might have, because of qualitative and other problems that have impacted school and student performance. The focus of investment in education tends to weigh heavily on the side of those currently in the school system. The challenge for St. Lucia is the

upgrading the entire work-force such that it could rise to the requirements of the 21st century in terms of technological and scientific literacy. There is need for culture change to inculcate a commitment to life-long education among the population. The institutional demands for this shift in the structure of human resource development would need to be underpinned by social marketing among the prospective clients among the current work-force which dwarfs in number those who are in the school system.

Social marketing is also an ingredient in the development of programmes to induce behaviour change to arrest the incidence of chronic diseases, as well as the major communicable disease of the age - HIV/AIDS. In inducing behaviour change, both with regard to life long education and to health issues, in addition to the normal public education programmes, the authorities need to copy a page from the more effective strategies in the marketing of consumer goods. The current project in HIV/AIDS seems a step in the right direction in complementing the provision of information to the public.

The provision of housing for lower income groups poses a daunting task for the Government. On the one hand, there is need for effective physical planning in the context of a comprehensive development plan that would seek to ensure a more balanced spread of economic activity across the island. This could contribute to slowing the overly rapid rate of urbanization and concentration and apparent congestion in the Castries area and Gros Islet. The development of new growth poles could be promoted by some level of decentralization of public services. Some of this has happened with secondary schools and health facilities, but there is much more that can be done. A more balanced settlement pattern could be attempted with full amenities for housing estates etc.

Secondly, there is need for an expansion of the programme of slum clearance. Policy and firm action are needed to ensure that relocation programmes are followed according to plans to avoid a repeat of such problems as have been encountered in Conway. The squatter regularization programme and the land titling programme seemed to have been successful: there is a high demand for land. Arrangements for first time owners and land titling demonstrate that, with the appropriate institutional mechanisms, there is considerable funding that can be mobilized from among the people themselves in the provision of this important social good. The mobilization of more funding for home construction may allow the country to sustain the present level of activity in the industry which has been stimulated by the preparations for the Cricket World Cup and by a number of infrastructural projects. Funding for construction in the final analysis ultimately will be determined by the level of dynamism in the economy and by the degree to which the tradable goods and services are yielding the foreign exchange earnings that are the life blood of small open economies.

There is need for a major thrust in Community Development, with the Ministry of Social Transformation engaged in coordinating the contributions of other line Ministries in the provision of support at the community level. It is the Community Development Division that is best placed to determine and differentiate the needs of Des Barras and Bouton from those of the Mangue and Baron's Drive and in the coordination of the necessary interventions on the part of other service providers that would secure much larger gains from working with community

institutions. In many respects, the Community Development Division has the task of assisting other social institutions in the resocialisation of large sections of the society.

9.15 CARE FOR THE VULNERABLE

9.15.1 Assumptions

- The wider the social safety net, the greater the probability that households and individuals will receive necessary protection in the face of poverty or other types of vulnerability

There does exist a formal structure of social services provided by the Central Government. There is also additional support provided by the NIC, which has established a Foundation with the objective of providing financial support to a wide range of organizations and institutions in the country. Through the National Community Foundation, NIC provides funding for social protection of those in need, and mobilizes funding from the domestic private sector. This allows a wide swathe of beneficiaries to receive support across the island.

There are also programmes in place for school feeding at the primary level. A book rental programme has been introduced and provides for exemptions of those who are unable to afford the rental fee. A bursary system also provided support but is being phased out in favour of a better targeted programme for assisting children in need of support as a complement to their attendance at school. There is no school-feeding at the secondary level. Transport is provided to students in some remote villages to permit for their attendance at secondary school. There are programmes for teenage mothers and for youths at risk.

The reach of all of the social protection measures may be wide, but not always in terms of geography and nature of target group. Women abandoned by the fathers of their children often face difficulty in securing support for themselves and their children: this has to be seen in the context of a segmented labour market and much higher unemployment rates for women than for men. In the final analysis, the quantum of resources available has not guaranteed against the deplorable living conditions to which some households in poorer communities have been subjected.

Summary Findings

<i>Issue</i>	<i>Agency</i>	<i>Mechanisms</i>	<i>Results/Situational Analyses/Effects</i>
Children	<ul style="list-style-type: none"> ▪ Ministry of Health ▪ Ministry of Social Transformation ▪ Private Sector 	<ul style="list-style-type: none"> ▪ Day care services ▪ Early Childhood Education ▪ Adoption 	<ul style="list-style-type: none"> ▪ Overlapping between departments in the provision of services. ▪ Adoption regulations recently updated. ▪ Lack of home-work centres and organized activities for non-school hours for children and youth especially in urban areas, creating conditions for delinquency
Persons with Disabilities	<ul style="list-style-type: none"> ▪ Ministry of Social Transformation 	<ul style="list-style-type: none"> ▪ Provision of Assistance 	<ul style="list-style-type: none"> ▪ Much needs to be done to improve sensitivity to the needs of persons with disabilities
Women in Crisis	<ul style="list-style-type: none"> ▪ Crisis Centre 	<ul style="list-style-type: none"> ▪ Temporary care and protection 	<ul style="list-style-type: none"> ▪ Violence against women on the increase
Day-care Services	<ul style="list-style-type: none"> ▪ Early Childhood Development Unit ▪ Private Sector 	<ul style="list-style-type: none"> ▪ Day care and Pre-school 	<ul style="list-style-type: none"> ▪ Early Childhood Development Unit very successful in the running of day care services and in oversight of private institutions involved in day care services ▪ Many children still not accessing programme
School Feeding	<ul style="list-style-type: none"> ▪ Ministry of Education 	<ul style="list-style-type: none"> ▪ Provision of meals to children at selected primary schools. 	<ul style="list-style-type: none"> ▪ Not all children in need in receipt of service.
Youth at risk	<ul style="list-style-type: none"> ▪ Upton Girls Centre ▪ Boys Centre 	<ul style="list-style-type: none"> ▪ Rehabilitation of youths in difficult circumstances 	<ul style="list-style-type: none"> ▪ Boys in custodial care in same institution with boys in need of care
The Elderly	<ul style="list-style-type: none"> ▪ HelpAge ▪ A number of homes for the Elderly 	<ul style="list-style-type: none"> ▪ Care for the elderly 	<ul style="list-style-type: none"> ▪ Increase in number of elderly in need of care posing challenge to present arrangements. ▪ Ageing in the society, the decline in the role of the extended family and the denudation of the family from emigration will increase need for services for the elderly ▪ More institutional care and hospices needed.

9.15.2 Implications for Policy

The country has a range of programmes for social protection. However there is need for coordination having regard to the large numbers in need as a result of the social dislocation that has eventuated from the collapse of income in agriculture and other sectors, and from the rapid urbanization, in turn the result of a flight of large sections of the population in the south of the island to Castries and environs.

With increasing participation of women in the labour market, there is need not only for day care services but as well evening care as many of them have to upgrade their education and training to escape poverty and from dependence on absent fathers. There is also the requirement for home-work centres and structured programmes especially to deal with the non-school time of the school age population, many of whom go unattended on evenings and even in the night.

Acute vulnerability has been evinced among some groups of women, children, the elderly and persons with disabilities. The fiscal limitations suggest the need for community and other forms of support as a supplement to the resources provided by the State.

9.16 SECURITY OF THE INDIVIDUAL

9.16.1 Assumptions

- Personal security is an important ingredient in the quality of life of the citizen
- Any increase in violence and crime in a society detracts from the quality of life

The rule of law, a stable and transparent system in the administration of justice, the equal treatment of all before the law and the protection of the State accorded to all from unfair and illegal treatment are enshrined the Constitution of St. Lucia.

The growth of the international narcotics industry has not left St. Lucia unscathed. The country is targeted as transshipment point for narcotics destined for the North Atlantic. Moreover, the production of marijuana has attracted some, and has much higher returns than the production of bananas and any of the other crops promoted by the Ministry of Agriculture.

With the expansion of the drugs trade, has come the increase in the availability of firearms, and their use both in gang related incidents and in the conduct of armed robberies and other crimes. St. Lucia, like the rest of the Caribbean has had to cope with the return of nationals deported from the United States and other countries, after serving sentences in those countries. Given the absence of any programme for their reintegration into the social life of St. Lucia, a country that some may not even know, having left in their childhood, the deportees fall easy victims to a life of crime.

The incidence of crime, as seen by the victims of crime, is higher in the Castries and Gros Islet areas, based on data collected in the SLC/HBS. The country has also had to deal with the threat of travel advisories, and there have also been crimes against visitors which tarnish the image of the country in its vital tourism sector.

9.16.2 Implications for Policy

The Government has to invest heavily in crime detection and in making the country safe for all citizens, and visitors to the country. The costs of appropriate security are high, but the alternative to the country in terms of lost income from its tourism sector is higher. In addition to improved policing by way of personnel, there is need for modern security systems in the form

of cameras, and real time systems providing information on the movement of vehicles along the main arterial roads and heavily frequented locations. At the same time, the country has to invest in community services to reduce youth delinquency, and on the reform of prisoners, and their rehabilitation into civilian life. The policing of its waters is a necessary condition for arresting the flow of illegal narcotics and guns into the country. Effective policing is an investment. Experience in neighbouring countries demonstrate the long-term damage from the proliferation of illegal fire-arms.

9.17 CONCLUSION

St. Lucia has experienced the travails of adjustment of two of its export sectors. This has created hardship to a population and a country that has had limited experience in trade adjustment. Given the scale of the changes that have been necessary in the banana industry, elimination of marginal producers has created major social dislocation, firstly on rural communities, and with the flight to Castries and environs, excessive concentration and overcrowding, crime, and other forms of social decay.

The interplay of economic and social factors has impacted on the individual, the family, and the community. The observed poverty is one dimension of the economic and social crisis that the country has faced. The statistics generated by the SLC/HBS provide measurable indicators of the problems. Through the PPA, the people have voiced their distress, and the institutional analysis has exposed the weakness of the existing structures in managing major economic and social transformation.

CHAPTER TEN

TOWARDS POVERTY REDUCTION IN ST. LUCIA

The Poverty Assessment of 1995 was conducted apparently just at the start of the period of most precipitous decline in two of its main foreign exchange earners. By the end of the decade, banana exports were 44 per cent in terms of the volume for 1995, and 39 per cent of the value. Clothing exports, a vital sub-sector in light manufacturing having regard to their contribution to the employment of women, were just 22 percent of the level of 1995, at the beginning of the new millennium. For an economy so highly specialised in its exports, the decline of two critical sectors at the same time, triggered an increase in poverty, unemployment and a fall in incomes in the farming community in particular. The economy of St. Lucia was reduced to greater dependence on the volatile tourism sector.

The Government initiated purposeful and targeted interventions mainly through the PRF, which was created as the primary agency for combating poverty, but also through the development of a pro-poor orientation in the range of institutions that deliver service to the community at large. The PRF was a recognisable vehicle for poverty reduction, among international partners, having regard to the assistance secured from the World Bank in its establishment. It was allowed considerable flexibility in responding to requests from a wide array of organisations and institutions that could assist the poor directly, by way of capacity building, and community infrastructure development and, in the provision of basic transfers to deal with specific hardships. The most recent estimates of poverty suggest that the level has risen over the ten year period. However, the level of indigence seems to have fallen appreciably.

In the absence of the initiatives made by PRF over the period, and of a committed pro-poor official policy, the level of poverty might have risen higher. St. Lucia was initiated into trade adjustment without formal institutions for trade adjustment. Moreover, given the need to secure acceptance on the part of the international community for all its major policy measures, there was a strict adherence to market related approaches on the assumption that these would give the signals necessary for the private adjustments that the population, and, in this case, producing entities like firms in manufacturing and banana farmers were required to make to return to income and employment generating activities that could compete in the emerging international community.

The foreign firms in export-oriented manufacturing adjusted by folding operations and redirecting investments to more competitive locations in the circum-Caribbean: this process had already started with the coming into being of NAFTA. The banana farmers whose lands became to marginal to deliver viable income, were largely unable to cope with the transfer to alternative agriculture and while this was attempted, the experience was anything but encouraging of a possibility of returning them to the halcyon days of stable incomes that banana had produced for a few decades. The support mechanisms to manage new export and new production in agriculture might have been established in a formal sense, but hardly took on a role comparable

to what had been exercised by the SLBA and other agencies that underpinned the banana industry.

St Lucia witnessed massive rural-urban flight. Informal activity in the urban areas of the north-west of St. Lucia and occasional formal sector jobs in the emerging sectors around tourism offered greater hope than the surety of declining income in agriculture that could not find ready and attractive markets for its output, or required cycles of planting, reaping and income flows to which farmers were unaccustomed. The depopulation of the country-side and the rise of squatter settlements and crowded tenements in the urban areas generated new social problems or exacerbated those that already existed.

The decline in the moral fabric, the reduction in the influence of the extended family and village in the socialisation process, and the rise of the underground economy based on marijuana, and on the integration of St. Lucia into the transshipment of narcotics by the international cartels in South America, have all accompanied the economic shocks of the mid 1990s. Not only is measured poverty high, but vulnerability estimates suggest that almost half of the population could be vulnerable to economic shocks and could fall into poverty if there is any further precipitous decline in any of the foreign exchange earning sector.

Meanwhile, the GOSL in seeking to exercise fiscal rectitude finds itself strapped for resources. Restructuring its tax structure will take time, and much longer than is dictated by the need for urgent action to create income generating activity that is sustainable in competitive export oriented activities. There has been expectation of support from such sources as the EU in treating with the problems of trade adjustment. However, such access to such resources that are formally committed by the EU involves a long lead time, much beyond the time that could wait farmers faced with plummeting income, or their workers faced with an assured unemployment. A number of critical projects of the GOSL have had to be put on hold for external financing, given that it has not been able to generate adequate revenues for its development needs.

This is the context for redoubling of efforts at poverty reduction and poverty alleviation over the rest of the present decade. The initiatives outlined below represent a minimum programme for the reducing poverty in the short to medium terms. They can be summarised as comprised of five main components:

- 1. The development of the people to be effective participants in the knowledge economy of the 21st century; beneficiation through the human assets;*
- 2. The mobilisation of financial resources from abroad and through the tax system to allow the country greater leverage in pursuing strategies better geared to the participation of nationals and regional entrepreneurship in the development of the place;*
- 3. Coherent and systematic physical planning in the management of the land resources of the country, and consistently with the needs of agriculture, industry, tourism, including eco-tourism and sustainable tourism, and housing: the beneficiation of the land assets, including through state involvement in real estate investment trusts;*
- 4. The development of the safety net to provide social protection where necessary, with clear mechanisms to graduate those whose condition no longer justify protection;*

5. *The reorganization of Community Development to assist in social integration in the light of the challenges of rapid urbanization and rural depopulation.*

The programme is premised on the assumption that the investment in human resources remains the key factor in the escape from poverty for the population of St. Lucia. While this has been recognised and has been accepted as a major recommendation from the poverty assessment of 1995, the challenge that this implies has not been fully addressed in the measures to date.

The maintenance of the effort at expansion of secondary level education and improvement across the education sector generally is a necessary task for the Ministry of Education in respect of the present cohort of students of school going age. However, as necessary is the upgrading of the existing work-force and those of working age who are potential labour force participants. Work-force upgrading through education and training creates a massive clientele. It is their engagement in training and education that will be a major factor in the competitiveness of St. Lucia over the next few years. This lies at the centre stage in the programme of poverty reduction which should be comprised of the following:

- *Investment in the work-force upgrade through education and training utilising user-friendly approaches and with programmes designed to encourage participation and a yearning for learning among those who have already left the regular school system, including with the use of social marketing;*
- *Special provisions to support the educational and training upgrading of mothers, and more so single mothers to improve labour market participation, such provisions to include day-care and evening care services;*
- *Macro-economic adjustment supported by industrial policy, private sector cooperation, and reform of the tax system;*
- *Renewed efforts at agricultural diversification with due recognition to the requirement vis-à-vis support systems, credit, marketing and training of farmers, including ex-banana farmers;*
- *Coordination by the CDB of major donor support to St. Lucia to ensure timeliness in disbursements, especially with regard to trade adjustment initiatives;*
- *Social marketing of wellness to encourage changed behaviours to the management of health and control of incidence of chronic diseases, and of spread of HIV/AIDS;*
- *Development of new nodes of growth through comprehensive physical planning, and with a view to reduce the rate of concentration in the north west of the island;*
- *Upgrading of building codes, including in home construction, in the light of the greater frequency of hurricane and storm episodes in the Caribbean;*
- *Redoubled efforts at squatter regularisation and slum clearance;*
- *Improved services in respect of land titling having regard to the scarcity of land and to the need for coherent arrangements for the promotion of agriculture, tourism and eco-tourism on the island;*
- *Coordination through the Ministry of Social Transformation of the interventions undertaken by other Ministries at the community level and through encouragement of state and civil society collaboration at the community level, to avoid overlap and wasteful use of resources;*
- *Entrepreneurial development with special reference to promoting the involvement of St. Lucians in the expansion of the hotel and guest house plant through exquisite niche and boutique establishments owned and operated by them;*

- *Upgrading of public assistance in keeping with estimates of the costs of living a healthy and decent life;*
- *Empowerment of the people through local government reform; and*
- *Mobilising resources under the control of St. Lucians abroad, through ‘inshoring’ their savings to domestic institutions geared to expand the productive base of the country, that is, ‘inshoring off-shore funds’ of St. Lucians abroad.*

1. BROADLY BASED WORK-FORCE UPGRADING

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Maximise training and upgrading of existing work force	I	<ul style="list-style-type: none"> • Use of secondary school infrastructure on evenings and other facilities to upgrade workers • Close counterparting by nationals of technical and professional persons on work-permits • Institutionalising of training and retraining programmes as normal activities for industrial and service sector development • Use of social marketing to encourage yearning for learning • Development and promotion of use of telecentres and novel approaches driven by ICT applications 	Ensure that workers can graduate to higher level of skills and can make the country attractive as the location for higher income earning activities	Ministry of Education, Adult Education Division, Ministry of Labour, Trade Union Movement, Private Sector and CARE	Better trained workers among the population	Reports of Ministry of Education, Department of Labour.
Employment expansion and income growth	I	Close monitoring of labour requirements of firms	Provide up-to-date labour market information to guide career choice of new entrants and to reorient existing workers to new opportunities	Department of Labour	Compilation of regular information and statistics on absorption of labour by sector, through use of survey information or from key informant data from employers	Reports of Department of Labour

Key: I - Immediate Priority S - Short-term Priority M - Medium-term Priority

2. SPECIAL PROVISIONS TO COMPLEMENT PARTICIPATION OF MOTHERS IN PROGRAMMES AT 1 ABOVE

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Promote training and upgrading of mothers with a view to improve labour market participation in competitive and rewarding employment	S	Provision to women of greater latitude in labour market participation and reduction of gender segmentation	In addition to upgrading this section of the work-force, strengthen the finances of households given the role played by women in it	Ministry of Industry, and Ministry of Education	Expanded number of persons with skills	Reports of Ministry of Industry and Ministry of Education

3. MACRO-ECONOMIC ADJUSTMENT COMPLEMENTED BY INDUSTRIAL POLICY AND TAX REFORM

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Managed adjustment in face of trade changes	I	Application of industrial strategy consistent with sustainable development	<ul style="list-style-type: none"> Flexibility in responding to challenges of the international economy Take greater responsibility for finding own resources 	Collaborative arrangement of Ministries of Finance and Trade and Industry	Expansion based on constant monitoring of competitiveness vis-à-vis the international economy	Reports of Ministry of Finance and of Trade and Industry
Tax reform	I	Increase in resources for infrastructure and social service provision	<ul style="list-style-type: none"> Improve self-reliance 	Ministry of Finance	Better resource provision for economic and social infrastructure	Ministry of Finance

4. AGRICULTURAL RESUSCITATION

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Restore faith in agricultural future	I	Provision of coordinated support system for selected agricultural output	Create employment and income growth, and foreign exchange in niche high value agriculture	Ministry of Agriculture in collaboration with private sector and farmer based organisations	Restoration of vitality in farming communities	Periodic reports of Ministry of Agriculture

5. SOCIAL MARKETING OF WELLNESS

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Improve health status of the population including that of the poor	I	Inculcation of orientation to wellness through social marketing	<ul style="list-style-type: none"> ▪ Behaviour change ▪ Reduce incidence of chronic diseases and spread of HIV/AIDS 	Ministry of Health and Ministry of Social Transformation	Healthier population, improved life expectancy, reduced need for secondary and tertiary care, and improved quality of life	Periodic reports of respective agencies

6. DEVELOPMENT OF NEW NODES OF GROWTH

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Create balanced physical development	I	Exercise of systematic land use planning	Ensure better distribution of resources across island	Department responsible for Physical Planning	Better organised country and better land use, and elimination of excessive concentration and congestion in north west	Annual Reports of Physical Planning Department

7. UPGRADING OF BUILDING CODES

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Provide for better built development	M	Improvement of regulatory framework in building construction, including in home construction	Protect built development to withstand hurricanes	Department responsible for Physical Planning	Better housing and built development and reduced losses from storms and hurricanes	Annual Reports of Physical Planning Department

8. SQUATTER REGULARISATION AND SLUM CLEARANCE

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Reduce unplanned development	I	Phased re-development of areas of mass concentration	Arrest social decay and blight	Department responsible for Physical Planning and Ministry of Housing and PROUD	Better quality accommodation for poorer communities	Annual Reports of Physical Planning Department, Ministry of Housing and PROUD.

9. LAND TITLING

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Provide poorer people with assets	I	Development of user friendly mechanisms to speed administration of land	Ensure easier land administration and transfer of titles	Departments responsible for Crown Lands and Physical Planning	Upgraded landtitling system will afford easier transfer among the population, and allow for consolidation of agricultural land	Annual Reports of Crown Lands Division and Physical Planning Department

10. COORDINATION AND ENHANCEMENT OF COMMUNITY INTERVENTIONS

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Improve community interventions	I	Coordination of approaches of state and non-state agencies in community development	Ensure better distribution of resources across island	Ministry of Social Transformation to coordinate through the Department of Community Development	Better organised services to communities	Annual Reports of Department of Community Development
Resocialisation of communities, and improvement of social capital	M	Inculcation through social marketing and other approaches of responsible behaviours in respect of parenting, and in the socialisation of children	Improve social integration	Ministry of Social Transformation, through Community Development, NGOs, CBOs and FBOs	Communities better equipped to provide quality living and capable of mobilising social capital internally	Annual Reports of Department of Community Development

11. ENTREPRENEURIAL DEVELOPMENT

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Deepen participation of St. Lucians in business life of the country	M	Use of financial resources of the country in building domestic entrepreneurship	Ensure better participation of all in the development of the country, and in the generation of wealth	Ministry of Finance, NIC, Credit Unions and other agencies for administering credit to SMEs, farmers and fishers	Improved equity and reduction in disparity in income and wealth	Annual Reports of Ministry of Finance

12. INSHORING OF OFF-SHORE' RESOURCES HELD BY ST. LUCIANS ABROAD

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Mobilise resources from abroad	M	Development of institutional structures to encourage savings from abroad to be used in development of St. Lucia	Increase the supply of financial resources in the development of the country	Ministry of Finance with agreement of ECCB	Expanded financial resources	Annual Reports of Ministry of Finance

13. STRENGTHEN SOCIAL SAFETY NET

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Improve social safety net	I	Development of coordinated mechanisms to treat with all at-risk groups over the life cycle – children, youth, women and the elderly	Ensure that no sector of the society would fall into chronic poverty because of lack of resources and failure to plan for certain eventualities	Ministry of Health and Ministry of Social Transformation, in association with NGOs, and CBOs	Social Protection for the population in the face of social problems, risks and crises	Annual Reports of the Ministry of Health and Ministry of Social Transformation

14. PROVIDE FOR DISASTER MANAGEMENT

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Improve capacity to manage natural disaster and other episodes	I	Development of coordinated mechanisms to treat with disaster management Provision of public shelters	Protect life and limb in the face of storms and hurricanes	Ministry of National Security, Health and Ministry of Social Transformation,	Protection of the population, and in particular of the poor, living in insecure shelter	Annual Reports of the Ministries of National Security, Health, and Social Transformation

15. STRENGTHEN PUBLIC SECURITY

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Reduce crime	I	Development of sophisticated security systems	Ensure better protection of the population from criminal elements	Ministry of National Security	More secure general public and better quality of life	Annual Reports of the Ministry of National Security

16. IMPLEMENT LOCAL GOVERNMENT REFORM

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Improve governance	I	involvement of local representation in running affairs of communities	Ensure better representation of population in their local affairs	Ministry of Social Transformation	Improved participation of people in their own affairs	Annual Reports of the Ministry of Social Transformation

17. REFORM COMMUNITY DEVELOPMENT

<i>Goal</i>	<i>Time Frame</i>	<i>Strategy</i>	<i>Purpose</i>	<i>Implementing Agency</i>	<i>Output</i>	<i>Methods of Verification & Monitoring</i>
Restructure approach to community development	I	Development of intervention strategies consistent with requirements of urban communities as distinct from rural communities	Ensure community development recognizes differential requirements in urban St. Lucia vis-à-vis its rural communities	Ministry of Social Transformation	Integrated communities in urban and rural areas of the country	Annual Reports of the Ministry of Social Transformation

10.1 CREATING AND SUSTAINING A POVERTY REDUCTION PROCESS IN ST. LUCIA

Poverty reduction, reduced to its most elementary level, consists of measures that equip poorer people with the wherewithal to deal with their own condition, and/or provide them with the sustenance to stay out of poverty for longer or shorter periods by way of transfers. The first type of support, in so far as it builds capacity, is an investment in the poor. The second type may anticipate no real investment, but rather the provision of the quantum of consumption goods and services regarded as socially acceptable.

In the dynamic context of the economy and society of St. Lucia, some groups could be put at risk or fall into poverty as a result of the nature of its integration into the international economy. The banana experience has illustrated the vulnerability that is characteristic of a SIDS. The recommendations generated above attempt to provide a protective shield by the development of a work-force with the level of education and training that could respond to shifts and take early refuge in new initiatives as a sector or industry declines in competitiveness.

But in addition to the wider economic forces that derive from outside, there are the social dynamics and psychological make-up of individuals in households and communities that create the myriad results both below and above the poverty line. The interaction of these with the economic realities that households face in managing in a monetised economy of St. Lucia has resulted in the high rates of poverty witnessed. Poverty reduction therefore has to treat with the management of the macro-economics of constant adjustment and with the factors that impact on individuals, households, and communities that lead some into poverty.

The requirements in treating with poverty, poverty inducing conditions and social disintegration, are varied. On the one hand, there is need for community development that recognizes the decline in the role performed by the extended family and the community and its elders in the rural areas of the country. In the absence of effective community development, violent gangs have the opportunity of providing a sense of meaning to youth in conditions of anomie.

There are episodic factors like natural disaster. There are health risks, some of which lie out of control of the individual, including the incidence of disability. There are gender roles in the society that put women at risk and, indirectly, the children that they may be responsible for at any point in time, having regard to the family structure of the country. Poverty reduction machinery has to be robust and to anticipate a range of risks. Some are more easily predictable, especially in respect of the age cycle.

Babies and children are exposed to certain risks in the first five years of life. The elderly are susceptible to certain diseases with advancing age. Pregnant women likewise can be subject to health risks. Social structures and cultural practices create disadvantages. The present study has demonstrated the risks to women, the elderly, youth and babies and children, in addition to the differently abled. All these need to be anticipated in poverty reduction programmes.

The experience that St. Lucia has built up over the last ten years in running pro-poor programmes equips it for a renewed thrust at poverty reduction in the emerging dispensation. There is need for coordination of the machinery of the state with the other interested actors. On the previous occasion, the NAT that was formed to provide for constant monitoring got disbanded with the reorganisation of Ministries and Departments. It behooves the authorities on this occasion to institutionalise the NAT as part of the required machinery of coordination, evaluation, monitoring and of mobilising action in the face of the dynamic changes in poverty that would engulf one group in one time period and a different group in another. There is also a rich trove of information being generated by the Department of Statistics that would allow the NAT to continue to monitor and conduct research and provide evidence-based analyses on the dynamics of poverty and social conditions among the population.

In the short term, the country would have little recourse but to depend on the international community for assistance, while it reorganises its internal structures to generate income and foreign exchange earnings from which it can exact some of the resources needed for its own continued development as well as for administering to the poor.

It would need to assistance of international partners that are sensitive to the fact that poor banana farmers cannot wait for fifteen months to be supplied with new seed or research results to embark on diversification. In the absence of support, some have succumbed to their own perspectives of crop substitution with marijuana production. The impact of such choices will ultimately lead to problems in St. Lucia itself, but increasingly, these overflow beyond the boundary into the wider international community.